

**Jean Birmingham Council
Chambers, City Hall**
401 South Alamo
Marshall, TX 75670
903-935-4421



Members
Amy Ware, District 4 - Mayor
Risa Jordan-Anderson, District 1
Leo Morris, District 2
Dathaniel Campbell, District 3
Reba Godfrey, District 5
Amanda Abraham, District 6
Micah Fenton, District 7

**PLEASE SILENCE ALL DEVICES
REGULAR CITY COUNCIL MEETING**
**January 23, 2025
6:00 PM**

1. Call to Order and Roll Call

2. Invocation and Pledges

3. Presentations & Proclamations

A. Marshall Depot, Inc. presentation.

4. Citizen Comments

Texas Government Code, Sec. 551.007 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on the agenda the opportunity to do so before or during the body's consideration of the item. The "Citizens Comments" portion of the meeting meets the requirements of this law and is the public's opportunity to speak on any item on the agenda. Those who wish to speak are requested to fill out a public comment form and will have three (3) minutes to speak unless additional time has been requested.

5. Items to be Withdrawn From Consent Agenda

6. Consent Agenda

The items on the Consent Agenda require little or no deliberation by the Council. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations, a copy of which is filed with the minutes of the meeting. A Councilmember may remove items from the Consent Agenda by making such request prior to a motion and vote on the Consent Agenda.

- A. Consider approval of the purchase of rugged tablets and mounts for the Fire Department. (Fire)
- B. Consider approval of the purchase of three Stryker stretchers to replace aging equipment. (Fire)
- C. Consider approval of the minutes from the January 13, 2025 City Council Work Session meeting. (City Secretary)
- D. Consider approval of the minutes from the January 16, 2025 Special-Called Council meeting. (City Secretary)
- E. Consider approval of awarding a Contract for FY2025 Water and Sewer Pipe Supplies. (Public Works)
- F. Consider approval of awarding a Contract for FY2025 Parts and Supplies. (Distribution and Collection Division)

- G. Consider approval of Change orders regarding the WWTP Overflow Pump Installation. (Public Works)
- H. Consider approval of an addendum to the Master Services Agreement with Hilltop Securities providing for enhanced Financial Advising Services. (Finance)
- I. Consider approval of Continuation of Engagement with Pattillo, Brown & Hill, L.L.P. for Annual Audit Services – fiscal year 2024. (Finance)
- J. Consider approval of the November 2024 Financial Statements. (Finance)

7. Consideration of Items Withdrawn From the Consent Agenda

8. Ordinance

- A. **Second Reading O-25-01:** Consider approval of an ordinance granting to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, the right, privilege and franchise to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the public rights-of-way of the City of Marshall, Texas for the transportation, delivery, sale and distribution of natural gas; containing other provisions relating to the foregoing subject; providing for severability and providing an effective date. (City Manager)
- B. **O-25-04** Consider approval of an ordinance amending ordinance O-24-21 Comprehensive Fee Schedule. (Finance & Fire)

9. Resolution

- A. **R-25-02** Consider approval of a resolution accepting a SIB loan from TxDOT. (Public Works)
- B. **R-25-03** Consider approval of a resolution regarding a request for a Certificate of Consistency. (City Manager and Planning & Development)

10. Action Items for City Council Consideration

- A. Consider approval of the contract addendum to award Emergifire, LLC to recover specialized fire response cost recovery services. (Fire)
- B. Consider approval of an amendments to the Personnel Policy and Procedures Manual. (Human Resources)
- C. Consider approval of renewing the City's membership with National League of Cities (NLC). (Councilmembers Jordan-Anderson & Morris)

11. Discussion and Reports for City Council Consideration and Direction

- A. Presentation of an update on Wastewater Treatment Plant and Wastewater Lift Stations. (Public Works)

12. Executive Session

- A. An Executive Session pursuant to the Open Meetings Act, Chapter 551 of the Texas Government Code under Section 551.074 Personnel Matters: Discuss or deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Manager

13. Action Item Following Executive Session

14. Adjournment

Posted: January 17, 2025
2:45 PM
N. Smith

This meeting will be conducted in accordance with the Americans with Disabilities Act. Requests for sign interpretive services will be available with at least 72-hour notice prior to the meeting. To make arrangements for these services, please call the City Secretary's Office at 903-935-4446.



TO: City Council
DATE: January 23, 2025
ITEM #: 3.A
SUBJECT: Marshall Depot, Inc. presentation.

Recommendation for Action:

Executive Summary:

Budget Cost:

Staff Contact:

Attachments: 1. Marshall Depot, Inc. presentation



Marshall Depot, Inc.

September 9, 2024

Terrell Smith
City Manager, City of Marshall

Amy Ware
Mayor, City of Marshall

Members of the Marshall City Council
401 South Alamo
Marshall, Texas 75670

Dear Mr. City Manager, Mayor Ware, and Council Members:

On behalf of the volunteer Marshall Depot Board of Directors, I'm writing to express our appreciation for the support the City of Marshall has given to the Marshall Depot in the past, the funding the City has provided since FY2022, and to urge your continued and increased support for this valuable transportation and economic development asset for our City and community.

During the past two+ years, I have had the pleasure to meet with you, Mr. City Manager, on numerous occasions to discuss the economic and other benefits that the Marshall Depot provides our City and community. Mayor, I have also had the pleasure to speak briefly with you and other City Council members about this.

The benefits from the Depot and Amtrak pertain not only to transportation and economic development, but also to the benefits to tourism, quality of life, education, as well as documenting and continuing Marshall's important railroad history, plus the convenient transportation option that it provides students from our local Wiley University, ETBU, TSTC, and Panola College.

But, the benefit I would like to underscore most strongly to you today is the excellent, positive, and consistent benefit that the Marshall Depot and Amtrak provide to our local economy.

That is, the Marshall Depot is not just a beautiful, restored, historic building at the north end of North Washington, the Marshall Depot Amtrak station is a revenue-generator for our City.

FINANCIAL BENEFITS OF MARSHALL BEING AN AMTRAK CREW CHANGE STOP

For example, Marshall, Texas is one of only 5 cities of 29 city stops that's an Amtrak Crew Change stop on Amtrak's *Texas Eagle* route (which connects Chicago and San Antonio, through Marshall).

The other four cities on the *Texas Eagle* route, which are also Crew Change stops, besides Marshall are: St. Louis, Little Rock, Fort Worth, and San Antonio.

Marshall is very fortunate to be the only small city on the route to be a Crew Change stop and it has been a Crew Change stop for approximately 24 years.

- The consistent financial benefit of the Marshall Depot being a Crew Change stop is that on every single day of the year, six (6) Amtrak employees board and de-board in Marshall and stay overnight in our local Fairfield Inn. That means approximately \$600 (+ tax) is spent every single night of the year in hotel expenditures, which adds up to approximately \$219,000 every year, just for hotel rooms in Marshall for the daily Amtrak crews.
- This does not take into account the funds to our local economy from the purchases that 6 Amtrak employees make at local restaurants, stores, and the van service they take to the Depot each day. This would add up to be, on the conservative side, \$40 x 6 crew members x 365, which adds up to another approximately \$90,000 to the local economy each year.
- This also does not include the **7,233** passengers (*Amtrak 2023 ridership numbers*) who board and de-board every year at the Marshall Depot and the money that those visitors, in the 7,233 ridership, spend while visiting in Marshall.
- Also, this does not include other expenditures that Amtrak makes in Marshall for specific projects. For example, Amtrak carried out substantial painting and repairs to the Marshall Depot during 2023. This construction period lasted approximately 6 months, with their crews staying in Marshall lodging during this time. In FY2025, Amtrak is scheduled to make a \$4 million expansion to the north platform at the Marshall Depot which could bring local sub-contractor jobs etc. to Marshall. More information in this regard, upon request.

ANNUAL COST OF OPERATING THE MARSHALL DEPOT AMTRAK STATION

Another important aspect I want to share is that, as you know, Marshall is one of the few Amtrak stations on the *Texas Eagle* route and in America that is managed and operated by a volunteer Board of Directors, rather than operated and managed by the city the Amtrak station serves (as is the case in Longview, Mineola, Dallas, Fort Worth, and others).

The volunteers on the Marshall Depot Board of Directors are local community members. The volunteer board is charged not only with operating and managing the historic Depot, Amtrak station, and the Texas & Pacific Railway Museum, the volunteer board is also charged with the task of raising the funding needed every year to operate, manage, and provide the daily maintenance and ongoing preservation to the historic Depot and Amtrak stop.

The annual operating cost of the Marshall Depot for FY2023 was **\$60,870.56**.

That annual cost is anticipated to increase this year. One specific increase in expenses in 2024 was to the annual payment for insurance to cover the Marshall Depot. The cost of insurance for the Marshall Depot went from \$12,824 in 2023 to \$17,041 in 2024, for an increase in **\$4,217**.

The other annual utilities and expenses to manage, operate, and maintain the Marshall Depot include electricity, water/sewage, fire and burglar alarm, custodial, elevator, AC system, etc.

Also, these annual costs do not include the ongoing permanent improvements and historic preservation that are needed, in addition to the annual costs.

For example, this year, we have had to pay \$13,000 to repair the Depot roof and related leaks. The work on the roof repair is beginning this month (Sept. 2024) and is anticipated to be completed in October. Plus, the Depot has significant HVAC issues to address, which will also require additional funding.

So, we're very grateful for the \$22,500 that the City of Marshall has provided in the annual budget each year since FY2022, for which the volunteer board advocated. We are also grateful to Harrison County for providing \$5,500 in their annual budget during the same period of time.

Plus, in 2022 and 2023, we had advocated to Amtrak to provide \$1,000 monthly funding for a three-year period of time. That period of time began June 2023 and will extend through May 2026.

So, the funding that the volunteer board has been able to advocate for from the City (\$22,500), the County (\$5,500), and Amtrak (\$12,000) adds up to \$40,000 annually.

This leaves the volunteer board to apply for grants and carry out fundraising drives in the community to pay for the remaining \$21,000 each year to operate and manage the Depot, plus the cost of any repairs, permanent improvements, and ongoing preservation needed on top of the annual expenses.

As I've discussed previously, on behalf of the Depot Board, we're requesting the opportunity to make a presentation to the City Council to share this and other important information about the Depot.

In closing, on behalf of the volunteer Marshall Depot Board of Directors, I again want to thank the City of Marshall for the support and funding that the City has provided the Depot since FY2022 and to urge your continued and increased support for this valuable asset for our City and community.

Best wishes,



Christina Anderson
President, Marshall Depot Board of Directors

Cc: Alex Agnor, Director, Economic Development & Strategic Initiatives
Dawn Jones, Finance Director

The volunteer members of the Marshall Depot Board are: Christina Anderson (President), John Fortune (Vice President), George Leleko (Treasurer), Cindy Leleko (Secretary), Richard Anderson, Scott Barmore, Gordy Beran, Thad Carter, Judy Covey, Grant Grimes, Mary Hendricks, Griff Hubbard, Kristal Jeans, Alan Loudermilk, Dana Morton, Joy Spencer Smith, Daryl Ware, and Eddy Young.



September 11, 2024

Christina Anderson
Board Chairperson
Marshall Depot, Inc.
800 North Washington Street
Marshall, Texas 75670

RE: Amtrak Expenditures at the Marshall Rail Station

Dear Ms. Anderson:

National Railroad Passenger Corporation ("Amtrak") is proud to provide passenger rail service to Marshall, Texas one of more than five hundred Amtrak communities across the country and is committed to ensuring that rail stations it serves are meeting Amtrak's standards of operation and customer service standards. As you know, Marshall Depot Inc. ("MDI") leases the Station from Missouri Pacific Railroad Company/Union Pacific Railroad and has responsibility for the Station under that lease.

Amtrak understands that Marshall Depot, Inc. has looked to the City of Marshall for assistance in the operation of the Station. As part of your organization's fundraising efforts, you would like to present to the City the amount of capital that Amtrak has invested into the station in recent years. Please see Table 1 below that delineates the amount of reinvestment into station utilizing federal Americans with Disabilities Act (ADA) and State of Good Repair (SOGR) funds that Amtrak has expended at the Marshall Station for the betterment of our passengers and the Marshall community.

ADA projects that were completed at the Marshall Station include a new elevator, sidewalk reconstruction, ticket counter and restroom renovation. SOGR funded projects include repaving of the parking lot, parking lot striping, new signage, painting of the lobby, ticket office and pedestrian tunnel, a lighting upgrade another restroom renovation. In addition, Amtrak has allocated \$4 million dollars in ADA funds for the design and reconstruction of the passenger boarding platform in FY '25. In total, Amtrak will have spent over \$8.1 million dollars in ADA and SOGR funds at the Marshall Station since FY '15.

Table 1

Fiscal Year	ADA	SOGR
2015	\$298,322	N/A
2016	\$316,982	N/A
2017	\$1,380,824	N/A
2018	\$1,566,939	N/A
2019	\$115,079	N/A
2023	N/A	\$77,609
2024	N/A	\$420,004
2025	\$4,000,000	\$497,613
TOTAL	\$7,678,146	\$497,613

If you have any questions or concerns, please don't hesitate to contact me at (215)349-3592 or via email at terrance.hancock@amtrak.com. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Terrance Hancock".

Terrance Hancock, AICP
Senior Real Estate Development Manager

cc: Ms. Alexandra Curtis, District Manager, Amtrak
Mr. Todd Stennis, Director of Government Affairs, Amtrak



DID YOU KNOW?



Important Facts about the Marshall Depot

DID YOU KNOW...that, of the approximately 20,000 cities in America, only about 525 are fortunate to have an Amtrak stop and Marshall, Texas is one of those fortunate cities?

DID YOU KNOW...that Marshall is also fortunate to be one of the few stops on the *Texas Eagle* route that is an Amtrak crew change stop? This means that not only do tourists and visitors spend dollars when they travel here via train, but the six (6) Amtrak crew members who stay in Marshall each night provide "heads on beds" in a local hotel. They also spend dollars at local restaurants, stores, and with a local van service.

DID YOU KNOW...that Amtrak having six crew members staying overnight in Marshall every day of the year adds up to more than 2,100 hotel stays annually, not including visitors and tourists? Also, over the past 20 years of Amtrak having six crew members staying overnight in Marshall, the total revenue to our local economy from Amtrak's spending for these crews has been approximately \$4.3 million.

DID YOU KNOW... that the Marshall Depot is one of only a few depots on the *Texas Eagle* route that is not maintained and operated by the city it serves? The Marshall Depot is instead maintained by a volunteer board of directors for the non-profit entity Marshall Depot Inc, which was established in 1990 to assist the City with the Depot. This volunteer board raises funds, through grants from foundations and donations from individuals, to maintain the funding needed each year for the operational costs, insurance, maintenance, and ongoing preservation of the Depot and the Texas & Pacific Railway Museum. The Marshall Depot Board is very grateful to the City of Marshall for providing funding to the Depot in 2021 and 2022 and we thank Harrison County for increasing the amount of funding in 2021 and 2022.

DID YOU KNOW...that the Marshall Depot and T&P Railway Museum provide excellent educational opportunities for students from school districts throughout Harrison County, as well as Marion County, Gregg County, and Smith County?

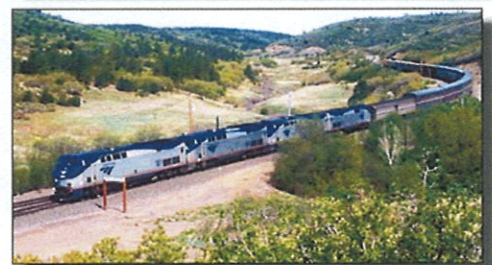
DID YOU KNOW...that, in 2019, Union Pacific selected Marshall as one of the cities in which UP's Big Boy steam locomotive No. 4014 would be displayed overnight, as part of its nationwide tour to commemorate the Transcontinental Railroad's 150th anniversary? Thousands of community members, visitors, and students from throughout our Ark-La-Tex region visited Marshall to view the display and watch this historic steam train arrive and depart.

DID YOU KNOW...that the Marshall Depot is considered by many as "one of the most beautiful small depots in America?"

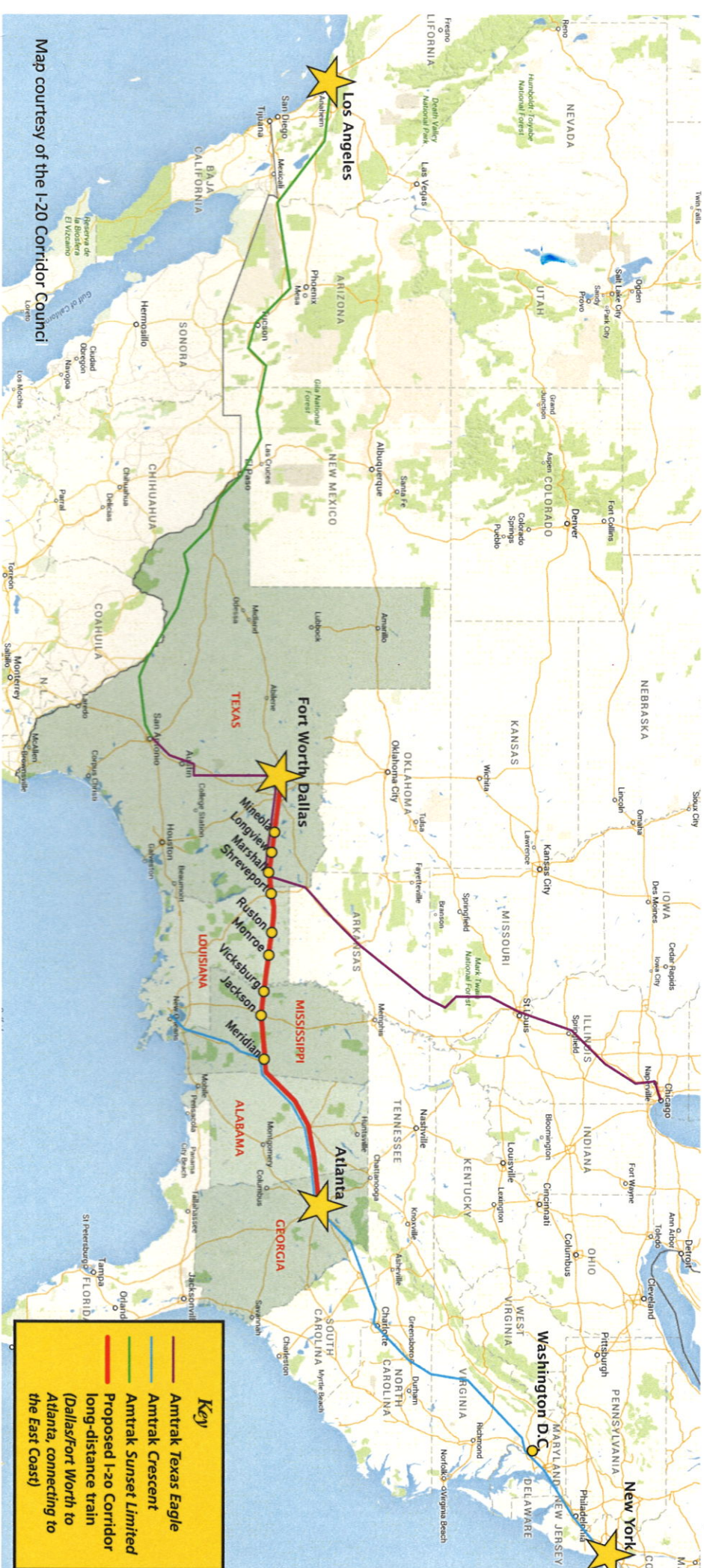
DID YOU KNOW...that a dedicated group of hard-working, community-minded volunteers and civic organizations collaborated with the City of Marshall in the 1990s to assist with the efforts not only to save the *Texas Eagle* train from being discontinued, but also to raise the funding needed to save and renovate the Marshall Depot?

*We continue to thank all who contributed to those efforts in the past.
The historic Marshall Depot is a cherished, revenue-generating asset and beautiful,
renovated landmark which greatly benefits our city and citizens!*

**Thank you very much for your support and
thank you for helping to keep the Marshall Depot strong into the future!**



I-20 Corridor Intercity Passenger Rail Service

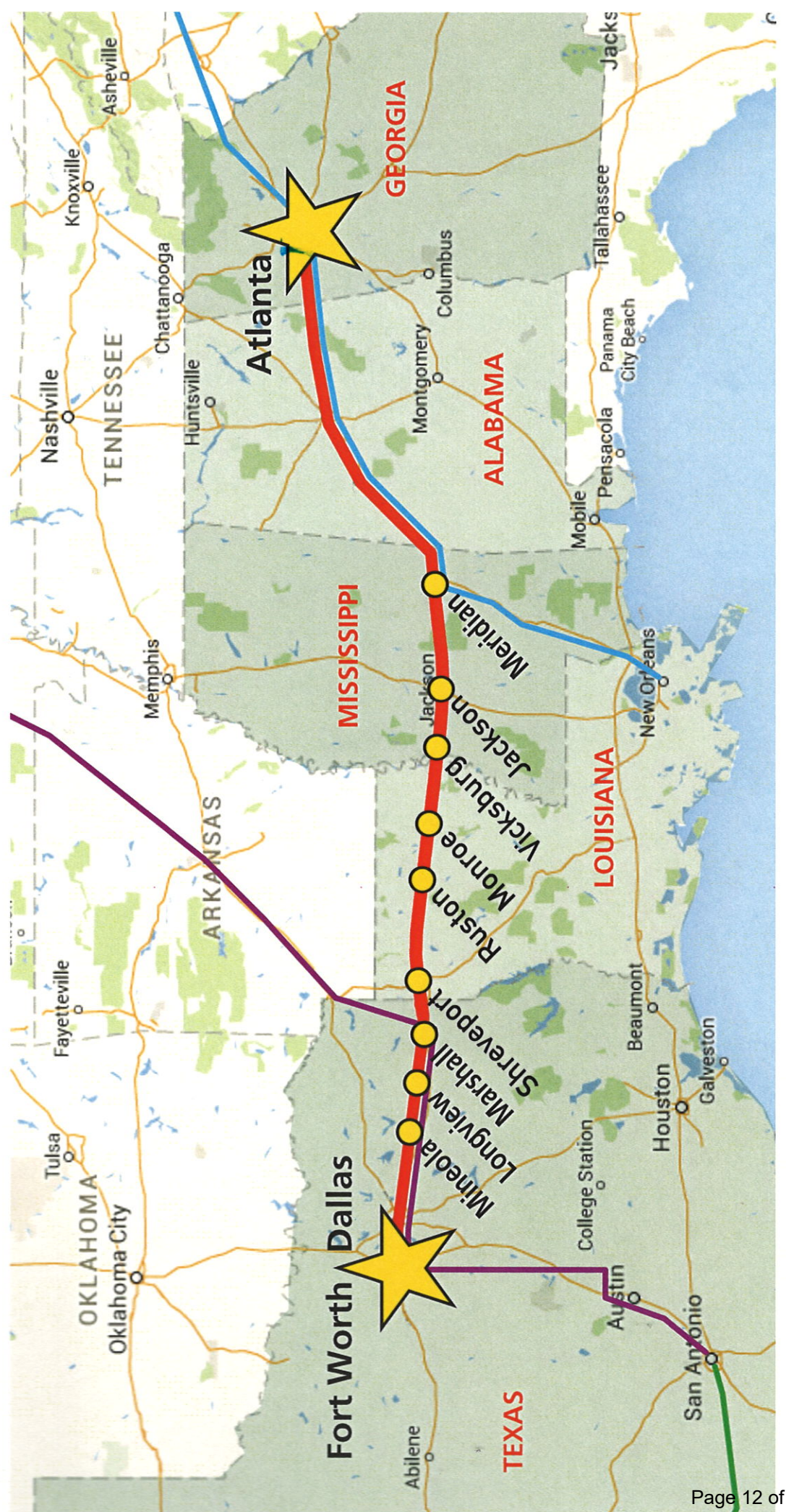


Deep appreciation from Marshall, Texas and Harrison County!



...and Happy President Whited Day!

I-20 Corridor Intercity Passenger Rail Service





TO: City Council
DATE: January 23, 2025
ITEM #: 6.A
SUBJECT: Consider approval of the purchase of rugged tablets and mounts for the Fire Department. (Fire)

Recommendation for Action: Purchase the rugged tablets and mounts for the Fire Department

Executive Summary: The Fire Department is requesting approval for the purchase of ruggedized mobile computing equipment for our fire and EMS apparatus, totaling \$66,879.12. This acquisition will significantly enhance our operational capabilities and emergency response effectiveness. This purchase does not reflect the cost of the installation of the mounts in the vehicles. That service will be performed locally by Faith Communications at an additional cost of \$3,120.00 dollars. The total cost of the project is \$69,999.12.

Equipment Package:

- 9 Panasonic TOUGHBOOK CF-33 Tablets with keyboards (\$38,207.70)
 - Military-grade ruggedized design
 - 12" touchscreen with glove compatibility
 - Built-in GPS and 4G connectivity
 - 5-year accidental damage protection included
- 12 Vehicle Docking Stations (\$14,280.00)
- Vehicle Mounting Systems for:
 - 6 Ambulances (\$2,802.00)
 - 2 Command Vehicles (\$934.00)
 - 4 Engine Companies (\$1,872.00)
- Protective Power Management Systems
- Shipping (\$1,592.42)

Key Benefits:

1. Enhanced Emergency Response
 - Real-time access to dispatch information
 - GPS navigation and routing
 - Access to pre-incident plans and hazmat data
2. Improved Documentation
 - On-scene patient care reporting
 - Incident documentation
 - Real-time resource management
3. Durability and Reliability
 - Military-grade construction
 - 5-year warranty coverage
 - Purpose-built for emergency services

The quoted price for the tablets and mounts reflects state contract pricing through DIR-CPO-

5225, ensuring competitive pricing. The vendor, Rugged Depot, offers Net 30 payment terms, and the quote is valid until February 28, 2025.

This investment will modernize our emergency response capabilities and align with industry best practices for mobile data computing in public safety. We recommend proceeding with this purchase to enhance our operational effectiveness and emergency response capabilities.

Budget Cost: The total cost of this project is \$69,999.12 dollars. This is not a FY25 budgeted item specifically, but will be paid from the EMS-ESD fund (82) out of the Improvements - Data Processing account (82-0420-04-36).

Staff Contact: David Rainwater, Fire Chief

Attachments: None



TO: City Council
DATE: January 23, 2025
ITEM #: 6.B
SUBJECT: Consider approval of the purchase of three Stryker stretchers to replace aging equipment. (Fire)

Recommendation for Action: Approve the purchase of the stretchers

Executive Summary: We are requesting approval for the purchase of three Stryker ambulance stretchers through a five-year financing agreement totaling \$132,304.20, with annual payments of \$30,236.99. This acquisition is critical for maintaining our emergency medical service capabilities and workforce safety.

Justification:

1. Equipment Lifecycle Management
 - Current front-line stretchers are 7 years old (at manufacturer-suggested end-of-life)
 - Four reserve units are 10+ years old and no longer eligible for service plans
 - Systematic replacement needed to maintain reliable patient care equipment
2. Strategic Alignment
 - Directly supports City's Strategic Outcome Areas:
 - Safe Community - Enhanced patient care capabilities
 - Outstanding City Workforce - Improved provider safety
3. Financial Structure
 - No down payment required
 - 5 annual payments of \$30,236.99
 - Includes comprehensive 4-year service plan
 - No interim rent or documentation fees
 - Net 30 payment terms following installation
4. Operational Impact
 - Current front-line units will be moved to reserve status
 - Maintains consistent service capabilities across all ambulances
 - Reduces maintenance costs and potential for equipment failure

The proposed financing through Stryker's Flex Financial division offers favorable terms and includes installation, training, and service coverage. The quote is valid through January 31, 2025, and requires approval to proceed with documentation and credit review.

This investment will ensure our EMS personnel have reliable, serviceable equipment for patient care while managing the city's financial resources responsibly through structured financing.

Budget Cost: This is a five-year financing agreement totaling \$132,304.20, with annual payments of \$30,236.99. It is a planned replacement that will be paid from the EMS-ESD fund (82) from account 82-0420-04-36 Improvements—Data Processing.

Staff Contact: David Rainwater, Fire Chief

Attachments: 1. _Marshall FD - Savvik Flex - 01.02.25 updated (2)



01/02/2025

MARSHALL FIRE DEPT
601 S GROVE ST
MARSHALL, Texas 75670

Equipment:

See proposal for detailed equipment descriptions and pricing.

Finance structure:

Conditional Sale

Payment terms:

	5 annual payments
Proposal total	\$132,304.20
Total payment	\$30,236.99

Payments are exclusive of all applicable taxes and freight unless otherwise noted.

Contract commencement:

Upon delivery, installation, and acceptance.

Transfer of title:

At contract commencement.

Down payment:

No down payment required.

First payment due:

Net 30 following installation.

Interim rent:

Stryker does not charge interim rent.

Documentation fees:

Stryker does not charge documentation fees.

Payment adjustment:

The payments quoted herein were calculated based, in part, on an interest rate equivalent as quoted on Bloomberg under the SOFR Swap Rate that would have a repayment term equivalent to the initial term (or an interpolated rate if a like-term is not available) as reasonably determined by Stryker's Flex Financial division. Flex Financial reserves the right to adjust the payments prior to contract commencement to maintain current economics of this proposed transaction. "SOFR" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on the Federal Reserve Bank of New York's Website as quoted by Bloomberg.

Deal consummation:

This proposal is subject to final credit, pricing, and documentation approval. Legal documents must be signed before your equipment can be delivered.

Please note that this proposal is subject to change if documents are not signed prior to 01/31/2025.



TO: City Council
DATE: January 23, 2025
ITEM #: 6.C
SUBJECT: Consider approval of the minutes from the January 13, 2025 City Council Work Session meeting. (City Secretary)

Recommendation for Action: Consider approval of the minutes from the January 13, 2025 City Council Work Session meeting.

Executive Summary: Minutes from the January 13, 2025 City Council Work Session meeting.

Budget Cost: N/A

Staff Contact: Nikki Smith, City Secretary

Attachments: 1. 1-13-2025 Minutes

Marshall Fire Department
601 S Grove
Marshall, TX 75670

903-935-4421



Members
Amy Ware, District 4 - Mayor
Risa Jordan-Anderson, District 1
Leo Morris, District 2
Dathaniel Campbell, District 3
Reba Godfrey, District 5
Amanda Abraham, District 6
Micah Fenton, District 7

MINUTES
SPECIAL-CALLED CITY COUNCIL MEETING
January 13, 2025
12:00 PM

1. Call to Order and Roll Call

Mayor Amy Ware called the Regular meeting to order in the Council Chambers, City Hall at 12:00 PM.

PRESENT:

Mayor and Council Members:

Mayor Amy Ware
Councilmember Leo Morris
Councilmember Reba Godfrey
Councilmember Amanda Abraham
Councilmember Dathaniel Campbell
Councilmember Risa Jordan-Anderson

ABESNT: Councilmember Fenton **Motion to excuse: Councilmember Godfrey**
Second: Councilmember Morris Vote: 6:0

2. Invocation and Pledges

3. Citizen Comments

Texas Government Code, Sec. 551.007 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on the agenda the opportunity to do so before or during the body's consideration of the item. The "Citizens Comments" portion of the meeting meets the requirements of this law and is the public's opportunity to speak on any item on the agenda. Those who wish to speak are requested to fill out a public comment form and will have three (3) minutes to speak unless additional time has been requested.

There were no citizen comments.

4. Ordinance

- A. Consider approval of an ordinance creating the position of Assistant City Manager, providing a job summary, a job scope, the principal duties and responsibilities of the Assistant City Manager, a method of compensation, and setting an effective date.

Melissa Vossmer, Interim City Manager, stated this ordinance is being requested to create better organizational efficiency for the City. The Assistant City Manager will not be a stand alone position as there is not funding available to support this, but will have additional responsibilities added to one of the current directors. This also provides for growth for the directors and would allow the City to have someone in place to keep the organization operating if the City Manager spot became vacant.

Councilmembers discussed the compensation plan, residency qualifications, and timeframe of adding the responsibilities to the director selected for the Assistant City Manager position.

Councilmember Abraham made a motion to approve an ordinance creating the position of Assistant City Manager with Section 2-14(b) tidied up and adding Section 2-14(d) Residency. The Assistant City Manager shall reside within the boundaries of the Marshall Independent School District. Councilmember Godfrey seconded the motion, which passed by the following vote:

**Ayes:4 Mayor Ware, Councilmembers Abraham, Godfrey, and Campbell
Nays:2 Councilmembers Jordan-Anderson, and Morris**

- B. Consider approval of an ordinance updating/modifying the position of City Secretary, providing a job summary, essential functions, the principal duties and responsibilities, desired knowledge and skills, minimum requirements, and providing an effective date. Melissa Vossmer stated this item was brought to council as part of the reorganization efforts.

Nikki Smith, City Secretary, stated the accomplishments within the department and goals for Records Management.

Councilmembers discussed the ordinance and asked questions regarding content, such as entering of timesheets and the educational requirements.

Councilmember Godfrey made a motion to approve an ordinance updating/modifying the position of City Secretary. Councilmember Jordan-Anderson seconded the motion, which passed by a vote of 6:0.

5. Discussion of Work Session Topics

- A. Discussion and direction to Staff regarding Proposed Work Plan Priorities. Council engaged in discussion regarding their work plan and prioritizing efforts to address the strategic initiatives for the long term vision for the City of Marshall.
- B. Review and discussion regarding City Council Policies. Council engaged in discussion regarding current Council policies and other documents.

A Council Travel Policy Committee was created to review the current travel policy and bring recommendations to Council at a later time.

- C. Presentation regarding Planning and Zoning processes and the role of the City Council.

Mark Priestner, Hallf, presented information regarding the Planning and Zoning process, legal requirements, and the role Council plays.

Council members asked questions of Mr. Priestner regarding various details of the Planning & Zoning process.

6. Adjournment

Councilmember Godfrey made a motion to adjourn. Councilmember Abraham seconded the motion, which passed by a vote of 6:0.

APPROVED:

Mayor of the City Council
of the City of Marshall, Texas

ATTEST:

City Secretary



TO: City Council
DATE: January 23, 2025
ITEM #: 6.D
SUBJECT: Consider approval of the minutes from the January 16, 2025 Special-Called Council meeting. (City Secretary)

Recommendation for Action: Consider approval of the minutes from the January 16, 2025 Special-Called Council meeting.

Executive Summary: Minutes from the January 16, 2025 Special-Called Council meeting.

Budget Cost: N/A

Staff Contact: Nikki Smith, City Secretary

Attachments: 1. 1-16-2025 Minutes

**Jean Birmingham Council
Chambers, City Hall**
401 South Alamo
Marshall, TX 75670
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Members
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MINUTES
PLEASE SILENCE ALL DEVICES
SPECIAL-CALLED CITY COUNCIL MEETING
January 16, 2025
6:00 PM

1. Call to Order and Roll Call

Mayor Amy Ware called the Regular meeting to order in the Council Chambers, City Hall at 06:00 PM.

PRESENT:

Mayor and Council Members:

Mayor Amy Ware
Councilmember Leo Morris
Councilmember Reba Godfrey
Councilmember Amanda Abraham
Councilmember Micah Fenton
Councilmember Dathaniel Campbell
Councilmember Risa Jordan-Anderson

ADMINISTRATIVE STAFF PRESENT:

Melissa Vossmer, Interim City Manager	David Rainwater, Fire Chief
Cliff Carruth, Police Chief	Dawn Jones, Finance Director
Eric Powell, Public Works Director	Scott Rectenwald, City Attorney
Christol Hall, HR/Civil Service Director	
Randy Pritchard, Support Services Director	
Nikki Smith, City Secretary/Payroll Accountant	
Reggie Cooper, Planning & Development Director	
Marina Garcia-Heredia, Parks & Recreation Director	
Anna Lane, Community & Neighborhood Services Director	
Alex Agnor, Economic Development & Strategic Initiatives Director	

2. Invocation and Pledges

Mayor Ware

3. Presentations & Proclamations

A. Presentation of the 2025 National Human Trafficking Prevention Month Proclamation.

Mayor Ware read the proclamation declaring January 2025 as National Human Trafficking Prevention Month and presented it to representatives of the Women's Center of East Texas.

B. **Presentation of the Employee of the Month - January (Employee Engagement Committee)**

Kristina Hamilton, Employee Engagement Committee, introduced the Employee of the Month for January, Lacy Burson, Main Street. Marshall Mercantile was the sponsor for January 2025. Lacy Burson thanked everyone for recognizing her as employee of the month.

4. Citizen Comments

Texas Government Code, Sec. 551.007 requires that a governmental body must allow each member of the public who desires to address the body regarding an item on the agenda the opportunity to do so before or during the body's consideration of the item. The "Citizens Comments" portion of the meeting meets the requirements of this law and is the public's opportunity to speak on any item on the agenda. Those who wish to speak are requested to fill out a public comment form and will have three (3) minutes to speak unless additional time has been requested.

There were no citizen comments.

5. Items to be Withdrawn From Consent Agenda

Item C was withdrawn from the Consent Agenda.

6. Consent Agenda

The items on the Consent Agenda require little or no deliberation by the Council. Approval of the Consent Agenda authorizes the City Manager or his designee to proceed with conclusion of each in accordance with staff recommendations, a copy of which is filed with the minutes of the meeting. A Councilmember may remove items from the Consent Agenda by making such request prior to a motion and vote on the Consent Agenda.

Councilmember Fenton made a motion to approve the Consent Agenda.

Councilmember Campbell seconded the motion, which passed by a vote of 7:0.

A. Consider approval of the minutes from the December 12, 2024 Regular Council meeting. (City Secretary)

B. **R-25-01** Consider approval of a resolution designating an official newspaper for the City of Marshall for fiscal year 2025. (City Secretary)

7. Consideration of Items Withdrawn From the Consent Agenda

C. Consider approval of a lease with American Tower Corporation. (Support Services)
Councilmember Godfrey made a motion to table a lease with American Tower Corporation. Councilmember Abraham seconded the motion, which passed by a vote of 7:0.

8. Ordinance

- A. **O-25-01** Consider approval of an ordinance granting to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, the right, privilege and franchise to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the public rights-of-way of the City of Marshall, Texas for the transportation, delivery, sale and distribution of natural gas; containing other provisions relating to the foregoing subject; providing for severability and providing an effective date. (City Manager)

Melissa Vossmer, Interim City Manager, provided information regarding the history of CenterPoint and emphasized this ordinance is not regarding rates. Melissa Vossmer stated Staff worked with CenterPoint and were able to update the ordinance to include revised language to require a Professional Engineer stamp, the notice of termination was changed from 60 days to 30 days, interest on late payments revised from 3% to 6%, an increase from 2.5% on gross receipts to 4% and the City maintains control of our Right-of-Ways, and if we need lines moved CenterPoint will do this for us. Melissa Vossmer provided projected revenue increases based on the scenarios of the interest amount. Scott Rectenwald, City Attorney, stated this franchise agreement is consistent with other cities in our area.

9. Resolution

- A. Presentation of an update on the I369 and SL390 Utility Relocation Project FY2025 and consider approval of a resolution (**R-25-02**) accepting a SIB loan from TxDOT. (Public Works)

Eric Powell, Public Works Director, provided information regarding the timeframe for the project and stated the SIB loan was approved for \$16 million. Eric Powell stated he has not received final information to go forward with resolution and asked council to table the item at this time.

Council members asked questions regarding this item.

Councilmember Abraham made a motion to table the resolution (R-25-02) accepting a SIB loan from TxDOT until the January 23rd meeting. Councilmember Godfrey seconded the motion, which passed by a vote of 7:0.

- B. **R-25-03** Consider approval of a resolution regarding a request for a Certificate of Consistency. (City Manager and Planning & Development)

Melissa Vossmer stated current staff is unfamiliar with this process and there are no policies or guidelines in place. Staff is researching the process for this type of application and gathering additional information from the applicant regarding this project. Melissa Vossmer stated staff is not comfortable, at this time, in making a recommendation on this item and requested Council to table the item until more information can be obtained.

Councilwoman Abraham stated the Council will need all the information final before signing the Certificate of Consistency to avoid committing a false statement.

Councilmember Fenton made a motion to table R-25-03 a resolution regarding a request for a Certificate of Consistency until the January 23rd meeting. Councilmember Abraham seconded the motion, which passed by a vote of 7:0.

10. Action Items for City Council Consideration

11. Discussion and Reports for City Council Consideration and Direction

- A. Presentation of an overview of the Street Sweeping Program. (Public Works)
Eric Powell provided overview of Street Sweeping Program. Eric Powell stated the current street sweeper is several years old and requires the operator to have a CDL license. Current staff only has two members who have the required license. The department is looking into training the other staff to obtain their license to operate the equipment. Obtaining additional equipment that doesn't require a CDL so all staff would be able to operate the equipment is being researched.

Council members engaged in discussion regarding this item.

Various efforts to increase street sweeping were discussed such as, changing or flexing hours of employees, have employees work overtime, and utilizing inmate labor. The process of selection of which streets to sweep was discussed. Eric Powell stated the goal is to sweep every street once or twice a year and the department is looking into ways to expand the program.

- B. Reports regarding an update on Raw Water Intake and Water Production. (Public Works)
Cory Owen, Assistant Director of Public Works, provided an update on the Water Supply System. The system is currently operating at 30%-35% capacity, only two pumps are operating, many valves need to be replaced, the generator needs to be upgraded or replaced, and the building is in need of many upgrades. Cory Owen stated the cost of the intake upgrades would be \$535,000, the pump replacement package would be \$840,000 per pump, the generator replacement package would be \$625,000, and the building improvements would be \$150,000.

A discussion was held regarding the process to go about needed replacements and repairs and what sequence to go about obtaining the goal of having four new pumps in place and funding for the repairs, replacements, and maintenance.

Cory Owen provided information regarding Caddo Jr. and the transmission lines. The current level of operation is 65%-75% capacity, the reservoir needs to be dredged, landscaping and vegetation needs to be cleared and the transmission lines need to be replaced. Cory Owen stated the cost of dredging would be up to \$1,035,000, the landscaping and vegetation management would be \$100,000, and the transmission line replacements would be \$10,000,000.

Cory Owen provided information regarding the needed updates and upgrades for the Water Treatment Plant. The system is currently operating at 50%-55% capacity, 2 of the 8 backwashing filters are not working, the 2 clarifiers need mechanical upgrades, the splitter box needs to be repaired, the ammonia gas lines need to be relocated, the two 3 million gallon clear wells need to be repaired, and the high-service pump station has 4 out of 8 pumps not working and the generator needs to be replaced. Cory Owen stated the cost of the backwash filters would be up to \$4,800,000, the clarifiers would be \$6,600,000, the splitter box would be \$200,000, relocating the ammonia gas lines would be \$75,000, replacing the clear wells would be \$13,400,000, and the high service

pump station would be up to \$6,000,000, and the generator would be \$350,000.

A discussion was held regarding the process to go about needed replacements and repairs and what sequence to go about obtaining the goal of having the Water Treatment Plant operating at a much higher capacity and reduce the TCEQ violations.

Staff is working with Halff to create a draft plan to prioritize the order of repairs and replacements.

A discussion was held regarding funding sources that could be pursued for the needed repairs and replacements.

C. Presentation of Code Enforcement Processes and Procedures. (Planning & Development)

Reggie Cooper, Planning & Development Director, provided information regarding the processes and procedures of the Code Enforcement Division. Reggie Cooper highlighted achievements within the department, the process of identifying and resolving violation issues, and challenges faced by the Code Enforcement Division. Other information discussed was the timeframe for code violation resolution, common code violations and issues frequently encountered.

Council discussed options available to help citizens with code violations such as blight removal and lawn maintenance and ways to expedite the process of code violation resolution.

12. Adjournment

Councilmember Godfrey made a motion to adjourn. Councilmember Campbell seconded the motion, which passed by a vote of 7:0.

APPROVED:

Mayor of the City Council
of the City of Marshall, Texas

ATTEST:

City Secretary



TO: City Council
DATE: January 23, 2025
ITEM #: 6.E
SUBJECT: Consider approval of awarding a Contract for
FY2025 Water and Sewer Pipe Supplies. (Public
Works)

Recommendation for Action: Council to award a contract to Ferguson Waterworks for the FY2025 Water and Sewer Pipe Supplies contract

Executive Summary: The city conducted a competitive bidding process for the procurement of water and sewer pipe supplies to support essential infrastructure projects. The bidding period closed on December 18, 2024, with Ferguson Waterworks as the sole bidder submitting a complete and compliant proposal. After reviewing their submission, it was determined that Ferguson Waterworks meets all the requirements and specifications outlined in the bid documents.

The total contract cost is \$335,430 if all water and sewer pipes are purchased under the agreement. Given the adequacy of the bid and the lack of alternative submissions, it is recommended that the contract be awarded to Ferguson Waterworks. This decision ensures the city's procurement standards are upheld and provides a reliable source for critical supplies.

Budget Cost: \$335,430 (maximum amount if we were to purchase all items)

Staff Contact: Eric Powell, PE Director

Attachments: 1. BidTabulation2025WSU001AsRead12192024

BID TABULATION

City Project: 2025 Water\Sewer Pipe Supplies

City Project Number: 2025-WSU-001

Bid Opening Time\Date: December 18, 2024 @ 3:00pm

Prepared By: Eric G. Powell, PE, Director\City Engineer



				Ferguson Waterworks Tyler, TX			
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED COST	UNIT PRICE	EXTENDED COST
A1	4" PVC Pipe C-900 DR 18	LF	1,000	\$ 4.96	\$ 4,960.00		\$ -
A2	6" PVC Pipe C-900 DR 18	LF	5,000	\$ 10.10	\$ 50,500.00	NO BID	
A3	8" PVC Pipe C-900 DR 18	LF	3,000	\$ 17.34	\$ 52,020.00		\$ -
A4	10" PVC Pipe C-900 DR 18	LF	1,000	\$ 26.02	\$ 26,020.00		\$ -
A5	12" PVC Pipe C-900 DR 18	LF	1,000	\$ 36.65	\$ 36,650.00		\$ -
A6	16" PVC Pipe C-900 DR 18	LF	500	\$ 45.55	\$ 22,775.00		\$ -
A7	20" PVC Pipe C-900 DR 18	LF	500	\$ 71.75	\$ 35,875.00		\$ -
SUB-TOTAL:				\$	228,800.00	\$	-
ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	EXTENDED COST	UNIT PRICE	EXTENDED COST
B1	4" PVC Pipe SDR26 w\ Bell & Gasket	LF	1,000	\$ 2.70	\$ 2,700.00		\$ -
B2	6" PVC Pipe SDR26 w\ Bell & Gasket	LF	5,000	\$ 6.01	\$ 30,050.00	NO BID	
B3	8" PVC Pipe SDR26 w\ Bell & Gasket	LF	3,000	\$ 10.87	\$ 32,610.00		\$ -
B4	10" PVC Pipe SDR26 w\ Bell & Gasket	LF	1,000	\$ 16.94	\$ 16,940.00		\$ -
B5	12" PVC Pipe SDR26 w\ Bell & Gasket	LF	1,000	\$ 24.33	\$ 24,330.00		\$ -
SUB-TOTAL:				\$	106,630.00	\$	-
GRAND TOTAL:				\$	335,430.00	\$	-

As Read

Eric G. Powell, PE

12/19/2024

Director of Public Works and Utilities\City Engineer



TO: City Council
DATE: January 23, 2025
ITEM #: 6.F
SUBJECT: Consider approval of awarding a Contract for
FY2025 Parts and Supplies. (Distribution and
Collection Division)

Recommendation for Action: Council to award a contract to Ferguson Waterworks for the
FY2025 Parts and Supplies (Water\Sewer) contract

Executive Summary: The city initiated a competitive bidding process for water and sewer
parts and supplies to support operations in the Distribution and Collection Division.
Bids were opened on December 18, 2024, with three vendors submitting proposals: Ferguson
Waterworks, Underground Utility Supply, and Texarkana Winwater. Upon evaluation:

- Ferguson Waterworks and Underground Utility Supply submitted complete bids across
all sections.
- Texarkana Winwater only submitted a bid for Section J (Fire Hydrants).

After a comprehensive review of all submissions, Ferguson Waterworks is recommended for
the award of all sections due to their competitive pricing, reliability, and compliance with bid
requirements. The total contract value, if all items were purchased, is \$547,540.87; however,
the city typically does not procure all items listed in the bid. This recommendation ensures the
city secures high-quality supplies while maintaining flexibility in purchasing based on
operational needs.

Budget Cost: \$547,540.87 (maximum amount if all items in the bid list were to be purchased)

Staff Contact: Eric Powell, PE Director

Attachments: 1. BidTabulation2025WSU002FittingsPartsandSuppliesAsRead1219202
4

BID TABULATION

City Project: 2025 Fittings, Parts, and Supplies

City Project Number: 2025-WSU-002

Bid Opening Time\Date: December 18, 2024 @ 3:00pm

Prepared By: Eric G. Powell, PE, Director\City Engineer



			Ferguson Waterworks		Underground Utility Supply		Texarkana Winwater	
			Tyler, TX		Longview, TX		Texarkana, TX	
ITEM NO.	DESCRIPTION	QUANTITY	UNIT PRICE BID	EXTENDED TOTAL	UNIT PRICE BID	EXTENDED TOTAL	UNIT PRICE BID	EXTENDED TOTAL
A1	F1000-3G-NL	150	\$ 36.24	\$ 5,436.00	\$ 36.25	\$ 5,437.50	\$ -	\$ -
A2	F1000-4G-NL	75	\$ 54.81	\$ 4,110.75	\$ 54.82	\$ 4,111.50	\$ -	\$ -
A3	B11-233WR-NL	50	\$ 38.51	\$ 1,925.50	\$ 38.92	\$ 1,946.00	\$ -	\$ -
A4	BL11-233WR-NL	50	\$ 40.70	\$ 2,035.00	\$ 40.70	\$ 2,035.00	\$ -	\$ -
A5	B11-333WR-NL	50	\$ 60.51	\$ 3,025.50	\$ 59.25	\$ 2,962.50	\$ -	\$ -
A6	BL11-333WR-NL	150	\$ 66.46	\$ 9,969.00	\$ 66.46	\$ 9,969.00	\$ -	\$ -
A7	B11-444WR-NL	50	\$ 92.12	\$ 4,606.00	\$ 91.16	\$ 4,558.00	\$ -	\$ -
A8	BL11-444W-NL	75	\$ 92.12	\$ 6,909.00	\$ 89.05	\$ 6,678.75	\$ -	\$ -
A9	B21-333WG-NL	100	\$ 69.76	\$ 6,976.00	\$ 68.32	\$ 6,832.00	\$ -	\$ -
A10	B21-444WG-NL	75	\$ 97.53	\$ 7,314.75	\$ 95.52	\$ 7,164.00	\$ -	\$ -
A11	B41-333WG-NL	150	\$ 66.77	\$ 10,015.50	\$ 66.76	\$ 10,014.00	\$ -	\$ -
A12	B41-444WG-NL	75	\$ 101.30	\$ 7,597.50	\$ 101.29	\$ 7,596.75	\$ -	\$ -
A13	B43-232WG-NL	150	\$ 49.91	\$ 7,486.50	\$ 44.58	\$ 6,687.00	\$ -	\$ -
A14	B43-444WG-NL	75	\$ 112.97	\$ 8,472.75	\$ 114.18	\$ 8,563.50	\$ -	\$ -
A15	¾” Ford C84-33G-NL; MIP x Grip Nut	25	\$ 16.61	\$ 415.25	\$ 17.53	\$ 438.25	\$ -	\$ -
A16	1" Ford C84-44G-NL; MIP X Grip Nut	25	\$ 19.67	\$ 491.75	\$ 20.54	\$ 513.50	\$ -	\$ -
A17	¾” Ford C14-33G-NL; FIP X Grip Nut	25	\$ 17.48	\$ 437.00	\$ 18.45	\$ 461.25	\$ -	\$ -
A18	1" Ford C14-44G-NL; FIP X Grip Nut	25	\$ 23.71	\$ 592.75	\$ 24.75	\$ 618.75	\$ -	\$ -
A19	¾” Ford C44-33G-NL; Grip Nut X Grip Nut	75	\$ 20.23	\$ 1,517.25	\$ 20.67	\$ 1,550.25	\$ -	\$ -
A20	1" Ford C44-44G-NL; Grip Nut X Grip Nut	75	\$ 23.15	\$ 1,736.25	\$ 23.64	\$ 1,773.00	\$ -	\$ -
A21	¾” Ford KV43-332WG-NL; MN X Grip Nut	50	\$ 44.11	\$ 2,205.50	\$ 44.57	\$ 2,228.50	\$ -	\$ -
A22	1" Ford KV43-444WG-NL; MN X Grip Nut	25	\$ 60.37	\$ 1,509.25	\$ 60.37	\$ 1,509.25	\$ -	\$ -
A23	¾” Ford C38-23-25-NL	300	\$ 10.79	\$ 3,237.00	\$ 10.56	\$ 3,168.00	\$ -	\$ -
A24	1" Ford C38-44-2-NL	150	\$ 16.14	\$ 2,421.00	\$ 16.10	\$ 2,415.00	\$ -	\$ -
A25	¾” x CL	50	\$ 2.50	\$ 125.00	\$ 2.38	\$ 119.00	\$ -	\$ -
A26	¾” x 2”	50	\$ 3.15	\$ 157.50	\$ 2.98	\$ 149.00	\$ -	\$ -
A27	¾” x 3”	50	\$ 4.21	\$ 210.50	\$ 4.00	\$ 200.00	\$ -	\$ -

A28	¾" x 4"	50	\$ 5.41	\$ 270.50	\$ 5.23	\$ 261.50	\$ -	\$ -
A29	¾" x 6"	25	\$ 7.89	\$ 197.25	\$ 7.65	\$ 191.25	\$ -	\$ -
A30	¾" x 90°	50	\$ 4.55	\$ 227.50	\$ 5.23	\$ 261.50	\$ -	\$ -
A31	¾" x FIP	25	\$ 5.60	\$ 140.00	\$ 6.45	\$ 161.25	\$ -	\$ -
A32	1" x CL	50	\$ 3.68	\$ 184.00	\$ 3.51	\$ 175.50	\$ -	\$ -
A33	1" x 2"	50	\$ 4.55	\$ 227.50	\$ 4.32	\$ 216.00	\$ -	\$ -
A34	1" x 3"	50	\$ 6.01	\$ 300.50	\$ 5.80	\$ 290.00	\$ -	\$ -
A35	1" x 4"	30	\$ 7.82	\$ 234.60	\$ 7.56	\$ 226.80	\$ -	\$ -
A36	1" x 6"	30	\$ 11.53	\$ 345.90	\$ 11.14	\$ 334.20	\$ -	\$ -
A37	1" x 90 x FIP	50	\$ 7.02	\$ 351.00	\$ 8.08	\$ 404.00	\$ -	\$ -
A38	1" x Tee FIP	50	\$ 9.93	\$ 496.50	\$ 11.43	\$ 571.50	\$ -	\$ -
A39	2" x 8"	25	\$ 32.46	\$ 811.50	\$ 33.58	\$ 839.50	\$ -	\$ -
A40	2" x 10"	25	\$ 40.20	\$ 1,005.00	\$ 41.56	\$ 1,039.00	\$ -	\$ -
A41	2" Tee FIP	20	\$ 31.42	\$ 628.40	\$ 36.14	\$ 722.80	\$ -	\$ -
A42	⅝" x ¾" Ford; VB42-7W-NL	50	\$ 112.968	\$ 5,648.40	\$ 110.64	\$ 5,532.00	\$ -	\$ -
A43	⅝" x ¾" Ford; VB42-9W-NL	50	\$ 114.274	\$ 5,713.70	\$ 111.92	\$ 5,596.00	\$ -	\$ -
A44	⅝" x ¾" Ford; VB42-12W-NL	50	\$ 118.021	\$ 5,901.05	\$ 115.59	\$ 5,779.50	\$ -	\$ -
A45	⅝" X ¾" Ford; VB42-15W-NL	50	\$ 122.653	\$ 6,132.65	\$ 120.13	\$ 6,006.50	\$ -	\$ -
A46	⅝" X ¾" Ford; VB42-18W-NL	50	\$ 138.674	\$ 6,933.70	\$ 135.82	\$ 6,791.00	\$ -	\$ -
A47	⅝" x ¾" x 2" C38-23-2-NL	50	\$ 10.789	\$ 539.45	\$ 11.05	\$ 552.50	\$ -	\$ -
A48	⅝" x ¾" x 2.5" C38-23-2-5-NL	50	\$ 10.789	\$ 539.45	\$ 10.56	\$ 528.00	\$ -	\$ -
A49	⅝" x ¾" x 3" C38-23-3-NL	50	\$ 13.084	\$ 654.20	\$ 13.23	\$ 661.50	\$ -	\$ -
A50	1" x 2" C38-44-2-NL	50	\$ 16.147	\$ 807.35	\$ 16.10	\$ 805.00	\$ -	\$ -
A51	1" x 2.5" C38-44-2-625-NL	50	\$ 16.611	\$ 830.55	\$ 16.10	\$ 805.00	\$ -	\$ -
A52	¾" gasket	100	\$ 0.09	\$ 9.00	\$ 0.10	\$ 10.00	\$ -	\$ -
A53	1" gaskets	100	\$ 0.31	\$ 31.00	\$ 0.11	\$ 11.00	\$ -	\$ -
A54	2" meter flange kit by Midco	50	\$ 68.55	\$ 3,427.50	\$ 80.95	\$ 4,047.50	\$ -	\$ -

Total Section A:

\$ 143,523.90

\$ 142,519.55

NO BID

B1	DFW1200-12-3R	50	\$ 21.92	\$ 1,096.00	\$ 21.45	\$ 1,072.50	\$ -	\$ -
B2	DFW1600-12-3R	50	\$ 36.33	\$ 1,816.50	\$ 39.05	\$ 1,952.50	\$ -	\$ -
B3	DFWA2C-12-3C	50	\$ 108.11	\$ 5,405.50	\$ 165.00	\$ 8,250.00	\$ -	\$ -
B4	DFWA3C-12-3C	50	\$ 209.62	\$ 10,481.00	\$ 219.45	\$ 10,972.50	\$ -	\$ -
B5	DFW1200-3MR-LID	25	\$ 8.32	\$ 208.00	\$ 10.00	\$ 250.00	\$ -	\$ -
B6	DFW1600E-(3)C-LID	25	\$ 13.38	\$ 334.50	\$ 15.25	\$ 381.25	\$ -	\$ -
B7	DFWA2C-3C-LID	25	\$ 48.01	\$ 1,200.25	\$ 76.45	\$ 1,911.25	\$ -	\$ -
B8	DFWA3C-3C-LID	25	\$ 87.26	\$ 2,181.50	\$ 101.45	\$ 2,536.25	\$ -	\$ -

Total Section B:

\$ 22,723.25

\$ 27,326.25

NO BID

C1	1" to 24" Adjustable valve boxes with lid	50	\$ 52.57	\$ 2,628.50	\$ 56.90	\$ 2,845.00	\$ -	\$ -
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C2	24" to 36" Adjustable valve boxes with lid	50	\$ 76.31	\$ 3,815.50	\$ 82.58	\$ 4,129.00	\$ -	\$ -
C3	5 1\4" Standard Duty Lids	30	\$ 12.72	\$ 381.60	\$ 16.55	\$ 496.50	\$ -	\$ -
C4	5 1\4" Heavy Duty Lids	30	\$ 12.72	\$ 381.60	\$ 21.00	\$ 630.00	\$ -	\$ -
C5	1" Valve Riser Box	30	\$ 15.26	\$ 457.80	\$ 16.52	\$ 495.60	\$ -	\$ -
C6	1 1\2" Valve Riser Box	30	\$ 18.65	\$ 559.50	\$ 20.20	\$ 606.00	\$ -	\$ -
C7	2" Valve Riser Box	30	\$ 18.65	\$ 559.50	\$ 20.20	\$ 606.00	\$ -	\$ -

Total Section C:

\$ 8,784.00

\$ 9,808.10

NO BID

D1	#226-023807-000 (7.5" length)	40	\$ 54.022	\$ 2,160.88	\$ 53.44	\$ 2,137.60	\$ -	\$ -
D2	#226-023812-000 (12.5" length)	30	\$ 95.891	\$ 2,876.73	\$ 93.86	\$ 2,815.80	\$ -	\$ -
D3	#226-023815-000 (15" length)	20	\$ 110.305	\$ 2,206.10	\$ 107.96	\$ 2,159.20	\$ -	\$ -
D4	#226-04807-000 (7.5" length)	20	\$ 69.718	\$ 1,394.36	\$ 72.20	\$ 1,444.00	\$ -	\$ -
D5	#226-04810-000 (10" length)	20	\$ 98.685	\$ 1,973.70	\$ 98.68	\$ 1,973.60	\$ -	\$ -
D6	#226-048012-000 (12.5" length)	20	\$ 119.609	\$ 2,392.18	\$ 118.33	\$ 2,366.60	\$ -	\$ -
D7	#226-048015-000 (15" length)	10	\$ 144.272	\$ 1,442.72	\$ 141.20	\$ 1,412.00	\$ -	\$ -
D8	#226-06907-000 (7.5" length)	20	\$ 86.131	\$ 1,722.62	\$ 85.21	\$ 1,704.20	\$ -	\$ -
D9	#226-069010-000 (10" length)	20	\$ 116.826	\$ 2,336.52	\$ 114.35	\$ 2,287.00	\$ -	\$ -
D10	#226-069012-000 (12" length)	10	\$ 137.761	\$ 1,377.61	\$ 136.28	\$ 1,362.80	\$ -	\$ -
D11	#226-069015-000 (15" length)	10	\$ 160.087	\$ 1,600.87	\$ 156.68	\$ 1,566.80	\$ -	\$ -
D12	#226-069020-000 (20" length)	10	\$ 231.967	\$ 2,319.67	\$ 224.65	\$ 2,246.50	\$ -	\$ -
D13	#226-090507-000 (7.5" length)	15	\$ 103.043	\$ 1,545.65	\$ 103.04	\$ 1,545.60	\$ -	\$ -
D14	#226-090510-000 (10" length)	15	\$ 136.337	\$ 2,045.06	\$ 133.44	\$ 2,001.60	\$ -	\$ -
D15	#226-090512-000 (12" length)	10	\$ 165.00	\$ 1,650.00	\$ 163.22	\$ 1,632.20	\$ -	\$ -
D16	#226-090515-000 (15" length)	10	\$ 196.609	\$ 1,966.09	\$ 192.43	\$ 1,924.30	\$ -	\$ -
D17	#226-111007-000 (7.5" length)	15	\$ 121.453	\$ 1,821.80	\$ 121.46	\$ 1,821.90	\$ -	\$ -
D18	#226-111010-000 (10" length)	15	\$ 164.095	\$ 2,461.43	\$ 165.84	\$ 2,487.60	\$ -	\$ -
D19	#226-111012-000 (12" length)	10	\$ 188.653	\$ 1,886.53	\$ 192.71	\$ 1,927.10	\$ -	\$ -
D20	#226-111015-000 (15" length)	10	\$ 237.747	\$ 2,377.47	\$ 240.28	\$ 2,402.80	\$ -	\$ -
D21	#226-132007-000 (7.5" length)	10	\$ 136.979	\$ 1,369.79	\$ 136.98	\$ 1,369.80	\$ -	\$ -
D22	#226-132010-000 (10" length)	10	\$ 182.189	\$ 1,821.89	\$ 184.13	\$ 1,841.30	\$ -	\$ -
D23	#226-132012-000 (12" length)	5	\$ 220.464	\$ 1,102.32	\$ 225.21	\$ 1,126.05	\$ -	\$ -
D24	#226-132015-000 (15" length)	5	\$ 273.948	\$ 1,369.74	\$ 273.95	\$ 1,369.75	\$ -	\$ -
D25	228-20171510-000 (10" length)	5	\$ 395.452	\$ 1,977.26	\$ 417.43	\$ 2,087.15	\$ -	\$ -
D26	228-20171515-000 (15" length)	5	\$ 568.684	\$ 2,843.42	\$ 600.28	\$ 3,001.40	\$ -	\$ -
D27	228-20171520-000 (20" length)	5	\$ 772.052	\$ 3,860.26	\$ 814.95	\$ 4,074.75	\$ -	\$ -
D28	244-008403-000 (3" length)	75	\$ 24.308	\$ 1,823.10	\$ 22.81	\$ 1,710.75	\$ -	\$ -
D29	245-008406-000 (6" length)	50	\$ 12.967	\$ 648.35	\$ 12.42	\$ 621.00	\$ -	\$ -
D30	245-010503-000 (3" length)	75	\$ 7.160	\$ 537.00	\$ 6.87	\$ 515.25	\$ -	\$ -
D31	245-010506-000 (6" length)	50	\$ 13.363	\$ 668.15	\$ 12.80	\$ 640.00	\$ -	\$ -
D32	#245-013203-000 (3" length)	20	\$ 7.824	\$ 156.48	\$ 7.50	\$ 150.00	\$ -	\$ -
D33	#245-013206-000 (6" length)	20	\$ 14.231	\$ 284.62	\$ 13.64	\$ 272.80	\$ -	\$ -
D34	245-023803-000 (3" length)	10	\$ 9.44	\$ 94.40	\$ 9.04	\$ 90.40	\$ -	\$ -

D35	245-023806-000 (6" length)	10	\$ 17.099	\$ 170.99	\$ 16.38	\$ 163.80	\$ -	\$ -
D36	4" dia. (#274-00000480-000)	10	\$ 142.054	\$ 1,420.54	\$ 143.60	\$ 1,436.00	\$ -	\$ -
D37	6" dia. (#274-00000690-000)	10	\$ 156.441	\$ 1,564.41	\$ 158.15	\$ 1,581.50	\$ -	\$ -
D38	8" dia. (#274-00000905-000)	10	\$ 216.161	\$ 2,161.61	\$ 218.52	\$ 2,185.20	\$ -	\$ -

Total Section D:	\$ 63,432.30	\$ 63,456.10	NO BID
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E1	6" x 6"	10	\$ 155.00	\$ 1,550.00	\$ 167.76	\$ 1,677.60	\$ -	\$ -
E2	8" x 8"	10	\$ 232.00	\$ 2,320.00	\$ 251.11	\$ 2,511.10	\$ -	\$ -
E3	10" x 10"	10	\$ 331.00	\$ 3,310.00	\$ 358.25	\$ 3,582.50	\$ -	\$ -
E4	12" x 12"	10	\$ 462.00	\$ 4,620.00	\$ 500.05	\$ 5,000.50	\$ -	\$ -
E5	6" x 12"	10	\$ 98.00	\$ 980.00	\$ 106.07	\$ 1,060.70	\$ -	\$ -
E6	4-inch PVC	20	\$ 44.65	\$ 893.00	\$ 48.35	\$ 967.00	\$ -	\$ -
E7	6-inch PVC	20	\$ 55.90	\$ 1,118.00	\$ 60.50	\$ 1,210.00	\$ -	\$ -
E8	8-inch PVC	20	\$ 75.42	\$ 1,508.40	\$ 81.62	\$ 1,632.40	\$ -	\$ -
E9	10-inch PVC	20	\$ 131.31	\$ 2,626.20	\$ 142.00	\$ 2,840.00	\$ -	\$ -
E10	12-inch PVC	20	\$ 137.81	\$ 2,756.20	\$ 149.15	\$ 2,983.00	\$ -	\$ -
E11	4-inch DI	20	\$ 38.85	\$ 777.00	\$ 42.05	\$ 841.00	\$ -	\$ -
E12	6-inch DI	20	\$ 47.99	\$ 959.80	\$ 51.94	\$ 1,038.80	\$ -	\$ -
E13	8-inch DI	20	\$ 65.93	\$ 1,318.60	\$ 70.78	\$ 1,415.60	\$ -	\$ -
E14	10-inch DI	20	\$ 92.99	\$ 1,859.80	\$ 100.64	\$ 2,012.80	\$ -	\$ -
E15	12-inch DI	20	\$ 124.980	\$ 2,499.60	\$ 141.88	\$ 2,837.60	\$ -	\$ -

Total Section E:	\$ 29,096.60	\$ 31,610.60	NO BID
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F1	313-00025607-000 (2" dia.)	20	\$ 21.946	\$ 438.92	\$ 22.68	\$ 453.60	\$ -	\$ -
F2	313-00056307-000 (4" dia.)	20	\$ 30.817	\$ 616.34	\$ 29.54	\$ 590.80	\$ -	\$ -
F3	313-00076007-000 (6" dia.)	20	\$ 37.946	\$ 758.92	\$ 39.21	\$ 784.20	\$ -	\$ -
F4	313-00101007-000 (8" dia.)	20	\$ 41.551	\$ 831.02	\$ 42.82	\$ 856.40	\$ -	\$ -
F5	313-00121207-000 (10" dia.)	10	\$ 53.559	\$ 535.59	\$ 55.34	\$ 553.40	\$ -	\$ -
F6	313-00143207-000 (12" dia.)	10	\$ 64.247	\$ 642.47	\$ 64.25	\$ 642.50	\$ -	\$ -
F7	313-00188807-000 (16" dia.)	5	\$ 103.28	\$ 516.40	\$ 101.10	\$ 505.50	\$ -	\$ -
F8	313-00025609-000 (2" dia.)	10	\$ 21.946	\$ 219.46	\$ 22.68	\$ 226.80	\$ -	\$ -
F9	313-00056309-000 (4" dia.)	10	\$ 30.817	\$ 308.17	\$ 29.54	\$ 295.40	\$ -	\$ -
F10	313-00076009-000 (6" dia.)	10	\$ 37.946	\$ 379.46	\$ 39.21	\$ 392.10	\$ -	\$ -
F11	313-00101009-000 (8" dia.)	10	\$ 41.441	\$ 414.41	\$ 42.82	\$ 428.20	\$ -	\$ -
F12	313-00121209-000 (10" dia.)	10	\$ 53.559	\$ 535.59	\$ 55.34	\$ 553.40	\$ -	\$ -
F13	313-00101209-000 (12" dia.)	10	\$ 64.247	\$ 642.47	\$ 64.25	\$ 642.50	\$ -	\$ -
F14	313-00188809-000 (16" dia.)	10	\$ 103.28	\$ 1,032.80	\$ 101.10	\$ 1,011.00	\$ -	\$ -
F15	313-00056315-000 (4" dia.)	10	\$ 40.41	\$ 404.09	\$ 38.34	\$ 383.40	\$ -	\$ -
F14	313-00076015-000 (6" dia.)	10	\$ 46.80	\$ 467.96	\$ 45.80	\$ 458.00	\$ -	\$ -
F15	313-00101015-000 (8" dia.)	10	\$ 51.688	\$ 516.88	\$ 50.60	\$ 506.00	\$ -	\$ -

F16	313-00121215-000 (10" dia.)	5	\$ 68.182	\$ 340.91	\$ 65.37	\$ 326.85	\$ -	\$ -
F17	313-00143215-000 (12" dia.)	5	\$ 81.732	\$ 408.66	\$ 78.36	\$ 391.80	\$ -	\$ -
F18	313-00188815-000 (16" dia.)	5	\$ 148.354	\$ 741.77	\$ 145.24	\$ 726.20	\$ -	\$ -
F19	411-00010501-003	30	\$ 27.817	\$ 834.51	\$ 29.40	\$ 882.00	\$ -	\$ -
F20	411-00013201-003	25	\$ 28.785	\$ 719.63	\$ 29.74	\$ 743.50	\$ -	\$ -
F21	411-00019001-003	25	\$ 36.38	\$ 909.50	\$ 36.38	\$ 909.50	\$ -	\$ -
F22	411-00023801-003	25	\$ 41.217	\$ 1,030.43	\$ 42.13	\$ 1,053.25	\$ -	\$ -

Total Section F:

\$ 14,246.35

\$ 14,316.30

NO BID

G1	860-56-0054-16 (2" dia.)	1	\$ 131.55	\$ 131.55	\$ 110.90	\$ 110.90	\$ -	\$ -
G2	860-56-0108-16C (4" dia.)	1	\$ 222.38	\$ 222.38	\$ 183.57	\$ 183.57	\$ -	\$ -
G3	860-56-0163-16 (6" dia.)	1	\$ 294.51	\$ 294.51	\$ 237.17	\$ 237.17	\$ -	\$ -
G4	860-56-0217-16 (8" dia.)	1	\$ 332.51	\$ 332.51	\$ 268.60	\$ 268.60	\$ -	\$ -
G5	860-56-0278-16 (10" dia.)	1	\$ 427.76	\$ 427.76	\$ 341.75	\$ 341.75	\$ -	\$ -
G6	860-56-0315-16 (12" dia.)	1	\$ 504.88	\$ 504.88	\$ 422.14	\$ 422.14	\$ -	\$ -
G7	860-56-0278-16 (10" dia. OS)	1	\$ 452.28	\$ 452.28	\$ 375.95	\$ 375.95	\$ -	\$ -
G8	860-56-0334-16 (12" dia. OS)	1	\$ 604.02	\$ 604.02	\$ 497.05	\$ 497.05	\$ -	\$ -
G9	2" Flange 874-54-054-12	20	\$ 137.883	\$ 2,757.66	\$ 144.03	\$ 2,880.60	\$ -	\$ -
G10	3" Flange 860-54-088-16	20	\$ 196.011	\$ 3,920.22	\$ 191.39	\$ 3,827.80	\$ -	\$ -

Total Section G:

\$ 9,647.77

\$ 9,145.53

NO BID

H1	¾" (CTS) P.E. SDR9 SERVICE TUBING (500' COIL)	15,000	\$ 0.36	\$ 5,400.00	\$ 0.40	\$ 6,000.00	\$ -	\$ -
H2	1" (CTS) P.E. SDR9 SERVICE TUBING (500' COIL)	6,000	\$ 0.72	\$ 4,320.00	\$ 0.57	\$ 3,420.00	\$ -	\$ -

Total Section H:

\$ 9,720.00

\$ 9,420.00

NO BID

I1	IRON BODY 2" FIPT X FIPT	10	\$ 371.88	\$ 3,718.80	\$ 379.55	\$ 3,795.50	\$ 380.00	\$ 3,800.00
I2	4 - inch	5	\$ 587.59	\$ 2,937.95	\$ 593.78	\$ 2,968.90	\$ 595.00	\$ 2,975.00
I3	6 - inch	5	\$ 785.39	\$ 3,926.95	\$ 793.65	\$ 3,968.25	\$ 790.00	\$ 3,950.00
I4	8 - inch	5	\$ 1,250.93	\$ 6,254.65	\$ 1,264.10	\$ 6,320.50	\$ 1,250.00	\$ 6,250.00
I5	10 - inch	5	\$ 1,950.56	\$ 9,752.80	\$ 1,971.10	\$ 9,855.50	\$ 1,950.00	\$ 9,750.00
I6	12 - inch	5	\$ 2,355.09	\$ 11,775.45	\$ 2,379.88	\$ 11,899.40	\$ 2,400.00	\$ 12,000.00
I7	4 – inch	5	\$ 615.47	\$ 3,077.35	\$ 621.95	\$ 3,109.75	\$ 590.00	\$ 2,950.00
I8	6 – inch	5	\$ 785.39	\$ 3,926.95	\$ 793.65	\$ 3,968.25	\$ 790.00	\$ 3,950.00
I9	8 – inch	5	\$ 1,250.93	\$ 6,254.65	\$ 1,264.10	\$ 6,320.50	\$ 1,250.00	\$ 6,250.00
I10	10 – inch	5	\$ 1,950.56	\$ 9,752.80	\$ 1,971.10	\$ 9,855.50	\$ 1,950.00	\$ 9,750.00
I11	12 – inch	5	\$ 2,468.19	\$ 12,340.95	\$ 2,494.16	\$ 12,470.80	\$ 2,475.00	\$ 12,375.00
I12	6" – #65-150-HH-F	15	\$ 1,067.18	\$ 16,007.70	\$ 1,106.86	\$ 16,602.90	\$ 1,300.00	\$ 19,500.00
I13	8" - #65-200-HH-F	10	\$ 1,655.20	\$ 16,552.00	\$ 1,683.23	\$ 16,832.30	\$ 2,050.00	\$ 20,500.00

Total Section I:

\$106,279.00

\$107,968.05

\$114,000.00

J1	3 FT BURY	10	\$2,395.66	\$23,956.60	\$2,446.10	\$24,461.00	\$2,407.60	\$24,076.00
J2	3.5 FT BURY	10	\$2,479.59	\$24,795.90	\$2,505.68	\$25,056.80	\$2,466.25	\$24,662.50
J3	4 FT BURY	10	\$2,539.13	\$25,391.30	\$2,565.85	\$25,658.50	\$2,525.50	\$25,255.00
J4	5' FT BURY	10	\$2,656.49	\$26,564.90	\$2,684.45	\$26,844.50	\$2,642.25	\$26,422.50
J5	6 FT BURY	10	\$2,774.42	\$27,744.20	\$2,800.70	\$28,007.00	\$2,759.50	\$27,595.00

Total Section J:

\$128,452.90

\$130,027.80

\$128,011.00

K1	4" #1002-44	50	\$5.48	\$274.00	\$5.33	\$266.50	\$-	\$-
K2	6" #1002-66	50	\$11.71	\$585.50	\$11.05	\$552.50	\$-	\$-
K3	8" #1002-88	50	\$18.01	\$900.50	\$16.90	\$845.00	\$-	\$-
K4	10" #1002-110	30	\$27.05	\$811.50	\$25.43	\$762.90	\$-	\$-
K5	12" #1002-1212	20	\$31.67	\$633.40	\$29.69	\$593.80	\$-	\$-
K6	15" #1002-1515	20	\$53.42	\$1,068.40	\$44.40	\$888.00	\$-	\$-
K7	4" #1056-44	50	\$5.48	\$274.00	\$5.33	\$266.50	\$-	\$-
K8	6" #1056-66	50	\$11.71	\$585.50	\$11.05	\$552.50	\$-	\$-
K9	8" #1056-88	50	\$18.01	\$900.50	\$16.90	\$845.00	\$-	\$-
K10	10" #1056-1010	50	\$27.05	\$1,352.50	\$25.43	\$1,271.50	\$-	\$-
K11	12" #1056-1212	50	\$31.56	\$1,578.00	\$29.69	\$1,484.50	\$-	\$-
K12	15" #1056-1515	50	\$53.42	\$2,671.00	\$44.40	\$2,220.00	\$-	\$-

Total Section K:

\$11,634.80

\$10,548.70

NO BID

As Read



Eric G. Powell, PE

12/19/2024

Director of Public Works and Utilities\City Engineer

DATE



TO: City Council
DATE: January 23, 2025
ITEM #: 6.G
SUBJECT: Consider approval of Change orders regarding the WWTP Overflow Pump Installation. (Public Works)

Recommendation for Action: Approve change order no. 1

Executive Summary: **Subject:** Approval of Change Orders 1 and 2 – Wastewater Treatment Plant Overflow Pump Installation

Background:

During the installation of the overflow pump at the wastewater treatment plant, the contractor identified two unforeseen electrical issues requiring adjustments to ensure proper functionality and compliance with operational standards. These issues necessitate additional work and materials not included in the original scope of the project.

Proposed Change Orders:

1. **Change Order 1**– Resolve two identified electrical issues:
 - Issue 1: Adjustment to existing electrical panel connections.
 - Issue 2: Installation of additional electrical components for compatibility.
2. **Change Order 2**– Install a soft start system for the pump:
 - This system ensures efficient operation, reduces strain on the electrical system, and eliminates the need for continued pump rental.

Justification:

- Addressing the electrical issues is essential to ensure the system operates safely and reliably.
- Installing the soft start system avoids ongoing rental costs and improves long-term operational efficiency.
- These modifications are critical to project completion and will prevent delays or additional future expenses.

Financial Impact:

The costs for the proposed change orders have been reviewed and align with project contingency funds. The adjustments are necessary and cost-effective compared to the alternatives.

Recommendation:

Approve Change Orders 1 and 2 to resolve the identified electrical issues, install the soft start system, and complete the project efficiently while reducing ongoing operational costs.

Budget Cost:

Staff Contact: Eric Powell, PE Director

Attachments: 1. Change Order No. 1 - WWTP Excess Flow Pump

CHANGE ORDER

No. 1DATE OF ISSUANCE January 17, 2025

EFFECTIVE DATE _____

OWNER City of MarshallCONTRACTOR RBIS, LLCContract: Wastewater Treatment Plant – Excess Flow Pump InstallationProject: Wastewater Treatment Plant – Excess Flow Pump Installation

OWNER's Contract No. _____

ENGINEER's Contract No. 695-2110ENGINEER Stokes & Associates, Inc.

You are directed to make the following changes in the Contract Documents:

1. Installation of level controls for operation of VFD. The cost for this work is \$16,554.00.
2. Relocation of existing electrical junction box from the existing valve vault to the top of the existing wet well. The cost for this work is \$20,871.00.

This work is outlined in the attached Change Order No. 1 proposal from RBIS, LLC dated January 13, 2025.

CHANGE IN CONTRACT PRICE:
Original Contract Price \$ <u>149,700.00</u>
Net increase (decrease) from previous Change Orders No. <u>0</u> to <u>0</u> : \$ <u>0</u>
Contract Price prior to this Change Order: \$ <u>149,700.00</u>
Net increase (decrease) of this Change Order: \$ <u>37,425.00</u>
Contract Price with all approved Change Orders: \$ <u>187,125.00</u>

CHANGE IN CONTRACT TIMES:
Original Contract Times: Substantial Completion: _____ Ready for final payment: _____ (days or dates)
Net change from previous Change Orders No. <u>0</u> to No. <u>0</u> : Substantial Completion: _____ Ready for final payment: _____ (days)
Contract Times prior to this Change Order: Substantial Completion: _____ Ready for final payment: _____ (days or dates)
Net increase (decrease) this Change Order: Substantial Completion: <u>0</u> Ready for final payment: <u>0</u> (days)
Contract Times with all approved Change Orders: Substantial Completion: _____ Ready for final payment: _____ (days or dates)

RECOMMENDED:

By: _____
ENGINEER (Authorized Signature)
Signature)Date: _____
EJCDC 1910-8-B (1996 Edition)

APPROVED:

By: _____
OWNER (Authorized Signature)

Date: _____

ACCEPTED:

By: _____
CONTRACTOR (Authorized

Date: _____

Prepared by the Engineers Joint Contract Documents Committee and endorsed by The Associated General Contractors of America and the Construction Specifications Institute.



TO: City Council
DATE: January 23, 2025
ITEM #: 6.H
SUBJECT: Consider approval of an addendum to the Master Services Agreement with Hilltop Securities providing for enhanced Financial Advising Services. (Finance)

Recommendation for Action: Staff recommends executing the addendum to the existing Master Services Agreement with Hilltop Securities.

Executive Summary: The City of Marshall needs to complete an addendum to its contract with Hilltop Securities to establish a clear fee schedule for debt issued through third-party entities. This update addresses gaps in the existing agreement, promotes financial transparency, supports strategic planning, and aligns with best practices.

Budget Cost: Budget cost varies: contingent on funds received from future debt issuances.

Staff Contact: Kristina Hamilton, Assistant Director of Finance

Attachments:

1. Memorandum - Hilltop Securities
2. Hilltop Securities MA Agreement - July 2020
3. Addendum to July 2020 MA Agreement

AGENDA MEMORADUM

To: Members of the City Council

From: Kristina Hamilton, Assistant Director of Finance

cc: Melissa Vossmer, Interim City Manager

Nikki Smith, City Secretary

Date: 01/15/2025

Re: Addendum to Master Services Agreement with Hilltop Securities for Financial Advising Services

Purpose:

This memorandum outlines the need to complete an addendum to our existing contract with Hilltop Securities to include a new fee schedule for debt issuance through third-party entities.

Background:

Hilltop Securities has provided the City of Marshall with financial advisory services under an existing agreement that does not explicitly address fees for debt issued through third parties. Recent discussions and upcoming projects have highlighted the need to clarify and formally document a fee schedule for such services to ensure transparency and mutual understanding.

Rationale for the Addendum:

- **Addressing Service Gaps:**

The existing contract does not encompass provisions for third-party debt issuance, leading to potential ambiguity about service costs. An addendum will close this gap and provide clear guidance moving forward.

- **Supporting Strategic Financial Planning:**

As the City considers additional funding opportunities, a clear understanding of associated costs will assist in evaluating financing options more effectively.

- **Alignment with Best Practices:**

Including a detailed fee structure aligns with industry standards and ensures compliance with regulations governing financial advisory services.

Conclusion:

Completing this addendum will enhance the clarity and scope of our agreement with Hilltop Securities, ensuring the City is well-positioned to navigate future debt issuance needs effectively.

Should you have any questions or need additional information, do not hesitate to contact me.

MUNICIPAL ADVISORY AGREEMENT

This Municipal Advisory Agreement (the “Agreement”) is made and entered into by and between the **CITY OF MARSHALL, TEXAS** (the “Issuer”) and Hilltop Securities Inc. (“HilltopSecurities”), and is dated, and shall be effective as of, the date executed by the Issuer as set forth on the signature page hereof (the “Effective Date”).

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of municipal securities, including but not limited to the issuance and sale of evidences of indebtedness or debt obligations that may currently or in the future be authorized and issued or otherwise created or assumed by the Issuer, in amounts and forms which cannot presently be determined; and

WHEREAS, in connection with the authorization, sale, issuance and delivery of such municipal securities, as well as in connection with any matters relating to municipal financial products of the Issuer, the Issuer desires to retain a municipal advisor; and

WHEREAS, the Issuer desires to obtain the professional services of HilltopSecurities as a municipal advisor to advise the Issuer regarding the issuance of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective; and

WHEREAS, HilltopSecurities is willing to provide its professional services and its facilities as a municipal advisor in connection with the Issuer’s issuances of municipal securities and any municipal financial products, all as more fully described herein, during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and HilltopSecurities, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I SCOPE OF SERVICES

A. Scope of Services and Discharge of Responsibilities.

1. *Scope of Services.*

(a) HilltopSecurities is engaged by the Issuer as its municipal advisor to provide the services set forth in Appendix A hereto (the “Municipal Advisory Services”). The Municipal Advisory Services, together with any services to be provided by HilltopSecurities as the Issuer’s independent registered municipal advisor (“IRMA”) pursuant to subparagraph B.1 of this Section I, are hereinafter collectively referred to as the “Scope of Services” hereunder. The Scope of Services to be provided by HilltopSecurities may be changed only as provided in paragraph D of this Section I.

(b) If the Issuer engages HilltopSecurities or any of its affiliates, in a capacity other than as municipal advisor, to provide additional services that are not municipal advisory activities (“Non-Municipal Advisor Services”), such engagement for Non-Municipal Advisor Services shall be evidenced by a separate agreement between the Issuer and such party. The parties hereto acknowledge that such Non-Municipal Advisor Services shall not be governed by this Agreement and are intended to consist of activities not requiring registration as a municipal advisor under the Securities Exchange Act.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether in regard to all or any portion of the Municipal Advisory Services or for

any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, as described in clause (c) of subparagraph B.1 of this Section I.

2. ***Inquiries and Information in Connection with HilltopSecurities' Duties.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make recommendations to the Issuer or to review recommendations made by others to the Issuer, and in connection therewith to determine whether such recommendations are suitable for the Issuer, in order to fulfill its duties with respect to such recommendations and any associated suitability determinations, HilltopSecurities is required under applicable regulations to make reasonable inquiries of the Issuer as to the relevant facts. Such facts include, at a minimum, information regarding the Issuer's financial situation and needs, objectives, tax status, risk tolerance, liquidity needs, experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended, financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction are reasonably expected to be outstanding, and any other material information known by HilltopSecurities about the Issuer and the municipal securities transaction or municipal financial product. In addition, HilltopSecurities is required under applicable regulations to use reasonable diligence to know the essential facts about the Issuer and the authority of each person acting on behalf of the Issuer so as to effectively service HilltopSecurities' municipal advisory relationship with the Issuer, to act in accordance with any special directions from the Issuer, to understand the authority of each person acting on behalf of the Issuer, and to comply with applicable laws, regulations and rules.

Accordingly, the Issuer hereby agrees to provide accurate and complete information reasonably designed to permit HilltopSecurities to fulfill its responsibilities in connection with any such recommendations and suitability determinations and to provide to HilltopSecurities reasonable access to relevant documents and personnel in connection with its required investigation to determine that any recommendations are not based on materially inaccurate or incomplete information. The Issuer acknowledges that HilltopSecurities may not be able to make requested recommendations or suitability determinations if it is not provided access to such information and that the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer in connection with a recommendation or suitability determination made by HilltopSecurities based on materially inaccurate or incomplete information provided by the Issuer.

3. ***Actions Independent of or Contrary to Advice.*** The parties hereto acknowledge that the Issuer shall not be required to act in accordance with any advice or recommendation provided by HilltopSecurities to the Issuer. Upon providing such advice or recommendation to the Issuer, together with the basis for such advice or recommendation, HilltopSecurities shall have discharged its duties with regard to such advice or recommendation and shall not be liable for any financial or other damages resulting from the Issuer's election not to act in accordance with such advice or recommendation. Furthermore, the Issuer shall be estopped from claiming a violation of HilltopSecurities' fiduciary duty to the Issuer as a result of its election not to act in accordance with any advice or recommendation by HilltopSecurities, including but not limited to any claim that HilltopSecurities should have taken steps, in addition to providing its advice or recommendation together with the basis therefor, to cause the Issuer to follow its advice or recommendation.

4. ***Preparation of Official Statement in Connection with Issuance of Municipal Securities.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to assist the Issuer in the preparation of its official statement in connection with the issuance of municipal securities, the Issuer hereby agrees to provide accurate and complete information to HilltopSecurities reasonably designed to permit HilltopSecurities to fulfill its responsibility to have a reasonable basis for any information

HilltopSecurities provides about the Issuer, its financial condition, its operational status and its municipal securities in connection with the preparation of the official statement. While HilltopSecurities may participate in the due diligence process in connection with the preparation of the official statement, if such participation is within the Scope of Services, HilltopSecurities shall not be obligated to undertake any inquiry or investigation in connection with such due diligence beyond any inquiries or investigations otherwise required by this Agreement. Furthermore, HilltopSecurities shall not be responsible for certifying the accuracy or completeness of the official statement, other than with respect to information about HilltopSecurities provided for inclusion in the official statement, if applicable. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

5. ***Representations and Certifications.*** If and to the extent provided in the Scope of Services, HilltopSecurities is called upon to make representations and certifications with regard to certain aspects of matters pertaining to the Issuer, its municipal securities or municipal financial products arising as part of the Municipal Advisory Services to be provided pursuant to this Agreement, the Issuer hereby agrees to provide accurate and complete information to HilltopSecurities as may be reasonably necessary or otherwise helpful to HilltopSecurities in fulfilling its responsibility to have a reasonable basis for any representations, other than representations by HilltopSecurities regarding itself, made in a certificate signed by HilltopSecurities that may be relied upon by the Issuer, any other party involved in any matter arising as part of the Municipal Advisory Services, or investors in the Issuer's municipal securities. The Issuer agrees that HilltopSecurities may rely on any information provided to it by the Issuer for purposes of this paragraph.

B. Services as Independent Registered Municipal Advisor.

1. ***Designation as IRMA and Scope of Designation.***

(a) Subject to clause (b) of this subparagraph B.1, if the Issuer elects to designate HilltopSecurities, and HilltopSecurities agrees to represent the Issuer, as the Issuer's IRMA for purposes of Securities Exchange Commission ("SEC") Rule 15Ba1-1(d)(3)(vi) (the "IRMA exemption") with respect to the Municipal Advisory Services, HilltopSecurities will treat such role as IRMA as within the scope of Municipal Advisory Services. Any reference to HilltopSecurities, its personnel and its role as IRMA in the written representation of the Issuer contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) shall be subject to prior approval by HilltopSecurities.

If there are any other aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services with respect to which the Issuer seeks to have HilltopSecurities serve as its IRMA, such aspects, which are separate and distinct from Municipal Advisory Services for purposes of this Agreement, shall be included in Appendix A hereto and may be changed only as provided in paragraph D of this Section I. HilltopSecurities' duties as IRMA shall be strictly limited to the provision of advice to the Issuer with regard to third-party recommendations on any aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, subject to subparagraph B.3 of this Section I, and the provision of advice by HilltopSecurities to the Issuer with respect to such matters shall not result in a change in scope of the Municipal Advisory Services. By way of example, if HilltopSecurities serves as municipal advisor for an issuance of municipal securities within the scope of Municipal Advisory Services, but is asked to review a recommendation made by a third party with respect to a different issuance of municipal securities not within the scope of Municipal Advisory Services, any advice with respect to such review would not, by itself, cause such other issuance to come within the scope of Municipal Advisory Services, and HilltopSecurities

would not be obligated to undertake any of the services set forth in Appendix A with regard to such issuance unless the scope of Municipal Advisory Services hereunder is amended to include such issuance.

(b) If the Issuer elects not to designate HilltopSecurities to serve as an IRMA for purposes of the IRMA exemption with respect to the Municipal Advisory Services, or if the Issuer elects to designate HilltopSecurities to serve as IRMA for less than the full range of Municipal Advisory Services, such election shall be set forth in Appendix A.

(c) The Issuer shall provide written notice to HilltopSecurities of any other municipal advisor engaged by the Issuer, whether such other municipal advisor has been designated as an IRMA, and such notice shall include the scope of services of such municipal advisor. If the Issuer has engaged, or has caused HilltopSecurities to engage through subcontract, any other party to serve as municipal advisor to the Issuer with regard to all or any portion of the Municipal Advisory Services (“Joint Municipal Advisory Services”), whether engaged jointly with or separately from HilltopSecurities (a “Co-Municipal Advisor”), the Issuer agrees that such Co-Municipal Advisor shall not be entitled to treat HilltopSecurities as an IRMA with respect to the Joint Municipal Advisory Services. Notwithstanding the preceding sentence, the Issuer may seek to have HilltopSecurities provide advice on any recommendation made by a Co-Municipal Advisor with regard to matters within the scope of Joint Municipal Advisory Services on the same terms as set forth in subparagraph B.3 of this Section I, provided that any such advice provided by HilltopSecurities shall not serve to eliminate or reduce such Co-Municipal Advisor’s fiduciary or other duties as municipal advisor to the Issuer.

2. ***HilltopSecurities Not Responsible for Independence from Third Parties.*** Notwithstanding HilltopSecurities’ status as an IRMA, HilltopSecurities shall not be responsible for ensuring that it is independent, within the meaning of the IRMA exemption as interpreted by the SEC, from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA exemption or for otherwise ensuring that any such party not be treated as a municipal advisor for purposes of Section 15B of the Securities Exchange Act or any SEC or Municipal Securities Rulemaking Board (“MSRB”) rule thereunder. The Issuer expressly acknowledges that it is the responsibility of such other party to make its own determination of independence and that such other party shall not be entitled to cause HilltopSecurities to make any personnel changes to allow such party to qualify for the IRMA exemption.

3. ***Recommendations Provided by Third Parties Relying on IRMA Exemption.*** The Issuer agrees that, to the extent the Issuer seeks to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, the Issuer shall provide to HilltopSecurities written direction to provide advice with regard to such third party recommendation as well as any information it has received from such third party. In connection therewith, HilltopSecurities shall be authorized to communicate with such third party as necessary or appropriate in order for HilltopSecurities to have the information it needs to provide informed advice to the Issuer with regard to such recommendation. HilltopSecurities shall provide to the Issuer recommendations it receives directly from any third party but shall not be required to provide advice to the Issuer with regard to any such recommendation unless the Issuer has provided to HilltopSecurities the written direction as described above in this subparagraph B.3.

Except as may be otherwise expressly provided in writing by HilltopSecurities, no recommendation by a third-party (including but not limited to a Co-Municipal Advisor) shall be deemed to be a recommendation by HilltopSecurities, and the failure by HilltopSecurities to specifically address any aspect of a third-party recommendation shall not be viewed as HilltopSecurities having implicitly accepted or

approved such aspect of the recommendation or otherwise having adopted the recommendation or any aspect thereof as its own recommendation. Furthermore, the Issuer agrees that, to the extent the Issuer does not seek to have HilltopSecurities provide advice with regard to any recommendation made by a third party relying on the IRMA exemption, HilltopSecurities shall not be required to provide any advice with regard to such recommendation notwithstanding any information it may have received from such third party. HilltopSecurities may rely on the absence of the Issuer's written direction to provide advice with regard to a third party recommendation as indicative that the Issuer does not seek to have HilltopSecurities provide such advice.

C. Limitations on Scope of Engagement.

1. ***Express Limitations.*** The Scope of Services with respect to HilltopSecurities' engagement as municipal advisor shall be solely as provided in paragraphs A and B of this Section I and Appendix A of this Agreement, subject to the express limitations set forth in this paragraph C. The failure of the parties hereto to set out any particular service or responsibility, or any particular type or aspect of the issuance of municipal securities or municipal financial products, within the express limitations in this paragraph C shall not, by its omission, cause such service, responsibility or product to be within the scope of this engagement if not contemplated by the mutual agreement of the parties hereto or if not reasonably viewed as encompassed by the description of the Municipal Advisory Services set forth in this Agreement.

2. ***Limitation as to Matters Within Then-Current Scope of Engagement.*** It is expressly understood that HilltopSecurities serves as municipal advisor to the Issuer only with respect to the matters, and with respect to specific aspects of matters, within the then-current Scope of Services. The Issuer acknowledges that HilltopSecurities is not a municipal advisor to the Issuer with respect to matters expressly excluded from such Scope of Services as set forth in this paragraph C or matters otherwise not within the Scope of Services as set forth in paragraphs A and B of this Section I and Appendix A hereto. Without limiting the generality of the preceding sentence, the parties hereto agree that HilltopSecurities' service as municipal advisor for one issuance of municipal securities would not result in HilltopSecurities being a municipal advisor to the Issuer for any other issuances of municipal securities if such other issuances are not within the Scope of Services. It is expressly understood that HilltopSecurities shall be municipal advisor with respect to a particular issuance of municipal securities or a particular municipal financial product beginning on the earlier of (a) the date on which HilltopSecurities is assigned to serve or is otherwise put on notice by the Issuer that it will serve as municipal advisor for such particular matter or (b) the date on which HilltopSecurities first provides advice to the Issuer with respect to such particular matter, and it is further understood that HilltopSecurities shall not be deemed to be a municipal advisor to the Issuer with respect to any such particular matter prior to such date merely due to the fact that the matter falls within the general description of the Scope of Services.

3. ***Transactions and Services Outside Scope of Engagement.*** To the extent that the Issuer engages in any transaction with HilltopSecurities, or any affiliate of HilltopSecurities, as principal relating to municipal securities (including but not limited to as underwriter for the issuance of municipal securities) or municipal financial products that are not within the Scope of Services and with respect to which HilltopSecurities does not in fact provide advice other than as permitted within the exceptions and exclusions of SEC Rule 15Ba1-1, the Issuer agrees that it would not view HilltopSecurities as serving as its municipal advisor with respect to such transaction or any related issuance of municipal securities or municipal financial product. In addition, as noted in clause (b) of subparagraph A.1 of this Section I, the Issuer understands that Non-Municipal Advisor Services are outside the scope of this engagement.

4. ***Issuer Consent to Limitation in Scope.*** The Issuer expressly consents to the limitations in scope of the engagement as described in this paragraph C.

D. Change in Scope of Services. The scope of services to be provided by HilltopSecurities, whether within or outside of the scope of the Municipal Advisory Services, may be changed only by written amendment to Appendix A, and the parties hereto agree to amend such appendix promptly to reflect any material changes or additions to the scope of such services, as applicable. Furthermore, the parties hereto agree to amend paragraph C of this Section I to reflect any material changes or additions to the limitations on the overall Scope of Services.

The parties hereto agree that if, on an infrequent or inadvertent basis, HilltopSecurities takes any actions for or on behalf of the Issuer that constitute municipal advisory activities within the meaning of MSRB Rule G-42(f)(iv) but which are not within the Scope of Services under this Agreement, such actions shall not, by themselves, serve to change the Scope of Services under this Agreement without a written amendment as provided in this paragraph. Furthermore, to the extent that any such activities not within the Scope of Services under this Agreement consists of inadvertent advice provided with respect to the issuance of municipal securities or municipal financial products that are not within the Scope of Services under this Agreement, HilltopSecurities may take such action, if any, as it deems appropriate pursuant to Supplementary Material .07 of MSRB Rule G-42 with respect to such inadvertent advice, to maintain the Scope of Services under this Agreement consistent with the intent of the parties hereto.

Amendments to Appendix A may be effected by replacement of the prior version of the appendix with a new version or by the addition of an addendum to such appendix, provided that any such amended appendix shall be dated as of its effective date and shall cause Appendix A, taken together with the provisions of this Section I, to clearly set forth the then-current scope of HilltopSecurities' engagement hereunder and any limitations to such scope.

E. Non-Municipal Advisory Activities Related to Scope of Services. The Scope of Services under this Agreement is intended to encompass activities subject to the provisions of Securities Exchange Act Section 15B and the rules of the SEC and MSRB thereunder relating to municipal advisory activities. However, the Issuer and HilltopSecurities acknowledge that in some cases the range of activities necessary or appropriate to provide the intended services hereunder in a fair, effective and efficient manner for the benefit of the Issuer may involve a combination of actions that consist of municipal advisory activities and actions that may not qualify as municipal advisory activities. Unless otherwise prohibited by Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder, the fact that HilltopSecurities serves as municipal advisor to the Issuer in connection with a particular matter shall not prohibit HilltopSecurities from undertaking such necessary or appropriate non-municipal advisory activities in connection therewith, and the fact that HilltopSecurities undertakes such non-municipal advisory activities within the Scope of Services under this Agreement would not, by itself, cause such activities to become municipal advisory activities for purposes Securities Exchange Act Section 15B or any rule of the SEC or MSRB thereunder.

SECTION II TERM AND TERMINATION

A. Term of this Engagement. The term of this Agreement begins on the Effective Date and remains in force until terminated pursuant to paragraph B of this Section II.

B. Termination of this Engagement. This Agreement may be terminated with or without cause by the Issuer or HilltopSecurities upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due HilltopSecurities for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION III COMPENSATION, EXPENSES, LIABILITY AND OTHER FINANCIAL MATTERS

A. Compensation. The fees due to HilltopSecurities for the Municipal Advisory Services and any other services set forth in Appendix A hereto shall be as provided in Appendix B hereto. The Issuer has agreed to the compensation arrangements set forth in Appendix B and believes that they are reasonable and not excessive. If at any time the Issuer becomes concerned that, notwithstanding its initial belief that the compensation arrangements set forth in this Agreement are reasonable, the actual amount of compensation to be paid in accordance with such arrangements for any particular matter during the course of this engagement may potentially become excessive, the Issuer shall immediately notify HilltopSecurities in writing of its concern in that regard.

B. Expenses. HilltopSecurities shall be entitled to reimbursement of expenses incurred in connection with any services provided hereunder as set forth in Appendix B.

C. Third-Party Payments. The Issuer agrees that any request it makes to HilltopSecurities to make payments to any third party on its behalf (other than with any underwriter), whether pursuant to a fee-splitting arrangement or otherwise, shall be in writing and shall set forth the name of the recipient, the amount of payment, and a brief statement of the purpose of such payment. The Issuer agrees that the counter signature by HilltopSecurities of any such written request shall be satisfactory disclosure of such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(e)(i)(D) and shall, in the case of any such arrangements made after the Effective Date, serve as satisfactory written disclosure of any conflict of interest arising from such third-party payment or fee-splitting arrangement for purposes of MSRB Rule G-42(b)(i)(D) and (c)(ii).

D. No Custody of Issuer Funds. This engagement does not contemplate that HilltopSecurities receive deposit of or maintain custody of the Issuer's funds unless otherwise provided in Appendix A hereto.

E. Limitation on Liability. In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of HilltopSecurities or any of its associated persons, HilltopSecurities and its associated persons shall have no liability to the Issuer for any act or omission in the course of, or connected with, rendering services hereunder or for any error of judgment, mistake of law, or any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment.

SECTION IV REQUIRED DISCLOSURES

A. Disclosure of Conflicts of Interest and Information Regarding Legal or Disciplinary Events. The Issuer hereby acknowledges receipt of, and has read and understands the content of, the Municipal Advisor Disclosure Statement, attached hereto as Appendix C, current as of the date of this Agreement,

setting forth disclosures by HilltopSecurities of material conflicts of interest (the “Conflict Disclosures”), if any, and of any legal or disciplinary events required to be disclosed pursuant to MSRB Rule G-42(b) and (c)(ii). The Conflict Disclosures also describe how HilltopSecurities addresses or intends to manage or mitigate any disclosed conflicts of interest, as well as the specific type of information regarding, and the date of the last material change, if any, to the legal and disciplinary events required to be disclosed on Forms MA and MA-I filed by HilltopSecurities with the SEC.

B. Waiver of Disclosed Conflicts of Interest. By executing this Agreement, the Issuer hereby waives any conflicts of interest disclosed by HilltopSecurities in the Conflict Disclosures as of the date of this Agreement.

C. Consent to Electronic Delivery of Disclosures. By executing this Agreement, the Issuer consents, for the full term of this Agreement, to the electronic delivery of the Conflict Disclosures at no cost to the Issuer, in lieu of delivery of hard copy. The Conflict Disclosures may be delivered by email to the Issuer at williams.glenna@marshalltexas.net or at such other email address as the Issuer may hereafter provide in writing to HilltopSecurities.

SECTION V MISCELLANEOUS

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.

B. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and HilltopSecurities, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.

C. Entire Agreement. This instrument, including all appendices hereto, contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto, subject to the provisions of paragraph D of Section I hereof.

Signature page follows

HILLTOP SECURITIES INC.

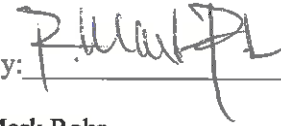
By:



John L. Martin, Jr
Regional Managing Director

CITY OF MARSHALL, TEXAS

By:



Mark Rohr
City Manager

Date: July 23, 2020

APPENDIX A MUNICIPAL ADVISORY SERVICES

This Appendix A sets out the scope of the Municipal Advisory Services to be performed by HilltopSecurities pursuant to the Agreement, subject to the limitations in scope set out in paragraph C of Section I of the Agreement, and with the understanding that:

(a) Individual actions taken within this scope shall be consistent with any request or direction provided by an authorized representative of the Issuer or as HilltopSecurities determines to be necessary or appropriate in furtherance of any matter for which it serves as municipal advisor. However, not all listed activities will be appropriate, necessary or applicable to any particular matter subject to this Agreement.

(b) For purposes of this Agreement, an issuance of municipal securities (an “issuance”) shall encompass any and all stages in the life of an issuance, from the pre-issuance planning stage to the repayment stage.

I. New Issuances of Municipal Securities. At the direction of or upon the request of the Issuer, HilltopSecurities shall provide advice to the Issuer on any new issuances, including reofferings of outstanding issuances that are treated for purposes of the federal securities laws and/or federal tax laws as new issuances, throughout the term of this Agreement. The activities to be performed by HilltopSecurities may include, depending on the specific circumstances of an issuance and any request or direction of the Issuer, one or more of the following:

Planning for New Issuance

1. ***Survey and Analysis.*** Surveying the financial resources of the Issuer in connection with its capacity to authorize, issue and service the contemplated issuance. This survey would be expected to include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, would include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the contemplated issuance, the survey would be expected to take into account any outstanding indebtedness payable from such revenues, additional revenues to be available from any proposed rate increases, and additional revenues resulting from improvements to be financed by the contemplated issuance, as projected by consulting engineers engaged by the Issuer.

2. ***Future Financings.*** In connection with the contemplated issuance, considering and analyzing future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, engaged by the Issuer.

3. ***Recommendations.*** Making recommendations to the Issuer on the contemplated issuance, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options for prepayment, security provisions, and such other provisions as may be appropriate.

4. ***Market Information.*** Advising the Issuer of HilltopSecurities' view of current bond market conditions, other related forthcoming bond issues and general information (including

applicable economic data) which might normally be expected to influence interest rates or bidding conditions relevant to setting an appropriate date and time for the sale of the issuance.

5. ***Elections.*** In the event it is necessary to hold an election to authorize the contemplated issuance, assisting in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to the Issuer's bond counsel.

Debt Management and Financial Implementation for New Issuance

6. ***Method of Sale.*** Evaluating the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

- a. If the issuance is to be sold by a competitive sale:
 - (1) Supervising the sale of the municipal securities;
 - (2) Disseminating information to prospective bidders, organizing such informational meetings as may be necessary, and facilitating prospective bidders' efforts in making timely submission of proper bids;
 - (3) Assisting the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids;
 - (4) Advising the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids; and
 - (5) Obtaining CUSIP numbers on behalf of the Issuer.
- b. If the issuance is to be sold by negotiated sale:
 - (1) Recommending for the Issuer's final approval and acceptance one or more investment banking firms, as sole underwriter or as managers of an underwriting syndicate, for the purpose of negotiating the purchase of the municipal securities;
 - (2) Cooperating with and assisting any selected sole or managing underwriter and its counsel, as well as any disclosure counsel retained by the Issuer, in connection with the preparation of any preliminary or final official statement or offering memorandum. HilltopSecurities will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters' agreement and other related documents;
 - (3) Assisting the staff of the Issuer in the safekeeping of any good faith checks and providing a cost comparison to the then-current market of expenses, interest rates and prices which are proposed by the underwriters;
 - (4) Advising the Issuer on the fairness of the price offered by the underwriters;

(5) Advising the Issuer in connection with any terms and conditions it may wish to establish with respect to order priorities and other similar matters relating to the underwriting of the new issuance;

(6) If the new issuance will have a retail order period, advising the Issuer on retail eligibility criteria and other features of the retail order period and reviewing information provided by the underwriters to the Issuer in connection with retail orders received; and

(7) At the request of the Issuer, reviewing required disclosures by underwriters to the Issuer relating to their role as underwriter, conflicts of interests, material terms and risks of the issuance, and any other matters, and providing any appropriate advice to the Issuer in connection with such disclosures.

7. ***Offering Documents for Competitive Offerings.*** Coordinating the preparation of the notice of sale and bidding instructions, preliminary official statement (including cooperating with and assisting any disclosure counsel retained by the Issuer), official bid form and such other documents as may be required and submitting all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, HilltopSecurities shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute sets of the same to prospective bidders for the municipal securities. HilltopSecurities also shall provide copies of the final official statement to the winning bidder purchasing the municipal securities in the MSRB-designated electronic format and in accordance with the notice of sale and bidding instructions promptly after the Issuer approves the final official statement for distribution.

8. ***Credit Ratings.*** Making recommendations to the Issuer on the advisability of obtaining one or more credit ratings for the issuance and, when directed by the Issuer, coordinating the preparation of such information as may be appropriate for submission to any rating agency. In those cases where the advisability of personal presentation of information to a rating agency may be indicated, HilltopSecurities will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be approved or directed by the Issuer.

9. ***Trustee, Paying Agent, Registrar, Professionals and Other Transaction Participants.*** Upon request, providing advice to the Issuer in the selection of a trustee and/or paying agent/registrar, legal, accounting or other professionals, and other transaction participants relating to any issuance, and assisting in the negotiation of agreements pertinent to these services and the fees incident thereto.

10. ***Financial Publications.*** When appropriate, advising financial publications of the forthcoming sale of the municipal securities and providing them with all pertinent information.

11. ***Consultants.*** After consulting with and receiving directions from the Issuer, arranging for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the issuance.

12. ***Auditors.*** In the event formal verification by an independent auditor of any calculations incident to the issuance is required, making arrangements for such services.

13. **Issuer Meetings.** Attending meetings of the governing body of the Issuer, its staff, representatives or committees as requested when HilltopSecurities may be of assistance or service and matters within the scope of this engagement are to be discussed.
14. **Printing.** To the extent authorized by the Issuer, coordinating all work incident to printing or final production, physical or electronic, of the offering documents.
15. **Bond Counsel.** Maintaining liaison with bond counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the municipal securities.
16. **Changes in Laws.** Providing to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which HilltopSecurities becomes aware in the ordinary course of its business, it being understood that HilltopSecurities does not and may not act as an attorney for, or provide legal advice or services to, the Issuer.
17. **Delivery of the Municipal Securities.** As soon as a bid for the purchase of a competitive issuance is accepted by the Issuer or the bond purchase contract for a negotiated issuance is signed by the Issuer, coordinating the efforts of all concerned to the end that the municipal securities may be delivered and paid for as expeditiously as possible and assisting the Issuer in the preparation or verification of final closing figures incident to the delivery of the municipal securities.
18. **Debt Service Schedule; Authorizing Resolution.** After the closing of the sale and delivery of the issuance, delivering to the Issuer a schedule of annual debt service requirements for the issuance and, in coordination with bond counsel, assuring that the paying agent/registrar and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.
19. **Continuing Disclosure.** Providing advice to the Issuer with regard to its continuing disclosure undertakings for its new issuances and its selection of a dissemination agent under its continuing disclosure undertakings; provided that, upon the mutual agreement of the Issuer and HilltopSecurities, HilltopSecurities may serve as dissemination agent under one or more of the Issuer's continuing disclosure undertakings upon such terms as the parties shall agree, with such service as dissemination agent being expressly excluded from the scope of this Agreement.

II. Baseline Advice on Outstanding Issuances of Municipal Securities. HilltopSecurities shall provide baseline on-going advice to the Issuer on any outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. **Exercising Calls.** Providing advice and assistance to the Issuer with regard to exercising any calls of outstanding municipal securities unrelated to a refunding of such securities.
2. **Refundings and Tender Offers.** Providing advice to the Issuer with regard to opportunities for refundings of outstanding issuances or to make tender offers for outstanding issuances, whether by means of a new issuance, bank loans, or other funds of the Issuer, but not including serving as advisor in connection with the specific transaction through which such refunding or tender offer is effected. Transaction-based advice in connection with a specific new issuance of bonds to effectuate any such refunding or tender offer would be provided within the scope of Municipal Advisory Services for new issuances described in Section I above. Transaction-based advice in

connection with a specific bank loan or other transaction to effectuate any such refunding or tender offer, other than by means of a new issuance of bonds would be provided pursuant to a separate agreement as described in Section IV below.

3. ***Continuing Disclosure.*** Providing advice to the Issuer with regard to continuing disclosure undertakings for outstanding issuances; processes, policies and procedures to comply with continuing disclosure undertakings; and coordination of continuing disclosure obligations arising from different continuing disclosure undertakings for its various issuances. However, the preparation of continuing disclosure documents, other than in the capacity of dissemination agent under a continuing disclosure undertaking, would be provided within the scope of other services described in Section V. below.

III. Particularized Services on Outstanding Issuances of Municipal Securities. HilltopSecurities may provide to the Issuer certain additional advisory or related services in connection with particular outstanding issuances or matters affecting multiple outstanding issuances throughout the term of this Agreement, which may include, depending on the specific circumstances of such issuance and any request or direction of the Issuer:

1. ***Other Post-Sale Services.*** Reviewing the transaction features and documentation of outstanding issuances with legal counsel for the Issuer, bond counsel, auditors and other experts and consultants retained by the Issuer and assisting in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters, or other services related to one or more outstanding issuances as may be agreed to by the Issuer and HilltopSecurities.

2. ***Brokerage of Municipal Escrow Investments.*** At the request of the Issuer, brokering the purchase of municipal escrow investments in connection with a refunding of an outstanding issuance, together with any recommendations by HilltopSecurities (but not by Hilltop Securities Asset Management, LLC as an investment adviser) with respect to such brokerage.

IV. Services as Independent Registered Municipal Advisor (“IRMA”). At the written request of the Issuer, HilltopSecurities shall, as the Issuer’s IRMA, review and provide advice to the Issuer in connection with any recommendations, proposals, ideas or matters suggested or otherwise communicated by a third party to the Issuer with respect to the same aspects of the issuance of municipal securities or municipal financial products that are within the scope of Municipal Advisory Services. There are no aspects of the issuance of municipal securities or municipal financial products that are outside the scope of Municipal Advisory Services set forth in this Appendix.

V. Other Services Relating to Municipal Securities. HilltopSecurities agrees to make available to the Issuer other services relating to municipal securities, when so requested by the Issuer and subject to the agreement by Issuer and HilltopSecurities regarding the specific requirements with respect to such services, which requirements shall be made part of the scope of Municipal Advisory Services and included in this Appendix as an amendment or addendum, which services may include, without limitation:

1. ***Capital Improvement Programs.*** Providing advice and assistance in the development of any capital improvement programs of the Issuer.

2. ***Long-Range Planning.*** Providing advice and assistance in the development of other long-range financing plans of the Issuer.

3. ***Refundings and Tender Offers.*** Providing advice and assistance in executing a refunding or tender offer of an outstanding issuance other than by means of refunding bonds, such as by means of a bank loan or other funds of the Issuer.

4. ***Continuing Disclosure Documents.*** Preparing and providing advice with regard to the content of continuing disclosure documents in compliance with the Issuer's continuing disclosure undertakings for its outstanding issuances, other than in the capacity of dissemination agent under a continuing disclosure undertaking.

* * * * *

As provided in paragraph D of Section I of the Agreement, amendments to this Appendix A may be effected by replacement of this Appendix A with a new version hereof or by the addition of an addendum to this Appendix A, and this Appendix A, as it may have been amended, shall be dated and effective as of the most recent of the date set forth in any such amendment or the date set forth in any addendum to this Appendix A.

APPENDIX B FORM AND BASIS OF COMPENSATION

This Appendix B sets out the form and basis of compensation to HilltopSecurities for the Municipal Advisory Services provided under this Agreement as set forth in Appendix A; provided that the compensation arrangements set forth in this Appendix B shall also apply to any additional services hereafter added to the scope of the Municipal Advisory Services, unless otherwise provided in the amendment to the Agreement relating to such change in scope of Municipal Advisory Services as provided in paragraph D of Section I of the Agreement.

I. New Issuances of Municipal Securities. The fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section I of Appendix A hereto for each new issuance of municipal securities will not exceed those contained in our fee schedule as listed below:

<u>For Proceeds Received:</u>	<u>The Fee Shall Be:</u>
Up to \$1,000,000	\$25,000
From \$1,000,000 to \$5,000,000	\$25,000 plus \$7.00 per \$1,000 for all over \$1,000,000
From \$5,000,000 to \$10,000,000	\$53,000 plus \$3.50 per \$1,000 for all over \$5,000,000
Over \$10,000,000	\$70,500 plus \$1.00 per \$1,000 for all over \$10,000,000

Refundings:

In addition to the above fees, refunding Obligations will be charged an analytical/structure fee calculated as follows:

<u>From</u>	<u>To</u>	<u>Analytics</u>
\$0.00	\$4,999,999.00	\$2,500.00
5,000,000.00	9,999,999.00	4,500.00
10,000,000.00	19,999,999.00	7,500.00
20,000,000.00	and up	9,500.00

The payment of charges as set forth in this Section I for new issuances shall be contingent upon the delivery of the new issuance and shall be due at the time that the municipal securities are delivered.

II. Baseline Advice on Outstanding Issuances of Municipal Securities. There shall be no additional fees due HilltopSecurities in connection with the Municipal Advisory Services set forth in Section II of Appendix A hereto, with the understanding that such services are integral to HilltopSecurities' engagement as municipal advisor to the Issuer and HilltopSecurities shall be compensated for such services through and as part of the fees paid for the other services provided by HilltopSecurities hereunder.

III. Particularized Services on Outstanding Issuances of Municipal Securities. In connection with Other Post-Sale Services described in Section III of Appendix A hereto, HilltopSecurities shall charge a fee that is mutually agreed upon with the Issuer.

In connection with the brokerage of municipal escrow investments described in Section III of Appendix A hereto, HilltopSecurities shall charge a commission that is normal and customary for investments of that type under then-current market conditions and shall disclose such commission to the Issuer so that the Issuer may consider the information in making its investment decision.

IV. Third-Party Recommendations, Proposals, Ideas or Other Matters as IRMA. In connection with its review of and advice on third-party recommendations to Issuers as an IRMA as described in Section IV of Appendix A hereto, HilltopSecurities shall charge a fee based on an hourly rate for services rendered in accordance with the schedule included above in Section III of this Appendix.

V. Other Services Relating to Municipal Securities. In connection with any services described in Section V of Appendix A hereto requested by the Issuer and agreed to by HilltopSecurities, the fees due with respect to any such services shall be as agreed to by the parties hereto, which terms shall be made part of the compensation provided under this Agreement and shall be included in this Appendix as an amendment or addendum hereto.

VI. Expenses. The Issuer shall be responsible for the following expenses in connection with the Municipal Advisory Services (including any additional services hereafter added to the scope of the Municipal Advisory Services), if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by HilltopSecurities as reimbursable expenses: bond counsel fees and expenses, bond printing costs, bond ratings fees and expenses, computer structuring costs, credit enhancement fees and expenses, accountant fees for verifications and related activities in connection with refundings, official statement preparation and printing, paying agent/registrar/trustee fees and expenses, travel expenses, underwriter and underwriter's counsel fees and expenses, and other miscellaneous expenses incurred by HilltopSecurities in the furtherance of any matter for which it serves as municipal advisor, including copy, delivery, phone and other charges normally incurred in connection with engagements of this type.

The Issuer agrees that any expense that it requests that HilltopSecurities pay to any third party on the Issuer's behalf shall be made in writing and shall be in accordance with paragraph C of Section III of the Agreement.

The payment of reimbursable expenses that HilltopSecurities has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of a new issuance of municipal securities or the completion of any other transactions for which such expenses have been assumed and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by HilltopSecurities, unless otherwise provided for in any amendment or addendum hereto in connection with the compensation arrangements for any services provided under the Agreement for which such amendment or addendum is required.

APPENDIX C MUNICIPAL ADVISOR DISCLOSURE STATEMENT

This disclosure statement (“Conflict Disclosures”) is provided by **Hilltop Securities Inc.** (“the Firm”) to you (the “Client”) in connection with our current municipal advisory agreement, (“the Agreement”). These Conflict Disclosures provide information regarding conflicts of interest and legal or disciplinary events of the Firm that are required to be disclosed to the Client pursuant to MSRB Rule G-42(b) and (c)(ii).

PART A – Disclosures of Conflicts of Interest

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

Material Conflicts of Interest – The Firm makes the disclosures set forth below with respect to material conflicts of interest in connection with the Scope of Services under the Agreement with the Firm, together with explanations of how the Firm addresses or intends to manage or mitigate each conflict.

General Mitigations – As general mitigations of the Firm’s conflicts, with respect to all of the conflicts disclosed below, the Firm mitigates such conflicts through its adherence to its fiduciary duty to Client, which includes a duty of loyalty to Client in performing all municipal advisory activities for Client. This duty of loyalty obligates the Firm to deal honestly and with the utmost good faith with Client and to act in Client’s best interests without regard to the Firm’s financial or other interests. In addition, because the Firm is a broker-dealer with significant capital due to the nature of its overall business, the success and profitability of the Firm is not dependent on maximizing short-term revenue generated from individualized recommendations to its clients but instead is dependent on long-term profitability built on a foundation of integrity, quality of service and strict adherence to its fiduciary duty. Furthermore, the Firm’s municipal advisory supervisory structure, leveraging our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of the Firm potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

I. Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm’s advisory activities within the Scope of Services outlined in the Agreement. Hilltop Securities Asset Management (HSAM), a SEC-registered affiliate of the Firm, provides post issuance services including arbitrage rebate and treasury management. The Firm’s arbitrage team verifies rebate and yield restrictions on the investments of bond proceeds on behalf of clients in order to meet IRS restrictions. The treasury management division performs portfolio management/advisor services on behalf of public sector clients. The Firm, through affiliate Hilltop Securities Asset Management (HSAM), provides a multi-employer trust tailor-made for public entities which allows them to prefund Other Post-Employment Benefit liabilities. The Firm has a structured products desk that provides advice to help clients mitigate risk through investment management, debt management and commodity price risk management products. These products consist of but are not limited to swaps (interest rate, currency, commodity), options, repos, escrow structuring and other securities. Continuing Disclosure services provided by the Firm work with issuers to assist them in meeting disclosure requirements set forth in SEC rule 15c2-12. Services include but are not limited to ongoing maintenance of issuer compliance, automatic tracking of issuer’s annual filings and public notification of material events. The Firm administers government investment pools. These programs offer governmental entities

investment options for their cash management programs based on the entities specific needs. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

II. PlainsCapital Bank Affiliate Conflict. The Firm, directly and through affiliated companies, provides or may provide services/advice/products to or on behalf of clients that are related to the Firm's advisory activities within the Scope of Services outlined in the Agreement. Affiliate, PlainsCapital Bank, provides banking services to municipalities including loans and custody. The Firm and the aforementioned affiliate's business with a client could create an incentive for the Firm to recommend to a client a course of action designed to increase the level of a client's business activities with the affiliates or to recommend against a course of action that would reduce or eliminate a client's business activities with the affiliates. This potential conflict is mitigated by the fact that the Firm and affiliates are subject to their own comprehensive regulatory regimes.

III. Other Municipal Advisor or Underwriting Relationships. The Firm serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of Client. For example, the Firm serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to Client. These other clients may, from time to time and depending on the specific circumstances, have competing interests, such as accessing the new issue market with the most advantageous timing and with limited competition at the time of the offering. In acting in the interests of its various clients, the Firm could potentially face a conflict of interest arising from these competing client interests. In other cases, as a broker-dealer that engages in underwritings of new issuances of municipal securities by other municipal entities, the interests of the Firm to achieve a successful and profitable underwriting for its municipal entity underwriting clients could potentially constitute a conflict of interest if, as in the example above, the municipal entities that the Firm serves as underwriter or municipal advisor have competing interests in seeking to access the new issue market with the most advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair the Firm's ability to fulfill its regulatory duties to Client.

IV. Secondary Market Transactions in Client's Securities. The Firm, in connection with its sales and trading activities, may take a principal position in securities, including securities of Client, and therefore the Firm could have interests in conflict with those of Client with respect to the value of Client's securities while held in inventory and the levels of mark-up or mark-down that may be available in connection with purchases and sales thereof. In particular, the Firm or its affiliates may submit orders for and acquire Client's securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own account or for the accounts of its customers. This activity may result in a conflict of interest with Client in that it could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing of Client's bond in the marketplace. Any such conflict is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that such investment activities would have an impact on the services provided by the Firm to Client under this Agreement.

V. Broker-Dealer and Investment Advisory Business. The Firm is dually registered as a broker-dealer and an investment advisor that engages in a broad range of securities-related activities to service its clients, in addition to serving as a municipal advisor or underwriter. Such securities-related activities, which

may include but are not limited to the buying and selling of new issue and outstanding securities and investment advice in connection with such securities, including securities of Client, may be undertaken on behalf of, or as counterparty to, Client, personnel of Client, and current or potential investors in the securities of Client. These other clients may, from time to time and depending on the specific circumstances, have interests in conflict with those of Client, such as when their buying or selling of Client's securities may have an adverse effect on the market for Client's securities, and the interests of such other clients could create the incentive for the Firm to make recommendations to Client that could result in more advantageous pricing for the other clients. Furthermore, any potential conflict arising from the firm effecting or otherwise assisting such other clients in connection with such transactions is mitigated by means of such activities being engaged in on customary terms through units of the Firm that operate independently from the Firm's municipal advisory business, thereby reducing the likelihood that the interests of such other clients would have an impact on the services provided by the Firm to Client.

VI. Compensation-Based Conflicts. Fees that are based on the size of the issue are contingent upon the delivery of the Issue. While this form of compensation is customary in the municipal securities market, this may present a conflict because it could create an incentive for the Firm to recommend unnecessary financings or financings that are disadvantageous to Client, or to advise Client to increase the size of the issue. This conflict of interest is mitigated by the general mitigations described above.

Fees based on a fixed amount are usually based upon an analysis by Client and the Firm of, among other things, the expected duration and complexity of the transaction and the Scope of Services to be performed by the Firm. This form of compensation presents a potential conflict of interest because, if the transaction requires more work than originally contemplated, the Firm may suffer a loss. Thus, the Firm may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Hourly fees are calculated with, the aggregate amount equaling the number of hours worked by Firm personnel times an agreed-upon hourly billing rate. This form of compensation presents a potential conflict of interest if Client and the Firm do not agree on a reasonable maximum amount at the outset of the engagement, because the Firm does not have a financial incentive to recommend alternatives that would result in fewer hours worked. This conflict of interest is mitigated by the general mitigations described above.

PART B – Disclosures of Information Regarding Legal Events and Disciplinary History

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, the Firm sets out below required disclosures and related information in connection with such disclosures.

I. Material Legal or Disciplinary Event. The Firm discloses the following legal or disciplinary events that may be material to Client's evaluation of the Firm or the integrity of the Firm's management or advisory personnel:

- For related disciplinary actions please refer to the Firm's [BrokerCheck](#) webpage.

- The Firm self-reported violations of SEC Rule 15c2-12: Continuing Disclosure. The Firm settled with the SEC on February 2, 2016. The firm agreed to retain independent consultant and adopt the consultant's finding. Firm paid a fine of \$360,000.
- The Firm settled with the SEC in matters related to violations of MSRB Rules G-23(c), G-17 and SEC rule 15B(c) (1). The Firm disgorged fees of \$120,000 received as financial advisor on the deal, paid prejudgment interest of \$22,400.00 and a penalty of \$50,000.00.
- The Firm entered into a Settlement Agreement with Rhode Island Commerce Corporation. Under the Settlement Agreement, the firm agreed to pay \$16.0 million to settle any and all claims in connection with The Rhode Island Economic Development Corporation Job Creation Guaranty Program Taxable Revenue Bond (38 Studios, LLC Project) Series 2010, including the litigation thereto. The case, filed in 2012, arose out of a failed loan by Rhode Island Economic Development Corporation. The firm's predecessor company, First Southwest Company, LLC, was one of 14 defendants. HilltopSecurities' engagement was limited to advising on the structure, terms, and rating of the underlying bonds. Hilltop settled with no admission of liability or wrongdoing.
- On April 30, 2019, the Firm entered into a Settlement Agreement with Berkeley County School District of Berkeley County, South Carolina. The case, filed in March of 2019, arose in connection with certain bond transactions occurring from 2012 to 2014, for which former employees of Southwest Securities, Inc., a predecessor company, provided financial advisory services. The Firm agreed to disgorge all financial advisory fees related to such bond transactions, which amounted to \$822,966.47, to settle any and all claims, including litigation thereto. Under the Settlement Agreement, the Firm was dismissed from the lawsuit with prejudice, no additional penalty, and with no admission of liability or wrongdoing.

II. How to Access Form MA and Form MA-I Filings. The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at [Forms MA and MA-I](#). The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by the Firms in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by the Firm on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org/>, and the Firm's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov/>. For purposes of accessing such BrokerCheck reports or Form ADV, click previous hyperlinks.

PART C – Future Supplemental Disclosures

As required by MSRB Rule G-42, this Municipal Advisor Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of the Agreement.

ADDENDUM TO MUNICIPAL ADVISORY AGREEMENT

**by and between
Hilltop Securities Inc.
and
City of Marshall, Texas
Executed July 23, 2020**

Section I of Appendix B of the Agreement is amended only to include a new Section IA as follows:

IA. Incurrence of Other Financial Obligations or Debt Instruments. The fees due Hilltop Securities in connection with any applicable Municipal Advisory Services set forth in Section I of Appendix A hereto for each incurrence of financial obligations or debt instruments that are not considered municipal securities will not exceed those contained in our fee schedule as listed below:

<u>For Principal Debt Amounts:</u>	<u>The Fee Shall Be:</u>
Up to \$1,000,000	\$12,000
From \$1,000,000 to \$5,000,000	\$12,000 plus \$3.50 per \$1,000 for all over \$1,000,000
From \$5,000,000 to \$10,000,000	\$26,000 plus \$2.00 per \$1,000 for all over \$5,000,000
Over \$10,000,000	\$36,000 plus \$0.50 per \$1,000 for all over \$10,000,000

The payment of charges as set forth in this Section IA for new issuances shall be contingent upon the delivery of the new issuance and shall be due at the time that the funds are delivered to the Issuer.

HILLTOP SECURITIES INC.

CITY OF MARSHALL, TEXAS

By: John L Martin Jr
John L. Martin, Jr.
Senior Managing Director
Hilltop Securities, Inc.

By: _____
Melissa Vossmer
Acting City Manager
City of Marshall, Texas

Date: _____



TO: City Council
DATE: January 23, 2025
ITEM #: 6.I
SUBJECT: Consider approval of Continuation of Engagement with Pattillo, Brown & Hill, L.L.P. for Annual Audit Services – fiscal year 2024. (Finance)

Recommendation for Action: Approval of Continued Engagement with Pattillo, Brown & Hill, L.L.P. by authorizing the Finance Director to execute the engagement letter on behalf of the City.

Executive Summary: In accordance with Texas State Local Government Code, Title 4, Subtitle A, Chapter 103, the City is required to engage an independent auditor annually to review its financial records. For the upcoming fiscal year, we propose continuing our partnership with Pattillo, Brown & Hill, L.L.P. for the fourth consecutive year. This firm has consistently demonstrated a high level of professionalism and diligence, conducting thorough onsite reviews and ensuring meticulous attention to detail. Their comprehensive audits provide valuable oversight, reinforcing confidence among management and the public in the integrity of the City's financial reporting. By maintaining this collaboration, the City reaffirms its commitment to transparency, accountability, and compliance with regulatory standards, ensuring best practices in municipal financial governance.

Budget Cost: Not exceed \$42,500, \$2,500 for each major program under the Uniform Guidance and \$5,000 for lease and SBITA schedules.

Staff Contact: Dawn I. Jones

Attachments: 1. Audit Engagement Letter 2024



January 6, 2025

City of Marshall, Texas
Attn: Dawn Jones, Finance Director
401 South Alamo
Marshall, Texas 75670

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Marshall, Texas (the "Entity"), as of December 31, 2024, and for the year then ended, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

In addition, we will audit the entity's compliance over major federal award programs for the period ended December 31, 2024. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston
NEW MEXICO | Albuquerque



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension and other postemployment benefit related information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis.
- Budgetary Schedules.
- Schedule of Changes in Net Pension Liabilities and Related Ratios.
- Schedule of Pension Contributions.
- Schedule of Changes in Net Other Post Employment Benefit (OPEB) Liability and Related Ratios.
- Schedule of OPEB Contributions.

Supplementary information other than RSI will accompany the Entity's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining Nonmajor Fund Financial Statements and Schedules.

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200 and *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

As part of an audit of financial statements in accordance with GAAS and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the Entity's basic financial statements. Our report will be addressed to those charged with governance of the Entity. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the Entity's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
7. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;

8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
 - d. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report, if one is issued. This document would include more than an annual comprehensive financial report (ACFR) or annual financial report (AFR) and;
 - e. If applicable, a final version of the annual report, (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
17. For acceptance of non-attest services, including identifying the proper party to oversee non-attest work;
18. For maintaining adequate records, selecting, and applying accounting principles, and safeguarding assets;

19. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
20. For the accuracy and completeness of all information provided;
21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Non-attest Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, related notes of the Entity and assisting with the preparation of lease and subscription schedules and journal entries in conformity with U.S. generally accepted accounting principles and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) based on information provided by you. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. These services are limited to preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Entity as previously outlined.

We will not assume management responsibilities on behalf of the Entity. However, we will provide advice and recommendations to assist management of the Entity in performing its responsibilities.

The Entity’s management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement is limited to our preparation of the financial statements and related note disclosures and the schedule of expenditures of federal awards previously outlined. Our firm in its sole professional judgment, reserves the right to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise with regard to financial reporting, but the Entity must make all decisions with regard to those matters.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

Engagement Administration, Fees, and Timing

We will schedule the engagement based in part on deadlines, working condition, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	March 2025
Mail confirmations	February 2025
Perform year-end audit procedures	April - May 2025
Issue audit reports	June 2025

John K. Manning is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Pattillo, Brown & Hill, LLP’s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees for these services will be at our standard hourly rates plus out-of-pocket cost (such as reports reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$42,500, \$2,500 for each major program under the Uniform Guidance and \$5,000 for lease and SBITA schedules and journal entries. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your

account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional cost.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or email, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications. In addition to fax and email, our firm also exchanges data over the internet using other methods (such as portals) or store electronic data via software applications hosted remotely through a third-party vendor's secured portal and/or cloud.

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

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

Our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. For example, such transmissions might include, but not be limited to investment information to verify valuation. We have obtained confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

The audit documentation for this engagement is the property of Pattillo, Brown & Hill, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to federal or state agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Pattillo, Brown & Hill's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to management and those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the entity's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements, compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,
Pattillo, Brown & Hill, L.L.P.

A handwritten signature in black ink that reads "John K. Manning". The signature is written in a cursive, flowing style.

John K. Manning, CPA
Waco, Texas

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the City of Marshall, Texas by:

Name: Dawn I. Jones

Title: Finance Director

Date: 1/16/2025

Report on the Firm's System of Quality Control

December 9, 2022

To the Partners of Pattillo Brown & Hill, LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Pattillo Brown & Hill, LLP (the firm) in effect for the year ended May 31, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; an audit of an employee benefit; and an audit performed under FDICIA.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Pattillo Brown & Hill, LLP in effect for the year ended May 31, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Pattillo Brown & Hill, LLP has received a peer review rating of *pass*.

Ericksen Krentel, LLP

Certified Public Accountants



TO: City Council
DATE: January 23, 2025
ITEM #: 6.J
SUBJECT: Consider approval of the November 2024 Financial Statements. (Finance)

Recommendation for Action:

Executive Summary:

Budget Cost:

Staff Contact:

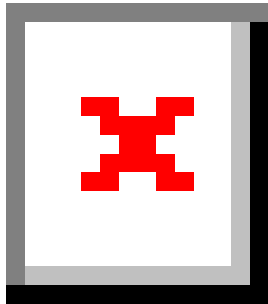
Attachments: None



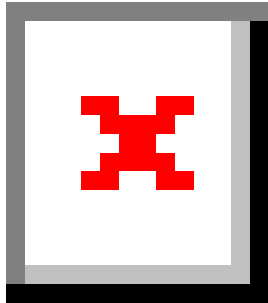
TO: City Council
DATE: January 23, 2025
ITEM #: 8.A
SUBJECT: **Second Reading O-25-01:** Consider approval of an ordinance granting to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, the right, privilege and franchise to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the public rights-of-way of the City of Marshall, Texas for the transportation, delivery, sale and distribution of natural gas; containing other provisions relating to the foregoing subject; providing for severability and providing an effective date. (City Manager)

Recommendation for Action: Approve Ordinance 0-25-01 as Recommended

Executive Summary: See Attached Memo



Budget Cost: See Attached Memo for financial impact. [OBJ]



Staff Contact: Melissa Byrne Vossmer, Interim City Manager
Scott Rectenwald, City Attorney

- Attachments:**
1. Agenda Item 2nd Reading CenterPoint 1-23-25
 2. Red-Lined Final Draft Proposed CenterPoint Energy Franchise Agreement (as of 12-6-24)
 3. Final Draft Marshall - CenterPoint Energy Franchise Agreement (DRAFT as of 12-6-24)

To: City Council

From: Melissa Byrne Vossmer, Interim City Manager

Re: 2nd Reading of Proposed CenterPoint Energy Franchise Agreement

At the January 16, 2025 the City took the first step to approving the new Franchise Agreement with CenterPoint Energy Resources Group. There were no changes to the proposed Franchise Agreement as a result of consideration. The item is back on the agenda today (January 23, 2025) for the required second reading.

For record purposes, it should be noted that due to the cancelation of the 1-9-25 City Council meeting, the 1st reading was actually January 16, 2025. The second reading was anticipated to be January 23, 2025.

In addition, this franchise agreement doesn't identify the rates charged by CenterPoint Energy. The rate-making process is controlled by the Texas Railroad Commission and the City is part of the municipal network that works together to review and respond to proposed rate increases.

Executive Summary:

The City of Marshall has a Franchise Agreement with CenterPoint Energy Resources Group dba CenterPoint Energy Texas Gas Operations (CenterPoint). The current Franchise Agreement (Agreement) was executed in October 1987 from the original Franchise Agreement executed in 1948. Entex is referenced in these agreements which was a name commonly used in previous years. Entex was a CenterPoint Energy predecessor company that owned gas utilities in South and East Texas, Louisiana, and Mississippi. CenterPoint Entex is the term that is colloquially used to refer to the CenterPoint Energy's gas operations in Texas. The formal/legal name for the gas utility is "CenterPoint Energy Resources Corp." In short, CenterPoint Energy has been the gas provider to Marshall since at least 1948.

The reason for the Franchise Agreement with CenterPoint is because they are a private business using City property – namely the rights-of-way - throughout the City where they have built their gas distribution system. A private business can use a City's rights-of-way (ROW) with the City's permission, but must also commit to working with the City in the rights-of-way and extreme coordination as these same rights-of-way are where the City's utilities are located as well. They must also make payment to the City for this use of public property. Streets and sidewalks are also impacted some as there may be a portion of the gas distribution system located under this infrastructure as well.

The working relationship the City has with CenterPoint is generally a good one. CenterPoint is generally careful of City infrastructure and keeps Staff informed as to their work locations. If there are complaints about their work site they are responsive and for the most part they do a good job.

Key provisions of the proposed Agreement such as how work in the rights-of-way will be accomplished, coordination, movement of their infrastructure in the case of a City project, location requests etc. are addressed to the satisfaction of Staff. While the City Attorney and the City Manager have been the primary Staff, the proposed Agreement has also been reviewed by the Public Works Director and Finance Director who are in agreement that this document is satisfactory.

Staff did address the following recommended changes as noted in the marked up draft included so you can see the original language and the final proposed language:

- ROW work/coordination: Language is included to require more coordination with the city
- Professional Engineer (PE) stamps: Language was revised to require documentation with a PE stamp if requested by city and to the extent such documentation exists
- Termination notice: 60-day notice revised to 30-day notice
- Interest on late payments: Revised from 3% to 6%

CenterPoint currently pays the City a flat 2.5% on gross receipts. The proposed Agreement included two options of increases to the flat percentage payments.

1. An increase to 4% gross receipts and the working relationship and City's jurisdiction of the Franchise remains the same; or,
2. An increase to 5% gross receipts and the City relinquishes its' ROW jurisdiction to the Texas Railroad Commission (Railroad Commission). City would continue to receive the payment but the work relationship would be between the Railroad Commission and CenterPoint. The very nature of handing over local jurisdictional control in any manner to a state commission does not seem to be a prudent recommendation

In addition, under both scenarios, revenue received would continue to include: seven cents (7¢) per 1000 cubic feet (Mcf) for natural gas transported by CenterPoint for its Transport Customers during such quarter. A Transport customer means any person or entity for whom Company transports gas

through the distribution system of Company within the corporate limits of the City for consumption within the corporate city limits.

The fiscal analysis of revenue that results from each of these payment options to the City is addressed in the Financial section of the agenda item.

Furthermore, Article XI Franchises and Public Utilities, Section 11.01 of the Charter stipulates that the term of the Franchise Agreement cannot exceed thirty (30) years. In conversation, Staff agreed it would not be prudent to recommend the maximum length allowed by the Charter though it was originally suggested by CenterPoint.

Instead Staff recommended an initial term of ten (10) years with two, five (5) year extensions. At any time after the initial ten years the City has an opportunity to provide notice of intent to not renew the Agreement, requiring a ninety (90) day notice. The shorter proposed 10-year term provides some flexibility to the City as we do not know what the future will bring and a future Council can assess the Agreement at that time.

The City's Charter anticipated the need to address Franchise Agreements in Article VIII, Franchise and Public Utilities, Section 11.03 Ordinance Granting a Public Utility Franchise reads as follows:

Every ordinance granting, renewing, extending or amending a public utility franchise shall be read at no more than two (2) meetings of the Council unless the franchise ordinance requires reading at additional meetings. At least ten (10) days before Council considers such ordinance the caption of such ordinance shall be published in the official newspaper of the City or using such other media as authorized by law and the expense of such publication shall be borne by the franchise holder or prospective franchise-holder.

To meet the requirements of the Charter for Council consideration at the January 9th City Council meeting, working with the City Secretary, the caption of the proposed ordinance was published on December 28, 2024 which reads as follows:

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY RESOURCES CORP., DBA CENTERPOINT ENERGY TEXAS GAS OPERATIONS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF MARSHALL, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

The Charter states no more than two (2) Readings of the Ordinance are required. A second Reading will be scheduled for the January 23rd City Council meeting.

Staff recommends that the Agreement be approved.

							% of Total Sales		% of Total Sales		TL FY 2025 Increase
		Assumptions	Qt 1	Qt 2	Qt 3	Qt 4	TL	Total Sales	2.5%	4.0%	
erPoint	FY 2023		78,599.86	27,981.78	20,135.48	29,990.94	156,708.06	6,268,322	156,708	250,733	94,025
\$117,594.10	FY 2024	75.040%	50,906.96	24,253.13	19,928.74		95,088.83	4,703,764	117,594	188,151	70,556
\$125,079.00	FY 2024	100% QT 4	50,906.96	24,253.13	19,928.74			5,003,191	125,080	200,128	75,048
			64.77%	86.67%	98.97%						

**CITY OF MARSHALL
ORDINANCE NO. _____**

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY RESOURCES CORP., DBA CENTERPOINT ENERGY TEXAS GAS OPERATIONS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF MARSHALL, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARSHALL.

Section 1. GRANT OF AUTHORITY. Subject to the terms, conditions and provisions of this ordinance, the right, privilege and franchise is hereby granted to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, hereinafter called “Company,” to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the Public Rights-of-Way of the City of Marshall, Texas for the transportation, delivery, sale and distribution of natural gas within the corporate limits of the City of Marshall, as the same are now and as the same may from time to time be extended.

Section 2. DEFINITIONS.

- A. “City” shall mean the City of Marshall, Texas.
- B. “Company” shall mean CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, a Delaware Corporation, and shall not mean any of its affiliates and subsidiaries who shall have no right, privilege or franchise granted hereunder.
- C. “Facilities” shall mean pipes, pipelines, natural gas mains, laterals, feeders, regulators, meters, fixtures, connections and attachments and other instrumentalities and appurtenances, used in or incident to providing transportation, distribution, supply, and sales of natural gas for heating, lighting, power, and any other purposes for which natural gas may now or hereafter be used.
- D. “Public Rights-of-Way” shall mean the areas in, under, upon, over, across, and along any and all of the present and future Streets or streams now or hereafter owned or controlled by City.
- E. “Street” shall mean the surface and the space above and below any public street, road, highway, alley, bridge, sidewalk, or other public place or way.

Section 3. TERM OF FRANCHISE. This Franchise shall become effective on the Effective Date described in Section 21 and shall be in full force and effect for a term of ~~tenth~~^{thirty} (31) years. This franchise shall automatically renew itself for ~~two~~ successive five (5) year periods

following the primary term unless either the City or Company provides notice to the contrary to the other at least ninety (90) days prior to the expiration of the primary term or any succeeding five (5) year renewal term.

Section 4. CONSTRUCTION AND MAINTENANCE OF NATURAL GAS DISTRIBUTION SYSTEM. All Facilities installed by Company shall be of sound material and good quality, and shall be laid so that they will not interfere with the artificial drainage of the City or its underground fixtures, or with navigation in or the natural drainage of any stream. All Facilities shall be installed in accordance with applicable Federal and State regulations and in the absence of such regulations in accordance with accepted industry practice. Within the Public Rights-of-Way, the location and route of the Facilities by the Company shall be subject to the reasonable and proper regulation, direction and control of the City or the City official to whom such duties have been delegated. Such regulation shall include, but not be limited to, the right to require in writing to the extent provided in Section 13 the relocation of Company's Facilities at Company's cost within the Public Rights-of-Way of the City whenever such relocation shall be reasonably necessary to accommodate the widening, change of grade, or relocation by City of Streets or Public Rights-of-Way, or construction or relocation by City of City utility lines or drainage facilities, the right to coordinate with the Company to accommodate the City's work on or in Public Rights-of-Way or to accommodate public use of Public Rights-of-Way for events, special occasions, and other instances during particularly busy times, and the general exercise of the City's police power. Company shall keep current and up-to-date maps showing the physical location of Company's facilities and make available for inspection by the City at no cost during normal working hours.

Section 5. STREETS TO BE RESTORED TO GOOD CONDITION. Company and its contractors shall give City reasonable notice, of the dates, location, and nature of all work to be performed on its Facilities within the Public Rights-of-Way, subject to the City's right to coordinate with Company for alternative dates and times if reasonably necessary to accommodate other work on or in Public Rights-of-Way or public use of Public Rights-of-Way for events, special occasions, and other instances during particularly busy times. This Franchise shall constitute a permit to perform all work on Company's Facilities within the Public Rights-of-Way and to park vehicles in the Streets and other Public Rights-of-Way when necessary for the installation, replacement, abandonment, operation, or maintenance of Company's Facilities. Company and contractors performing work for Company shall not be required to obtain any permits in addition to the Franchise or to pay any license, charge, fee, street or alley rental, or other character of charge or levy in addition to the franchise fee in order to perform work on Company's Facilities, or park within the Streets and other Public Rights-of-Way. If City does charge Company any such additional amount, then Company may deduct the amount charged from the next succeeding franchise payment or payments, as provided in Section 7, until fully reimbursed. Following completion of work in the Public Rights-of-Way, Company shall repair the affected Public Rights-of-Way as soon as possible, but in all cases Company shall comply with all City ordinances governing time periods and standards relating to excavating in the Public Rights-of-Way. No street, alley, highway or public place shall be encumbered for a longer period than shall be necessary to execute the work. Company shall not be required to pay City any fees for costs incurred by City for outside professional review of any work on Company's Facilities within Public Rights-of-Way. Upon the City's request, Company shall ~~not~~ be required to provide City

with engineering or design documentation that has a professional engineer stamp, to the extent such documentation exists, for any work on Company's Facilities within Public Rights-of-Way.

Section 6. QUALITY OF SERVICE. The service furnished hereunder to the City and its inhabitants shall be in accordance with the quality-of-service rules of the Railroad Commission of Texas, state and federal regulations. Company shall furnish the grade of service to its customers as provided by its rate schedules and shall maintain its system in reasonable operating condition during the continuance of this Franchise. An exception to this requirement is automatically in effect, but only for so long as is necessary, when caused by a shortage in materials, supplies and equipment beyond the control of the Company as a result of fires, strikes, riots, storms, floods and other casualties, governmental regulations, limitations and restrictions as to the use and availability of materials, supplies and equipment and as to the use of the services, and unforeseeable and unusual demands for service. In any of such events the Company shall do all things reasonably within its power to restore normal service as quickly as practicable.

Section 7. PAYMENT TO THE CITY. In consideration of the rights and privileges herein granted, the administration of the Franchise by the City, the temporary interference with the use of Public Rights-of-Way and cost and obligations undertaken by the city in relation thereto and in lieu of any license, charge, fee, street or alley rental or other character of charge for use and occupancy of the Streets, alleys, and public places of the City, and in lieu of any inspection fee, the Company agrees to pay to the City franchise fees in the amount and manner described herein, subject to an offset as described in Section 5.

Company agrees to pay to the City quarterly during the continuance of this Franchise a sum of money equal to four percent (4%) of the Company's gross receipts for the preceding calendar quarter received by the Company from the sale of gas within the corporate limits of the City plus seven cents (7¢) per Mcf for natural gas transported by Company for its Transport Customers during such quarter. "Transport Customer" means any person or entity for whom Company transports gas through the distribution system of Company within the corporate limits of City for consumption within the corporate limits of City. The franchise fees hereunder shall be calculated for the calendar quarters ending March 31, June 30, September 30, and December 31 and shall be payable on or before the fifteenth day of May, August, November, and February following the quarter for which payment is made, beginning with the first such date following the Effective Date of this Franchise and each August 15th, November 15th, February 15th, and May 15th thereafter; provided, however, the first such payment shall be prorated as necessary to reflect only those gross receipts received and transportation volumes delivered by Company after the Effective Date of this Franchise. In no event shall the Company be required to remit to the City franchise fee amounts that for any reason whatsoever are not fully recoverable from its customers. Upon receipt of the above amount of money, the City Secretary shall deliver to the Company a receipt for such amount. If any payment due date required herein falls on a weekend or bank holiday, payment shall be made on or before the close of business of the first working day after the payment due date.

Section 8. ANNEXATIONS BY CITY. This Franchise shall extend to and include any and all territory that is annexed by the City during the term of this Franchise. Within sixty (60) days from the receipt of notice from the City of any such annexation, the Company shall assure that any and all customers within such annexed territory are included and shown on its accounting

system as being within the corporate limits of the City of Marshall. After such sixty (60) day period the payment provisions specified in Section 7 of this Franchise shall apply to gross receipts and transport fees received by the Company from customers located within such annexed territory. Company shall true-up its map of City boundaries to the City's map on an annual basis.

Section 9. NON-EXCLUSIVE FRANCHISE. Nothing contained in this Franchise shall ever be construed as conferring upon the Company any exclusive rights or privileges of any nature whatsoever.

Section 10. COMPLIANCE AND REMEDIES. (a) In the event the Company by act or omission violates any material term, condition or provision of this Franchise, the City shall notify the Company in writing of such violation. Should the Company fail or refuse to correct any such violation within thirty (30) days from the date of City's notice, the City shall, upon written notification to the Company, have the right to terminate this agreement. Any such termination and cancellation shall be by ordinance adopted by City Council; provided, however, before any such ordinance is adopted, the Company must be given at least ~~thirtysixty~~ (630) days' advance written notice. Such notice shall set forth the causes and reasons for the proposed termination and cancellation, shall advise the Company that it will be provided an opportunity to be heard by City Council regarding such proposed action before any such action is taken and shall set forth the time, date, and place of the hearing.

(b) Other than its failure, refusal, or inability to pay its debts and obligations, including, specifically, the payments to the City required by this Franchise, the Company shall not be declared in default or be subject to any sanction under any provision of this Franchise in those cases in which performance of such provision is prevented by reasons beyond its control.

(c) The rights and remedies of City and Company set forth herein shall be in addition to, and not in limitation of, any other rights and remedies provided at law or in equity and City's exercise of any particular remedy shall not constitute a waiver of its rights to exercise any other remedy.

Section 11. RESERVE OF POWERS. Except as otherwise provided in this Franchise, the City by the granting of this Franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers, claims and rights, now or hereafter vested in the City under the Constitution and statutes of the State of Texas and under the Charter and Ordinances of the City of Marshall or other applicable law, to regulate public utilities within the City and to regulate the use of the Streets by the Company; and the Company by its acceptance of this Franchise agrees that, except as otherwise provided in this Franchise, all lawful powers and rights, whether regulatory or otherwise, as are or as may be from time to time vested in or reserved to the City, shall be in full force and effect and subject to the exercise thereof by the City at any time and from time to time.

SECTION 12. INDEMNITY. THE COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL PROTECT AND HOLD THE CITY AND ITS OFFICERS, AGENTS, AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS "THE CITY") HARMLESS AGAINST ANY AND ALL CLAIMS OR DEMANDS FOR DAMAGES TO

ANY PERSON OR PROPERTY BY REASON OF THE CONSTRUCTION AND MAINTENANCE OF THE COMPANY'S NATURAL GAS DISTRIBUTION SYSTEM, OR IN ANY WAY GROWING OUT OF THE RIGHTS GRANTED BY THIS FRANCHISE, EITHER DIRECTLY OR INDIRECTLY, OR BY REASON OF ANY ACT, NEGLIGENCE OR NONFEASANCE OF THE COMPANY OR THE CONTRACTORS, AGENTS OR EMPLOYEES OF THE COMPANY OR ITS SUCCESSORS AND ASSIGNS, AND SHALL REFUND TO THE CITY ALL SUMS WHICH THE CITY MAY BE ADJUDGED TO PAY ON ANY SUCH CLAIM, OR WHICH MAY ARISE OR GROW OUT OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED OR BY THE ABUSE THEREOF, AND THE COMPANY OR ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD THE CITY HARMLESS FROM AND ON ACCOUNT OF ALL DAMAGES, COSTS, EXPENSES, ATTORNEY'S FEES, ACTIONS, AND CAUSES OF ACTION THAT MAY ACCRUE TO OR BE BROUGHT BY, A PERSON, PERSONS, COMPANY OR COMPANIES AT ANY TIME HEREAFTER BY REASON OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED, OR OF THE ABUSE THEREOF.

Section 13. RELOCATION OF FACILITIES. The Company shall, upon written request of the City, relocate its Facilities within Public Rights-of-Way at Company's own expense, exclusive of Facilities installed for service directly to City, whenever such shall be reasonably necessary on account of the widening, change of grade, or relocation by City of Streets or Public Rights-of-Way, or construction or relocation by City of City utility lines or drainage facilities. City shall bear the costs of all relocations of Facilities installed for service directly to City and of any relocation of other Facilities requested by City for reasons other than the widening, change of grade, or relocation by City of Streets or Public Rights-of-Way, or construction or relocation by the City of City utility lines or drainage facilities.

Section 14. GOVERNMENTAL FUNCTION. All of the regulations and activities required by this Franchise are hereby declared to be governmental and for the health, safety and welfare of the general public.

Section 15. RECORDS AND REPORTS. (a) Books of Account. The Company shall keep complete and accurate books of accounts and records of its business and operations under and in connection with this Franchise. All such books of accounts and records shall be kept at the company's principal office in Houston, Texas.

(b) Access by City. The City may conduct an audit or other inquiry or may pursue a cause of action in relation to the payment of the franchise fee only if such audit, inquiry, or pursuit of a cause of action concerns a payment made less than three (3) years before the commencement of such audit, inquiry, or pursuit of a cause of action. Each party shall bear its own costs of any such audit or inquiry. Upon receipt of a written request from the City, all books and records related to Company's operations under this Franchise shall be made available for inspection and copying no later than thirty (30) days from receipt of such request.

(c) Interest on Underpayments and Overpayments. (1) Amounts due to City for late payments shall include interest, compounded daily equal to six percent (6%)~~the return on equity~~

~~plus three percent (3%) granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City.~~ (2) If the City identifies, as a result of a franchise fee compliance review, amounts owed by the Company from prior periods or prior underpayments, then the Company shall pay simple interest on such amounts equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City. Said interest shall be payable on such sums from the date the initial payment was due until it is paid and shall not be billed to customers. (3) Amounts due Company for past overpayments shall include simple interest equal to the return on equity granted to the Company in its most recent proceeding fixing rates applicable to customers within the corporate limits of the City; provided, however, if there is a change in the approved return on equity during the time period subject to the City's audit or inquiry, then for each time period during which there was an overpayment, the approved return on equity in effect during such time period shall be used in calculating interest under this subparagraph (c). Interest payable on such sums shall be credited to customers.

Section 16. EASEMENT. In consideration for the compensation set forth in Section 7, City agrees that if City sells, conveys, or surrenders possession of any portion of the Public Right-of-Way that is being used by Company pursuant to this Franchise, City, to the maximum extent of its right to do so, shall first grant Company an easement for such use and the sale, conveyance, or surrender of possession of the Public Right-of-Way shall be subject to the right and continued use of Company.

Section 17. [LEFT BLANK].

Section 18. ACCEPTANCE. The Company shall, within thirty (30) days following the final passage and approval of this Franchise, file with the City Secretary of the City of Marshall either 1) a written statement signed in its name and behalf in the following form or 2) this document duly executed below by the Vice President of Regional Operations:

“To the Honorable Mayor and City Council Members of the City of Marshall:

CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, its successors and assigns, hereby accepts the attached Franchise Ordinance, and agrees to be bound by all of its terms and provisions.”

CENTERPOINT ENERGY RESOURCES CORP.,
DBA CENTERPOINT ENERGY TEXAS GAS
OPERATIONS

By: _____
Nathan Brownell, Vice President, Texas Gas

Dated this _____ day of _____.

Section 19. GOVERNING LAW AND SEVERABILITY. This Franchise shall be governed and construed according to the laws of the State of Texas excluding, however, any conflict of laws rule that would apply the law of another jurisdiction. If any provision, section, subsection, sentence, clause or phrase of this Franchise is for any reason held to be unconstitutional, void, or invalid or for any reason unenforceable, the validity of the remaining portions of this Franchise shall not be affected thereby, it being the intent the City of Marshall in adopting this Franchise that no portion hereof or provision hereof shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation and, to this end, all provisions of this ordinance are declared to be severable.

Section 20. NOTICES. Every notice, order, petition, documents or other direction or communication to be served upon the City or the Company shall be deemed sufficiently given if sent by registered or certified mail, return receipt requested. Every such communication to the Company shall be sent to:

CenterPoint Energy Resources Corp.
Vice President, Regulatory Relations
P.O. Box 4567
Houston, TX 77210-4567

With a copy to:

Regulatory Legal
P.O. Box 2628
Houston, TX 77252-2628

Every such communication to the City or the City Council shall be sent to the:

City Manager
410 South Alamo Boulevard
P.O. Box 698
Marshall, Texas 75670

With a Copy to:

City Secretary
410 South Alamo Boulevard
P.O. Box 698
Marshall, Texas 75670

Section 21. PUBLICATION, PASSAGE, AND EFFECTIVE DATE. This Franchise, having been published, if required, shall take effect and be in force from and after the first day of the month following thirty days after receipt by the Company's acceptance filed pursuant to Section 18 ("Effective Date"). The Company shall pay the cost of those publications.

Section 22. COMPLIANCE WITH CHARTER AND ORDINANCES. This Franchise, the rights granted hereby, and the operations and activities performed by Company pursuant hereto shall be subject to applicable provisions of the Charter of the City of Marshall, Texas. Except to the extent otherwise expressly provided herein, the Franchise and rights granted hereby and the operations and activities performed by Company pursuant hereto, shall be subject to all valid ordinances and regulations of the City insofar as such ordinances and regulations (a) do not shorten the term hereof or terminate, abrogate, or materially and adversely affect the Franchise and right granted to Company hereby, (b) do not conflict with or are not inconsistent with the terms and provisions contained in this ordinance, or (c) do not modify, preempt, or cause Company to violate the terms of a tariff approved by the Railroad Commission of Texas, Railroad Commission Rules, or the Gas Utility Regulatory Act, ~~or (d) do not unreasonably regulate the Company's operations and activities in the City Right-of-Way.~~ If Company believes a future Ordinance unreasonably regulates its operations and activities in the City Right-of-Way, City and Company shall meet and reach a mutually agreeable solution.

Read in full, passed and adopted on first reading at a regular meeting of the City Council of the City of Marshall, Texas, on the _____ day of _____, 2024 and approved by the Mayor.

APPROVED:

Amy Ware, Mayor
City of Marshall, Texas

ATTEST:

Nikki Smith, City Secretary
City of Marshall, Texas

THE STATE OF TEXAS §
 §
COUNTY OF HARRISON §

I, the duly appointed, qualified and acting City Secretary of City of Marshall, Texas, do hereby certify that the above and foregoing ordinance was read, passed and adopted on first reading at a regular meeting of the City Council of said City of Marshall, Texas, held on the ____ day of _____, 2024; that written notice of the date, place and subject of said meeting was posted on a bulletin board located at a place convenient to the public in the City Hall for at least

72 hours preceding the day of said meeting; that the Mayor Amy Ware, and _____ City Council Members:

1. Risa Jordan-Anderson

4. Reba Godfrey

2. Leo Morris

5. Amanda Abraham

3. Dathaniel Campbell

6. Micah Fenton

were present at said meeting and acted as the Council throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; and that the same has been duly filed with the City Secretary and recorded by the City Secretary in full in the books for the purpose of recording the ordinances of the City of Marshall, Texas.

EXECUTED under my hand and the official seal of the City of Marshall, Texas at said City, this _____ day of _____, 2024.

Nikki Smith, City Secretary
City of Marshall, Texas

[SEAL]

**CITY OF MARSHALL
ORDINANCE NO. _____**

AN ORDINANCE GRANTING TO CENTERPOINT ENERGY RESOURCES CORP., DBA CENTERPOINT ENERGY TEXAS GAS OPERATIONS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF MARSHALL, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MARSHALL.

Section 1. GRANT OF AUTHORITY. Subject to the terms, conditions and provisions of this ordinance, the right, privilege and franchise is hereby granted to CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, hereinafter called “Company,” to construct, install, extend, remove, replace, abandon, operate and maintain its facilities within the Public Rights-of-Way of the City of Marshall, Texas for the transportation, delivery, sale and distribution of natural gas within the corporate limits of the City of Marshall, as the same are now and as the same may from time to time be extended.

Section 2. DEFINITIONS.

- A. “City” shall mean the City of Marshall, Texas.
- B. “Company” shall mean CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, a Delaware Corporation, and shall not mean any of its affiliates and subsidiaries who shall have no right, privilege or franchise granted hereunder.
- C. “Facilities” shall mean pipes, pipelines, natural gas mains, laterals, feeders, regulators, meters, fixtures, connections and attachments and other instrumentalities and appurtenances, used in or incident to providing transportation, distribution, supply, and sales of natural gas for heating, lighting, power, and any other purposes for which natural gas may now or hereafter be used.
- D. “Public Rights-of-Way” shall mean the areas in, under, upon, over, across, and along any and all of the present and future Streets or streams now or hereafter owned or controlled by City.
- E. “Street” shall mean the surface and the space above and below any public street, road, highway, alley, bridge, sidewalk, or other public place or way.

Section 3. TERM OF FRANCHISE. This Franchise shall become effective on the Effective Date described in Section 21 and shall be in full force and effect for a term of ~~tenth~~^{thirty} (31)0 years. This franchise shall automatically renew itself for ~~two~~ successive five (5) year periods

following the primary term unless either the City or Company provides notice to the contrary to the other at least ninety (90) days prior to the expiration of the primary term or any succeeding five (5) year renewal term.

Section 4. CONSTRUCTION AND MAINTENANCE OF NATURAL GAS DISTRIBUTION SYSTEM. All Facilities installed by Company shall be of sound material and good quality, and shall be laid so that they will not interfere with the artificial drainage of the City or its underground fixtures, or with navigation in or the natural drainage of any stream. All Facilities shall be installed in accordance with applicable Federal and State regulations and in the absence of such regulations in accordance with accepted industry practice. Within the Public Rights-of-Way, the location and route of the Facilities by the Company shall be subject to the reasonable and proper regulation, direction and control of the City or the City official to whom such duties have been delegated. Such regulation shall include, but not be limited to, the right to require in writing to the extent provided in Section 13 the relocation of Company's Facilities at Company's cost within the Public Rights-of-Way of the City whenever such relocation shall be reasonably necessary to accommodate the widening, change of grade, or relocation by City of Streets or Public Rights-of-Way, or construction or relocation by City of City utility lines or drainage facilities, the right to coordinate with the Company to accommodate the City's work on or in Public Rights-of-Way or to accommodate public use of Public Rights-of-Way for events, special occasions, and other instances during particularly busy times, and the general exercise of the City's police power. Company shall keep current and up-to-date maps showing the physical location of Company's facilities and make available for inspection by the City at no cost during normal working hours.

Section 5. STREETS TO BE RESTORED TO GOOD CONDITION. Company and its contractors shall give City reasonable notice, of the dates, location, and nature of all work to be performed on its Facilities within the Public Rights-of-Way, subject to the City's right to coordinate with Company for alternative dates and times if reasonably necessary to accommodate other work on or in Public Rights-of-Way or public use of Public Rights-of-Way for events, special occasions, and other instances during particularly busy times. This Franchise shall constitute a permit to perform all work on Company's Facilities within the Public Rights-of-Way and to park vehicles in the Streets and other Public Rights-of-Way when necessary for the installation, replacement, abandonment, operation, or maintenance of Company's Facilities. Company and contractors performing work for Company shall not be required to obtain any permits in addition to the Franchise or to pay any license, charge, fee, street or alley rental, or other character of charge or levy in addition to the franchise fee in order to perform work on Company's Facilities, or park within the Streets and other Public Rights-of-Way. If City does charge Company any such additional amount, then Company may deduct the amount charged from the next succeeding franchise payment or payments, as provided in Section 7, until fully reimbursed. Following completion of work in the Public Rights-of-Way, Company shall repair the affected Public Rights-of-Way as soon as possible, but in all cases Company shall comply with all City ordinances governing time periods and standards relating to excavating in the Public Rights-of-Way. No street, alley, highway or public place shall be encumbered for a longer period than shall be necessary to execute the work. Company shall not be required to pay City any fees for costs incurred by City for outside professional review of any work on Company's Facilities within Public Rights-of-Way. Upon the City's request, Company shall ~~not~~ be required to provide City

with engineering or design documentation that has a professional engineer stamp, to the extent such documentation exists, for any work on Company's Facilities within Public Rights-of-Way.

Section 6. QUALITY OF SERVICE. The service furnished hereunder to the City and its inhabitants shall be in accordance with the quality-of-service rules of the Railroad Commission of Texas, state and federal regulations. Company shall furnish the grade of service to its customers as provided by its rate schedules and shall maintain its system in reasonable operating condition during the continuance of this Franchise. An exception to this requirement is automatically in effect, but only for so long as is necessary, when caused by a shortage in materials, supplies and equipment beyond the control of the Company as a result of fires, strikes, riots, storms, floods and other casualties, governmental regulations, limitations and restrictions as to the use and availability of materials, supplies and equipment and as to the use of the services, and unforeseeable and unusual demands for service. In any of such events the Company shall do all things reasonably within its power to restore normal service as quickly as practicable.

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Company agrees to pay to the City quarterly during the continuance of this Franchise a sum of money equal to four percent (4%) of the Company's gross receipts for the preceding calendar quarter received by the Company from the sale of gas within the corporate limits of the City plus seven cents (7¢) per Mcf for natural gas transported by Company for its Transport Customers during such quarter. "Transport Customer" means any person or entity for whom Company transports gas through the distribution system of Company within the corporate limits of City for consumption within the corporate limits of City. The franchise fees hereunder shall be calculated for the calendar quarters ending March 31, June 30, September 30, and December 31 and shall be payable on or before the fifteenth day of May, August, November, and February following the quarter for which payment is made, beginning with the first such date following the Effective Date of this Franchise and each August 15th, November 15th, February 15th, and May 15th thereafter; provided, however, the first such payment shall be prorated as necessary to reflect only those gross receipts received and transportation volumes delivered by Company after the Effective Date of this Franchise. In no event shall the Company be required to remit to the City franchise fee amounts that for any reason whatsoever are not fully recoverable from its customers. Upon receipt of the above amount of money, the City Secretary shall deliver to the Company a receipt for such amount. If any payment due date required herein falls on a weekend or bank holiday, payment shall be made on or before the close of business of the first working day after the payment due date.

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system as being within the corporate limits of the City of Marshall. After such sixty (60) day period the payment provisions specified in Section 7 of this Franchise shall apply to gross receipts and transport fees received by the Company from customers located within such annexed territory. Company shall true-up its map of City boundaries to the City's map on an annual basis.

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(b) Other than its failure, refusal, or inability to pay its debts and obligations, including, specifically, the payments to the City required by this Franchise, the Company shall not be declared in default or be subject to any sanction under any provision of this Franchise in those cases in which performance of such provision is prevented by reasons beyond its control.

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Section 11. RESERVE OF POWERS. Except as otherwise provided in this Franchise, the City by the granting of this Franchise does not surrender or to any extent lose, waive, impair or lessen the lawful powers, claims and rights, now or hereafter vested in the City under the Constitution and statutes of the State of Texas and under the Charter and Ordinances of the City of Marshall or other applicable law, to regulate public utilities within the City and to regulate the use of the Streets by the Company; and the Company by its acceptance of this Franchise agrees that, except as otherwise provided in this Franchise, all lawful powers and rights, whether regulatory or otherwise, as are or as may be from time to time vested in or reserved to the City, shall be in full force and effect and subject to the exercise thereof by the City at any time and from time to time.

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ANY PERSON OR PROPERTY BY REASON OF THE CONSTRUCTION AND MAINTENANCE OF THE COMPANY'S NATURAL GAS DISTRIBUTION SYSTEM, OR IN ANY WAY GROWING OUT OF THE RIGHTS GRANTED BY THIS FRANCHISE, EITHER DIRECTLY OR INDIRECTLY, OR BY REASON OF ANY ACT, NEGLIGENCE OR NONFEASANCE OF THE COMPANY OR THE CONTRACTORS, AGENTS OR EMPLOYEES OF THE COMPANY OR ITS SUCCESSORS AND ASSIGNS, AND SHALL REFUND TO THE CITY ALL SUMS WHICH THE CITY MAY BE ADJUDGED TO PAY ON ANY SUCH CLAIM, OR WHICH MAY ARISE OR GROW OUT OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED OR BY THE ABUSE THEREOF, AND THE COMPANY OR ITS SUCCESSORS AND ASSIGNS SHALL INDEMNIFY AND HOLD THE CITY HARMLESS FROM AND ON ACCOUNT OF ALL DAMAGES, COSTS, EXPENSES, ATTORNEY'S FEES, ACTIONS, AND CAUSES OF ACTION THAT MAY ACCRUE TO OR BE BROUGHT BY, A PERSON, PERSONS, COMPANY OR COMPANIES AT ANY TIME HEREAFTER BY REASON OF THE EXERCISE OF THE RIGHTS AND PRIVILEGES HEREBY GRANTED, OR OF THE ABUSE THEREOF.

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Section 17. [LEFT BLANK].

Section 18. ACCEPTANCE. The Company shall, within thirty (30) days following the final passage and approval of this Franchise, file with the City Secretary of the City of Marshall either 1) a written statement signed in its name and behalf in the following form or 2) this document duly executed below by the Vice President of Regional Operations:

“To the Honorable Mayor and City Council Members of the City of Marshall:

CenterPoint Energy Resources Corp., DBA CenterPoint Energy Texas Gas Operations, its successors and assigns, hereby accepts the attached Franchise Ordinance, and agrees to be bound by all of its terms and provisions.”

CENTERPOINT ENERGY RESOURCES CORP.,
DBA CENTERPOINT ENERGY TEXAS GAS
OPERATIONS

By: _____
Nathan Brownell, Vice President, Texas Gas

Dated this _____ day of _____.

Section 19. GOVERNING LAW AND SEVERABILITY. This Franchise shall be governed and construed according to the laws of the State of Texas excluding, however, any conflict of laws rule that would apply the law of another jurisdiction. If any provision, section, subsection, sentence, clause or phrase of this Franchise is for any reason held to be unconstitutional, void, or invalid or for any reason unenforceable, the validity of the remaining portions of this Franchise shall not be affected thereby, it being the intent the City of Marshall in adopting this Franchise that no portion hereof or provision hereof shall become inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision or regulation and, to this end, all provisions of this ordinance are declared to be severable.

Section 20. NOTICES. Every notice, order, petition, documents or other direction or communication to be served upon the City or the Company shall be deemed sufficiently given if sent by registered or certified mail, return receipt requested. Every such communication to the Company shall be sent to:

CenterPoint Energy Resources Corp.
Vice President, Regulatory Relations
P.O. Box 4567
Houston, TX 77210-4567

With a copy to:

Regulatory Legal
P.O. Box 2628
Houston, TX 77252-2628

Every such communication to the City or the City Council shall be sent to the:

City Manager
410 South Alamo Boulevard
P.O. Box 698
Marshall, Texas 75670

With a Copy to:

City Secretary
410 South Alamo Boulevard
P.O. Box 698
Marshall, Texas 75670

Section 21. PUBLICATION, PASSAGE, AND EFFECTIVE DATE. This Franchise, having been published, if required, shall take effect and be in force from and after the first day of the month following thirty days after receipt by the Company's acceptance filed pursuant to Section 18 ("Effective Date"). The Company shall pay the cost of those publications.

Section 22. COMPLIANCE WITH CHARTER AND ORDINANCES. This Franchise, the rights granted hereby, and the operations and activities performed by Company pursuant hereto shall be subject to applicable provisions of the Charter of the City of Marshall, Texas. Except to the extent otherwise expressly provided herein, the Franchise and rights granted hereby and the operations and activities performed by Company pursuant hereto, shall be subject to all valid ordinances and regulations of the City insofar as such ordinances and regulations (a) do not shorten the term hereof or terminate, abrogate, or materially and adversely affect the Franchise and right granted to Company hereby, (b) do not conflict with or are not inconsistent with the terms and provisions contained in this ordinance, or (c) do not modify, preempt, or cause Company to violate the terms of a tariff approved by the Railroad Commission of Texas, Railroad Commission Rules, or the Gas Utility Regulatory Act, ~~or (d) do not unreasonably regulate the Company's operations and activities in the City Right-of-Way.~~ If Company believes a future Ordinance unreasonably regulates its operations and activities in the City Right-of-Way, City and Company shall meet and reach a mutually agreeable solution.

Read in full, passed and adopted on first reading at a regular meeting of the City Council of the City of Marshall, Texas, on the _____ day of _____, 2024 and approved by the Mayor.

APPROVED:

Amy Ware, Mayor
City of Marshall, Texas

ATTEST:

Nikki Smith, City Secretary
City of Marshall, Texas

THE STATE OF TEXAS §
 §
COUNTY OF HARRISON §

I, the duly appointed, qualified and acting City Secretary of City of Marshall, Texas, do hereby certify that the above and foregoing ordinance was read, passed and adopted on first reading at a regular meeting of the City Council of said City of Marshall, Texas, held on the _____ day of _____, 2024; that written notice of the date, place and subject of said meeting was posted on a bulletin board located at a place convenient to the public in the City Hall for at least

72 hours preceding the day of said meeting; that the Mayor Amy Ware, and _____ City Council Members:

1. Risa Jordan-Anderson

4. Reba Godfrey

2. Leo Morris

5. Amanda Abraham

3. Dathaniel Campbell

6. Micah Fenton

were present at said meeting and acted as the Council throughout; that the same has been signed and approved by the Mayor and is duly attested by the City Secretary; and that the same has been duly filed with the City Secretary and recorded by the City Secretary in full in the books for the purpose of recording the ordinances of the City of Marshall, Texas.

EXECUTED under my hand and the official seal of the City of Marshall, Texas at said City, this _____ day of _____, 2024.

Nikki Smith, City Secretary
City of Marshall, Texas

[SEAL]



TO: City Council
DATE: January 23, 2025
ITEM #: 8.B
SUBJECT: **O-25-04** Consider approval of an ordinance amending ordinance O-24-21 Comprehensive Fee Schedule. (Finance & Fire)

Recommendation for Action: Consider approval of an ordinance amending ordinance O-24-21 Comprehensive Fee Schedule.

Executive Summary: The City of Marshall is experiencing increased demand for fire prevention and emergency response services. To ensure the sustainability and effectiveness of these critical services, it is necessary to amend the adopted Comprehensive Fee Ordinance (O-24-21) to incorporate fire mitigation fees not previously addressed.

Cost Recovery from Insurance: The proposed fire mitigation fee structure would enable the City to recover costs from insurance companies for specific incidents, including:

- Commercial and industrial fire responses.
- Hazardous material incidents.
- Vehicle accidents requiring fire department intervention.

This cost recovery reduces the financial burden on the City's general fund while ensuring resources are available for emergency response.

Amending the Comprehensive Fee Ordinance to include fire mitigation fees is a prudent step toward maintaining and enhancing the City of Marshall's fire protection services. This amendment will ensure that growth-related impacts are addressed equitably, support cost recovery for specific incidents, and reinforce the city's commitment to public safety and fiscal responsibility.

Budget Cost: No cost associated with updated fee schedule.

Staff Contact: Kristina Hamilton, Assistant Director Finance & David Rainwater, Fire Chief

Attachments:

1. FY25 Comprehensive Fee Schedule Ordinance Amendment
2. Attachment A
3. Mitigation Rates
4. MFD Memorandum Emergifire Proposal

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MARSHALL, TEXAS, AMENDING THE RATES AND FEES FOR SERVICES PROVIDED BY THE CITY OF MARSHALL;

WHEREAS, on September 26, 2024, the City Council of the City of Marshall, Texas, adopted Ordinance No. O-24-21 to establish rates and fees for services provided by the City; and

WHEREAS, the City of Marshall, Texas, seeks to amend the 2025 Comprehensive Fee Schedule to include rates and fees that were not incorporated in the original schedule;

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

SECTION 1. The findings and recitals set forth in the preamble of this ordinance are hereby adopted and approved in their entirety.

SECTION 2. All fees for services provided by the City of Marshall shall conform to the updated fee schedule attached to this ordinance as *Attachment A*.

SECTION 3. The City Council confirms that the meeting at which this ordinance was passed was conducted in strict compliance with the Texas Open Meetings Act (Texas Government Code Chapter 551).

SECTION 4. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed, but only to the extent of such conflict.

SECTION 5. The repeal of any ordinance or part of an ordinance by this ordinance shall not affect the validity of any pending enforcement actions or any fees accrued for services rendered prior to the effective date of this ordinance.

SECTION 6. This ordinance shall take effect on January 23, 2025.

PASSED AND APPROVED this 23rd day of January, 2025.

Amy Ware, Mayor
City of Marshall, Texas

Attest:

Nikki Smith, City Secretary



City of Marshall
Comprehensive Fee Schedule
FY25 - Amendment

Category	Fee Description	Approved FY25 Fee Amount	Proposed FY25 Fee Amount	Change
Fire/Rescue Fees	Motor Vehicle Incidents - Level 1	\$ -	\$ 523.00	\$ 523.00
Fire/Rescue Fees	Motor Vehicle Incidents - Level 2	\$ -	\$ 595.00	\$ 595.00
Fire/Rescue Fees	Motor Vehicle Incidents - Level 3 - Car Fire	\$ -	\$ 727.00	\$ 727.00
Fire/Rescue Fees	Add-On Service - Extrication	\$ -	\$ 1,569.00	\$ 1,569.00
Fire/Rescue Fees	Add-On Service - Creating Landing Zone	\$ -	\$ 480.00	\$ 480.00
Fire/Rescue Fees	HAZMAT Level 1 - Basic Response	\$ -	\$ 843.00	\$ 843.00
Fire/Rescue Fees	HAZMAT Level 2 - Intermediate Response	\$ -	\$ 3,007.00	\$ 3,007.00
Fire/Rescue Fees	HAZMAT Level 3 - Advanced Response	\$ -	\$ 7,095.00	\$ 7,095.00
Fire/Rescue Fees	HAZMAT Additional On Scene Time Engine per hour	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	HAZMAT Additional On Scene Time Truck or Quint per hour	\$ -	\$ 601.00	\$ 601.00
Fire/Rescue Fees	HAZMAT Additional On Scene Time Miscellaneous Equipment per hour	\$ -	\$ 352.00	\$ 352.00
Fire/Rescue Fees	Fire Investigation - Fire Investigation Team per hour	\$ -	\$ 332.00	\$ 332.00
Fire/Rescue Fees	Fires - Engine per hour	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	Fire - Truck or Quint per hour	\$ -	\$ 601.00	\$ 601.00
Fire/Rescue Fees	Illegal Fires - Engine per hour	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	Illegal Fires - Truck or Quint per hour	\$ -	\$ 601.00	\$ 601.00
Fire/Rescue Fees	Water Incidents - All levels - per rescue person	\$ -	\$ 60.00	\$ 60.00
Fire/Rescue Fees	Water Incidents - Level 1 - Basic Response	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	Water Incidents - Level 2 - Intermediate Response	\$ -	\$ 962.00	\$ 962.00
Fire/Rescue Fees	Water Incidents - Level 3 - Advanced Response	\$ -	\$ 2,409.00	\$ 2,409.00
Fire/Rescue Fees	Back Country or Special Rescue	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	Back Country or Special Rescue per rescue person	\$ -	\$ 60.00	\$ 60.00
Fire/Rescue Fees	Chief Response	\$ -	\$ 290.00	\$ 290.00
Fire/Rescue Fees	Miscellaneous / Additional On Scene Time - Engine per hour	\$ -	\$ 300.00	\$ 300.00
Fire/Rescue Fees	Miscellaneous / Additional On Scene Time - Truck or Quint per hour	\$ -	\$ 601.00	\$ 601.00
Fire/Rescue Fees	Miscellaneous / Additional On Scene Time - Miscellaneous Equipment per hour	\$ -	\$ 352.00	\$ 352.00
Fire/Rescue Fees	Gas Leaks - Level 1 - Outside without fire - Engine per hour	\$ -	\$ 481.00	\$ 481.00
Fire/Rescue Fees	Gas Leaks - Level 1 - Outside without fire - Truck or Quint per hour	\$ -	\$ 601.00	\$ 601.00
Fire/Rescue Fees	Gas Leaks - Level 2 - Outside with fire - Engine per hour	\$ -	\$ 772.00	\$ 772.00
Fire/Rescue Fees	Gas Leaks - Level 3 - Inside Structure - Engine per hour	\$ -	\$ 962.00	\$ 962.00
Fire/Rescue Fees	Gas Leaks - All Levels - Fee per Rescue Person per Hour	\$ -	\$ 60.00	\$ 60.00

EXHIBIT A

MITIGATION RATES

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

MOTOR VEHICLE INCIDENTS

Level 1 - \$523.00

Provide hazardous materials assessment and scene stabilization. This will be the most common "billing level". This occurs almost every time the fire department responds to an accident/incident.

Level 2 - \$595.00

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department must clean up any gasoline or other automotive fluids that are spilled because of the accident/incident.

Level 3 – CAR FIRE - \$727.00

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, TIC use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled because of the accident/incident.

ADD-ON SERVICES:

Extrication - \$1,569.00

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department must free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious, and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

Creating a Landing Zone - \$480.00

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using, itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

ADDITIONAL TIME ON-SCENE

Engine billed at \$481.00 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

HAZMAT

Level 1 - \$843.00

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

Level 2 - \$3,007.00

Intermediate Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

Level 3 - \$7,095.00

Advanced Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$346.75 per HAZMAT team.**

ADDITIONAL TIME ON-SCENE (for all levels of service)

Engine billed at \$481.00 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

FIRE INVESTIGATION

Fire Investigation Team - \$332.00 per hour.

Includes:

- Scene Safety
- Investigation
- Source Identification
- K-9/Arson Dog Unit
- Identification Equipment
- Mobile Detection Unit
- Fire Report

The claim begins when the Fire Investigator responds to the incident and is billed for logged time only.

FIRES

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

Includes:

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common “billing level”. This occurs almost every time the fire department responds to an incident.

OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.

Itemized, per person, at various pay levels and for itemized products use.

ILLEGAL FIRES

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

WATER INCIDENTS

Level 1

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common “billing level”. This occurs almost every time the fire department responds to a water incident.

Billed at \$481.00 plus \$60 per hour, per rescue person.

Level 2

Intermediate Response: Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department must clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

Billed at \$962.00 plus \$60.00 per hour, per rescue person.

Level 3

Advanced Response: Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

Billed at \$2,409.00 plus \$60.00 per hour per rescue person, plus \$120.00 per hour per HAZMAT team member.

Level 4

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

BACK COUNTRY OR SPECIAL RESCUE

Itemized Response: Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

Minimum billed \$481.00 for the first response vehicle plus \$60.00 per rescue person. Additional rates of \$481.00 per hour per response vehicle and \$60.00 per hour per rescue person.

CHIEF RESPONSE

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

Billed at \$290 per hour.

MISCELLANEOUS / ADDITIONAL TIME ON-SCENE

Engine billed at \$300 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

GAS LEAKS (Natural)

LEVEL 1

(Natural Gas Leak Outside Without Fire)

Description: Minimal danger to life, property, and the environment, leak typically for mechanical damage to a meter or pipe.

Actions: Evacuate immediate area, notify gas company, evaluate hazards including exposures, environment, vehicular traffic etc. Conduct fence line monitoring to determine control zones. Remove ignition sources from the area, consider non-intervention strategy, if offensive tactics selected, ensure proper PPE, respiratory protection, thermal protection, and tactics are utilized.

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

LEVEL 2

(Natural Gas Leak Outside with Fire)

Description: Moderate danger to life, property, and the environment, leak typically caused from mechanical damage with nearby operating equipment (car, backhoe, etc) causing a fire.

Actions: Evacuate immediate area, notify gas company, protect hazards from fire damage, do not extinguish the fire unless directed to do so by the gas company, consider water supply options.

Assignment- \$772.00 per hour, per engine / \$60.00 per hour, per rescue person.

LEVEL 3

(Natural Gas Leak inside Structure)

Description: Significant danger to life, property, and the environment, leak is typically difficult to identify and locate.

Actions: Evacuate building and nearby structures, notify gas company, position apparatus away from the structure, attempt to control gas where it enters the building, ventilate the building (using intrinsically safe methods), remove ignition sources from inside but shutting off power on the outside of the structure.

Assignment- \$962.00 per hour, per engine / \$60.00 per hour, per rescue person.

MITIGATION RATE NOTES

The mitigation rates above are average “billing levels”, and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department’s “actual personnel expense” and not just a firefighter’s basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.

FIRE MARSHAL INSPECTION AND PERMITTING FEES

a) Fire Marshal Inspections.

- 1) Certificate of Occupancy - \$60.00.
- 2) Temporary Certificate of Occupancy - \$60.00.
- 3) After Hours Inspections (after 5:00 p.m. or on weekend)
 - i. \$150.00 per hour for first two hours.
 - ii. \$50.00 per hour for each additional hour beyond the first two hours.

b) Fire Protection Systems.

- 1) 1-10 devices - \$75.00.
- 2) 11-25 devices - \$100.00.
- 3) 26-100 devices - \$200.00.
- 4) 101-200 devices - \$275.00.
- 5) 201-500 devices - \$500.00.
- 6) Per device for each device over 500 - \$1.00.

c) Fire Sprinkler Systems.

- 1) Underground- \$150.00.
- 2) Aboveground, 1-19 heads - \$75.00
- 3) Aboveground 20-100 heads - \$100.00.
- 4) Aboveground, 101-300 heads - \$200.00.
- 5) Aboveground 301-1,000 heads - \$400.00.
- 6) Per head/or each over 1,000 heads - \$1.00.
- 7) Fire Pump, additional - \$150.00.

d) Access Control.

- 1) 1-10 Doors - \$75.00.
- 2) 11-25 Doors - \$100.00
- 3) 26-100 Doors - \$200.00.
- 4) 101-200 Doors - \$275.00
- 5) 201-500 Doors - \$500.00.
- 6) Per device for each device over 500 - \$1.00.

e) Fire Alarm System Permits.

- 1) *Residential Permit Fee - \$50.00 annually.*
 - i. This residential fee shall be waived if a burglar alarm permit fee has already been paid.
- 2) *Non-Residential Permit Fee - \$100.00 annually.*

f) False Alarm Billing Fee (Residential).

- 1) The first three (3) false alarm calls within a twelve (12) month period are free of charge.
- 2) The fee for the fourth (4th) and fifth (5th) false alarm calls within a twelve (12) month period is \$75.00 per call.
- 3) The fee for the sixth (6th) and seventh (7th) false alarm calls within a twelve (12) month period is \$250.00 per call.
- 4) The fee for the eighth (8th) false alarm call and any false alarm call beyond the eighth (8th) within a twelve (12) month period is \$500.00 per call.

g) False Alarm Fee (Non-Residential).

- 1) The first three (3) false alarm calls within a twelve (12) month period are free of charge.
- 2) The fee for the fourth (4th) and fifth (5th) false alarm calls within a twelve (12) month period is \$150.00 per call.
- 3) The fee for the sixth (6th) and seventh (7th) false alarm calls within a twelve (12) month period is \$500.00 per call.
- 4) The fee for the eighth (8th) false alarm call and any false alarm call beyond the eighth (8th) within a twelve (12) month period is \$1,000.00 per call.

h) Fire Marshal Annual Inspection Fee.

- 1) 1 - 1,500sq.ft. -\$50.00 annually.
- 2) 1,501 - 3,000 sq. ft. - \$55.00 annually.
- 3) 3,001 - 5,000 sq. ft. - \$60.00 annually.
- 4) 5,001 - 10,000 sq. ft. - \$65.00 annually.
- 5) 10,001 - 25,000 sq. ft. - \$70.00 annually.
- 6) 25,001 - 50,000 sq. ft. - \$75.00 annually.
- 7) 50,001 - 75,000 sq. ft. - \$80.00 annually.
- 8) 75,001 - 100,000 sq. Ft. - \$100.00 annually.
- 9) 100,001 - 200,000 sq. ft. - \$120.00 annually.
- 10) 200,001 sq. ft. and greater - \$280.00 annually.

i) Hazardous Materials Annual Permit (includes flammable/combustible liquids).

- 1) Powders and Solids
 - i. 1,000 lbs. and less - \$25.00
 - ii. 1,001 - 2,000 lbs. - \$37.50.
 - iii. 2,001 - 5,000 lbs. - \$70.00.
 - iv. 5,001 lbs. and over - \$137.50.
- 2) Liquids and Gels.
 - i. 25 gallons or less - \$25.00.
 - ii. 26 -100 gallons - \$37.50.
 - iii. 101- 1,000 gallons - \$70.00.
 - iv. 1,001 gallons or more - \$137.50.

j) Plan Review Fees.

- 1) Plan Review - \$60.00.
- 2) Fire Alarm System - \$70.00.
- 3) Fire Sprinkler System - \$150.00.
- 4) Emergency Lighting- \$37.50.
- 5) Special Lighting - \$30.00.
- 6) Liquid storage tanks, hazardous materials - \$70.00.

k) Reinspection Fee - \$60.00.

l) Special Permits.

- 1) Blasting operation - \$65.00 per day.
- 2) Pyrotechnic display - \$65.00 per day.
- 3) Tent permit.
 - i. 1 - 30 days - \$30.00.
 - ii. Each additional 30 days or portion thereof- \$30.00.

m) Underground Storage Tanks Installation. The fees set forth in this subsection are applicable to both temporary and permanent underground storage tanks.

- 1) 0 - 1,000 gallons - \$50.00.
- 2) More than 1,000 gallons - \$100.00.

n) LPG Tank Installation or Removal - \$50.00.

o) Special Event Fees.

- 1) Fire marshal permit.
 - i. \$125.00 for first day.
 - ii. \$75.00 per each additional day thereafter.
- 2) Fire marshal on premises - \$65.00 per hour.
- 3) Standby fire personnel, no apparatus - \$65.00 per hour (each, three hour minimum).
- 4) Standby ambulance, with personnel - \$130.00 per hour (three hour minimum).
- 5) Standby engine or truck, with personnel - \$195.00 per hour (three hour minimum).

p) State Mandated Inspections.

- 1) Hospitals - \$100.00
- 2) Nursing and long-term care homes - \$75.00.
- 3) Daycare/Mother's Day out- \$50.00.
- 4) Foster home or adoptive home - \$10.00.
- 5) Home inspection (insurance) - \$50.00."



Memorandum

To: The Honorable Mayor and City Council Members City of Marshall, Texas

From: David Rainwater, Fire Chief

cc: Melissa B. Vossmer, City Manager

Date: January 17, 2025

Re: Proposed Fire Department Cost Recovery Services Agreement with Emergifire LLC

The purpose of this memorandum is to outline a proposed ordinance regarding fee mitigation rates for Marshall Fire Department services and an addendum to the existing ambulance billing agreement with Emergicon LLC.

BACKGROUND The City is considering expanding its cost recovery capabilities through Emergifire LLC, a contractor of our current ambulance billing service provider, Emergicon LLC. This service would enable the City to recover costs from insurance companies for commercial and industrial fire incidents, hazardous material responses, and vehicle accidents.

FINANCIAL CONSIDERATIONS

- The program operates with zero upfront cost to the City
- Emergifire's compensation structure includes:
 - 15% commission on collected revenues
 - Additional 3% fee for credit card payments
- Revenue would be generated from previously uncollected insurance reimbursements
- The City only incurs costs when revenue is successfully collected

SERVICE DETAILS

The proposed agreement includes comprehensive services such as:

- Professional billing services



- Claims management
- Monthly reporting
- No direct billing to individuals

BENEFITS

This program would:

1. Create a new revenue stream for the City
2. Shift the cost burden from taxpayers to responsible parties' insurance
3. Leverage existing insurance coverage, as fire department service charges are typically included in commercial policies

RECOMMENDATION

Staff recommends approval of the addendum to expand cost recovery capabilities through Emergifire's specialized billing services.

ACTION REQUESTED

Consider and approve the ordinance to adopt current fee mitigation rates and the addendum to the existing ambulance billing services agreement.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "D. Rainwater".

David Rainwater, Fire Chief



TO: City Council
DATE: January 23, 2025
ITEM #: 9.A
SUBJECT: **R-25-02** Consider approval of a resolution accepting a SIB loan from TxDOT. (Public Works)

Recommendation for Action: Potential passing resolution accepting SIB loan from TxDOT if all loan agreement information is available (could be on January 23, 2025 agenda)

Executive Summary: I-20 Utility Relocations

The I-20 Utility Relocations project for the City of Marshall, under KSA Project No. 103076, has reached 95% design completion. The tentative bid schedule is contingent upon TxDOT acquiring required property and the City securing temporary construction easements. TxDOT aims to finalize Possession and Use Agreements (PUAs) for most properties by mid-February 2025.

Key milestones for the proposed bid schedule are as follows:

- **Advertisement:** Begins February 11, 2025
- **Pre-Bid Conference:** February 27, 2025
- **Bid Opening:** March 6, 2025
- **Council Contract Award:** March 13, 2025
- **Estimated Construction Start:** April 23, 2025
- **Estimated Construction Completion:** January 18, 2026

The project schedule includes a construction duration of approximately 270 days.

SL390 Utility Relocations

The SL390 Utility Relocations project is currently at 90% design completion. Progress is dependent on TxDOT resolving eminent domain issues for multiple properties, which TxDOT estimates will take 6 to 8 months. The bid schedule will be determined after a meeting with TxDOT in January, contingent on TxDOT obtaining PUAs prior to bidding.

Next Steps

- TxDOT finalizes PUA agreements for both projects.
- Confirm property acquisition timelines and temporary easement approvals.
- Conduct necessary coordination meetings with TxDOT to finalize schedules.

TxDOT SIB Loan Status:

- Texas Transportation Commission approved loan on December 17, 2024
- TxDOT is preparing draft loan agreement paperwork

- Expected fund disbursement on February 6, 2025.

Budget Cost:

Staff Contact: Eric Powell, PE Director of Public Works

Attachments: 1. SIBLoanResolution01232025

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE EXECUTION OF A STATE INFRASTRUCTURE
BANK LOAN AGREEMENT; AUTHORIZING THE INTERIM CITY MANAGER
DIRECTOR TO ACT ON BEHALF OF THE CITY OF MARSHALL IN ALL MATTERS
RELATING TO THE LOAN AGREEMENT

WHEREAS, the State Infrastructure Bank, operated by the Texas Department of Transportation, is a revolving loan fund; and

WHEREAS, the City of Marshall (the “City”) deems it proper and in the best interest of the City to execute a loan agreement from the State Infrastructure Bank in an amount up to \$16,000,000 to be used for water and sewer utility line relocations necessary for Utility relocations on IH-20, State Loop 390, and US 59 Relief Route (Future I-369); and

WHEREAS, the City is qualified to apply for and obtain financial assistance from the State Infrastructure Bank for this purpose;

WHEREAS, on September 12, 2024 the City Council approved Resolution R-24-17 authorizing the submission of a loan application to the State Infrastructure Bank;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL:

Section 1. That the City Council hereby accepts the State Infrastructure Bank loan agreement in its substantially final form in order to secure receipt of funds in an amount up to \$16,000,000 to be fully repaid over 25 years necessary for Utility relocations on IH-20, State Loop 390, and US 59 Relief Route (Future I-369).

Section 2. That the City Council/ hereby authorizes Melissa Vossmer, Interim City Manager to execute the State Infrastructure Bank loan agreement, together with all required documentation, to effectuate the City’s intent to borrow such funds.

Section 3. That the City Council further authorizes the Interim City Manager to take or perform any actions required for implementation of this resolution to receive funding from the State Infrastructure Bank.

PASSED, APPROVED, AND RESOLVED THIS THE 23rd DAY OF JANUARY, 2025.

Amy Ware, Mayor
City of Marshall

ATTEST:

Nikki Smith, City Secretary
[SEAL]



TO: City Council
DATE: January 23, 2025
ITEM #: 9.B
SUBJECT: **R-25-03** Consider approval of a resolution regarding a request for a Certificate of Consistency. (City Manager and Planning & Development)

Recommendation for Action: Consider approval of a resolution regarding a Certificate of Consistency.

Executive Summary: As part of this agenda item, the history of how we got to this point is included. However, it is, in fact incorrect. On Friday, January 17th Staff met with Dr. Andrus. What we learned shed some light on the situation.

Dr. Andrus has two separate projects, from different agencies, that he is trying to develop. There was confusion among the staff as the projects were similar in nature and location. The first is the project we learned about last fall which was The Phoenix Project. This \$16M project, to be located on the site on Evans St. consists of an apartment complex of 54-living units. This project also has private investor(s). This project did not include a Certificate of Consistency at time of submittal but the City was approach in late October to provide one which the City did not do at that time. I believe this is where the confusion started.

The second project, called TAF Builds 2025, is to be located on the 6.7 acre site at 1515 Evans Street, as well as other locations detailed below. This project consists of the development of thirty (30) permanent supportive housing units at 1515 Evans Street, acquisition and rehabilitation of a vacant nursing home located at 509 S. Grove Street to house individuals/small families, and fire protection, roof replacement, and electrical and plumbing upgrades to an existing facility located at 303 W. Burleson Street to serve as a transitional shelter.

The City was approached over the holidays for the Certificate of Consistency which we did not provide at that time. Dr. Andrus informed us that the project of \$10M has already been submitted to HUD. Staff received the attachments which we did not previously have access to Sunday morning. Per Dr. Andrus, the project is at a point that the Certificate of Consistency is now required.

Staff did point out to Dr. Andrus that wording in the application stating the project would be using the City of Marshall tax abatement program was an inaccurate statement as no application has been received or approved by the City. Staff also reiterated that the development will be required to comply with all federal, state and Marshall Ordinances, rules, regulations and laws.

The project, as submitted and what we know as of this writing, appears to meet the City's 2020-2024 Consolidated Plan. As documents are received and reviewed, Staff will be prepared to make a final recommendation to Council on the 23rd. In fairness, Staff received an email with explanations over the holidays but with vacations and weather issues we were addressing, it did not get picked up by Staff.

Staff is recommending that Resolution R-25-03 be made part of the Certificate of Consistency documentation. The project application submitted to HUD is attached as an exhibit to the resolution. Dr. Andrus will be present and I believe would like to address the City Council Thursday evening.

Budget Cost: N/A

Staff Contact: Melissa Vossmer, Interim City Manager and Reggie Cooper, Planning & Development Director

Attachments:

1. RES-Certificate of Consistency-TAF Builds-Final (draft)
2. Andrus SubmissionPDF-GRANT14304456 Info 1-19-25

Resolution No. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARSHALL, TEXAS CERTIFYING THE PROPOSED PROJECT, TAF Builds 2025, AS DESCRIBED IN THE APPLICATION SUBMITTED BY THE TRACY ANDRUS FOUNDATION, IS CONSISTENT WITH THE 2020-2024 CONSOLIDATED PLAN FOR THE CITY OF MARSHALL, TEXAS.

WHEREAS, the 2020-2024 Consolidated Plan was originally adopted by the City Council of the City of Marshall on April 9, 2020, and later amended on May 6, 2020, and November 12, 2020; and

WHEREAS, the 2020-2024 Consolidated Plan for the City of Marshall identifies a need for affordable housing, transitional housing, and homelessness services in the City; and

WHEREAS, the Tracy Andrus Foundation has proposed a project, “TAF Builds 2025,” to be located in the boundary limits of the City of Marshall to address housing needs; and

WHEREAS, the Tracy Andrus Foundation has submitted an application for TAF Builds 2025, attached hereto as Exhibit “A,” to the U.S. Department of Housing and Urban Development; and

WHEREAS, TAF Builds 2025, details described herein and included in Exhibit “A,” consists of the development of thirty (30) permanent supportive housing units at 1515 Evans Street, acquisition and rehabilitation of a vacant nursing home located at 509 S. Grove Street to house individuals/small families, and fire protection, roof replacement, and electrical and plumbing upgrades to an existing facility located at 303 W. Burleson Street to serve as a transitional shelter; and

WHEREAS, the Tracy Andrus Foundation has identified an intent to apply for nine percent or four percent housing tax credits for the development; and

WHEREAS, the Tracy Andrus Foundation has identified an intent to apply for a local tax abatement in support of the development; and

WHEREAS, the Tracy Andrus Foundation has requested the City of Marshall certify the project details are consistent with the 2020-2024 Consolidated Plan; and

WHEREAS, the components of the project to be located within the boundary limits of the City of Marshall, Texas, align with the goals and strategies identified in the 2020-2024 Consolidated Plan to address critical needs for affordable housing, transitional housing, and homelessness services; and

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

Section 1. The findings set out in the preamble to this resolution are hereby acknowledged as correct.

Section 2. The City Council of the City of Marshall, Texas hereby confirms that the components of the project to be located in the boundary limits of the City of Marshall, Texas are consistent with the 2020-2024 Consolidated Plan.

Section 3. That the City Council of the City of Marshall, Texas, hereby acknowledges that the execution of the Certification of Consistency with the Consolidated Plan does not constitute approval of the development, and the development will be subject to all federal, state and local laws, ordinances, and regulations.

Section 4. That the City Council of the City of Marshall, Texas, hereby acknowledges that the execution of the Certification of Consistency with the Consolidated Plan does not obligate the City to any financial commitments or tax abatements to support the development.

Section 5. That for and on behalf of the City Council, Amy Ware, Mayor is hereby authorized to execute the Certification of Consistency with the Consolidated Plan

Section 5. That this resolution shall be effective from and after its date of passage.

PASSED AND APPROVED this 23rd day of January, 2025

Amy Ware, Mayor

ATTEST

APPROVED AS TO FORM

Application: TAF Builds 2025

Tracy Andrus Foundation
CoC Builds

Summary

ID: 9767379790
Last submitted: Sep 23 2024 02:22 PM (CDT)

Entity Eligibility

Completed - Sep 23 2024

Applicants are encouraged to perform a search of their Entity's legal name on sam.gov to validate the responses given in this form.

Applications submitted by an entity (or name a subrecipient) without an active SAM registration at the Application deadline are ineligible for consideration

Eligibility

Primary Applicant Information

Primary Applicant Eligibility

Agency Legal Name

Tracy Andrus Foundation

Project Name

Please ensure that the Project Name given here will match the other supporting Documents throughout this application.

TAF Builds 2025

Are you an eligible entity?

Please indicate which of the following best describes your organization.

501(c)3

Do you have an active [SAM registration](#)?

Yes

When does your SAM registration expire?

04/18/2025

Do you have a valid Unique Entity ID ([formerly DUNS Number](#))?

Yes

What is your Employer Identification number (EIN)?

Please enter the EIN with no dashes.

208248158

What is your Unique Entity ID?

MQPJVLGKQAK8

Do you have either active exclusions, or federal debt subject to offset on sam.gov?

No

Are you identifying any subrecipients?

No

Eligibility Documentation

Completed - Sep 17 2024

Form for "Eligibility Documentation"

This is my form.

Please upload evidence of Eligibility for the Applicant and ALL sub-recipients.

This could be IRS Determination Letter, etc. Please upload all evidence for each entity as a separate document

[Tracy Andrus Foundation - 501 \(c\) \(3\).jpg](#)

Filename: Tracy Andrus Foundation - 501 (c) (3).jpg **Size:** 593.2 kB

Please upload a screenshot of the Applicant, and All Sub-recipient's sam.gov page that reflects an active SAM registration.

[Screen Shot 2024-09-17 at 6.16.09 AM.png](#)

Filename: Screen Shot 2024-09-17 at 6.16.09 AM.png **Size:** 1.4 MB

Agency Details

Completed - Sep 17 2024

Agency Details

Name of Your Agency

Tracy Andrus Foundation

Agency Website

Agency Website must be in the format example.org

www.tracyandrusfoundation.com

Who is the Authorized Primary Contact for your Agency?

Tracy Andrus

What is the preferred email for the Agency's Authorized Primary Contact?

tandrus26@gmail.com

Who is the Agency's Authorized Secondary (Back Up) Contact?

Sonya Burnett-Andrus

What is preferred email for the Agency's Authorized Secondary Contact?

sburnettandrus@gmail.com

How Does This Agency Engage People Experiencing Homelessness Currently?

The Tracy Andrus Foundation engages people experiencing homelessness in many ways. The foundation offers rental assistance, housing counseling, educational services, childcare services, a homeless shelter, domestic violence homes, and a food and clothing pantry. TAF allows the homeless to shower during the day and feed them on a continuous basis. We qwork with landlords to provide housing for the homeless also.

Continuum of Care Acknowledgements and Expectations

Completed - Sep 17 2024

Continuum of Care Acknowledgements & Expectations

Check the box next to each statement to acknowledge that you understand and/or agree to the statement

[Click here to view the FY24-25 CoC Expectations Form](#)

[Click here to view the FY24-25 CoC Priorities](#)

Responses Selected:

The Applicant/Project proposed will comply with Sections I.B and 1.C of the Request for Proposals

I understand that Projects funded under this NOFO must agree to the requirements outlined in the FY24-25 CoC Expectations Form if awarded

I understand that Projects funded under this NOFO must align with the FY24-25 CoC Priorities, and document alignment with at least three priorities

I understand that no less than 70% of the requested HUD funding must be for capital costs for new construction, acquisition, rehabilitation, including conversion, of PSH units to be provided to eligible program participants experiencing homelessness outlined in 24 CFR 578.37(a)(1)(i), where at least one individual in the household has a disability

I understand that all awards of capital funds are one-time awards

I understand that no more than 20% of the requested HUD funding may be for CoC Program eligible costs for supportive services, operating costs, or project-based rental assistance, and that these funds may be eligible for renewal in the HUD CoC Program Competition

I understand that no more than 10% of the requested HUD funding may be for administrative costs, and that these funds may be eligible for renewal in the HUD CoC Program Competition

I understand that Applicants may submit one (1) response to this solicitation

I understand that Applicants must propose eligible activities and that a gross misunderstanding of the CoC Program or the allowable uses of CoC Program funds will result in the Applicant not being scored or ranked

Project Details

Completed - Sep 23 2024

Project Details

Please save regularly, or consider working in a word processing document and copy/paste into the text fields below.

Please provide a detailed description of the Proposed Project

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

1a) Please provide as much detail about the need for the proposed project as possible, including how the need was determined. **1a.1)** Please give the address of the proposed project site, if known, (if unknown, please explicitly state so) **1b)** Please describe the total budget requested from HUD by activity. **1c)** Please give the anticipated timeline of the proposed project (1-5) yrs including anticipated challenges and the Agency's plan for contingencies, **1d)** Please describe the other financing committed to the project particularly Federal State or local (including private) funds. Please describe the source of the other leveraged commitments (i.e. Local Commitments HOME ARP \$2,000,000 etc...). Clearly state what percentage of the total **construction** budget the HUD request represents.

1a. Marshall, TX and Harrison County are in critical need of additional housing for its residents as illustrated in our 5-year consolidated plan (Marshall Consolidated plan 2020-2024). There is a need for 1,2,3,4, bedroom houses and multifamily structures for our residents. This need for the permanent supportive housing units, acquisition and rehabilitation were all discussed at the city and county levels among, local leaders, politicians, Marshall Economic Development Corporation, educators, clergy, mental health and physical health providers, mission Marshall, public housing authorities, higher education stakeholders and people with lived experience. Marshall has a large homeless population and a very small number of vacant housing units. TAF project if funded will add 30 permanent supportive housing units of which two (2) will be used for domestic violence safe houses, 28 units (15-3 bedrooms, 8-2 bedrooms, 5-1 bedrooms) at a cost of \$166K per unit as a whole). TAF will also negotiate with Wiley College to acquire a vacant nursing home owned by Wiley College and rehab the building which has the capability to house up to 60 individuals/small families. The facility was last used as a dormitory for college students. TAF will also upgrade its current shelter by installing a fire alarm system and re-roofing the flat roof. We will also use the funds to upgrade the electric and plumbing in the shelter. This transitional shelter will be used to temporary hold program participants as we assist them with finding permanent housing. TAF has identified and have access to a 6.7-acre tract in the middle of Marshall that will be used to build a community of permanent supportive housing. The property is located within walking distance to East Texas Baptist University. TAF has also identified and have access to a 4-acre tract in the outskirts of Marshall and approximately 10 vacant lots that can be used for building. All of these properties are already part of our portfolio. We will utilize the 9% housing tax credits for the building of these properties to reduce our tax liability. We will also utilize the City of Marshall's 10-year tax abatement incentive for community improvement/development.

1a1. There are several addresses for the proposed project site including a 6.7-acre tract located at 1515 Evans Street in Marshall, Texas, additionally, we have a total of 10 individual lots in Marshall, Texas that are available for

development. We also have a 4-acre tract off of Hwy 2625 that we can use for development. All of these properties are currently available and suitable for development. We are planning on rehabbing the homeless shelter located at 303 W. Burleson Street Marshall, TX, and acquiring a building located at 509 S. Grove Street in Marshall, TX.

1b. The total budget requested from HUD is 10,000,000. 70% (7,000,000) of the award will be used for a mix of new construction, acquisition, rehabilitation and possible conversion of PSH units. 20% of the award (2,000,000) will be used for supportive services, operating costs, and project based rental assistance. 10% of the award will be used for administrative costs.

1c. The timeline for this project will be as follows

0-6 months land will be cleared, surveyed and building will commence on the 6.7 acres

6-12 months anticipate that at least three (3) properties will be built on said 6.7-acre tract.

13-36 months an additional ten to (12) properties will be erected on the 6.7-acre tract.

37-60 months an additional (15) properties will be erected on the 6.7-acre tract and on various separate lots in Marshall, Texas for a total of 30 low-income properties. During the 37-60 months the acquisition and rehab properties will be brought up to code). We do not anticipate any challenges other than supply chain issues in the event of bad weather or an epidemic like covid which are unforeseeable. TAF has a partnership with Andrus Industries and several other builders who operate warehouses with building materials that can be used as contingencies in the event that certain materials become unavailable.

1d. TAF does not have any other financing committed for this project from federal, state or local funds but TAF has a commitment from Andrus Industries and other entities who will be providing supportive services at a discounted rate for each household. Andrus Industries has pledged 2,500,000 in in-kind donations for this project. The Hud construction budget request represents 100% of the budget requested by Tracy Andrus Foundation. My in-kind donations will be given over the 5-year grant period.

Please provide a detailed description of the Proposed Project

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

2a) Describe how the project will operate as low barrier (be specific, talk about screening criteria etc) **2b)** Describe how the project will incorporate Coordinated Entry **2c)** Please describe the steps taken to ensure that the project will align with the CoC's expectations, and CoC priorities, Applicants should list the priorities that the project aligns with.

2a) TAF Low Barrier Operation

The TAF project will operate as a low-barrier initiative by adopting the following specific screening criteria and practices:

1. Application Process:

Waived Application Fees: No fees will be charged to applicants to ensure accessibility.

Flexible Proof of Identity: Accepting various forms of identification, including expired IDs, non-governmental IDs, and combinations thereof.

2. Income Requirements:

Program participants will not have to have any set income amounts to receive help from the TAF. Persons whose median income is 80% or less of the average median income for the county will be eligible for our programs as indicated by HUD.

3. Criminal History:

Inclusive Screening: TAF will not reject applicants based on arrests without convictions, expunged convictions, or minor criminal offenses. We will also work with applicants who have felony records if they are trying to get their lives on track. We will work with all returning citizens

4. Housing Readiness:

No Precondition Requirements: Allowing entry without sobriety, treatment compliance, or minimum income requirements.

Reasonable Accommodations: Offering clear opportunities for applicants to request accommodations for disabilities

2b) Incorporating Coordinated Entry

The project will incorporate Coordinated Entry by:

1. Centralized Intake:

TAF will utilize a centralized intake system to ensure all individuals and families are assessed consistently and fairly.

2. Prioritization:

Prioritizing individuals based on vulnerability and need, ensuring those most in need receive housing and services first.

3. Collaboration:

TAF will work closely with local Continuums of Care (CoCs) and other service providers to streamline the referral process and avoid duplication of services.

4. Data Sharing:

TAF will implement data-sharing agreements to track and manage client information securely, ensuring continuity of care across different service providers. TAF will continue to use the HMIS system for data-sharing.

2c) Alignment with the COC priorities and expectations.

To ensure alignment with the coc priorities and expectations, the project will take the following steps:

1. Community Engagement:

Regularly engaging with community stakeholders, including residents, local organizations, and service providers, to gather feedback and adjust services as needed. TAF will continue to work with partners on this project including Marshall public housing , community health care (mental health and general health service provider), Good Shepherd hospital, Mission Marshall, Tri-County, Marshall Literacy Council, Gateway Academy Childcare, Gateway Technical School, Edwards Chapel B.C., Goodwill, Lowes and Home Depot etc.

2. Transparency:

TAF will maintain transparency in operations and decision-making processes, including sharing outcomes and progress with the community.

3. Cultural Competency:

TAF will provide training for staff on cultural competency and trauma-informed care to better serve diverse populations.

4. Continuous Improvement: TAF project will align with all of the following coc priorities and expectations.

1. Describe a community-wide commitment to the project. Applicants will be asked to identify partners in the development of the application, partners in the administration of the project, and partners in the oversight and evaluation of the project. These partners should include stakeholder groups such as the Local Homeless Coalition (LHC), the Coordinated Entry Planning Entity, persons with lived experience of homelessness, governmental agencies [county government or regional Councils of Governments (COGs) and other cross-sector partners such as Public Housing Authorities (PHA), Community Housing Development Organization (CHDO), or Community Development Corporation (CDC). Healthcare partners may include Local Mental/Behavioral Health Authorities (LMHA/LBHA), Healthcare/Hospital Districts, Public Health Departments, or Federally Qualified Healthcare Centers (FQHC), or Healthcare for the Homeless (HCH) Recipients. As part of a community-wide commitment to the goal of reducing unsheltered homelessness, application partners must not participate in activities that criminalize homelessness.

2. Leverage additional housing resources in the operation of the project, or leverage additional healthcare resources in the operation of the project.

3. Utilize a landlord recruitment/engagement strategy.

4. Employ staff whose primary function is to assist individuals with their SSI/SSDI applications

through the SSI/SSDI Outreach, Access, and Recovery (SOAR) process.

5. Describe how the proposed project will implement Housing First principles and practices.

6. Target people who are unsheltered, or with histories of unsheltered homelessness, OR people with severe service needs.

7. Describe how persons with lived experience of homelessness (PWLE) meaningfully contribute to the project design and development of the project and how PWLE will participate in the implementation of projects funded under this NOFO.

8. Describe how the project will identify and serve “underserved” communities, or those communities that have not previously been served by the homeless system at the same rate that they experience homelessness in the community (that is, they are experiencing homelessness in the community, but they are not being served by the homeless services system). Applicants will be expected to follow Culturally and Linguistically Appropriate Services (CLAS) in their work under this NOFO.

TAF Project will align with and utilize the following COC expectations and priorities.

1. Ending Homelessness for All Persons- In 2022, the United States Interagency Council on Homelessness (USICH) presented All In: The Federal Strategic Plan to Prevent and End Homelessness to the President and Congress. The plan is built around six pillars: three foundations—equity, data and evidence, and collaboration—and three solutions—housing and supports, crisis response, and prevention. The work funded through this NOFO will support the actions and strategies proposed within the pillars.
2. Use a Housing First Approach- Housing First prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions. CoC Program funded projects should help individuals and families move quickly into permanent housing, and CoCs should measure and help projects reduce the length of time people experience homelessness. Additionally, CoCs should engage landlords and property owners to identify housing units available for rapid rehousing and permanent supportive housing participants, remove barriers to entry, and adopt client-centered service methods
3. Reduce Unsheltered Homelessness- In recent years, the number of people experiencing unsheltered homelessness has risen significantly, including a rising number of encampments in many communities across the country. People living unsheltered have extremely high rates of physical and mental illness and substance use disorders. CoCs should work with law enforcement and their state and local governments to eliminate policies and practices that criminalize homelessness.
4. Improving System Performance- CoCs should be using system performance measures (e.g., average length of homeless episodes, rates of return to homelessness, rates of exit to permanent housing destinations) to determine how effectively they are serving people experiencing homelessness. Additionally, CoCs should use their Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing, and services to ensure people experiencing homelessness receive assistance quickly, and make

homelessness assistance open, inclusive, and transparent

5. Partnering with Housing, Health and Service Agencies- Using cost performance and outcome data, CoCs should improve how all available resources are utilized to end homelessness. Including Public/Private Healthcare Organizations, PHAs, Workforce Development and Tribal leaders

6. Racial Equity- In nearly every community, Black, Indigenous, and other people of color are substantially over-represented in the homeless population. HUD is emphasizing system and program changes to address racial equity within CoCs. Responses to preventing and ending homelessness should address racial inequities to ensure successful outcomes for all persons experiencing homelessness using proven approaches, such as: developing a coordinated community response created in partnership with a racially diverse set of stakeholders and people experiencing homelessness and partnering with organizations with experience serving underserved populations.

7. Improving Assistance to LGBTQ+ Individuals- Discrimination on the basis of gender identity or sexual orientation manifests differently for different individuals and often overlaps with other forms of prohibited discrimination. CoCs should address the needs of LGBTQ+, transgender, gender non-conforming, and non-binary individuals and families in their planning processes. Additionally, when considering which projects to select in their local competition to be included in their application to HUD, CoCs should ensure privacy, respect, safety, and access regardless of gender identity or sexual orientation in projects

8. Persons with Lived Experience- The people who know best what solutions will effectively end homelessness are those who are experiencing homelessness. HUD expects CoCs to include people with lived homeless expertise and experience in their local planning and decision-making process

9. Increasing Affordable Housing Supply- The lack of affordable housing is the main driver of homelessness. CoCs play a critical role in educating local leaders and stakeholders about the importance of increasing the supply of affordable housing and the specific consequences of the continued lack of affordable housing. CoCs should be communicating with jurisdiction leaders, including for the development of Consolidated Plans, about the harmful effects of the lack of affordable housing, and they should engage local leaders about steps such as zoning and land use reform that would increase the supply of affordable housing

TAF will Establish a feedback loop with clients and community members to continuously improve services and address any emerging needs or challenges.

These steps will ensure the project operates effectively as a low-barrier initiative, incorporates Coordinated Entry, and aligns with the COC's priorities and expectations. We will expound on how these alignments will work in the full applications if qwe are allowed to move forward.

Please provide a detailed description of the experience of the Applicant

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

1a) Please provide as much detail about the applicant's (and sub-recipients, as applicable) experience as possible. Describe prior projects that are similar in scope **1b)** Describe the applicant's (and sub-recipients, as applicable) experience working with people experiencing homelessness, and operating Permanent Supportive Housing

1a. TAF is a 501(c)(3) nonprofit organization, organized in 2007. TAF provides permanent supportive housing services to east Texans in nine counties (Harrison, Panola, Marion, San Augustine, Sabine, Shelby, Gregg, Smith, Upshur). We also offer educational services through Gateway Technical School, Daycare Services through Gateway Academy Childcare, Residential and Commercial construction through Andrus Industries Inc, Testing Services through Pearson Vue Testing as a certified testing site and a plethora of self-help services. We operate a homeless shelter for vulnerable populations including persons returning home from prison. We converted the local jail into a homeless shelter. TA properties owns over twenty individual low income properties that assist residents with reduced rents. Daniel Goss is a subcontractor who is a master builder, Mr. Goss (Goss Construction) has built numerous houses, churches and multifamily structures in east Texas. Mr. Goss has been in the building and heavy equipment business for over 50 years and has a building portfolio that is very impressive. Isaias Jaimes (JV Construction) is also a subcontractor with a very impressive portfolio as he has built one-, two-, three- and four-bedroom houses as well as commercial structures. Jaimes has been in the building industry for over twenty years. I will include samples of all of our work when requested. Mr. Freddie Oliver, HVAC Specialist is also a subcontractor who has over 40 years experience in HVAC Services, Eric Jackson is a licensed electrician with over twenty-five years of experience, Steven Neal is a licensed Plumber with over 15 years experience in plumbing. The applicant and all subcontractors are licensed contractors for the city Marshall, TX and registered with the Secretary of State.

1b) The (TAF) in Marshall, Texas, is dedicated to addressing homelessness through a variety of supportive services and housing initiatives. TAF was issued its non-profit exemption status in 2007 by the IRS. TAF has been offering a plethora of services to the homeless and vulnerable populations for over ten years. The subcontractors have supported our projects by performing work at a reduced rate for the nonprofit.

Experience Working with People Experiencing Homelessness

The foundation has been actively involved in providing essential services to individuals and families experiencing homelessness. Their efforts include:

Emergency Shelter: TAF operates an emergency shelter that offers immediate refuge to those in need.

Warming Center: During periods of severe weather, the foundation opens a warming center to provide a safe and

warm place for individuals.

Essential Services: They offer basic necessities such as hygiene items, laundry facilities, and showers.

Education and Counseling: TAF provides GED preparation, housing counseling, and access to mental health services, legal assistance, and substance abuse counseling.

Permanent Supportive Housing

TAF also operates Permanent Supportive Housing (PSH) programs aimed at providing long-term housing solutions for individuals experiencing chronic homelessness. These programs are designed to offer stable housing along with supportive services to help residents maintain their housing and improve their quality of life.

Housing Stability: The PSH programs focus on ensuring that residents have a stable living environment, which is crucial for their overall well-being.

Comprehensive Support: Residents receive ongoing support, including case management, to address various challenges they may face, such as mental health issues, substance abuse, and employment.

The foundation's holistic approach combines immediate relief with long-term solutions, making a significant impact on the lives of those they serve in Marshall, Texas.

Please upload a completed SF-424-CBW.

The [Construction Budget Worksheet can be downloaded from grants.gov](#) and is a required submission. Ensure that you upload the correct document- non-responsive documents will result in an incomplete submission, and will not pass the Intent to Apply stage of the review process.

Please take your time completing this step; Applicants cannot modify this worksheet once it is submitted. (Note that the final budget may be reduced, but cannot exceed the totals in this worksheet)

[424CBW - TAF 9-23-24pm.xlsx](#)

Filename: 424CBW - TAF 9-23-24pm.xlsx **Size:** 50.5 kB

What is the total number of units that will be created with these funds?

30

What is your anticipated per-unit cost for this project when complete?

\$164,000

Which Costs are you Requesting from HUD?

Please zero out all unused costs. Applicants must provide a general description of the Activity.

Please enter costs as numbers only, Example \$100,000 would be 100000.00

Please ensure that this chart aligns with the SF-424-CBW. In the event of a conflict between this document and the CBW, the CBW will prevail.

NOTE: Ensure that this table aligns with the Request For Proposals

	Requested	Total HUD Request By Category (CoC Build Request)	Total Anticipated Project Cost By Category	Brief Description of the request.
Construction	✓	6420840	6420840	TAF will build 30 new homes
Acquisition	✓	289580	289580	We will purchase a vacant nursing home and use it for permanent supportive housing
Rehabilitation	✓	289580	289580	We will rehabilitate a former jail facility and bring it up to code for emergency temporary shelters for families going through transition and waiting for permanent placement
Project Based Rental Assistance	✓	1000000	1000000	TAF will assist tenants with project based rental assistance as needed to move homeless families into a safe environment

Supportive Services	✓	500000	500000	TAF will provide case management, mental health , education services, childcare services, transportation services, financial literacy etc for at least 100 families
Operating Costs	✓	500000	500000	all salaries, rent, utilities, insurance and maintenance will be paid with these funds
Admin	✓	1000000	1000000	Rent, salaries, benefits, equipment, furniture, 5 years

Please confirm the County that this Project will be located in.

Harrison

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

*** 2. Type of Application:**

- ☒ New
☐ Continuation
☐ Revision

*** If Revision, select appropriate letter(s):**

*** Other (Specify):**

*** 3. Date Received:**

11/18/2024

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

Tracy Andrus Foundation

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

20-8248158

*** c. UEI:**

MQPJVLGKQAK8

d. Address:

*** Street1:**

303 W. Burleson Street

Street2:

*** City:**

Marshall

County/Parish:

Harrison

*** State:**

TX: Texas

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

75670-3210

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Dr .

*** First Name:**

Tracy

Middle Name:

*** Last Name:**

Andrus

Suffix:

Title:

Organizational Affiliation:

*** Telephone Number:**

903-472-2762

Fax Number:

*** Email:**

tandrus26@gmail.com

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

M: Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education)

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.267

CFDA Title:

Continuum of Care Program

* 12. Funding Opportunity Number:

FR-6800-N-25A

* Title:

Continuum of Care (CoC) Builds

13. Competition Identification Number:

FR-6800-N-25A

Title:

Continuum of Care (CoC) Builds

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Tracy Andrus Foundation COC Builds Project.

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424			
16. Congressional Districts Of:			
* a. Applicant	TX-001	* b. Program/Project	TX-001
Attach an additional list of Program/Project Congressional Districts if needed.			
	Add Attachment	Delete Attachment	View Attachment
17. Proposed Project:			
* a. Start Date:	01/01/2025	* b. End Date:	12/31/2034
18. Estimated Funding (\$):			
* a. Federal	10,000,000.00		
* b. Applicant	1,000,000.00		
* c. State	0.00		
* d. Local	0.00		
* e. Other	0.00		
* f. Program Income	3,000,000.00		
* g. TOTAL	14,000,000.00		
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?			
☐ a. This application was made available to the State under the Executive Order 12372 Process for review on			
☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.			
☒ c. Program is not covered by E.O. 12372.			
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)			
☐ Yes		☒ No	
If "Yes", provide explanation and attach			
	Add Attachment	Delete Attachment	View Attachment
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)			
☒ ** I AGREE			
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.			
Authorized Representative:			
Prefix:		* First Name:	Tracy
Middle Name:			
* Last Name:	Andrus		
Suffix:			
* Title:	Executive Director		
* Telephone Number:	9034722762	Fax Number:	
* Email:	tandrus26@gmail.com		
* Signature of Authorized Representative:	Tracy Andrus	* Date Signed:	11/18/2024

Applicant/Recipient
Disclosure/Update Report

U.S. Department of Housing
and Urban Development

OMB Number: 2501-0017
Expiration Date: 01/31/2026

Applicant/Recipient Information	* UEI Number:	MQPJVLGKQAK8	* Report Type:	INITIAL
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1. Applicant/Recipient Name, Address, and Phone (include area code):

* Applicant Name:	Tracy Andrus Foundation
* Street1:	303 W. Burleson Street
Street2:	
* City:	Marshall
County:	Harrison
* State:	TX: Texas
* Zip Code:	75670-3210
* Country:	USA: UNITED STATES
* Phone:	903-472-2762

2. Employer ID Number (do not include individual social security numbers):	20-8248158
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* 3. HUD Program Name:	Continuum of Care Program
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* 4. Amount of HUD Assistance Requested/Received:	\$	10,000,000.00
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5. State the name and location (street address, City and State) of the project or activity:

* Project Name:	Tracy Andrus Foundation COC Builds Project
* Street1:	303 W. Burleson Street
Street2:	
* City:	Marshall
County:	
* State:	TX: Texas
* Zip Code:	75670-3210
* Country:	USA: UNITED STATES

Part I Threshold Determinations

* 1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy or CDBG block grants. For further information see 24 CFR Sec. 4.3. ☒ Yes ☐ No	* 2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1-Sep. 30)? For further information, see 24 CFR 4.9. ☒ Yes ☐ No
--	--

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. However, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

Department/State/Local Agency Name:

* Government Agency Name:

Government Agency Address:

* Street1:

Street2:

* City:

County:

* State:

* Zip Code:

* Country:

* Type of Assistance:

* Amount Requested/Provided: \$

* Expected Uses of the Funds:

Note: Use additional pages if necessary.

Add Attachment

Delete Attachment

View Attachment

Part III Interested Parties. You must disclose:

1. All developers, contractors, or consultants involved in the application for assistance or in the planning, development, or implementation of the project or activity.

* Alphabetical list of all persons with a reportable financial interest in the project or activity (for individuals, give the last name first)

* Unique Entity ID	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)
Tracy Andrus	Developer	\$ 60.00 60.00 %
Dan Goss	Builder	\$ 15.00 15.00 %
Bernard Young	Builder	\$ 10.00 10.00 %
Murrell Norman	Builder	\$ 10.00 10.00 %
Isiah Jimenez	Builder	\$ 5.00 5.00 %

2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

* Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)

City of Residence	* Type of Participation in Project/Activity	* Financial Interest in Project/Activity (\$ and %)
		\$ %
		\$ %
		\$ %
		\$ %
		\$ %

Note: Use additional pages if necessary.

Add Attachment

Delete Attachment

View Attachment

Certification

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, correct, and accurate.

Warning: If you knowingly make a false statement on this form, you may be subject to criminal and/or civil penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

* Signature:

* Date: (mm/dd/yyyy)

Tracy Andrus

11/18/2024

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance): General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's EIN, as appropriate, is optional. Individuals must not include social security numbers on this form.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. Recipients filing Update Reports should not complete this Part.

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD and any other source - that have been or are to be, made available for the project or activity. Non-government sources of Form HUD-2880 funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. Any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower). Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Unique Entity Identifier (UEI), for non-individuals, or city of residence, for individuals, for each organization and person listed is **optional**.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, or on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional

information required. Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.

4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.

5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

**Applicant and Recipient
Assurances and Certifications**

**U.S. Department of Housing
and Urban Development**

OMB Number: 2501-0017
Expiration Date: 01/31/2026

Instructions for the HUD-424-B Assurances and Certifications

As part of your application for HUD funding, you, as the official authorized to sign on behalf of your organization or as an individual, must provide the following assurances and certifications, which replace any requirement to submit an SF-424-B or SF-424-D. The Responsible Civil Rights Official has specified this form for use for purposes of general compliance with 24 CFR §§ 1.5, 3.115, 8.50, and 146.25, as applicable. The Responsible Civil Rights Official may require specific civil rights assurances to be furnished consistent with those authorities and will specify the form on which such assurances must be made. A failure to furnish or comply with the civil rights assurances contained in this form may result in the procedures to effect compliance at 24 CFR §§ 1.8, 3.115, 8.57, or 146.39.

By submitting this form, you are stating that all assertions made in this form are true, accurate, and correct.

As the duly representative of the applicant, I certify that the applicant:

*Authorized Representative Name:

Prefix: *First Name:
Middle Name:
*Last Name:
Suffix:

*Title:

*Applicant Organization:

1. Has the legal authority to apply for Federal assistance, has the institutional, managerial and financial capability (including funds to pay the non-Federal share of program costs) to plan, manage and complete the program as described in the application and the governing body has duly authorized the submission of the application, including these assurances and certifications, and authorized me as the official representative of the application to act in connection with the application and to provide any additional information as may be required.

2. Will administer the grant in compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d)) and implementing regulations (24 CFR part 1), which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under any program or activity that receives Federal financial assistance OR if the applicant is a Federally recognized Indian tribe or its tribally designated housing entity, is subject to the Indian Civil Rights Act (25 U.S.C. 1301-1303).

3. Will administer the grant in compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and implementing regulations at 24 CFR part 8, the American Disabilities Act (42 U.S.C. §§ 12101 et seq.), and implementing regulations at 28 CFR part 35 or 36, as applicable, and the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) as amended, and implementing regulations at 24 CFR part 146 which together provide that no person in the United States shall, on the grounds of disability or age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity that receives Federal financial assistance; except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

4. Will comply with the Fair Housing Act (42 U.S.C. 3601-19), as amended, and the implementing regulations at 24 CFR part 100, which prohibit discrimination in housing on the basis of race, color, religion sex (including gender identity and sexual orientation), disability, familial status, or national origin and will affirmatively further fair housing; except an applicant which is an Indian tribe or its instrumentality which

is excluded by statute from coverage does not make this certification; and further except if the grant program authorizes or limits participation to designated populations, then the applicant will comply with the nondiscrimination requirements within the designated population.

5. Will comply with all applicable Federal nondiscrimination requirements, including those listed at 24 CFR §§ 5.105(a) and 5.106 as applicable.

6. Will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601) and implementing regulations at 49 CFR part 24 and, as applicable, Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(d)) and implementing regulations at 24 CFR part 42, subpart A.

7. Will comply with the environmental requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and related Federal authorities prior to the commitment or expenditure of funds for property.

8. That no Federal appropriated funds have been paid, or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of this Federal grant or its extension, renewal, amendment or modification. If funds other than Federal appropriated funds have or will be paid for influencing or attempting to influence the persons listed above, I shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying. I certify that I shall require all subawards at all tiers (including sub-grants and contracts) to similarly certify and disclose accordingly. Federally recognized Indian Tribes and tribally designated housing entities (TDHEs) established by Federally-recognized Indian tribes as a result of the exercise of the tribe's sovereign power are excluded from coverage by the Byrd Amendment, but State-recognized Indian tribes and TDHs established under State law are not excluded from the statute's coverage.

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct.

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802).

*Signature:

Tracy Andrus

*Date:

11/18/2024

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

OMB Number: 4040-0013
Expiration Date: 02/28/2025

1. * Type of Federal Action: ☐ a. contract ☒ b. grant ☐ c. cooperative agreement ☐ d. loan ☐ e. loan guarantee ☐ f. loan insurance	2. * Status of Federal Action: ☐ a. bid/offer/application ☒ b. initial award ☐ c. post-award	3. * Report Type: ☒ a. initial filing ☐ b. material change
4. Name and Address of Reporting Entity: ☒ Prime ☐ SubAwardee * Name: Tracy Andrus Foundation * Street 1: 303 W. Burleson Street Street 2: * City: Marshall State: TX: Texas Zip: 75670-3210 Congressional District, if known: 01		
5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime: 		
6. * Federal Department/Agency: HUD		7. * Federal Program Name/Description: Continuum of Care Program CFDA Number, if applicable: 14.267
8. Federal Action Number, if known: 		9. Award Amount, if known: \$
10. a. Name and Address of Lobbying Registrant: Prefix: * First Name: Tracy Middle Name: * Last Name: Andrus Suffix: * Street 1: 303 W. Burleson Street Street 2: * City: Marshall State: TX: Texas Zip: 75670-3210		
b. Individual Performing Services (including address if different from No. 10a) Prefix: * First Name: Tracy Middle Name: * Last Name: Andrus Suffix: * Street 1: 303 W. Burleson Street Street 2: * City: Marshall State: TX: Texas Zip: 75670		
11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. * Signature: Tracy Andrus * Name: Prefix: * First Name: Tracy Middle Name: * Last Name: Andrus Suffix: Title: Telephone No.: Date: 11/18/2024		
Federal Use Only:		Authorized for Local Reproduction Standard Form - LLL (Rev. 7-97)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
Tracy Andrus	Executive Director
APPLICANT ORGANIZATION	DATE SUBMITTED
Tracy Andrus Foundation	11/18/2024

SF-424D (Rev. 7-97) Back

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
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13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
Tracy Andrus	Executive Director
APPLICANT ORGANIZATION	DATE SUBMITTED
Tracy Andrus Foundation	11/18/2024

Standard Form 424B (Rev. 7-97) Back

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION

Tracy Andrus Foundation

* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE

Prefix: * First Name: Middle Name:
* Last Name: Suffix:
* Title:

* SIGNATURE:

* DATE:

ATTACHMENTS FORM

Instructions: On this form, you will attach the various files that make up your grant application. Please consult with the appropriate Agency Guidelines for more information about each needed file. Please remember that any files you attach must be in the document format and named as specified in the Guidelines.

Important: Please attach your files in the proper sequence. See the appropriate Agency Guidelines for details.

1) Please attach Attachment 1	1234-TAF Notice of Appeal to	Add Attachment	Delete Attachment	View Attachment
2) Please attach Attachment 2	1235-COC Builds TAF 2024.pdf	Add Attachment	Delete Attachment	View Attachment
3) Please attach Attachment 3	1236-Complete Solo Applicant	Add Attachment	Delete Attachment	View Attachment
4) Please attach Attachment 4	1237-424CBW - TAF 9-23-24am	Add Attachment	Delete Attachment	View Attachment
5) Please attach Attachment 5	1238-Letter to the Mayor - Ce	Add Attachment	Delete Attachment	View Attachment
6) Please attach Attachment 6		Add Attachment	Delete Attachment	View Attachment
7) Please attach Attachment 7		Add Attachment	Delete Attachment	View Attachment
8) Please attach Attachment 8		Add Attachment	Delete Attachment	View Attachment
9) Please attach Attachment 9		Add Attachment	Delete Attachment	View Attachment
10) Please attach Attachment 10		Add Attachment	Delete Attachment	View Attachment
11) Please attach Attachment 11		Add Attachment	Delete Attachment	View Attachment
12) Please attach Attachment 12		Add Attachment	Delete Attachment	View Attachment
13) Please attach Attachment 13		Add Attachment	Delete Attachment	View Attachment
14) Please attach Attachment 14		Add Attachment	Delete Attachment	View Attachment
15) Please attach Attachment 15		Add Attachment	Delete Attachment	View Attachment

RE: <External Message> Re: TAF Appeal Decision

1 message

Henley, Shirley J <Shirley.J.Henley@hud.gov>

Fri, Oct 25, 2024 at 12:41 PM

To: Tracy Andrus <tandrus26@gmail.com>, Jim Ward <jim@thn.org>, "kristin@thn.org" <kristin@thn.org>, "eric@thn.org" <eric@thn.org>, Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>, Texas BoS Continuum of Care <txboscoc@thn.org>, "Mooney, Darryl D" <Darryl.D.Mooney@hud.gov>, rvicomplaint-inquiries <rvicomplaint-inquiries@hud.gov>, Sonya Burnett-Andrus <sburnettandrus@gmail.com>, "Dr. Tracy Andrus" <tandrus@tracyandrusfoundation.com>

Cc: "Henley, Shirley J" <Shirley.J.Henley@hud.gov>

Dr. Andrus

Jim Ward will respond to the below email, shortly.

Thank you for reaching out.

From: Tracy Andrus <tandrus26@gmail.com>**Sent:** Friday, October 25, 2024 11:03 AM

To: Henley, Shirley J <Shirley.J.Henley@hud.gov>; Tracy Andrus <tandrus26@gmail.com>; Jim Ward <jim@thn.org>; kristin@thn.org; eric@thn.org; Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>; Texas BoS Continuum of Care <txboscoc@thn.org>; Mooney, Darryl D <Darryl.D.Mooney@hud.gov>; rvicomplaint-inquiries <rvicomplaint-inquiries@hud.gov>; Sonya Burnett-Andrus <sburnettandrus@gmail.com>; Dr. Tracy Andrus <tandrus@tracyandrusfoundation.com>

Subject: Re: <External Message> Re: TAF Appeal Decision

Good Morning,

We have started completing the fy 2024/2025 nofo in e snaps but this nofo is not the same as the solo application that Jim told me about which is supposed to be the same 10 million dollar NOFO that I completed on smartapply that allows for new construction rehabilitation and acquisitions. That is the NOFO that we are interested in submitting and the final date to submit is October 30, 2024. Please let me know if I am clicking on the wrong project application or if the NOFO that we completed with the COC is no longer available. This is very frustrating for me and my organization.

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

303 W. Burleson Street

Marshall, Texas 75670

tandrus26@gmail.com

Ph: 903-472-2762

www.tracyandrusfoundation.com

On Thu, Oct 10, 2024 at 11:32 AM Henley, Shirley J <Shirley.J.Henley@hud.gov> wrote:

Dr. Andrus

Attached above, please find the response to your October 7, email.

The additional attachments include the FY 24/24 NOFO and the FY 2024 Project Application Frequently Asked Questions.

Both attachments are referenced in the letter.

Shirley Henley

CPD Director Fort Worth

From: Tracy Andrus <tandrus26@gmail.com>

Sent: Monday, October 7, 2024 1:54 PM

To: Jim Ward <jim@thn.org>; Henley, Shirley J <Shirley.J.Henley@hud.gov>; Jensen, Gerald R <Gerald.R.Jensen@hud.gov>; Bobby Wilkinson <bobby.wilkinson@tdhca.state.tx.us>; Abigail Versyp <abigail.versyp@tdhca.state.tx.us>; Mary Rychlik Stahlke <mary@thn.org>; Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>; Texas BoS Continuum of Care <txboscoc@thn.org>; Dr. Tracy Andrus <tandrus@tracyandrusfoundation.com>; Palmer, Matthew W <Matthew.Palmer@hud.gov>; Tracy Andrus <tandrus26@gmail.com>; RegionalAdministratorFortWorth <RegionalAdministratorFortWorth@hud.gov>; earl.eredrick@hud.gov; candance.h.valencela@hud.gov; victorgoldstein28@gmail.com

Cc: Stephanie Andrade-Rocha <Stephanie.rocha@beyondtrafficking.com>; Victor Rivera <victorr@lfrgv.org>; kristin@thn.org; eric@thn.org

Subject: <External Message> Re: TAF Appeal Decision

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. If you have concerns about the content of the email, please send it to phishing@hud.gov or click the Report Phishing Button on the Outlook ribbon or Phishing option within OWA.

Good Afternoon,

I am in receipt of your email sustaining your decision to disqualify my application. Please consider this email as my formal notice to the COC Board to let you know that I am appealing this decision to the next level. I am therefore requesting that Ms. Shirley Henley or the other Ft. Worth Regional Administrators included on this email advise me of my next steps for this appeal.

Dear Texas Homeless Network Committee and HUD-Ft. Worth Regional Administrators,

I am writing to formally appeal the recent decision to disqualify my COC Builds application on the grounds of a supposed conflict of interest. I would like to clarify that my involvement in voting to approve the RFP did not provide me with any unfair advantage. My actions were in full compliance with all relevant rules and regulations, ensuring a fair and transparent process throughout. I

informed the COC Board of my intent to apply for this funding from the onset. I had nothing to do with writing, modifying or changing the RFP in any way. As the Chair of the CoC Board, I was never advised that voting to approve the RFP would disqualify my organization from applying for this funding. I have also filed an official FOIA Request requesting a time stamped copy of any other application submitted for COC Builds as well as a copy of the top three applications that were funded with the NOFO funds. It is our belief that Tracy Andrus Foundation was the only organization who submitted a timely notice of intent to apply for the COC Builds funding and as such THN would have to work with our organization to prepare the grant to submit to HUD. In my opinion 10 million dollars would be too much for THN to give to an african american organization and therefore they have tried to come up with excuses to disqualify TAF from getting this funding.

It is with great concern that I must also address a deeper issue. Since I am the only Black person on the CoC board (Chair), I have consistently experienced unfair treatment, racial prejudice, and discrimination from at least two board members. This decision appears to be yet another manifestation of these biases, undermining the principles of equity and inclusion that should guide our work.

While the CoC board speaks about promoting racial equity, it continues to promote racial biases by disproportionately supporting and funding white-owned nonprofit organizations while exploiting Black-owned nonprofits in Texas. This practice stands in direct opposition to the principles of equity that HUD is actively working to promote. Currently, there is not one African American employee in the THN organizational chart as of today (10-07-2024) which also highlights their **lack of diverseness**. These organizations operate because of our tax dollars, they should therefore be servants to **all the people and not just Caucasian run non-profits.**

I urge you to reconsider the decision based on the merits of my application and the facts of the situation. It is imperative that decisions of this nature are made transparently, impartially, and without bias to uphold the integrity of our mission to serve all people.

Thank you for your attention to this matter. I look forward to a fair review of my appeal at the next level. Ms. Henley, I would like to request a formal hearing from the regional board to investigate this matter. I am also meeting with Ms. Kristin next week to share with her and Kraig some of the disrespectful repugnant treatment/comments that I have received from two of the board members including Victor who is on this email thread who along with Stephanie voted to disqualify my application. Yes, I have a recording that was sent to me where I heard Victor make some very distasteful comments about me.

We have also reached out to HUD's DC Office (Marion McFadden and Claudette Fernandez) who advised us to try to come to some type of resolution with the regional office before filing with their offices.

I have also attached a copy of the letter received today from Jim Ward and the two COC Board members (Victor and Stephanie) disqualifying my application (TAF) for COC Builds.

Tracy Andrus

Sincerely,

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
Ph: 903-472-2762
Email: tandrus26@gmail.com

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

303 W. Burleson Street

Marshall, Texas 75670

tandrus26@gmail.com

Ph: 903-472-2762

www.tracyandrusfoundation.com

On Mon, Oct 7, 2024 at 11:52 AM Jim Ward <jim@thn.org> wrote:

Good morning Dr. Andrus,

Please see the attached letter summarizing the CoC Board's decision regarding the appeal that was submitted on September 30, regarding the CoC Builds NOFO.

Respectfully,

Jim Ward,

Pronouns: **he/him/his**

Director of Planning,

Texas Balance of State Continuum of Care

Texas Homeless Network
Office Phone: (512) 861-2165
3000 South IH 35 Ste. 100
Austin, TX 78704

Application: TAF Builds 2025

Tracy Andrus Foundation
CoC Builds

Summary

ID: 9767379790
Last submitted: Sep 23 2024 02:22 PM (CDT)

Entity Eligibility

Completed - Sep 23 2024

Applicants are encouraged to perform a search of their Entity's legal name on sam.gov to validate the responses given in this form.

Applications submitted by an entity (or name a subrecipient) without an active SAM registration at the Application deadline are ineligible for consideration

Eligibility

Primary Applicant Information

Primary Applicant Eligibility

Agency Legal Name

Tracy Andrus Foundation

Project Name

Please ensure that the Project Name given here will match the other supporting Documents throughout this application.

TAF Builds 2025

Are you an eligible entity?

Please indicate which of the following best describes your organization.

501(c)3

Do you have an active [SAM registration](#)?

Yes

When does your SAM registration expire?

04/18/2025

Do you have a valid Unique Entity ID ([formerly DUNS Number](#))?

Yes

What is your Employer Identification number (EIN)?

Please enter the EIN with no dashes.

208248158

What is your Unique Entity ID?

MQPJVLGKQAK8

Do you have either active exclusions, or federal debt subject to offset on sam.gov?

No

Are you identifying any subrecipients?

No

Eligibility Documentation

Completed - Sep 17 2024

Form for "Eligibility Documentation"

This is my form.

Please upload evidence of Eligibility for the Applicant and ALL sub-recipients.

This could be IRS Determination Letter, etc. Please upload all evidence for each entity as a separate document

[Tracy Andrus Foundation - 501 \(c\) \(3\).jpg](#)

Filename: Tracy Andrus Foundation - 501 (c) (3).jpg Size: 593.2 kB

Please upload a screenshot of the Applicant, and All Sub-recipient's sam.gov page that reflects an active SAM registration.

[Screen Shot 2024-09-17 at 6.16.09 AM.png](#)

Filename: Screen Shot 2024-09-17 at 6.16.09 AM.png Size: 1.4 MB

Agency Details

Completed - Sep 17 2024

Agency Details

Name of Your Agency

Tracy Andrus Foundation

Agency Website

Agency Website must be in the format example.org

www.tracyandrusfoundation.com

Who is the Authorized Primary Contact for your Agency?

Tracy Andrus

What is the preferred email for the Agency's Authorized Primary Contact?

tandrus26@gmail.com

Who is the Agency's Authorized Secondary (Back Up) Contact?

Sonya Burnett-Andrus

What is preferred email for the Agency's Authorized Secondary Contact?

sburnettandrus@gmail.com

How Does This Agency Engage People Experiencing Homelessness Currently?

The Tracy Andrus Foundation engages people experiencing homelessness in many ways. The foundation offers rental assistance, housing counseling, educational services, childcare services, a homeless shelter, domestic violence homes, and a food and clothing pantry. TAF allows the homeless to shower during the day and feed them on a continuous basis. We qwork with landlords to provide housing for the homeless also.

Continuum of Care Acknowledgements and Expectations

Completed - Sep 17 2024

Continuum of Care Acknowledgements & Expectations

Check the box next to each statement to acknowledge that you understand and/or agree to the statement

[Click here to view the FY24-25 CoC Expectations Form](#)

[Click here to view the FY24-25 CoC Priorities](#)

Responses Selected:

The Applicant/Project proposed will comply with Sections I.B and 1.C of the Request for Proposals
I understand that Projects funded under this NOFO must agree to the requirements outlined in the FY24-25 CoC Expectations Form if awarded
I understand that Projects funded under this NOFO must align with the FY24-25 CoC Priorities, and document alignment with at least three priorities
I understand that no less than 70% of the requested HUD funding must be for capital costs for new construction, acquisition, rehabilitation, including conversion, of PSH units to be provided to eligible program participants experiencing homelessness outlined in 24 CFR 578.37(a)(1)(i), where at least one individual in the household has a disability
I understand that all awards of capital funds are one-time awards
I understand that no more than 20% of the requested HUD funding may be for CoC Program eligible costs for supportive services, operating costs, or project-based rental assistance, and that these funds may be eligible for renewal in the HUD CoC Program Competition
I understand that no more than 10% of the requested HUD funding may be for administrative costs, and that these funds may be eligible for renewal in the HUD CoC Program Competition
I understand that Applicants may submit one (1) response to this solicitation
I understand that Applicants must propose eligible activities and that a gross misunderstanding of the CoC Program or the allowable uses of CoC Program funds will result in the Applicant not being scored or ranked

Project Details

Completed - Sep 23 2024

Project Details

Please save regularly, or consider working in a word processing document and copy/paste into the text fields below.

Please provide a detailed description of the Proposed Project

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

1a) Please provide as much detail about the need for the proposed project as possible, including how the need was determined. **1a.1)** Please give the address of the proposed project site, if known, (if unknown, please explicitly state so) **1b)** Please describe the total budget requested from HUD by activity. **1c)** Please give the anticipated timeline of the proposed project (1-5) yrs including anticipated challenges and the Agency's plan for contingencies, **1d)** Please describe the other financing committed to the project particularly Federal State or local (including private) funds. Please describe the source of the other leveraged commitments (i.e. Local Commitments HOME ARP \$2,000,000 etc...). Clearly state what percentage of the total **construction** budget the HUD request represents.

1a. Marshall, TX and Harrison County are in critical need of additional housing for its residents as illustrated in our 5-year consolidated plan (Marshall Consolidated plan 2020-2024). There is a need for 1,2,3,4, bedroom houses and multifamily structures for our residents. This need for the permanent supportive housing units, acquisition and rehabilitation were all discussed at the city and county levels among, local leaders, politicians, Marshall Economic Development Corporation, educators, clergy, mental health and physical health providers, mission Marshall, public housing authorities, higher education stakeholders and people with lived experience. Marshall has a large homeless population and a very small number of vacant housing units. TAF project if funded will add 30 permanent supportive housing units of which two (2) will be used for domestic violence safe houses, 28 units (15-3 bedrooms, 8-2 bedrooms, 5-1 bedrooms) at a cost of \$166K per unit as a whole). TAF will also negotiate with Wiley College to acquire a vacant nursing home owned by Wiley College and rehab the building which has the capability to house up to 60 individuals/small families. The facility was last used as a dormitory for college students. TAF will also upgrade its current shelter by installing a fire alarm system and re-roofing the flat roof. We will also use the funds to upgrade the electric and plumbing in the shelter. This transitional shelter will be used to temporary hold program participants as we assist them with finding permanent housing. TAF has identified and have access to a 6.7-acre tract in the middle of Marshall that will be used to build a community of permanent supportive housing. The property is located within walking distance to East Texas Baptist University. TAF has also identified and have access to a 4-acre tract in the outskirts of Marshall and approximately 10 vacant lots that can be used for building. All of these properties are already part of our portfolio. We will utilize the 9% housing tax credits for the building of these properties to reduce our tax liability. We will also utilize the City of Marshall's 10-year tax abatement incentive for community improvement/development.

1a1. There are several addresses for the proposed project site including a 6.7-acre tract located at 1515 Evans Street in Marshall, Texas, additionally, we have a total of 10 individual lots in Marshall, Texas that are available for

development. We also have a 4-acre tract off of Hwy 2625 that we can use for development. All of these properties are currently available and suitable for development. We are planning on rehabbing the homeless shelter located at 303 W. Burleson Street Marshall, TX, and acquiring a building located at 509 S. Grove Street in Marshall, TX.

1b. The total budget requested from HUD is 10,000,000. 70% (7,000,000) of the award will be used for a mix of new construction, acquisition, rehabilitation and possible conversion of PSH units. 20% of the award (2,000,000) will be used for supportive services, operating costs, and project based rental assistance. 10% of the award will be used for administrative costs.

1c. The timeline for this project will be as follows

0-6 months land will be cleared, surveyed and building will commence on the 6.7 acres

6-12 months anticipate that at least three (3) properties will be built on said 6.7-acre tract.

13-36 months an additional ten to (12) properties will be erected on the 6.7-acre tract.

37-60 months an additional (15) properties will be erected on the 6.7-acre tract and on various separate lots in Marshall, Texas for a total of 30 low-income properties. During the 37-60 months the acquisition and rehab properties will be brought up to code). We do not anticipate any challenges other than supply chain issues in the event of bad weather or an epidemic like covid which are unforeseeable. TAF has a partnership with Andrus Industries and several other builders who operate warehouses with building materials that can be used as contingencies in the event that certain materials become unavailable.

1d. TAF does not have any other financing committed for this project from federal, state or local funds but TAF has a commitment from Andrus Industries and other entities who will be providing supportive services at a discounted rate for each household. Andrus Industries has pledged 2,500,000 in in-kind donations for this project. The Hud construction budget request represents 100% of the budget requested by Tracy Andrus Foundation. My in-kind donations will be given over the 5-year grant period.

Please provide a detailed description of the Proposed Project

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

2a) Describe how the project will operate as low barrier (be specific, talk about screening criteria etc) **2b)** Describe how the project will incorporate Coordinated Entry **2c)** Please describe the steps taken to ensure that the project will align with the CoC's expectations, and CoC priorities, Applicants should list the priorities that the project aligns with.

2a) TAF Low Barrier Operation

The TAF project will operate as a low-barrier initiative by adopting the following specific screening criteria and practices:

1. Application Process:

Waived Application Fees: No fees will be charged to applicants to ensure accessibility.

Flexible Proof of Identity: Accepting various forms of identification, including expired IDs, non-governmental IDs, and combinations thereof.

2. Income Requirements:

Program participants will not have to have any set income amounts to receive help from the TAF. Persons whose median income is 80% or less of the average median income for the county will be eligible for our programs as indicated by HUD.

3. Criminal History:

Inclusive Screening: TAF will not reject applicants based on arrests without convictions, expunged convictions, or minor criminal offenses. We will also work with applicants who have felony records if they are trying to get their lives on track. We will work with all returning citizens

4. Housing Readiness:

No Precondition Requirements: Allowing entry without sobriety, treatment compliance, or minimum income requirements.

Reasonable Accommodations: Offering clear opportunities for applicants to request accommodations for disabilities

2b) Incorporating Coordinated Entry

The project will incorporate Coordinated Entry by:

1. Centralized Intake:

TAF will utilize a centralized intake system to ensure all individuals and families are assessed consistently and fairly.

2. Prioritization:

Prioritizing individuals based on vulnerability and need, ensuring those most in need receive housing and services first.

3. Collaboration:

TAF will work closely with local Continuums of Care (CoCs) and other service providers to streamline the referral process and avoid duplication of services.

4. Data Sharing:

TAF will implement data-sharing agreements to track and manage client information securely, ensuring continuity of care across different service providers. TAF will continue to use the HMIS system for data-sharing.

2c) Alignment with the COC priorities and expectations.

To ensure alignment with the coc priorities and expectations, the project will take the following steps:

1. Community Engagement:

Regularly engaging with community stakeholders, including residents, local organizations, and service providers, to gather feedback and adjust services as needed. TAF will continue to work with partners on this project including Marshall public housing , community health care (mental health and general health service provider), Good Shepherd hospital, Mission Marshall, Tri-County, Marshall Literacy Council, Gateway Academy Childcare, Gateway Technical School, Edwards Chapel B.C., Goodwill, Lowes and Home Depot etc.

2. Transparency:

TAF will maintain transparency in operations and decision-making processes, including sharing outcomes and progress with the community.

3. Cultural Competency:

TAF will provide training for staff on cultural competency and trauma-informed care to better serve diverse populations.

4. Continuous Improvement: TAF project will align with all of the following coc priorities and expectations.

1. Describe a community-wide commitment to the project. Applicants will be asked to identify partners in the development of the application, partners in the administration of the project, and partners in the oversight and evaluation of the project. These partners should include stakeholder groups such as the Local Homeless Coalition (LHC), the Coordinated Entry Planning Entity, persons with lived experience of homelessness, governmental agencies [county government or regional Councils of Governments (COGs) and other cross-sector partners such as Public Housing Authorities (PHA), Community Housing Development Organization (CHDO), or Community Development Corporation (CDC). Healthcare partners may include Local Mental/Behavioral Health Authorities (LMHA/LBHA), Healthcare/Hospital Districts, Public Health Departments, or Federally Qualified Healthcare Centers (FQHC), or Healthcare for the Homeless (HCH) Recipients. As part of a community-wide commitment to the goal of reducing unsheltered homelessness, application partners must not participate in activities that criminalize homelessness.

2. Leverage additional housing resources in the operation of the project, or leverage additional healthcare resources in the operation of the project.

3. Utilize a landlord recruitment/engagement strategy.

4. Employ staff whose primary function is to assist individuals with their SSI/SSDI applications

through the SSI/SSDI Outreach, Access, and Recovery (SOAR) process.

5. Describe how the proposed project will implement Housing First principles and practices.

6. Target people who are unsheltered, or with histories of unsheltered homelessness, OR people with severe service needs.

7. Describe how persons with lived experience of homelessness (PWLE) meaningfully contribute to the project design and development of the project and how PWLE will participate in the implementation of projects funded under this NOFO.

8. Describe how the project will identify and serve “underserved” communities, or those communities that have not previously been served by the homeless system at the same rate that they experience homelessness in the community (that is, they are experiencing homelessness in the community, but they are not being served by the homeless services system). Applicants will be expected to follow Culturally and Linguistically Appropriate Services (CLAS) in their work under this NOFO.

TAF Project will align with and utilize the following COC expectations and priorities.

1. Ending Homelessness for All Persons- In 2022, the United States Interagency Council on Homelessness (USICH) presented All In: The Federal Strategic Plan to Prevent and End Homelessness to the President and Congress. The plan is built around six pillars: three foundations—equity, data and evidence, and collaboration—and three solutions—housing and supports, crisis response, and prevention. The work funded through this NOFO will support the actions and strategies proposed within the pillars.
2. Use a Housing First Approach- Housing First prioritizes rapid placement and stabilization in permanent housing and does not have service participation requirements or preconditions. CoC Program funded projects should help individuals and families move quickly into permanent housing, and CoCs should measure and help projects reduce the length of time people experience homelessness. Additionally, CoCs should engage landlords and property owners to identify housing units available for rapid rehousing and permanent supportive housing participants, remove barriers to entry, and adopt client-centered service methods
3. Reduce Unsheltered Homelessness- In recent years, the number of people experiencing unsheltered homelessness has risen significantly, including a rising number of encampments in many communities across the country. People living unsheltered have extremely high rates of physical and mental illness and substance use disorders. CoCs should work with law enforcement and their state and local governments to eliminate policies and practices that criminalize homelessness.
4. Improving System Performance- CoCs should be using system performance measures (e.g., average length of homeless episodes, rates of return to homelessness, rates of exit to permanent housing destinations) to determine how effectively they are serving people experiencing homelessness. Additionally, CoCs should use their Coordinated Entry process to promote participant choice, coordinate homeless assistance and mainstream housing, and services to ensure people experiencing homelessness receive assistance quickly, and make

homelessness assistance open, inclusive, and transparent

5. Partnering with Housing, Health and Service Agencies- Using cost performance and outcome data, CoCs should improve how all available resources are utilized to end homelessness. Including Public/Private Healthcare Organizations, PHAs, Workforce Development and Tribal leaders

6. Racial Equity- In nearly every community, Black, Indigenous, and other people of color are substantially over-represented in the homeless population. HUD is emphasizing system and program changes to address racial equity within CoCs. Responses to preventing and ending homelessness should address racial inequities to ensure successful outcomes for all persons experiencing homelessness using proven approaches, such as: developing a coordinated community response created in partnership with a racially diverse set of stakeholders and people experiencing homelessness and partnering with organizations with experience serving underserved populations.

7. Improving Assistance to LGBTQ+ Individuals- Discrimination on the basis of gender identity or sexual orientation manifests differently for different individuals and often overlaps with other forms of prohibited discrimination. CoCs should address the needs of LGBTQ+, transgender, gender non-conforming, and non-binary individuals and families in their planning processes. Additionally, when considering which projects to select in their local competition to be included in their application to HUD, CoCs should ensure privacy, respect, safety, and access regardless of gender identity or sexual orientation in projects

8. Persons with Lived Experience- The people who know best what solutions will effectively end homelessness are those who are experiencing homelessness. HUD expects CoCs to include people with lived homeless expertise and experience in their local planning and decision-making process

9. Increasing Affordable Housing Supply- The lack of affordable housing is the main driver of homelessness. CoCs play a critical role in educating local leaders and stakeholders about the importance of increasing the supply of affordable housing and the specific consequences of the continued lack of affordable housing. CoCs should be communicating with jurisdiction leaders, including for the development of Consolidated Plans, about the harmful effects of the lack of affordable housing, and they should engage local leaders about steps such as zoning and land use reform that would increase the supply of affordable housing

TAF will Establish a feedback loop with clients and community members to continuously improve services and address any emerging needs or challenges.

These steps will ensure the project operates effectively as a low-barrier initiative, incorporates Coordinated Entry, and aligns with the COC's priorities and expectations. We will expound on how these alignments will work in the full applications if qwe are allowed to move forward.

Please provide a detailed description of the experience of the Applicant

Responses should be in narrative (paragraph) format and directly address the items in the example below (using the format 1a)...1a.1)... etc). If you do not have a response to one of the requested items, please explicitly state so.

1a) Please provide as much detail about the applicant's (and sub-recipients, as applicable) experience as possible. Describe prior projects that are similar in scope **1b)** Describe the applicant's (and sub-recipients, as applicable) experience working with people experiencing homelessness, and operating Permanent Supportive Housing

1a. TAF is a 501(c)(3) nonprofit organization, organized in 2007. TAF provides permanent supportive housing services to east Texans in nine counties (Harrison, Panola, Marion, San Augustine, Sabine, Shelby, Gregg, Smith, Upshur). We also offer educational services through Gateway Technical School, Daycare Services through Gateway Academy Childcare, Residential and Commercial construction through Andrus Industries Inc, Testing Services through Pearson Vue Testing as a certified testing site and a plethora of self-help services. We operate a homeless shelter for vulnerable populations including persons returning home from prison. We converted the local jail into a homeless shelter. TA properties owns over twenty individual low income properties that assist residents with reduced rents. Daniel Goss is a subcontractor who is a master builder, Mr. Goss (Goss Construction) has built numerous houses, churches and multifamily structures in east Texas. Mr. Goss has been in the building and heavy equipment business for over 50 years and has a building portfolio that is very impressive. Isaias Jaimes (JV Construction) is also a subcontractor with a very impressive portfolio as he has built one-, two-, three- and four-bedroom houses as well as commercial structures. Jaimes has been in the building industry for over twenty years. I will include samples of all of our work when requested. Mr. Freddie Oliver, HVAC Specialist is also a subcontractor who has over 40 years experience in HVAC Services, Eric Jackson is a licensed electrician with over twenty-five years of experience, Steven Neal is a licensed Plumber with over 15 years experience in plumbing. The applicant and all subcontractors are licensed contractors for the city Marshall, TX and registered with the Secretary of State.

1b) The (TAF) in Marshall, Texas, is dedicated to addressing homelessness through a variety of supportive services and housing initiatives. TAF was issued its non-profit exemption status in 2007 by the IRS. TAF has been offering a plethora of services to the homeless and vulnerable populations for over ten years. The subcontractors have supported our projects by performing work at a reduced rate for the nonprofit.

Experience Working with People Experiencing Homelessness

The foundation has been actively involved in providing essential services to individuals and families experiencing homelessness. Their efforts include:

Emergency Shelter: TAF operates an emergency shelter that offers immediate refuge to those in need.

Warming Center: During periods of severe weather, the foundation opens a warming center to provide a safe and

warm place for individuals.

Essential Services: They offer basic necessities such as hygiene items, laundry facilities, and showers.

Education and Counseling: TAF provides GED preparation, housing counseling, and access to mental health services, legal assistance, and substance abuse counseling.

Permanent Supportive Housing

TAF also operates Permanent Supportive Housing (PSH) programs aimed at providing long-term housing solutions for individuals experiencing chronic homelessness. These programs are designed to offer stable housing along with supportive services to help residents maintain their housing and improve their quality of life.

Housing Stability: The PSH programs focus on ensuring that residents have a stable living environment, which is crucial for their overall well-being.

Comprehensive Support: Residents receive ongoing support, including case management, to address various challenges they may face, such as mental health issues, substance abuse, and employment.

The foundation's holistic approach combines immediate relief with long-term solutions, making a significant impact on the lives of those they serve in Marshall, Texas.

Please upload a completed SF-424-CBW.

The [Construction Budget Worksheet can be downloaded from grants.gov](#) and is a required submission. Ensure that you upload the correct document- non-responsive documents will result in an incomplete submission, and will not pass the Intent to Apply stage of the review process.

Please take your time completing this step; Applicants cannot modify this worksheet once it is submitted. (Note that the final budget may be reduced, but cannot exceed the totals in this worksheet)

[424CBW - TAF 9-23-24pm.xlsx](#)

Filename: 424CBW - TAF 9-23-24pm.xlsx **Size:** 50.5 kB

What is the total number of units that will be created with these funds?

30

What is your anticipated per-unit cost for this project when complete?

\$164,000

Which Costs are you Requesting from HUD?

Please zero out all unused costs. Applicants must provide a general description of the Activity.

Please enter costs as numbers only, Example \$100,000 would be 100000.00

Please ensure that this chart aligns with the SF-424-CBW. In the event of a conflict between this document and the CBW, the CBW will prevail.

NOTE: Ensure that this table aligns with the Request For Proposals

	Requested	Total HUD Request By Category (CoC Build Request)	Total Anticipated Project Cost By Category	Brief Description of the request.
Construction	✓	6420840	6420840	TAF will build 30 new homes
Acquisition	✓	289580	289580	We will purchase a vacant nursing home and use it for permanent supportive housing
Rehabilitation	✓	289580	289580	We will rehabilitate a former jail facility and bring it up to code for emergency temporary shelters for families going through transition and waiting for permanent placement
Project Based Rental Assistance	✓	1000000	1000000	TAF will assist tenants with project based rental assistance as needed to move homeless families into a safe environment

Supportive Services	✓	500000	500000	TAF will provide case management, mental health , education services, childcare services, transportation services, financial literacy etc for at least 100 families
Operating Costs	✓	500000	500000	all salaries, rent, utilities, insurance and maintenance will be paid with these funds
Admin	✓	1000000	1000000	Rent, salaries, benefits, equipment, furniture, 5 years

Please confirm the County that this Project will be located in.

Harrison

Re: <External Message> Question

CoCBuilds <CoCBuilds@hud.gov>
To: Tracy Andrus <tandrus26@gmail.com>

Tue, Nov 5, 2024 at 10:37 AM

Thank you for writing. Please review pages 45 and 46 of the CoC Builds NOFO, for the detailed appeals process. When submitting your project application through Grants.gov directly, please ensure that you do so by the deadline and please include the written notice of intent to appeal with your application. Please also demonstrate that you have copied the CoC/Collaborative Applicant on this notice.

Sincerely,
SNAPS

From: Tracy Andrus <tandrus26@gmail.com>
Sent: Monday, November 4, 2024 10:35 PM
To: CoCBuilds <CoCBuilds@hud.gov>; Tracy Andrus <tandrus26@gmail.com>
Subject: Re: <External Message> Question

I filed an appeal because I felt our organization was denied a fair chance to submit our application. I was told that I needed to file my application in grants.gov.

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
303 W. Burleson Street
Marshall, Texas 75670
tandrus26@gmail.com
Ph: 903-472-2762
www.tracyandrusfoundation.com

On Mon, Nov 4, 2024 at 3:58 PM CoCBuilds <CoCBuilds@hud.gov> wrote:

Thank you for writing. The Collaborative Applicant, for the forms built into the Grants.gov application system, must enter their organization's information as it must match the SF-424 information that the Collaborative Applicant entered to gain access to apply. All required forms built into Grants.gov must indicate the CoC's Collaborative Applicant information. The selected project applicant will complete the same forms with their information which will be uploaded as attachments and part of the application package that includes the scored narrative responses, non-scored equity responses, and HUD-424-CBW. If HUD selects the project application submitted, HUD will use the project applicant's version of the forms included as part of the application package to set up the post-award process, grant agreement, etc.; not the Collaborative Applicant's information. HUD is only using Grants.gov for the application process, all other activities related to the selected project will be conducted outside of Grants.gov, including conditional selection of projects.

Sincerely,
SNAPS

From: Tracy Andrus <tandrus26@gmail.com>
Sent: Monday, November 4, 2024 5:53 PM
To: Tracy Andrus <tandrus26@gmail.com>; CoCBuilds <CoCBuilds@hud.gov>
Subject: <External Message> Question

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GA,

I have completed all of the information requested but I do not see any documents to attach to my application in grants.gov.

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
303 W. Burleson Street
Marshall, Texas 75670
tandrus26@gmail.com
Ph: 903-472-2762
www.tracyandrusfoundation.com

Re: <External Message> Re: TAF Appeal Decision

1 message

Jim Ward <jim@thn.org>

Fri, Oct 25, 2024 at 1:52 PM

To: Tracy Andrus <tandrus26@gmail.com>

Cc: "Henley, Shirley J" <Shirley.J.Henley@hud.gov>, Kristin Zakoor <kristin@thn.org>, Eric Samuels <eric@thn.org>, Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>, Texas BoS Continuum of Care <txboscoc@thn.org>, "Mooney, Darryl D" <Darryl.D.Mooney@hud.gov>, rvicomplaint-inquiries <rvicomplaint-inquiries@hud.gov>, Sonya Burnett-Andrus <sburnettandrus@gmail.com>, "Dr. Tracy Andrus" <tandrus@tracyandrusfoundation.com>

Good afternoon, Dr. Andrus,

In your prior email, you state,

"the solo application that Jim told me about which is supposed to be the same 10 million dollar NOFO that I completed on smartapply that allows for new construction rehabilitation and acquisitions. That is the NOFO that we are interested in submitting"

I have excerpted the relevant sections of the process below.

The process for submitting a solo application to HUD for CoC Builds comes from the CoC Builds Notice of Funding Opportunity, pages 45-46. [A direct link to page 45 of the CoC Builds NOFO is linked here.](#)

Specifically, to submit a solo application/appeal for CoC Builds, you must (From Section VI.A.7):

"To apply as a solo applicant, the project applicant must submit a Solo Applicant Project Application in Grants.gov by the application submission deadline of November 21, 2024 at 11:59:59 PM ET."

Please note that you must also email notice of your intent to appeal with a copy of your application to snapsappeals@hud.gov.

NOTE: Your notice of appeal to HUD must also be provided to the CoC's Collaborative Applicant (THN). That can be emailed to txboscoc@thn.org

"The subject line of your email must include the CoC Number, Applicant Name, Appeal Notice, and type of appeal (i.e., Denied, Decreased, Consolidated Plan Certification). An example Subject Line is: AA-500 – Appeal Notice – Consolidated Plan Certification. HUD will not accept or consider appeals outside of those listed below, nor will it consider appeals that do not include the requirements listed in this Section."

All of the above must take place before November 21, 2024, at 11:59:59 PM ET.

Following HUD's notice of awards, the additional steps below must be taken.

(2). No later than 30 days after the date that HUD announces the awards, the solo applicant shall submit in writing, with a copy to the Collaborative Applicant, all relevant evidence supporting its claim. The submission shall be emailed to snapsappeals@hud.gov.

The CoC will then take the following steps.

(3). The CoC has 30 days from the date of its receipt of the solo applicant's evidence to respond to HUD in writing, with a copy to the solo applicant. The submission must be emailed to snapsappeals@hud.gov.

At that point, HUD will come to a decision about the Solo Application within 60 days.

Attached is the CoC Builds NOFO and CoC Builds FAQ

I hope this helps clarify the process.

Respectfully,

Jim Ward,
Pronouns: **he/him/his**
Director of Planning,
Texas Balance of State Continuum of Care
Texas Homeless Network
Office Phone: (512) 861-2165
3000 South IH 35 Ste. 100
Austin, TX 78704

On Fri, Oct 25, 2024 at 11:02 AM Tracy Andrus <tandrus26@gmail.com> wrote:

Good Morning,

We have started completing the fy 2024/2025 nofo in e snaps but this nofo is not the same as the solo application that Jim told me about which is supposed to be the same 10 million dollar NOFO that I completed on smartapply that allows for new construction rehabilitation and acquisitions. That is the NOFO that we are interested in submitting and the final date to submit is October 30, 2024. Please let me know if I am clicking on the wrong project application or if the NOFO that we completed with the COC is no longer available. This is very frustrating for me and my organization.

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
303 W. Burleson Street
Marshall, Texas 75670
tandrus26@gmail.com
Ph: 903-472-2762
www.tracyandrusfoundation.com

On Thu, Oct 10, 2024 at 11:32 AM Henley, Shirley J <Shirley.J.Henley@hud.gov> wrote:

Dr. Andrus

Attached above, please find the response to your October 7, email.

The additional attachments include the FY 24/24 NOFO and the FY 2024 Project Application Frequently Asked Questions.

Both attachments are referenced in the letter.

Shirley Henley

CPD Director Fort Worth

From: Tracy Andrus <tandrus26@gmail.com>

Sent: Monday, October 7, 2024 1:54 PM

To: Jim Ward <jim@thn.org>; Henley, Shirley J <Shirley.J.Henley@hud.gov>; Jensen, Gerald R <Gerald.R.Jensen@hud.gov>; Bobby Wilkinson <bobby.wilkinson@tdhca.state.tx.us>; Abigail Versyp <abigail.versyp@tdhca.state.tx.us>; Mary Rychlik Stahlke <mary@thn.org>; Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>; Texas BoS Continuum of Care <txboscoc@thn.org>; Dr. Tracy Andrus <tandrus@tracyandrusfoundation.com>; Palmer, Matthew W <Matthew.Palmer@hud.gov>; Tracy Andrus <tandrus26@gmail.com>; RegionalAdministratorFortWorth <RegionalAdministratorFortWorth@hud.gov>; earl.eredrick@hud.gov; candance.h.valencela@hud.gov; victorgoldstein28@gmail.com

Cc: Stephanie Andrade-Rocha <Stephanie.rocha@beyondtrafficking.com>; Victor Rivera <victorr@lfrgv.org>; kristin@thn.org; eric@thn.org

Subject: <External Message> Re: TAF Appeal Decision

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Good Afternoon,

I am in receipt of your email sustaining your decision to disqualify my application. Please consider this email as my formal notice to the COC Board to let you know that I am appealing this decision to the next level. I am therefore requesting that Ms. Shirley Henley or the other Ft. Worth Regional Administrators included on this email advise me of my next steps for this appeal.

Dear Texas Homeless Network Committee and HUD-Ft. Worth Regional Administrators,

I am writing to formally appeal the recent decision to disqualify my COC Builds application on the grounds of a supposed conflict of interest. I would like to clarify that my involvement in voting to approve the RFP did not provide me with any unfair advantage. My actions were in full compliance with all relevant rules and regulations, ensuring a fair and transparent process throughout. I informed the COC Board of my intent to apply for this funding from the onset. I had nothing to do with writing, modifying or changing the RFP in any way. As the Chair of the CoC Board, I was never advised that voting to approve the RFP would disqualify my organization from applying for this funding. I have also filed an official FOIA Request requesting a time stamped copy of any other application submitted for COC Builds as well as a copy of the top three applications that were funded with the NOFO funds. It is our belief that Tracy Andrus Foundation was the only organization who submitted a timely notice of intent to apply for the COC Builds funding and as such THN would have to work with our organization to prepare the grant to submit to HUD. In my opinion 10 million dollars would be too much for THN to give to an african american organization and therefore they have tried to come up with excuses to disqualify TAF from getting this funding.

It is with great concern that I must also address a deeper issue. Since I am the only Black person on the CoC board (Chair), I have consistently experienced unfair treatment, racial prejudice, and discrimination from at least two board members. This decision appears to be yet another manifestation of these biases, undermining the principles of equity and inclusion that should guide our work.

While the CoC board speaks about promoting racial equity, it continues to promote racial biases by disproportionately supporting and funding white-owned nonprofit organizations while exploiting Black-owned nonprofits in Texas. This practice stands in direct opposition to the principles of equity that HUD is actively working to promote. Currently, there is not one African American employee in the THN organizational chart as of today (10-07-2024) which also highlights their lack of diverseness. These organizations operate because of our tax dollars, they should therefore be servants to all the people and not just Caucasian run non-profits.

I urge you to reconsider the decision based on the merits of my application and the facts of the situation. It is imperative that decisions of this nature are made transparently, impartially, and without bias to uphold the integrity of our mission to serve all people.

Thank you for your attention to this matter. I look forward to a fair review of my appeal at the next level. Ms. Henley, I would like to request a formal hearing from the regional board to investigate this matter. I am also meeting with Ms. Kristin next week

to share with her and Kraig some of the disrespectful repugnant treatment/comments that I have received from two of the board members including Victor who is on this email thread who along with Stephanie voted to disqualify my application. Yes, I have a recording that was sent to me where I heard Victor make some very distasteful comments about me.

We have also reached out to HUD's DC Office (Marion McFadden and Claudette Fernandez) who advised us to try to come to some type of resolution with the regional office before filing with their offices.

I have also attached a copy of the letter received today from Jim Ward and the two COC Board members (Victor and Stephanie) disqualifying my application (TAF) for COC Builds.

Tracy Andrus

Sincerely,

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

Ph: 903-472-2762

Email: tandrus26@gmail.com

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

303 W. Burleson Street

Marshall, Texas 75670

tandrus26@gmail.com

Ph: 903-472-2762

www.tracyandrusfoundation.com

On Mon, Oct 7, 2024 at 11:52 AM Jim Ward <jim@thn.org> wrote:

Good morning Dr. Andrus,

Please see the attached letter summarizing the CoC Board's decision regarding the appeal that was submitted on September 30, regarding the CoC Builds NOFO.

Respectfully,

Jim Ward,

Pronouns: **he/him/his**

Director of Planning,

Texas Balance of State Continuum of Care

Texas Homeless Network
Office Phone: (512) 861-2165
3000 South IH 35 Ste. 100
Austin, TX 78704

2 attachments



CoCBuilds_FAQs.pdf
65K



CoC Builds NOFO.pdf
630K

RE: <External Message> Re: TAF Appeal Decision

1 message

Henley, Shirley J <Shirley.J.Henley@hud.gov>

Fri, Oct 25, 2024 at 12:41 PM

To: Tracy Andrus <tandrus26@gmail.com>, Jim Ward <jim@thn.org>, "kristin@thn.org" <kristin@thn.org>, "eric@thn.org" <eric@thn.org>, Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>, Texas BoS Continuum of Care <txboscoc@thn.org>, "Mooney, Darryl D" <Darryl.D.Mooney@hud.gov>, rvicomplaint-inquiries <rvicomplaint-inquiries@hud.gov>, Sonya Burnett-Andrus <sburnettandrus@gmail.com>, "Dr. Tracy Andrus" <tandrus@tracyandrusfoundation.com>

Cc: "Henley, Shirley J" <Shirley.J.Henley@hud.gov>

Dr. Andrus

Jim Ward will respond to the below email, shortly.

Thank you for reaching out.

From: Tracy Andrus <tandrus26@gmail.com>

Sent: Friday, October 25, 2024 11:03 AM

To: Henley, Shirley J <Shirley.J.Henley@hud.gov>; Tracy Andrus <tandrus26@gmail.com>; Jim Ward <jim@thn.org>; kristin@thn.org; eric@thn.org; Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>; Texas BoS Continuum of Care <txboscoc@thn.org>; Mooney, Darryl D <Darryl.D.Mooney@hud.gov>; rvicomplaint-inquiries <rvicomplaint-inquiries@hud.gov>; Sonya Burnett-Andrus <sburnettandrus@gmail.com>; Dr. Tracy Andrus <tandrus@tracyandrusfoundation.com>

Subject: Re: <External Message> Re: TAF Appeal Decision

Good Morning,

We have started completing the fy 2024/2025 nofo in e snaps but this nofo is not the same as the solo application that Jim told me about which is supposed to be the same 10 million dollar NOFO that I completed on smartapply that allows for new construction rehabilitation and acquisitions. That is the NOFO that we are interested in submitting and the final date to submit is October 30, 2024. Please let me know if I am clicking on the wrong project application or if the NOFO that we completed with the COC is no longer available. This is very frustrating for me and my organization.

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

303 W. Burleson Street

Marshall, Texas 75670

tandrus26@gmail.com

Ph: 903-472-2762

www.tracyandrusfoundation.com

On Thu, Oct 10, 2024 at 11:32 AM Henley, Shirley J <Shirley.J.Henley@hud.gov> wrote:

Dr. Andrus

Attached above, please find the response to your October 7, email.

The additional attachments include the FY 24/24 NOFO and the FY 2024 Project Application Frequently Asked Questions.

Both attachments are referenced in the letter.

Shirley Henley

CPD Director Fort Worth

From: Tracy Andrus <tandrus26@gmail.com>

Sent: Monday, October 7, 2024 1:54 PM

To: Jim Ward <jim@thn.org>; Henley, Shirley J <Shirley.J.Henley@hud.gov>; Jensen, Gerald R <Gerald.R.Jensen@hud.gov>; Bobby Wilkinson <bobby.wilkinson@tdhca.state.tx.us>; Abigail Versyp <abigail.versyp@tdhca.state.tx.us>; Mary Rychlik Stahlke <mary@thn.org>; Sonya Burnett-Andrus <sburnett-andrus@tracyandrusfoundation.com>; Texas BoS Continuum of Care <txboscoc@thn.org>; Dr. Tracy Andrus <tandrus@tracyandrusfoundation.com>; Palmer, Matthew W <Matthew.Palmer@hud.gov>; Tracy Andrus <tandrus26@gmail.com>; RegionalAdministratorFortWorth <RegionalAdministratorFortWorth@hud.gov>; earl.eredrick@hud.gov; candance.h.valencela@hud.gov; victorgoldstein28@gmail.com

Cc: Stephanie Andrade-Rocha <Stephanie.rocha@beyondtrafficking.com>; Victor Rivera <victorr@lfrgv.org>; kristin@thn.org; eric@thn.org

Subject: <External Message> Re: TAF Appeal Decision

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. If you have concerns about the content of the email, please send it to phishing@hud.gov or click the Report Phishing Button on the Outlook ribbon or Phishing option within OWA.

Good Afternoon,

I am in receipt of your email sustaining your decision to disqualify my application. Please consider this email as my formal notice to the COC Board to let you know that I am appealing this decision to the next level. I am therefore requesting that Ms. Shirley Henley or the other Ft. Worth Regional Administrators included on this email advise me of my next steps for this appeal.

Dear Texas Homeless Network Committee and HUD-Ft. Worth Regional Administrators,

I am writing to formally appeal the recent decision to disqualify my COC Builds application on the grounds of a supposed conflict of interest. I would like to clarify that my involvement in voting to approve the RFP did not provide me with any unfair advantage. My actions were in full compliance with all relevant rules and regulations, ensuring a fair and transparent process throughout. I

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Tracy Andrus

Sincerely,

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
Ph: 903-472-2762
Email: tandrus26@gmail.com

Dr. Tracy Andrus, Executive Director

Tracy Andrus Foundation

303 W. Burseson Street

Marshall, Texas 75670

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Respectfully,

Jim Ward,

Pronouns: **he/him/his**

Director of Planning,

Texas Balance of State Continuum of Care

Texas Homeless Network
Office Phone: (512) 861-2165
3000 South IH 35 Ste. 100
Austin, TX 78704

Texas Balance of State Continuum of Care

Jim Ward
Director of Planning, Texas Balance of State Continuum of Care
Texas Homeless Network
3000 S. IH 35 Ste 100
Austin, TX, 78640

To:
Dr. Tracy Andrus
Executive Director,
Tracy Andrus Foundation
303 W. Burleson
Marshall, TX 75670

Regarding: TAF CoC Builds Appeal

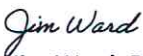
Hello, Dr. Andrus.

The CoC Board considered the appeal submitted by the Foundation on September 30, 2024. The board held a digital discussion and a digital vote.

The CoC Board voted to affirm their previous decision to disqualify the Tracy Andrus Foundation's Application to the CoC for the CoC Builds Solicitation titled, "TAF Builds 2025" SMA ID: 9767379790 due to a Conflict of Interest. Specifically, on September 10 at 3:46 A.M., Dr. Tracy Andrus voted to approve the solicitation. And then later submitted an Intent To Apply on September 23 at 2:22 PM

The Foundation may submit a Solo Application directly to HUD following the terms of the NOFO Section VI.A.7.(a)

Sincerely,



Jim Ward, Director of Planning,
Texas Balance of State Continuum of Care

Cc: Stephanie Andrade-Rocha (Board Vice-chair) Victor Rivera (Board Secretary)



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Fort Worth Regional Office, Region VI
Office of Community Planning and Development
307 West 7th Street, Suite 1000
Fort Worth, TX 76102
www.hud.gov

October 10, 2024

Dr. Tracy Andrus
Executive Director
Tracy Andrus Foundation
303 W. Burleson St.
Marshall, TX 75670

Sent via email to: tandrus26@gmail.com

Dr. Andrus:

This letter is in response to your 1:54 p.m., October 7, 2024, email message. In that email, you asked to be advised about the next step in the appeal process of the Texas Homeless Network's (THN) Continuum of Care (COC) "recent decision to disqualify my COC Builds Application on the grounds it is a supposed Conflict of Interest."

The attached Fiscal Year (FY) 24/25 Notice of Funding Opportunity (NOFO) outlines the criteria for appealing and submitting Solo Project Applications. Specifically, you may submit your application directly to HUD through e-snaps as outlined in the NOFO. The deadline for submitting the Solo Project Application in e-snaps is 8:00 p.m. Eastern, October 30, 2024.

Pages 21, 75, and 120-124 of the attached NOFO contains specific information about the Solo Application and Appeal Process. The CoC Interim Rule at 24 CFR 578.35, outlines the Appeal Process for potential CoC Applicants, and the Solo Application Process. Additionally, the attached FY2024 Project Application FAQs outlines criteria for Solo Applicants on Page 56.

In your email, statements were included about the THN COC Board promoting racial biases, lacking diversity and two board members displaying "disrespectful, repugnant treatment/comments" towards you. Allegations of racial animus are taken seriously by HUD. Therefore, I referred the information you provided about these comments to the Fort Worth Office of Fair Housing and Equal Opportunity (FHEO). If you have additional questions about this referral, please contact Mr. Darryl Mooney: Darryl.d.mooney@hud.gov.

I appreciate you bringing this issue to my attention. I encourage you to use the Solo Application Process as outlined in the FY24/25 NOFO. If any assistance is needed accessing e-snaps, please contact the e-snaps help desk at e-snaps@hud.gov.

Sincerely,

**SHIRLEY
HENLEY**

Shirley Henley, Director

Digitally signed by: SHIRLEY HENLEY
DN: CN = SHIRLEY HENLEY C = US
O = U.S. Government OU =
Department of Housing and Urban
Development
Date: 2024.10.10 11:18:18 -05'00'

The following attachment is not included in this view since it is not a read-only PDF file.

The agency will receive all application forms and attachments without any data loss.

AttachmentForm_1_2-ATT4-1237-424CBW - TAF 9-23-24am (1) (1).xlsx

Re: Certificate

Tracy Andrus <tandrus26@gmail.com>

Wed, Nov 13, 2024 at 10:17 AM

To: Amy Ware <ware.amy@marshalltexas.net>, Tracy Andrus <tandrus26@gmail.com>, Reba Godfrey <Godfrey.reba@marshalltexas.net>, Alex Agnor <Agnor.Alex@marshalltexas.net>

GM, Mayor Ware,

Please find attached a copy of the Certificate of Consistency

Please sign and return. Thanks.

Dr. Tracy Andrus, Executive Director
Tracy Andrus Foundation
303 W. Burleson Street
Marshall, Texas 75670
tandrus26@gmail.com
Ph: 903-472-2762
www.tracyandrusfoundation.com

**HUD-2991_Certification-of-Consistency-with-the-Consolidated-Plan - TAF.pdf**

180K



TO: City Council
DATE: January 23, 2025
ITEM #: 10.A
SUBJECT: Consider approval of the contract addendum to award Emergifire, LLC to recover specialized fire response cost recovery services. (Fire)

Recommendation for Action: Approve the addendum to the existing ambulance billing services agreement with Emergicon LLC to add specialized fire response cost recovery services through their contractor, Emergifire LLC.

Executive Summary: The City Council will consider approving a resolution to adopt the current fee mitigation rates for services and material provided by the Marshall Fire Department and an addendum to the existing ambulance billing services agreement with Emergicon LLC to add specialized fire response cost recovery services through their contractor, Emergifire LLC. This service would enable the City to recover costs from insurance companies for commercial and industrial fire incidents, hazardous material responses, and vehicle accidents.

Key Points:

- Zero upfront cost to the City
- Emergifire takes 15% commission of collected revenues (plus 3% for credit card payments)
- Services include billing, claims management, and monthly reporting
- Insurance companies typically include fire department service charge coverage in their policies
- Helps shift cost burden from taxpayers to responsible parties' insurance
- No direct billing to the individual

Financial Impact: New revenue stream from previously uncollected insurance reimbursements for commercial/industrial incident responses. Commission-based fee structure means City only pays when revenue is collected.

Staff Recommendation: Approve the addendum to expand cost recovery capabilities through Emergifire's specialized billing services.

Budget Cost: Commission-based fee structure of 15% based on collected revenue from insurance reimbursements with zero upfront cost to the city.

Staff Contact: David Rainwater, Fire Chief

- Attachments:**
1. Current Emergicon Contract
 2. Addendum
 3. EMERGIFIRE Brochure
 4. Exhibit A - Fee Structure
 5. MFD Memorandum Emergifire Proposal

AGREEMENT FOR SPECIALIZED PROFESSIONAL AMBULANCE BILLING SERVICES

This Agreement is entered into this _____ day of _____, 2017, by and between Emergicon, LLC, a Texas business corporation, and the City of Marshall, a Texas municipal corporation ("Client").

RECITALS

WHEREAS, Client provides emergency and/or non-emergency ambulance services for which it is eligible for payment or reimbursement by patients, insurance carriers, governmental agencies, employers and others;

WHEREAS, Emergicon is engaged in the business of providing third-party billing and accounts receivable management specialized professional services for ambulance and emergency medical service organizations;

WHEREAS, Client desires to utilize Emergicon for billing and claims management services for its organization; and

WHEREAS, Emergicon is willing to provide such specialized professional services upon the terms and conditions provided in this Agreement;

THEREFORE, in consideration of the mutual promises contained in this Agreement, and other good and valuable consideration, the sufficiency of which is acknowledged, the parties, intending to be legally bound, agree as follows:

1. Appointment. Client hereby engages Emergicon to exclusively perform the Specialized Professional Services set described in Paragraph 2 of this Agreement and Emergicon accepts such exclusive appointment and agrees to provide Specialized Professional Services in accordance with the terms of this Agreement. Client agrees that it will not enter into any contract, agreement, arrangement or understanding with any other person or entity, the purpose of which is to provide for the same or substantially similar specialized professional services during the term of the Agreement, unless the parties agree otherwise as set forth in writing in an Addendum to this Agreement. For purposes of the appointment, the recitals set forth above are incorporated by reference and made a part of this Agreement as if set forth in their entirety.

2. Specialized Professional Services. Emergicon agrees to perform the following duties (collectively referred to as the "Services") on behalf of Client:

a. Provide Client with instructions for the submission of Required Documentation to Emergicon. For purposes of this Agreement, "Required Documentation" shall consist of prehospital patient care reports (PCRs) (also referred to as "trip sheets" or "run reports"), physician certification statements (PCSs) (required for non-emergency transports), patient authorization signatures (sometimes referred to as "assignment of benefits form" or "signature form"), Advance Beneficiary Notices of Non-coverage (ABNs) and other documentation necessary for Emergicon to perform the Specialized Professional Services under this Agreement. All Required Documentation must be signed in accordance with applicable laws, regulations and payer guidelines.

b. Review the Required Documentation, based on the information supplied by Client, for completeness and eligibility for submission to request reimbursement and to verify compliance under applicable laws, regulations or payer rules, based upon Emergicon's understanding of said laws, regulations or payer rules applicable to the date the ambulance services were rendered. If any Required Documentation is missing, Emergicon will request necessary documentation from Client.

c. Promptly prepare and submit claims deemed complete and eligible for submission by Emergicon in conformance with this Agreement for electronic or paper submission to the appropriate party or payer based on the information supplied by Client. In the event that Emergicon deems the Required Documentation to be incomplete or inconsistent, Emergicon will notify Client that additional information may be required to process the claim, and Emergicon will return any or all of the Required Documentation to Client that Emergicon determines may be incomplete or inaccurate and will not be responsible to submit any claims with insufficient documentation. Emergicon will make a decision regarding the appropriate coding and payer for submission of the claim based on the information supplied by Client. Client understands and acknowledges that not all accounts will satisfy the eligibility requirements of all payers, and that it might not be possible to obtain reimbursement in all cases. Emergicon makes no representation or warranty that all claims are payable or will be paid, and Client agrees to abide by Emergicon's decisions with regard to proper coding and payer based on the information provided to Emergicon by Client.

d. Promptly post payments made on Client's behalf by patients, insurers and others.

e. Unless otherwise directed by Client, make reasonable efforts for the collection of co-payments, deductibles or other patient balances, to include the preparation of invoices and a maximum of three contact attempts to patients, supplemental insurers or other financially responsible parties at industry-appropriate intervals.

f. Perform follow-up for a commercially reasonable period of time following the initial billing date on all open accounts. After this follow-up period, Emergicon will either return the accounts to Client or forward the accounts to a collection agency of Client's choosing. Client and/or its designated collection agency shall bear all costs and liabilities of collections activities and collection agency charges.

g. Provide monthly reports to Client, which include, at a minimum, cash received, accounts receivable and balance summary. Emergicon shall furnish those reports to Client.

h. Notify Client of any potential overpayments and/or credit balances of which Emergicon becomes aware that may be required to be refunded. Client bears sole responsibility for the refund of any overpayments or credit balances to Medicare, Medicaid, patients, or other payers or insurers, and agrees to make such refunds when and within the time frames required by law. Emergicon may, at its option, assist Client in processing such refunds, but all refunds are to be made solely with Client's funds, and Emergicon has no responsibility to make such refunds unless and until Client transfers such funds to Emergicon for this purpose. Emergicon shall not

advance funds on behalf of Client for this purpose. Client acknowledges that federal law requires that any overpayments made by Medicare or any other federal health care program be refunded within 60 days of the identification of any such overpayments.

i. If Client desires that its patients be able to pay their accounts utilizing credit cards, establish a credit card merchant account and related capabilities to permit Client's patients to pay via any major credit card. Emergicon shall in its sole discretion determine which credit cards it will accept.

3. Specifically Excluded Duties of Emergicon. Notwithstanding any provisions of this Agreement to the contrary, Emergicon shall *not* be responsible to:

- a. Initiate or pursue litigation for the collection of past due accounts.
- b. Invoice for Client's non-ambulance medical transportation services, including but not limited to mobile integrated health programs, paratransit services, wheelchair van, invalid coach services, litter vans and stretcher cars, unless specific arrangements are made otherwise.
- c. Negotiate any checks made payable to Client, though Emergicon may receive funds as an agent of Client for transmittal to Client where permitted by Client;
- d. Accept reassignment of any benefits payable to Client;
- e. Provide legal advice or legal services to Client, any of Client's patients or payers, or anyone acting on Client's behalf;
- f. Obtain any prior authorizations on behalf of Client, or obtain a Physician Certification Statement or other Certificate of Medical Necessity on behalf of Client.
- g. Assist Client in preparing, filing and updating the information on its Medicare, Medicaid or other insurer provider enrollment forms, as well as responding to required revalidations of Client's provider enrollment status. Client bears the sole responsibility to ensure that its Medicare, Medicaid or other insurer provider enrollment forms are submitted and updated in accordance with federal and state law, regulations and policies. Client bears the exclusive responsibility for the submission of such form and any fees that may be associated with the submission of such forms. Upon specific written request from Client, Emergicon may agree to assist with such form submission and/or revalidation of Medicare, Medicaid or other insurer provider enrollment forms, provided that the responsibility for actual submission and all fees associated with the forms shall be borne exclusively by Client and paid prior to submission of these forms by Emergicon.

4. Responsibilities of Client. Client agrees to do the following, at its sole cost and expense:

- a. Provide Emergicon with all Required Documentation, as set forth in Paragraph 2(a), above, as well as the following data: Patient Name and Address, Date of Birth,

Date of Service, Patient Medical Condition, Reason for Transport, Services Rendered (including assessments, interventions and other care), Origin and Destination with accompanying Zip Code, Transport Destination with accompanying Zip Code, Odometer Reading/Loaded Mileage (to the nearest tenth of a mile), and all relevant insurer or payer information, including identity of payer, group or plan numbers, patient's Insurance/Medicare/Medicaid Number, and all other relevant information and ensure that this data and the information contained on the Required Documentation is complete and accurate. Emergicon reserves the right to modify any Required Documentation or data at any time in accordance with new or revised payer requirements, and will provide a copy of any such revisions to Client in writing. Client acknowledges that Emergicon must rely upon the accuracy and completeness of the forms, signatures and other documentation provided to it by Client to allow Emergicon to perform the Specialized Professional Services specified in this Agreement. Emergicon is not in a position to verify the accuracy or completeness of the Required Documentation provided by Client. By forwarding any such documentation to Emergicon, Client expressly represents and warrants that any such documentation is complete and accurate, and that Emergicon may rely upon the completeness and accuracy of any such documentation in performing its Services under this Agreement. Client acknowledges that if Emergicon submits incorrect documentation Emergicon will be noncompliant with Federal and State healthcare regulations and commercial insurance obligations and may be subject to causes of action, costs, claims, losses, damages, liabilities, expenses, judgments, and penalties. Client bears sole responsibility for the claim submissions made by Emergicon on its behalf based upon the aforementioned documentation submitted to Emergicon by Client.

b. Maintain its qualifications to provide ambulance services, including any required local, state and/or federal licenses, permits, certificates or enrollments (collectively, "Licenses"), and to remain in good standing with Medicare, Medicaid and all other state and federal health care programs. Client shall provide copies of all current Licenses, including renewals, to Emergicon. Client shall be responsible to maintain a National Provider Identifier (NPI) number and to update the information associated with its NPI. Client expressly represents and warrants that it will not forward accounts for processing by Emergicon if the account is ineligible for payment or reimbursement, or if Client is ineligible for payment by any payers or insurers as a result of its licensure status, exclusion or other sanction with such payer or insurer, or other legal impediment, and that it will promptly notify Emergicon of any suspension or revocation of any required license, permit, certification or enrollment, or exclusion from any state or federal health care program or any change in ownership or management of Client.

c. Provide Emergicon with a copy of all required Licenses, permits, certificates and enrollments as referenced in Paragraph 4(b), and forward updates of these documents to Emergicon as they are renewed.

d. Provide Emergicon with odometer readings or other documentation of mileage accepted by the payer on all calls reflecting loaded mileage (from the point of patient pickup to the destination) recorded in tenths of a mile as required by Medicare guidelines.

g. In accordance with appropriate payer guidelines, obtain the signature of the patient or other authorized representative of the patient or otherwise meet the ambulance signature requirements set forth at 42 C.F.R. § 424.36 on each call and forward to Emergicon as part of the

Required Documentation.

f. In the event that Client operates a subscription or membership program, client represents and warrants that its program is actuarially sound in accordance with the guidance of the Office of Inspector General (OIG) and operated in accordance with any applicable state laws, regulations or guidelines. Emergicon will bill in accordance with the terms of such program, provided that Client furnishes those terms to Emergicon in writing. Client is responsible to inform Emergicon of its patients who are members or subscribers of Client's membership or subscription program.

g. If Client is a party to any ALS-BLS "joint billing" or "bundle billing" agreement, Client shall be responsible to provide Emergicon with a copy of such agreement. Client also agrees to submit a PCR from the other party to the joint billing agreement along with the Required Documentation.

h. Obtain a completed and valid PCS form on all trips where required by law and provide copies of all PCS forms to Emergicon as part of the Required Documentation.

i. Provide Emergicon with a copy of all Client rate schedules, contracts or agreements which pertain to Client's billing or charges for services.

j. Notify Emergicon of any or all changes in billing charges for service or changes in any of Client's billing policies or contracts not later than thirty (30) days prior to the effective date of said changes.

k. Report all payments made directly to Client within twenty-four (24) hours of Client's receipt of same.

l. Cooperate reasonably with Emergicon so as to enable Emergicon to meet its obligations under this Agreement. In the event that Client's approval is required in order for Emergicon to fulfill any obligations it may have under this Agreement, Client shall not unreasonably withhold, condition or delay its approval.

m. In writing, notify Emergicon of any customized needs (reporting, scheduling, etc.). Client understands that the processing of customized needs may entail additional charges to Client by Emergicon.

n. Designate a contact person, authorized to transact business on behalf of Client, who can promptly respond to any questions raised by Emergicon, or who can execute required forms and other documents necessary to the provision of Services by Emergicon under this Agreement.

o. Agree to permit Emergicon to provide training to Client personnel in the event that Emergicon deems such training to be necessary and/or desirable at a cost to be mutually agreed upon by the parties and paid by Client.

p. Provide electronic transfer of PCR data in an acceptable NEMSIS format to Emergicon, Client agrees to bear all cost of the development and implementation of the electronic software “bridge” as agreed upon by and in conjunction with Emergicon information technology personnel, representatives or contractors.

q. Client will defend and hold harmless Emergicon and each of its officers, directors, employees, attorneys, and agents, to the extent allowed by applicable law, from and against any and all costs, claims, losses, damages, liabilities, expenses, judgments, penalties, fines and causes of action which arise or result from:

i. Any breach or violation of covenant, obligation or agreement of Client set forth in this agreement and any breach or inaccuracy of any of the representations or warranties made by Client in this agreement or in performing its responsibilities under this agreement.

ii. Both parties agree that defense of breach or violation of the agreement by Client under this Section 4.q. does not constitute the Client’s incurrence of a debt in violation of Article XI Section 7 A. of the Texas Constitution and defined by the Supreme Court in *Tex. & New Orleans R.R. Co. v. Galveston County*, 169 S.W.2d 713, 715 (Tex. 1943).

5. Record Ownership and Access.

a. Client understands that all documentation provided to Emergicon by Client, whether in paper and/or electronic form, is for the sole and express purpose of permitting Emergicon to provide Specialized Professional Services under this Agreement. It is Client’s responsibility to maintain all of its documents and business records, including copies of any documents or records provided to Emergicon (“Client-Provided Records”). Emergicon does not act as Client’s records custodian.

b. As a convenience to Client, Emergicon will, during the term of this Agreement, produce patient care reports in response to routine attorney requests (with appropriate patient authorization) for such documentation, if those records are in Emergicon’s possession at the time it receives such attorney request. For subpoenas, as well as any requests beyond those deemed by Emergicon to be routine attorney requests, Emergicon shall forward such requests to Client for disposition.

c. During the term of this Agreement, Emergicon shall, upon Client’s written request, provide to Client, in electronic format and within 14 days of receipt of such written request, copies of any Client-Provided Records furnished to Emergicon by Client, and to any Claim Adjudication Documents generated by and received from insurers or payers in response to claims submitted by Emergicon on Client’s behalf. “Claim Adjudication Documents” shall consist of the documents generated secondary to claim submission in the normal course of claim processing by payers and insurers, including Explanation of Benefits (EOB) documents, Remittance Advice (RA) documents, Medicare Summary Notice (MSN) documents, denials and other documents of a similar type or nature.

d. Any documents, data, records or information compiled in the course of Emergicon's provision of Specialized Professional Services under this Agreement, other than those Client-Provided Records and Claim Adjudication Records defined in Paragraphs 5(a) and (c) above, shall be the sole and exclusive property of Emergicon and shall be considered the business and/or proprietary records of Emergicon. Emergicon shall have no obligation to furnish any such business or proprietary records of Emergicon to Client, and Client shall have a right of access only to the Client-Provided Records and Claim Adjudication Documents as defined in Paragraphs 5(a) and (c), above.

e. If Client or a third party requests any documents or records to which Client or the third party has a right of access under Paragraphs 5(a) and (c) of this Agreement, and such documents cannot be provided to Client in electronic form, Emergicon may charge Client the per-copy amount for medical records permitted under applicable law at the time of Client's request.

f. Should this Agreement be terminated for any reason, all documents and records to which Client has a right of access under Paragraphs 5(a) and (c) of this Agreement shall be maintained in electronic format at a site convenient to Emergicon for a reasonable amount of time for follow-up of all open claims, but in any event not to exceed ninety (90) days following the effective date of termination of this Agreement. Electronic or paper copies, as per Paragraph 5(e) hereof, of the records to which Client has a right of access under Paragraphs 5(a) and (c) will be made available to Client, at Client's sole cost and expense, in a format acceptable to Emergicon at the Client's written request provided that Client makes such request within thirty (30) days following termination of the Agreement, and provided that Client has no outstanding invoices due to Emergicon at the time of the request. Emergicon shall have absolutely no responsibility whatsoever after termination of this Agreement to provide any monthly reports or other such Emergicon-generated reports to Client.

g. Upon termination of this Agreement, Client is responsible to notify all payers, patients, and other correspondents of its new address, phone and/or fax numbers for billing or payment purposes. Notwithstanding any other provisions of this Agreement to the contrary, Emergicon will not be responsible for mail, deliveries, faxes, messages or other communications sent in Client's name to Emergicon after the effective termination date of this Agreement, and Emergicon shall have no duty to accept, maintain, copy, deliver or forward any such communications to Client following termination of this Agreement.

h. Costs for copies of documents required and/or requested by Client beyond the requirement of the normal daily claim handling requirements will be invoiced to Client by Emergicon at a per copy price to be established by Emergicon from time to time.

6. Client Accounting and Auditing Requirements. If Client requires Emergicon's assistance in Client's accounting or other internal audits, Emergicon will charge client for said audit support services at its customary rates, to be established by Emergicon from time to time. Upon written request of Client for same, Emergicon shall furnish said rates to Client in writing prior to undertaking any work pursuant to this Paragraph.

7. Term and Termination.

a. This Agreement is for an initial term of three years, commencing upon the execution of this Agreement, and will automatically renew under the terms herein unless otherwise mutually agreed to in writing, for successive like terms unless terminated hereunder.

b. This Agreement may be terminated with or without cause, by either party, upon thirty (30) days written notice to the other party.

c. This Agreement may be terminated by Emergicon immediately upon written notice to Client for any of the following reasons:

i. If Client makes an assignment for the benefit of creditors, files a voluntary or involuntary petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions or applies to any tribunal for the appointment of any receiver of any trustee over its assets or properties, commences any proceeding under any reorganization, arrangement, readjustment of debt or similar law or statute of any jurisdiction, whether now or hereafter in effect, or if there is commenced against the other party any such proceeding which remains un-dismissed, un-stayed, or the other party by any act or any omission to act indicated its consent to, approval of or acquiescence in any such proceeding or the appointment of any receiver or of any trustee, or suffers any such receivership or trusteeship to continue undischarged, un-stayed, or un-vacated for a period of thirty (30) days.

ii. If Client loses its license, permit or certification necessary to do business, or is excluded from any state or federal health care program.

iii. If Client fails to perform any of its responsibilities as set forth in this Agreement, fails to pay Emergicon for its specialized professional services within thirty (30) days of the date such payment becomes due, takes any actions which Emergicon, in its sole discretion, determines to be unethical, illegal, immoral or non-compliant, or fails to cooperate with Emergicon in any way that prevents, impedes, obstructs or delays Emergicon in the performance of the Specialized Professional Services set forth in this Agreement.

d. Upon termination for any reason, Emergicon shall perform follow-up on any open accounts submitted by Emergicon on Client's behalf for a period not to exceed ninety (90) days from the date of termination. Emergicon shall have no responsibility to perform such follow-up in the event Client takes any actions which prevent Emergicon from engaging in such follow-up, or in the event that Client has any unpaid balances due to Emergicon on the date of termination of this Agreement.

e. Upon termination for any reason, Client shall be responsible to pay the fees set forth in Paragraph 10 below, for all revenues collected by Emergicon on Client's behalf during the 90-day follow-up period set forth in Paragraph 7(d) above. After notice of termination is given, all Emergicon invoices are due and payable by Client within five (5) days of same. In the event that Client does not remit payment on any such invoice within five (5) days of the invoice, Emergicon shall have no responsibility to perform any further follow-up on open accounts,

notwithstanding the provisions of Paragraph 7(d) above.

8. External and Internal Audits.

a. Client shall immediately notify Emergicon if there has been any prepayment audit or review, post payment audit or review, or any investigation or other formal inquiry into the billing practices of Client and/or Emergicon, or claims submitted by Emergicon on behalf of Client, where such audit or investigation is or appears to have been initiated by any governmental agency, insurer, payer, carrier, Medicare Administrative Contractor, Recovery Audit Contract, Zone Program Integrity Contractor, Medicaid Fraud Control Unit, other Medicare or Medicaid contractor or other agency or entity authorized to carry out any such audit or investigation. This obligation shall survive termination of this Agreement for any reason.

b. The Client bears sole responsibility for obtaining and paying for any legal or consulting assistance necessary in defending itself in any such audit or investigation. Emergicon shall assist Client in producing any records, reports or documents in its possession which pertain to the audit or investigation and may charge Client a reasonable fee for copying, preparation, assembly or retrieval of such documents or reports. Emergicon shall have no obligation to perform any duties under this Paragraph 8(b) following termination of this Agreement for any reason.

c. Client is solely responsible for repaying any overpayments or recoupments sought or imposed by any insurer, carrier, payer or governmental agency or contractor, including interest, civil monetary penalties, fines or other such assessments.

d. Client understands and acknowledges that Emergicon, as part of its compliance program, may on occasion, and at its sole discretion, perform or contract for the performance of periodic, random, internal audits of its coding, billing and other business practices. These voluntary, internal compliance audits may reveal the existence of Client overpayments, and Client agrees that any such overpayments identified by Emergicon in its internal auditing process will be refunded by Client as described in more detail in Paragraph 2(h) of this Agreement.

9. Disposition of Funds.

a. All funds Emergicon receives from third party payers, patients or other sources for ambulance services provided by Client shall be made in the name of Client and forwarded monthly to Client or deposited into a Client account as directed by Client.

b. If Client desires that its patients be able to pay their accounts utilizing credit cards, then Emergicon shall accept credit card payments on behalf of Client's patients in a manner that is secure and agreed upon by the parties, and only to the extent possible and feasible, without making Emergicon a collection agency and responsible for compliance with the federal Fair Debt Collection Practices Act and other state or federal debt collection laws

c. Emergicon shall not accept a reassignment of any benefits where prohibited

by law.

10. Compensation.

a. In exchange for the Specialized Professional Services described in this Agreement, Client shall pay Emergicon a fee equivalent to nine percent (9%) of all revenues collected by Emergicon on behalf of Client. Credit card payments accepted by Emergicon will be charged an additional two percent (2.0%).

b. If Client instructs Emergicon to collect on an account(s) initially billed by another Contractor, Emergicon shall be compensated and paid for the collection efforts on said account in accordance with the following schedule: Twenty-two Percent (22%) of the total amount collected on the account.

c. If Client instructs Emergicon to continue to pursue Patient Pay accounts with balances beyond 120 days from the date of transport, Emergicon shall be compensated and paid for the collection efforts on said account in accordance with the following schedule: Eighteen Percent (18%) of the total amount collected on the account.

d. The fees payable by Client to Emergicon shall be calculated and invoiced to Client on a periodic basis established by Emergicon in accordance with the receipts report generated by Emergicon.

e. Emergicon shall submit invoices to Client on a periodic basis established by Emergicon. Invoices are to be paid by Client within thirty (30) days of the invoice date. Emergicon reserves the right to add simple interest at an annual rate of 18%, compounded daily, on all where Emergicon has not received payment within thirty (30) days of the date of its invoice.

f. In the event that Client is obligated to refund any overpayment or credit balance as set forth in Paragraph 2(h), fees paid to Emergicon by Client for such refunded overpayment or credit balance shall not be credited or refunded to Client.

g. Client agrees to reimburse Emergicon for any and all sales tax liabilities that may arise as a result of this Agreement.

11. Indemnification and Insurance.

a. In addition to any specific indemnification provisions set forth in this Agreement, Emergicon shall hold harmless, indemnify and defend Client and/or its employees, officers, directors and agents from and against any and all costs, claims, losses, damages, liabilities, expenses, judgments, penalties, fines and causes of action to the extent caused by any willful or grossly negligent misconduct of any Emergicon agent, servant, contractor or employee and which relate to the Specialized Professional Services performed by Emergicon under this Agreement.

b. Emergicon shall maintain errors and omissions insurance coverage in an amount not less than \$1,000,000. Emergicon shall provide proof of such coverage to Client upon reasonable written request for same.

c. Notwithstanding any other provision of this Agreement, Emergicon shall not be liable for any damages, including but not limited to loss in profits, or for any special, incidental, indirect, consequential or other similar damages suffered in whole, or in part, in connection with this Agreement. Any liability of Emergicon shall not exceed any amounts paid to Emergicon by Client under this Agreement for any disputed billing performed by Emergicon on behalf of Client.

12. Confidentiality. Neither Emergicon nor Client shall, during the term of this Agreement or for any extension hereof, for any reason, disclose to any third parties any proprietary information regarding the other party unless required to do so by law, regulation or subpoena. For purposes of this Agreement, "proprietary information" shall include, but not be limited to, pricing or rate information, information pertaining to contracts with payers, insurers, facilities, ambulance providers, health care systems, or other such parties, audit requests, audit results, billing processes, client lists or other such information.

13. HIPAA Business Associate Assurances. Emergicon agrees to appropriately safeguard protected health information ("PHI") that is created, received, maintained, or transmitted on behalf of Client in compliance with the applicable provisions of Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996, Subtitle F – Administrative Simplification, Sections 261, *et seq.*, as amended ("HIPAA"), and with Public Law 111-5 of February 17, 2009, known as the American Recovery and Reinvestment Act of 2009, Title XII, Subtitle D – Privacy, Sections 13400, *et seq.*, the Health Information Technology and Clinical Health Act, as amended (the "HITECH Act").

a. General Provisions

i. Meaning of Terms. The terms used in this Agreement shall have the same meaning as those terms defined in HIPAA.

ii. Regulatory References. Any reference in this Agreement to a regulatory section means the section currently in effect or as amended.

iii. Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with HIPAA.

b. Obligations of Emergicon

Emergicon agrees that it will:

i. Not use or further disclose PHI other than as permitted or required by this Agreement or as required by law;

ii. Use appropriate safeguards and comply, where applicable, with the HIPAA Security Rule with respect to electronic protected health information ("e-PHI") and

implement appropriate physical, technical and administrative safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement;

iii. Report to Client any use or disclosure of PHI not provided for by this Agreement of which it becomes aware, including any security incident (as defined in the HIPAA Security Rule) and any breaches of unsecured PHI as required by 45 CFR §164.410. Breaches of unsecured PHI shall be reported to Client without unreasonable delay but in no case later than 60 days after discovery of the breach;

iv. In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any subcontractors that create, receive, maintain, or transmit PHI on behalf of Emergicon agree to the same restrictions, conditions, and requirements that apply to Emergicon with respect to such information;

v. Make PHI in a designated record set available to Client and to an individual who has a right of access in a manner that satisfies Client's obligations to provide access to PHI in accordance with 45 CFR §164.524 within 30 days of a request;

vi. Make any amendment(s) to PHI in a designated record set as directed by Client, or take other measures necessary to satisfy Client's obligations under 45 CFR §164.526;

vii. Maintain and make available information required to provide an accounting of disclosures to Client or an individual who has a right to an accounting within 60 days and as necessary to satisfy Client's obligations under 45 CFR §164.528;

viii. To the extent that Emergicon is to carry out any of Client's obligations under the HIPAA Privacy Rule, Emergicon shall comply with the requirements of the Privacy Rule that apply to Client when it carries out that obligation;

ix. Make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Emergicon on behalf of Client, available to the Secretary of the Department of Health and Human Services for purposes of determining Emergicon and Client's compliance with HIPAA and the HITECH Act;

x. Restrict the use or disclosure of PHI if Client notifies Emergicon of any restriction on the use or disclosure of PHI that Client has agreed to or is required to abide by under 45 CFR §164.522; and

xi. If Client is subject to the Red Flags Rule (found at 16 CFR §681.1 *et seq.*), Emergicon agrees to assist Client in complying with its Red Flags Rule obligations by: (a) implementing policies and procedures to detect relevant Red Flags (as defined under 16 C.F.R. §681.2); (b) taking all steps necessary to comply with the policies and procedures of Client's Identity Theft Prevention Program; (c) ensuring that any agent or third party who performs services on its behalf in connection with covered accounts of Client agrees to implement reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft; and (d) alerting Client of any Red Flag incident (as defined by the Red Flag Rules) of which it becomes aware, the

steps it has taken to mitigate any potential harm that may have occurred, and provide a report to Client of any threat of identity theft as a result of the incident.

c. Permitted Uses and Disclosures by Emergicon

The specific uses and disclosures of PHI that Emergicon may make on behalf of Client include:

i. The preparation of invoices to patients, carriers, insurers and others responsible for payment or reimbursement of the Services provided by Client to its patients, as set forth in this Agreement;

ii. Preparation of reminder notices and documents pertaining to collections of overdue accounts;

iii. The submission of supporting documentation to carriers, insurers and other payers to substantiate the healthcare services provided by Client to its patients or to appeal denials of payment for the same; and

iv. Other uses or disclosures of PHI as permitted by HIPAA necessary to perform the Services that Emergicon has been agreed to perform on behalf of Client, as set forth in this Agreement.

d. Termination

i. Notwithstanding the termination provisions set forth in Paragraph 7 of this Agreement, Client may terminate this Agreement if Client determines that Emergicon has violated a material term of the HIPAA Business Associate Assurances set forth in this Paragraph 13.

ii. If either party knows of a pattern of activity or practice of the other party that constitutes a material breach or violation of the other party's obligations under this Agreement, that party shall take reasonable steps to cure the breach or end the violation, as applicable, and, if such steps are unsuccessful, terminate this Agreement, according to the provisions set forth in Paragraph 7 of this Agreement, if feasible.

iii. Upon termination of this Agreement for any reason and upon the written request of Client and pursuant to the other terms and conditions set forth in this Agreement, Emergicon shall return to Client or destroy all PHI received from Client, or created, maintained, or received by Emergicon on behalf of Client that Emergicon still maintains in any form. If return or destruction is infeasible, the protections of this Agreement will extend to such PHI.

14. Compliance.

a. Emergicon will conduct its activities and operations in compliance with all state and federal statutes, rules and regulations applicable to billing activities.

b. Client shall conduct its activities, operations and documentation in compliance with all applicable state and federal statutes, rules and regulations. Client expressly represents and warrants that it is under no legal impediment to billing or receiving reimbursement for its services, and that all of Client's personnel are appropriately licensed and/or certified to furnish the services provided by Client.

c. Each party is responsible for monitoring and ensuring its own compliance with all applicable state and federal laws and regulations pertaining to billing and reimbursement for its services. However, either party which becomes aware of a violation of any such state or federal laws or regulations or of a questionable claim or claim practice agrees to notify the other party in writing within fifteen (15) days so the other party may appropriately address the matter.

d. The parties represent that they are not the subject of any actions or investigations pertaining to its participation in or standing with any state or federal health care program, are not subject to exclusion from any state and/or federal health care program, and that no persons providing services for which reimbursement is sought were at the time such services were rendered excluded from any state or Federal health care program.

e. The parties recognize that this Agreement is at all times subject to applicable state, local, and federal laws and shall be construed accordingly. The parties further recognize that this Agreement may become subject to or be affected by amendments in such laws and regulations or to new legislation or regulations. Any provisions of law that invalidate, or are otherwise inconsistent with, the material terms and conditions of this Agreement, or that would cause one or both of the parties hereto to be in violation of law, shall be deemed to have superseded the terms of this Agreement and, in such event, the parties agree to utilize their best efforts to modify the terms and conditions of this Agreement to be consistent with the requirements of such law(s) in order to effectuate the purposes and intent of this Agreement. In the event that any such laws or regulations affecting this Agreement are enacted, amended or promulgated, either party may propose to the other a written amendment to this Agreement to be consistent with the provisions of such laws or regulations. In the event that the parties do not agree on such written amendments within thirty (30) days of receipt of the proposed written amendments, then either party may terminate this Agreement without further notice, unless this Agreement would expire earlier by its terms.

f. Non-Engagement of Individuals on the OIG Exclusion List. The parties further warrant that each will take all reasonable steps as set forth by the Office of Inspector General, United States Department of Health and Human Service, to ensure that it does not employ or otherwise engage individuals who have been excluded from participation in federal health care programs. The parties agree to periodically check the OIG exclusion website to ensure that employees, volunteers and all others providing services for each respective organization are not excluded. The website is: <http://exclusions.oig.hhs.gov>.

15. Independent Contractor Relationship. Emergicon and Client stand in an independent contractor relationship to one another and shall not be considered as joint venturers or partners, and nothing herein shall be construed to authorize either party to act as general agent

for the other. There is no liability on the part of Emergicon to any entity for any debts, liabilities or obligations incurred by or on behalf of the Client.

16. Prevention of Performance. If a party's obligation to perform any duty hereunder is rendered impossible of performance due to any cause beyond such party's control, including, without limitation, an act of God, war, civil disturbance, fire or casualty, labor dispute, hardware or software failures beyond the party's control, or governmental rule, such party, for so long as such condition exists, shall be excused from such performance, provided it promptly provides the other party with written notice of its inability to perform stating the reasons for such inability and provided that the party takes all appropriate steps as soon as reasonably practicable upon the termination of such condition to recommence performance.

17. Assignment. This Agreement may be assigned by Emergicon to any successors or assigns of Emergicon. This Agreement may not be assigned by Client without the express written consent of Emergicon. This Agreement shall be binding upon all successors and assigns.

18. Notices. Notices required to be given under this Agreement shall be made to the parties at the following addresses and shall be presumed to have been received by the other party (i) three days after mailing by the party when notices are sent by First Class mail, postage prepaid; (ii) upon transmission (if sent via facsimile with a confirmed transmission report); or (iii) upon receipt (if sent by hand delivery or courier service).

Emergicon:
Emergicon LLC.
PO Box 180446
Dallas, TX 75218

Fax: (469) 602-5542

Client:
The City of Marshall
601 S Grove St.
Marshall, TX 75670

Fax:

19. Non-Competition and Non-Solicitation Clause. Without prior, written authorization from Emergicon, Client shall not:

a. During the term of this Agreement, or for two (2) years following its expiration or termination for any reason, employ, retain as an independent contractor, or otherwise in any way hire any personnel currently employed or employed at any time during the term of this Agreement by Emergicon. Client expressly agrees that in the event of a breach of this provision, Emergicon shall be entitled to a placement fee of two times the annual salary paid by Emergicon to such employee at the time such employee left employment of Emergicon.

b. During the term of this Agreement, or for a period of two (2) years following its expiration or termination for any reason, engage in the provision of billing services for any other ambulance service, medical transportation organization, fire department, or emergency medical services organization. Nothing in this Paragraph shall be interpreted to prohibit Client from performing its own in-house billing and/or accounts receivable management following the expiration or proper termination of this Agreement.

20. Governing Law and Forum Selection Clause. This Agreement shall be deemed to have been made and entered into in Texas and shall be interpreted in accordance with the laws thereof, without regard to conflicts of laws principles. The parties expressly agree that the exclusive forum for resolving any legal disputes under this Agreement shall be the state or federal courts serving Dallas, Texas. Client expressly agrees to personal jurisdiction and venue in any such court.

IN WITNESS WHEREOF, the parties have executed this Agreement to commence on the date first above written. Client represents that the individual who has executed this Agreement on behalf of the Client is authorized by Client and by law to do so.

EMERGICON, LLC.

By:

 08/28/2017
Signature Date

Christopher Turner

Print Name

President & CEO

Title

CLIENT

By:

 8/28/17
Signature Date

Lisa Agnor

Print Name

City Manager

Title

ADDENDUM C – FIRE/EMERGENCY RESPONSE BILLING

This Addendum C (this “**Addendum**”) is entered into by and between Emergifire, LLC, a Texas limited liability company (“**Emergifire**”) and City of Marshall (“**CLIENT**”), dated _____ and is subject to the terms and conditions of that certain Agreement for Specialized Professional Ambulance Billing Services by and between Emergicon, LLC and Client, dated August 28, 2017 (the “**Services Agreement**”). Capitalized terms used herein will have the meaning given in the Services Agreement unless otherwise noted.

RECITALS

WHEREAS, Emergicon, LLC is engaged in the business of providing fire response and cost recovery services as detailed below through a contractor relationship with Emergifire;

WHEREAS, Emergifire is engaged in the business of providing third-party billing and accounts receivable management specialized professional services related to motor vehicle accidents and other emergency responses for emergency service organizations;

WHEREAS, CLIENT desires to utilize Emergifire for billing and claims management services for its organization; and WHEREAS, Emergifire is willing to provide such specialized professional services upon the terms and conditions provided in this Addendum;

1. Specialized Professional Services. Emergifire agrees to perform the following duties (collectively referred to as the “Services”) on behalf of CLIENT as a normal course of business:

- a. Promptly prepare and submit claims to the responsible party deemed complete and eligible for submission by Emergifire in conformance with this Addendum.
- b. Provide instructions for the submission of Required Documentation to Emergifire.
- c. Promptly post payments made on CLIENT’s behalf.
- d. Provide monthly reports to CLIENT, which include, at a minimum, cash received and balance summary.
- e. Will not begin litigation against a person, entity, or insurance carrier without prior written approval by the CLIENT.

Specifically Excluded Duties of Emergifire. Notwithstanding any provisions of this Agreement to the contrary, Emergifire shall *not* be responsible to:

- a. Initiate or pursue litigation for the collection of past due accounts.
- b. Provide legal advice or legal services to CLIENT or anyone acting on CLIENT’s behalf.

2. Term and Termination.

This Addendum runs in concurrence to the Services Agreement.

3. Compensation.

a. In exchange for the Specialized Professional Services described in this Addendum, CLIENT shall pay Emergifire a fee equivalent to fifteen percent (15%) of all revenues collected by Emergifire on behalf of CLIENT. Credit card payments accepted by Emergifire will be charged an additional three percent (3.0%).

b. Emergifire shall submit invoices to CLIENT on a periodic basis established by Emergifire. Invoices are to be paid by CLIENT within thirty (30) days of the invoice date. Emergifire reserves the right to add simple interest at an annual rate of 18%, compounded daily, on all where Emergifire has not received payment within thirty (30) days of the date of its invoice.

CLIENT agrees to reimburse Emergifire for any and all sales tax liabilities that may arise as a result of this Addendum.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date written below.

EMERGIFIRE, LLC.

City of Marshall

By:

By:

Signature

Signature

Christopher Turner, MHA
Print Name

Print Name

Founder & CEO
Title

Title

Date

Date



EMERGIFIRE
fire response billing

OPEN UP A WHOLE NEW REVENUE STREAM

With fire departments nationwide facing increasing costs and decreasing revenues, it's more important than ever to pursue every service charge recovery avenue available.

EMERGIFIRE helps fire departments across Texas shift more cost burdens away from taxpayers by aggressively pursuing insurance reimbursements for services rendered for commercial and industrial-related incidents.

833-BILLFIRE



DID YOU KNOW?

Insurance carriers have long included fire department service charge recovery clauses in their policies to help pay for costs related to fire incident and first response. Unfortunately, many departments do not have the processes and personnel in place to identify and pursue reimbursement claims for commercial and industrial-related incidents. Thus, they lose out on getting paid, and the financial health of their department suffers.

THAT'S WHERE EMERGIFIRE FITS IN.

With a team boasting over 12 years of experience working in emergency services claims recovery, EMERGIFIRE provides the guidance and expertise you need take advantage of this readily available revenue stream.

INSPECTIONS & PERMIT BILLING.

You inspect; we take care of everything else.

WHAT COSTS CAN BE RECOVERED.

Billable fire incident costs include personnel, equipment, and debris removal related to the following:



Motor Vehicle
Incidents



Structure
Fires



Vehicle
Fires



Equipment
Fires



Hazardous Material
Incidents



Industrial/Commercial
Incidents

HERE'S HOW IT WORKS.



Connect

At absolutely zero upfront cost to your department, EMERGIFIRE seamlessly integrates with your existing reporting system to identify and pursue insurance billing opportunities.



Claim

Our fire incident and first response billing team handles all paperwork, filing claims with the insurance company of each incident's responsible party on your behalf.



Collect

Revenue collected from successful claims is forwarded to your department within two to four weeks. Our fee is deducted from all reimbursements received.

AND, IT'S EASY TO GET STARTED.

- 1 Give us a call at **833-BILLFIRE**
- 2 We plug you into our system
- 3 You open up a whole new revenue stream



"After years of working with Emergicon for EMS billing services, we were happy to partner with EmergiFire for incident response billing to further reduce the burden on our tax paying residents."

Chief Ken Swindle
Krum, Texas Fire Department



"As a rural department, I'll be the first to admit I was not familiar with what all a fire service cost recovery could do for our department. After a recent chemical plant explosion in town, EmergiFire made a believer out of me. They really helped recover costs to our budget that we would have otherwise had to absorb and do more with even less.' Thank you EmergiFire!"

Deputy Chief Ryan Dunn
Mineral Wells, Texas Fire Department

833-BILLFIRE
833-245-5347
info@Emergifire.com
www.EMERGIFIRE.com



EXHIBIT A

MITIGATION RATES

The mitigation rates below are average "billing levels", and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

MOTOR VEHICLE INCIDENTS

Level 1 - \$523.00

Provide hazardous materials assessment and scene stabilization. This will be the most common "billing level". This occurs almost every time the fire department responds to an accident/incident.

Level 2 - \$595.00

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department must clean up any gasoline or other automotive fluids that are spilled because of the accident/incident.

Level 3 – CAR FIRE - \$727.00

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, TIC use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled because of the accident/incident.

ADD-ON SERVICES:

Extrication - \$1,569.00

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department must free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious, and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

Creating a Landing Zone - \$480.00

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using, itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

ADDITIONAL TIME ON-SCENE

Engine billed at \$481.00 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

HAZMAT

Level 1 - \$843.00

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up and command.

Level 2 - \$3,007.00

Intermediate Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

Level 3 - \$7,095.00

Advanced Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on scene time - **each additional hour @ \$346.75 per HAZMAT team.**

ADDITIONAL TIME ON-SCENE (for all levels of service)

Engine billed at \$481.00 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

FIRE INVESTIGATION

Fire Investigation Team - \$332.00 per hour.

Includes:

- Scene Safety
- Investigation
- Source Identification
- K-9/Arson Dog Unit
- Identification Equipment
- Mobile Detection Unit
- Fire Report

The claim begins when the Fire Investigator responds to the incident and is billed for logged time only.

FIRES

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

Includes:

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common “billing level”. This occurs almost every time the fire department responds to an incident.

OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.

Itemized, per person, at various pay levels and for itemized products use.

ILLEGAL FIRES

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

WATER INCIDENTS

Level 1

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common “billing level”. This occurs almost every time the fire department responds to a water incident.

Billed at \$481.00 plus \$60 per hour, per rescue person.

Level 2

Intermediate Response: Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department must clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

Billed at \$962.00 plus \$60.00 per hour, per rescue person.

Level 3

Advanced Response: Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

Billed at \$2,409.00 plus \$60.00 per hour per rescue person, plus \$120.00 per hour per HAZMAT team member.

Level 4

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

BACK COUNTRY OR SPECIAL RESCUE

Itemized Response: Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

Minimum billed \$481.00 for the first response vehicle plus \$60.00 per rescue person. Additional rates of \$481.00 per hour per response vehicle and \$60.00 per hour per rescue person.

CHIEF RESPONSE

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

Billed at \$290 per hour.

MISCELLANEOUS / ADDITIONAL TIME ON-SCENE

Engine billed at \$300 per hour.

Truck billed at \$601.00 per hour.

Miscellaneous equipment billed at \$352.00.

GAS LEAKS (Natural)

LEVEL 1

(Natural Gas Leak Outside Without Fire)

Description: Minimal danger to life, property, and the environment, leak typically for mechanical damage to a meter or pipe.

Actions: Evacuate immediate area, notify gas company, evaluate hazards including exposures, environment, vehicular traffic etc. Conduct fence line monitoring to determine control zones. Remove ignition sources from the area, consider non-intervention strategy, if offensive tactics selected, ensure proper PPE, respiratory protection, thermal protection, and tactics are utilized.

Assignment - \$481.00 per hour, per engine / \$601.00 per hour, per truck

LEVEL 2

(Natural Gas Leak Outside with Fire)

Description: Moderate danger to life, property, and the environment, leak typically caused from mechanical damage with nearby operating equipment (car, backhoe, etc) causing a fire.

Actions: Evacuate immediate area, notify gas company, protect hazards from fire damage, do not extinguish the fire unless directed to do so by the gas company, consider water supply options.

Assignment- \$772.00 per hour, per engine / \$60.00 per hour, per rescue person.

LEVEL 3

(Natural Gas Leak inside Structure)

Description: Significant danger to life, property, and the environment, leak is typically difficult to identify and locate.

Actions: Evacuate building and nearby structures, notify gas company, position apparatus away from the structure, attempt to control gas where it enters the building, ventilate the building (using intrinsically safe methods), remove ignition sources from inside but shutting off power on the outside of the structure.

Assignment- \$962.00 per hour, per engine / \$60.00 per hour, per rescue person.

MITIGATION RATE NOTES

The mitigation rates above are average “billing levels”, and are typical for the incident responses listed, however, when a claim is submitted, it will be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department’s “actual personnel expense” and not just a firefighter’s basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.

FIRE MARSHAL INSPECTION AND PERMITTING FEES

a) Fire Marshal Inspections.

- 1) Certificate of Occupancy - \$60.00.
- 2) Temporary Certificate of Occupancy - \$60.00.
- 3) After Hours Inspections (after 5:00 p.m. or on weekend)
 - i. \$150.00 per hour for first two hours.
 - ii. \$50.00 per hour for each additional hour beyond the first two hours.

b) Fire Protection Systems.

- 1) 1-10 devices - \$75.00.
- 2) 11-25 devices - \$100.00.
- 3) 26-100 devices - \$200.00.
- 4) 101-200 devices - \$275.00.
- 5) 201-500 devices - \$500.00.
- 6) Per device for each device over 500 - \$1.00.

c) Fire Sprinkler Systems.

- 1) Underground- \$150.00.
- 2) Aboveground, 1-19 heads - \$75.00
- 3) Aboveground 20-100 heads - \$100.00.
- 4) Aboveground, 101-300 heads - \$200.00.
- 5) Aboveground 301-1,000 heads - \$400.00.
- 6) Per head/or each over 1,000 heads - \$1.00.
- 7) Fire Pump, additional - \$150.00.

d) Access Control.

- 1) 1-10 Doors - \$75.00.
- 2) 11-25 Doors - \$100.00
- 3) 26-100 Doors - \$200.00.
- 4) 101-200 Doors - \$275.00
- 5) 201-500 Doors - \$500.00.
- 6) Per device for each device over 500 - \$1.00.

e) Fire Alarm System Permits.

- 1) Residential Permit Fee - \$50.00 annually.
 - i. This residential fee shall be waived if a burglar alarm permit fee has already been paid.
- 2) Non-Residential Permit Fee - \$100.00 annually.

f) False Alarm Billing Fee (Residential).

- 1) The first three (3) false alarm calls within a twelve (12) month period are free of charge.
- 2) The fee for the fourth (4th) and fifth (5th) false alarm calls within a twelve (12) month period is \$75.00 per call.
- 3) The fee for the sixth (6th) and seventh (7th) false alarm calls within a twelve (12) month period is \$250.00 per call.
- 4) The fee for the eighth (8th) false alarm call and any false alarm call beyond the eighth (8th) within a twelve (12) month period is \$500.00 per call.

g) False Alarm Fee (Non-Residential).

- 1) The first three (3) false alarm calls within a twelve (12) month period are free of charge.
- 2) The fee for the fourth (4th) and fifth (5th) false alarm calls within a twelve (12) month period is \$150.00 per call.
- 3) The fee for the sixth (6th) and seventh (7th) false alarm calls within a twelve (12) month period is \$500.00 per call.
- 4) The fee for the eighth (8th) false alarm call and any false alarm call beyond the eighth (8th) within a twelve (12) month period is \$1,000.00 per call.

h) Fire Marshal Annual Inspection Fee.

- 1) 1 - 1,500sq.ft. -\$50.00 annually.
- 2) 1,501 - 3,000 sq. ft. - \$55.00 annually.
- 3) 3,001 - 5,000 sq. ft. - \$60.00 annually.
- 4) 5,001 - 10,000 sq. ft. - \$65.00 annually.
- 5) 10,001 - 25,000 sq. ft. - \$70.00 annually.
- 6) 25,001 - 50,000 sq. ft. - \$75.00 annually.
- 7) 50,001 - 75,000 sq. ft. - \$80.00 annually.
- 8) 75,001 - 100,000 sq. Ft. - \$100.00 annually.
- 9) 100,001 - 200,000 sq. ft. - \$120.00 annually.
- 10) 200,001 sq. ft. and greater - \$280.00 annually.

i) Hazardous Materials Annual Permit (includes flammable/combustible liquids).

- 1) Powders and Solids
 - i. 1,000 lbs. and less - \$25.00
 - ii. 1,001 - 2,000 lbs. - \$37.50.
 - iii. 2,001 - 5,000 lbs. - \$70.00.
 - iv. 5,001 lbs. and over - \$137.50.
- 2) Liquids and Gels.
 - i. 25 gallons or less - \$25.00.
 - ii. 26 -100 gallons - \$37.50.
 - iii. 101- 1,000 gallons - \$70.00.
 - iv. 1,001 gallons or more - \$137.50.

j) Plan Review Fees.

- 1) Plan Review - \$60.00.
- 2) Fire Alarm System - \$70.00.
- 3) Fire Sprinkler System - \$150.00.
- 4) Emergency Lighting- \$37.50.
- 5) Special Lighting - \$30.00.
- 6) Liquid storage tanks, hazardous materials - \$70.00.

k) Reinspection Fee - \$60.00.

l) Special Permits.

- 1) Blasting operation - \$65.00 per day.
- 2) Pyrotechnic display - \$65.00 per day.
- 3) Tent permit.
 - i. 1 - 30 days - \$30.00.
 - ii. Each additional 30 days or portion thereof- \$30.00.

m) Underground Storage Tanks Installation. The fees set forth in this subsection are applicable to both temporary and permanent underground storage tanks.

- 1) 0 - 1,000 gallons - \$50.00.
- 2) More than 1,000 gallons - \$100.00.

n) LPG Tank Installation or Removal - \$50.00.

o) Special Event Fees.

- 1) Fire marshal permit.
 - i. \$125.00 for first day.
 - ii. \$75.00 per each additional day thereafter.
- 2) Fire marshal on premises - \$65.00 per hour.
- 3) Standby fire personnel, no apparatus - \$65.00 per hour (each, three hour minimum).
- 4) Standby ambulance, with personnel - \$130.00 per hour (three hour minimum).
- 5) Standby engine or truck, with personnel - \$195.00 per hour (three hour minimum).

p) State Mandated Inspections.

- 1) Hospitals - \$100.00
- 2) Nursing and long-term care homes - \$75.00.
- 3) Daycare/Mother's Day out- \$50.00.
- 4) Foster home or adoptive home - \$10.00.
- 5) Home inspection (insurance) - \$50.00."



Memorandum

To: The Honorable Mayor and City Council Members City of Marshall, Texas

From: David Rainwater, Fire Chief

cc: Melissa B. Vossmer, City Manager

Date: January 17, 2025

Re: Proposed Fire Department Cost Recovery Services Agreement with Emergifire LLC

The purpose of this memorandum is to outline a proposed ordinance regarding fee mitigation rates for Marshall Fire Department services and an addendum to the existing ambulance billing agreement with Emergicon LLC.

BACKGROUND The City is considering expanding its cost recovery capabilities through Emergifire LLC, a contractor of our current ambulance billing service provider, Emergicon LLC. This service would enable the City to recover costs from insurance companies for commercial and industrial fire incidents, hazardous material responses, and vehicle accidents.

FINANCIAL CONSIDERATIONS

- The program operates with zero upfront cost to the City
- Emergifire's compensation structure includes:
 - 15% commission on collected revenues
 - Additional 3% fee for credit card payments
- Revenue would be generated from previously uncollected insurance reimbursements
- The City only incurs costs when revenue is successfully collected

SERVICE DETAILS

The proposed agreement includes comprehensive services such as:

- Professional billing services



- Claims management
- Monthly reporting
- No direct billing to individuals

BENEFITS

This program would:

1. Create a new revenue stream for the City
2. Shift the cost burden from taxpayers to responsible parties' insurance
3. Leverage existing insurance coverage, as fire department service charges are typically included in commercial policies

RECOMMENDATION

Staff recommends approval of the addendum to expand cost recovery capabilities through Emergifire's specialized billing services.

ACTION REQUESTED

Consider and approve the ordinance to adopt current fee mitigation rates and the addendum to the existing ambulance billing services agreement.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "D. Rainwater".

David Rainwater, Fire Chief



TO: City Council
DATE: January 23, 2025
ITEM #: 10.B
SUBJECT: Consider approval of an amendments to the
Personnel Policy and Procedures Manual. (Human
Resources)

Recommendation for Action: Consider approval of amendments to the Handbook

Executive Summary:

Budget Cost:

Staff Contact: Christol Hall

Attachments: None



TO: City Council
DATE: January 23, 2025
ITEM #: 10.C
SUBJECT: Consider approval of renewing the City's membership with National League of Cities (NLC). (Councilmembers Jordan-Anderson & Morris)

Recommendation for Action: Consider approval of renewing the City's membership with National League of Cities (NLC).

Executive Summary: The City of Marshall held a membership with National League of Cities (NLC) through 2017. Councilmembers Jordan-Anderson and Morris have requested Council to consider renewing the City's membership with NLC. Membership with NLC would allow the Council and Staff to access resources and training opportunities to help improve the quality of life for the citizens of Marshall.

If approved, funding can be utilized from Council's budgeted election line.

Budget Cost: \$2,190.00

Staff Contact: Nikki Smith, City Secretary

Attachments: 1. FY24-25-NLC-Membership-Dues

FY2024-FY2025 Membership Dues

The National League of Cities Board of Directors voted in 2017 to implement a policy to adjust dues annually based on the Consumer Price Index (CPI), with a maximum dues adjustment of three percent (3%). The membership dues adjustment for FY2025 is 3%, effective October 1, 2024. In addition, with the final 2020 U.S. Census numbers being released, NLC has transitioned to 2020 population numbers starting with FY24 dues. This means some members may see a shift in categories after FY23 due to population changes between the 2010 and 2020 counts. For questions, please call us at 877-827-2385 or email membership@nlc.org.

Four methods to remit membership dues:

ACH Transfer

Account: National League of Cities
Account Number: 2000033034119
Routing/ Transit Number: 121000248
Bank Name: Wells Fargo Bank, N.A.
Bank Address: 1300 I St., NW 12th Fl
Washington, D.C. 20005

Credit Card

nlc.org/mynlc

Try the [Express Pay](#) feature to
avoid singing in

First Class Mail

National League of Cities
PO Box 70511
Philadelphia, PA 19176-
0511

Overnight Mail

Lockbox Services (Box
#4047)
National League of Cities
MAC Y1372-045
401 Market Street
Philadelphia, PA 19106

POPULATION	FY24 DUES	FY25 DUES
Under 1,000	\$300	\$309
1,001-2,000	\$613	\$631
2,001-5,000	\$924	\$952
5,001-10,000	\$1,276	\$1,314
10,001-20,000	\$1,701	\$1,752
20,001-30,000	\$2,126	\$2,190
30,001-40,000	\$3,722	\$3,834
40,001-50,000	\$4,356	\$4,487
50,001-60,000	\$5,103	\$5,256
60,001-70,000	\$6,171	\$6,356
70,001-80,000	\$6,800	\$7,004
80,001-90,000	\$7,651	\$7,881
90,001-100,000	\$8,929	\$9,197
100,001-125,000	\$9,988	\$10,288
125,001-150,000	\$11,052	\$11,384
150,001-175,000	\$12,121	\$12,485
175,001-200,000	\$13,178	\$13,573
200,001-225,000	\$14,244	\$14,671

POPULATION	FY24 DUES	FY25 DUES
225,001-250,000	\$15,308	\$15,767
250,001-275,000	\$16,369	\$16,860
275,001-300,000	\$17,432	\$17,955
300,001-325,000	\$18,499	\$19,054
325,001-350,000	\$19,557	\$20,144
350,001-375,000	\$20,621	\$21,240
375,001-400,000	\$21,683	\$22,333
400,001-425,000	\$22,746	\$23,428
425,001-450,000	\$23,811	\$24,525
450,001-475,000	\$24,867	\$25,613
475,001-500,000	\$25,931	\$26,709
500,001-600,000	\$26,997	\$27,807
600,001-700,000	\$28,051	\$28,893
700,001-800,000	\$29,121	\$29,995
800,001-900,000	\$30,185	\$31,091
900,001-1,000,000	\$31,248	\$32,185
1,000,001-1,333,333	\$39,536	\$40,722
1,333,334-1,666,666	\$44,639	\$45,978
Over 1,666,667	\$51,410	\$52,952



TO: City Council
DATE: January 23, 2025
ITEM #: 11.A
SUBJECT: Presentation of an update on Wastewater Treatment Plant and Wastewater Lift Stations. (Public Works)

Recommendation for Action: No Action

Executive Summary: This report provides a comprehensive overview of the current status of the sanitary sewer system, including lift stations, the wastewater treatment plant, and recommended projects to ensure efficient and sustainable wastewater management.

Sanitary Sewer Lift Stations:

The sanitary sewer system relies on a network of lift stations to transport wastewater to the treatment plant. These stations play a critical role in maintaining the flow in areas with challenging topography or insufficient gravity-fed infrastructure. Key observations include:

- **Current Conditions:** The majority of lift stations are operational but require routine maintenance and periodic upgrades to improve efficiency and reduce downtime. Aging infrastructure poses risks of mechanical failure and overflow events.
- **Challenges Identified:** Increased demand from population growth, equipment obsolescence, and rising energy costs are straining system performance.

Current Status of Wastewater Treatment Plant:

The wastewater treatment plant is central to the community's environmental health and regulatory compliance. Findings highlight:

- **Capacity and Performance:** The plant is operating near or at capacity during peak periods (significant Infiltration and Inflow during rain events), with some components nearing the end of their lifecycle. Effluent quality generally meets regulatory standards, but improvements are needed to accommodate future growth and stricter environmental regulations.
- **Key Risks:** Aging infrastructure, equipment inefficiencies, and insufficient redundancy increase the risk of service interruptions and compliance violations.

Recommended Projects:

To address current challenges and prepare for future demands, the following projects are recommended:

1. **Lift Station Upgrades:** Modernize existing lift stations with energy-efficient pumps, backup power systems, and improved monitoring technologies.

2. **Treatment Plant Upgrades:** Increase treatment capacity and operations by adding advanced treatment processes, including nutrient removal systems, to meet future regulatory requirements.
3. **Asset Management Program:** Implement a robust asset management system to prioritize maintenance, replacements, and capital investments.
4. **Resilience and Sustainability Initiatives:** Enhance system resilience to climate impacts by upgrading flood protection measures and exploring renewable energy solutions.

By implementing these recommendations, the sanitary sewer and wastewater treatment infrastructure will remain reliable, environmentally compliant, and capable of supporting community growth.

Budget Cost: None at this time, future funding discussion

Staff Contact: Eric Powell, PE Director and Cory Owen, Assistant Director of Treatment Services

Attachments: 1. 11a_UpdateWWTPLiftStations

Public Works

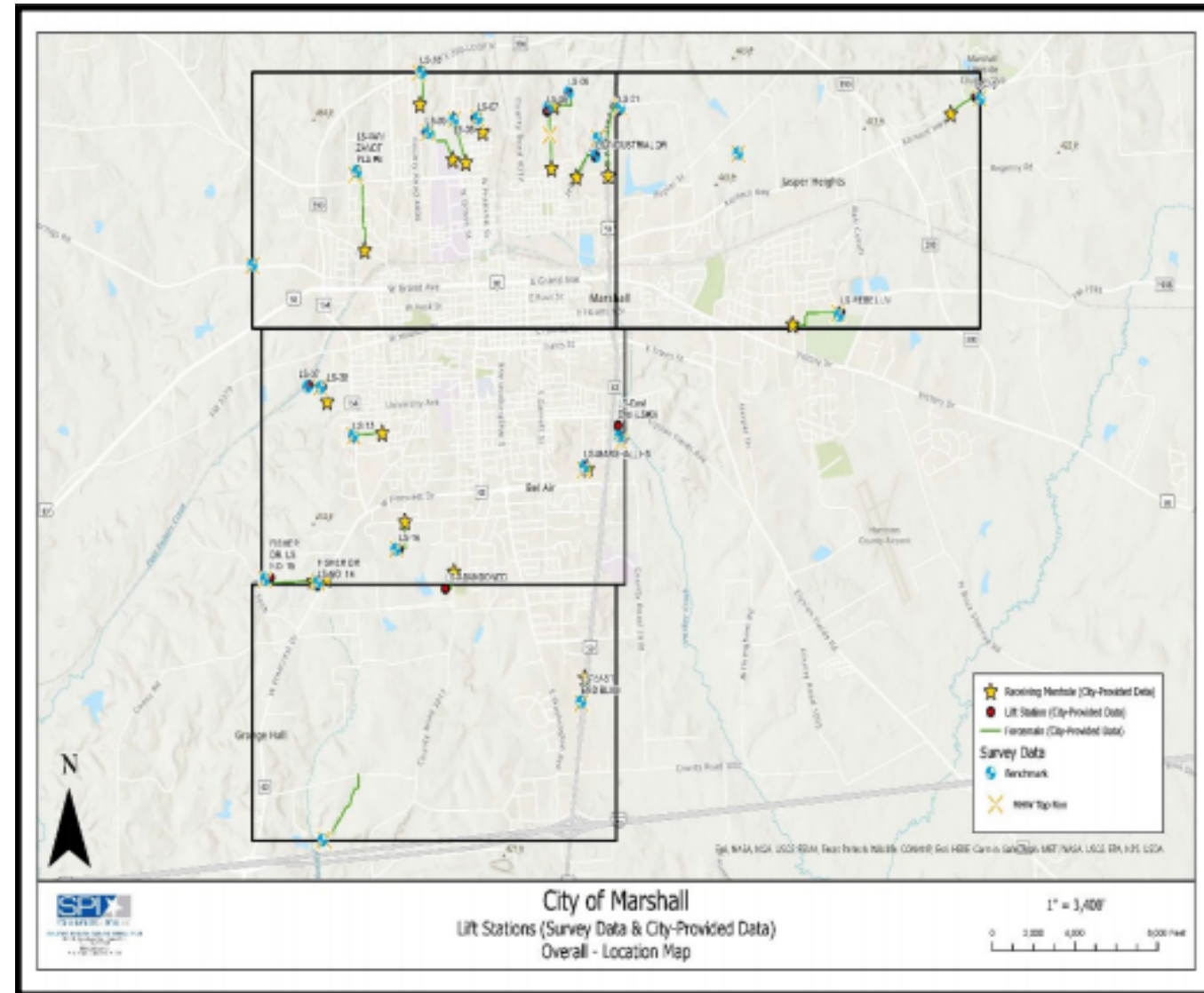
WATER and SEWER UTILITIES

Update to the condition of the Sewer System Lift Stations
and
the Wastewater Treatment Plant



Lift Stations

- The City of Marshall currently operates a total of 23 lift stations (LS) within the collection system.
- Improvements to these lift stations include:
 - Rehabilitation of existing infrastructure
 - Or Conversion to gravity flow
 - Or Regionalization of facilities
- Regionalization of lift stations could reduce the total number of lift stations in service by eliminating them from operation. This would mitigate applicable lift stations having persistent problems meeting performance criteria.
- Considerations to regionalize lift stations consisted of topography, existing wet well depth, capacity, and the existing area being served versus the potential area served via regionalization.



Lift Stations

- **What is a Lift Station?**

- A lift station is a pumping station that moves wastewater from a lower elevation to a higher elevation. Lift stations are used to move wastewater to wastewater treatment plants, or to other lift stations.

Acronyms often used in the wastewater industry:

LS - Lift Station

SCADA - Supervisory Control and Data Acquisition

R.O.W. - Right of Way

VFD - Variable Frequency Drive

TCEQ - Texas Commission on Environmental Quality

TSS - Total Suspended Solids

BOD - Biochemical Oxygen Demand

FRP - Fiberglass reinforced plastic

UV - Ultraviolet Disinfection

Completed/Current LS Projects

- Lift Station No. 3 – “East End Blvd” - Actual Cost: \$598,573.50 - Converted to Gravity Flow to Wastewater Treatment Plant by new 24” sewer pipe. (Completed).
- Lift Station No. 13 – “West End Blvd” - Actual Cost: \$1,623,539.000 - Improvements include new upsized pumps and electricals to increase the lift stations’ pumping capacity and remove and replace an approximate 40-ft section of influent piping. Including reconnection back into the wet well. Additionally, a new generator, new SCADA system, new force main, and R.O.W. acquisition are a part of the project as well. (Current Ongoing Project).

Lift Stations to be Rehabilitated

- Lift Station No. 1 – “Nehl’s Chevrolet” - Estimated Cost: \$292,089.00 - Improvement recommendations include a new generator, SCADA system, R.O.W. acquisition, removal and replacement of the existing pumps and electricals and filling the sinkhole located on the outside perimeter of the chain-link security fence with flowable fill.
- Lift Station No. 2 – “High School” - Estimated Cost: \$580,577.00 - Improvement recommendations include to replace the existing fiberglass wet well with a concrete wet well and install new pumps and electricals. Recommended improvements include a new generator, SCADA system, and R.O.W. acquisition.
- Lift Station No. 4 – “Rebel Lane” - Estimated Cost: \$94,700.00 - Improvement recommendations are to fill in the void spaces around the perimeter of the wet well concrete cover slab with flowable fill. Additionally, a new generator, SCADA system, and R.O.W. acquisition are recommended.
- Lift Station No. 5 – “Toliver Road” - Estimated Cost: \$892,175.00 - Improvement recommendations include demolishing the existing lift station and constructing a new lift station sized to receive gravity flow from lift station No. 6 “Sledge Street”, No.21 “Harris Road”, No. 23 “Sears”, and No. 24 “Police Station”. This includes a new wet well, new pumps and electricals, interconnection with the existing force main used to pump sewage to the receiving manhole, new generator, SCADA system, and R.O.W. acquisition.



Lift Stations to be Rehabilitated

▪Lift Station No. 7 – “Welch Street” - Estimated Cost: \$378,525.00. - The existing lift station appears in good condition with no urgent repairs recommended at this time. The wet well having been installed in 1985 is approaching life span expectancy and when funds come available replacing it with a new wet well is recommended to ensure life expectancy for years to come. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

▪Lift Station No. 8 – “George Gregg” - Estimated Cost: \$415,275.00 - The existing lift station appears in good condition with no urgent repairs recommended at this time. The wet well having been installed in 1985 is approaching life span expectancy and when funds come available replacing it with a new wet well is recommended to ensure life expectancy for years to come. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

▪Lift Station No. 9 – “Norwood” - Estimated Cost: \$507,709.00 - The existing lift station appears to be in good condition with service life still available. When funds become available it is recommended to replace the existing lift station, and install new pumps and electricals to increase the service life of the lift station. These improvements are recommended to help reduce maintenance cost and prevent infiltration problems that occur over time while the lift station is in service. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

▪Lift Station No. 10 – “Van Zandt” - Estimated Cost: \$412,570.00 - Recommended improvements include new wet well construction, pumps and if necessary, electricals. The access road to the site is subject to flooding conditions. Recommended improvements for the access road is new TxDOT item 247 crushed stone. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.



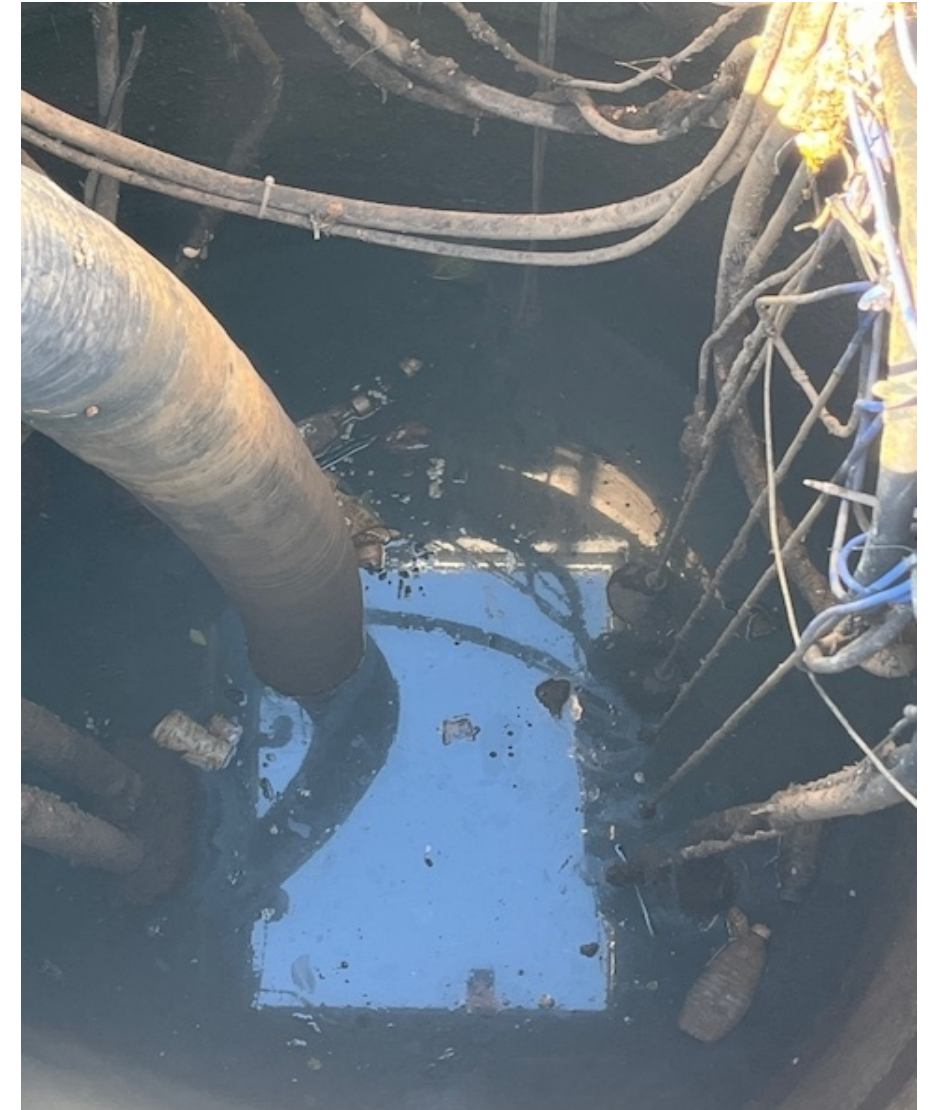
Item #11A – Public Works and Utilities

Lift Stations to be Rehabilitated

■ Lift Station No. 11 – “Norit” - Estimated Cost: \$794,202.00 - Recommended improvements are to demolish the existing lift station and construct a new lift station, new pumps and electricals, new gravity sewer line connecting lift station No. 12 “Fair Street” to this lift station No. 11 “Norit”, and an interconnection of a new force main to the existing force main that routes to a receiving manhole located on University Ave. The recommended improvements would require the removal and replacement of existing chainlink security fence at both lift station sites. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

■ Lift Station No. 14 – “Fisher Drive #1” - Estimated Cost: \$380,804.00 - Improvement recommendations include new lift station wet well upgrades to eliminate sewage backflow that has historically flooded the existing sewer manhole located on the south side of Fisher Drive. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

■ Lift Station No. 15 – “Fisher Drive #2” - Estimated Cost: \$587,339.00 - The existing lift station appears to be in good condition with service life still available. When funds become available it is recommended to replace the existing lift station and install new pumps and electricals to increase the service life of the lift station. These improvements are recommended to help reduce maintenance cost and prevent infiltration problems that occur over time while the lift station is in service. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.



Lift Stations to be Rehabilitated

- Lift Station No. 16 – “Palato/Pete’s Pasture” - Estimated Cost \$398,686.00 - Improvements include new pumps and electricals, new gravel access drive, removal and replacement of the existing culvert under the access drive, R.O.W. acquisition extending from Grace Street to the lift station site, new generator, and new SCADA system.

- Lift Station No. 17 – “City Arena” - Estimated Cost: \$85,600.00 - Should the potential service area based on the drainage basin delineated develop out, the lift station should be reevaluated, and improvement recommendations provided to adequately service the collection system. However, a new generator, SCADA system, and R.O.W. acquisition is recommended.

- Lift Station No. 18 – “Park Drive.” - Estimated Cost: \$187,425.00 - Improvement recommendations include a pump replacement to reduce the run times experienced and increase the service life of the existing pumping equipment. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

- Lift Station No. 19 – “Fairway Lane” - Estimated Cost: \$202,125.00 - Improvement recommendations include replacing the existing pumps with two (2) new pumps keeping the maintenance schedule for each pump as close as possible. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.

- Lift Station No. 20 – “Grangeway South” - Estimated Cost: \$743,232.00 - Improvement recommendations include a new generator, SCADA system, and R.O.W. acquisition. The existing lift station appears to be in good condition with service life still available. When funds become available it is recommended to replace the existing lift station and install new pumps and electricals to increase the service life of the lift station. These improvements are recommended to help reduce maintenance cost and prevent infiltration problems that occur over time while the lift station is in service.

- Lift Station No. 22 – “Hynson Springs” - Estimated Cost: \$164,640.00 - Improvement recommendations include replacing one (1) pump that is currently out of service. Additionally, a new generator, SCADA system, and R.O.W. acquisition is recommended.



Lift Stations to be Converted to Gravity Flow and/or Regionalized

- Lift Station No. 6 – “Sledge Street” - Estimated Cost: \$166,719.00 - Recommendations are to regionalize LS to flow gravity to Tolivar LS.
- Lift Station No. 12 – “Fair Street” - Estimated Cost: Included in LS No. 11’s - Norit” estimate. Recommendations are to regionalize LS to flow gravity to Norit LS.
- Lift Station No. 21 – “Harris Road” - Estimated Cost: \$728,176.00 - Recommendations are to regionalize LS to flow gravity to Tolivar LS.
- Lift Station No. 23 – “Sears” - Estimated Cost: \$340,609.00 - Recommendations are to regionalize LS to flow gravity to Tolivar LS.
- Lift Station No. 24 – “Police Station” - Estimated Cost: \$544,826.00 - Recommendations are to regionalize LS to flow gravity to Tolivar LS.



Lift Station Improvement Recommendations by Priority

- The following table provides a prioritized list with each lift station being assigned a priority within a range of 1-5, with 1 being the most urgent need and 5 being least urgent.
- Recommendations included consideration of: public health, worker safety, regulatory compliance, maintenance cost, service life, and a focus on regionalization.

Item #11A – Public Works and Utilities

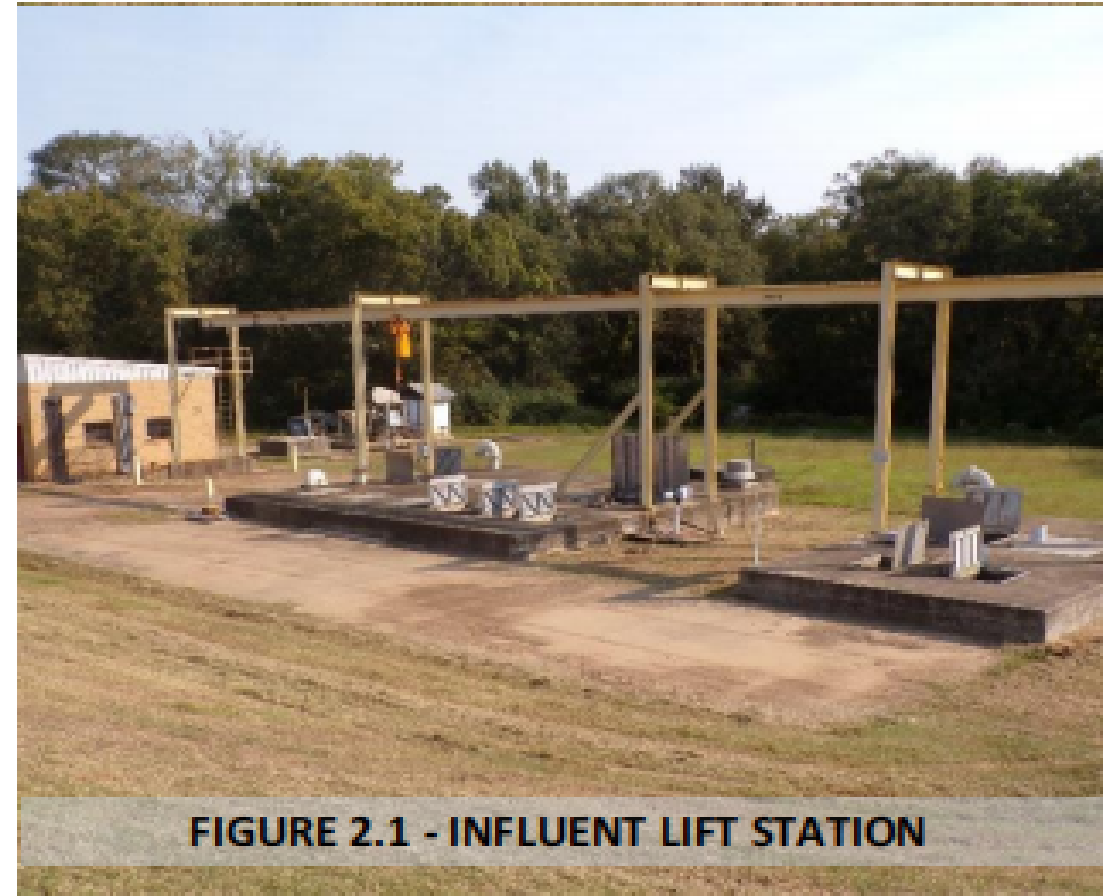
PRIORITY NO. 1 PROJECTS	
Lift Station Number	Lift Station Name
3	East End Lift Station
13	West End Lift Station
PRIORITY NO. 2 PROJECTS	
Lift Station Number	Lift Station Name
5,6,21,23,24	(5) Tolivar
	(6) Sledge
	(21) Harris Road
	(23) Sears
	(24) Police Station
PRIORITY NO. 3 PROJECTS	
Lift Station Number	Lift Station Name
16	Pete's Pasture
1	Nehl's Chevrolet
4	Rebel Lane
18	Park Drive
11,12	Norit (11) and Fair St (12)
17	City Arena
PRIORITY NO. 4 PROJECTS	
Lift Station Number	Lift Station Name
10	Van Zandt
19	Fairway Lane
22	Hynson Springs
14	Fisher Drive 1
15	Fisher Drive 2
PRIORITY NO. 5 PROJECTS	
Lift Station Number	Lift Station Name
2	High School
7	Welch
8	George Gregg
9	Norwood
20	Grangeway South

City of Marshall Southside Wastewater Treatment Plant



Influent Pump Station

- Cost could range between \$1,250,000 and \$1,800,000.
- In need of 4 new submersible pumps - between \$125,000 and \$150,000 each. (Does not include installation.)
- 6 Variable Frequency Drives (VFD) for pumps - between \$40,000-\$50,000 each – controls the speed of the pumps and will extend their useful life. (Does not include installation.)
- New guiderails, bases, and discharge piping - \$40,000 – \$50,000 per set.



Grit Chamber

- Estimated cost of around \$900,000 to install at the head of the plant. According to TCEQ, the City's wastewater plant should have 2 grit chambers installed, and we currently have 1.
- The primary function of a grit chamber is to protect the mechanical equipment in a wastewater treatment plant from potential damage caused by grit.
- A grit chamber operates on the principle of sedimentation. Wastewater entering the chamber is slowed down, allowing heavier grit particles to settle at the bottom due to gravity. The settled grit is then collected and removed from the chamber, while the grit-free wastewater continues on to the next stage of treatment.



Primary Clarifiers

- Cost to replace - \$450,000 - \$500,000 each OR \$200,000 - \$250,000 to repair.
- Currently both primary clarifiers are out of service with primary clarifier #1 under emergent repairs. Current TCEQ Violation.
- Replacement of structural bridge, mechanical drive, FRP weirs, baffles, and skimming equipment, replacement of sludge collecting equipment, application of epoxy coating on the interior of the launder trough.
- Purpose: Removes sludge that settles at the bottom of the clarifier and sends it to the primary and secondary digesters. It then is further dewatered and sent over to the sludge drying beds for further drying before being removed and taken to a landfill.
- The clarifiers pump the remaining wastewater to the trickling filters for further treatment.



Anaerobic Digesters

- Average Repair costs can range between \$800,000 - \$1,000,000 each.
- The Primary Digester is around 70 years old and is used to break down organic matter in sewage sludge (solids) through a process called anaerobic digestion, producing biogas (a mixture of methane and carbon dioxide) as a usable energy source while significantly reducing the volume of sludge that needs to be disposed of.

Recommended Repairs:

- Repair exterior cracks in the concrete and seal the interior walls of the digester to prevent further degradation to the structure. Sandblast and repaint the floating steel digester cover.
- Install new gasket around floating cover.
- Install a new gas collection system, piping, etc.
- Repair / replace existing digester cover slide stops.
- Replace the three vertical (3) mixers and replace all corroded piping.
- Replace inoperable gauge system that shows depth of sludge in digester.



Anaerobic Digesters

Secondary Digester Recommended Repairs:

- Remove all sludge and accumulated grit and debris from the digesters.
- ☐ Replace deteriorated components and sandblast and repaint the digester covers.
- ☐ Install new gasket / seal around floating cover on west digester.
- ☐ Install a new gas collection system, piping, etc.
- ☐ Replace all valves and corroded piping; repaint piping and add labels and flow arrows.
- ☐ Upgrade piping on decant system and add additional valves.
- ☐ Replace inoperable float system (level gauges) that indicate depth of sludge in digesters.
- ☐ Install secondary (backup) sludge transfer pump with associated piping, controls, etc.

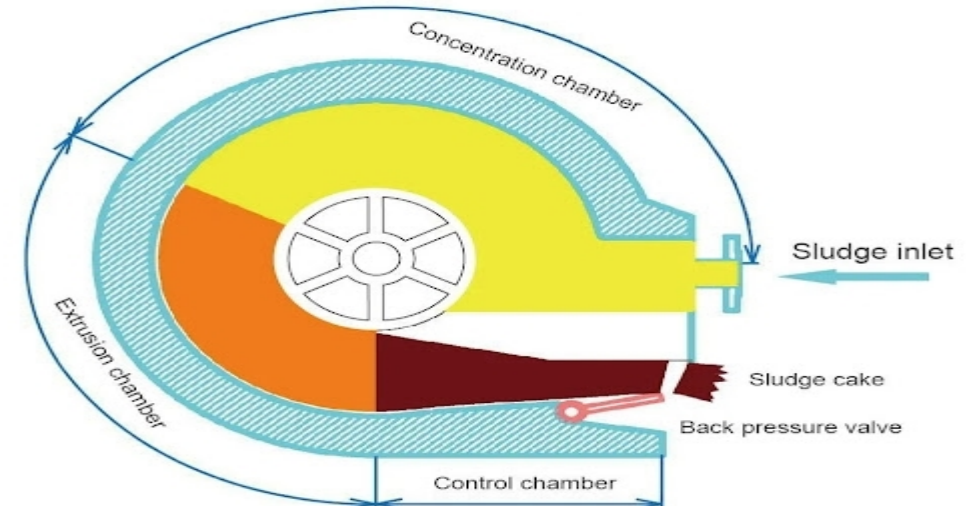
Building:

- ☐ Install updated and adequate lighting.
- ☐ Install gas monitoring system.
- ☐ Install ventilation system.
- ☐ Install new doors and windows.
- ☐ Upgrade electrical system / wiring as required.
- ☐ Add secondary digesters to plant SCADA system.



Sludge De-watering Fan Press

- Estimated Cost – \$1,300,000
- Receives sludge from Primary and secondary digesters. Uses a fan press to squeeze/remove the wastewater from the sludge which allows for quicker disposal to the landfill.
- Currently using 21 sludge drying beds. These rely on the elements and a rock/sand bed to help remove the water from the sludge before being sent to the landfill. (summer months most ideal time for this process to be effective).



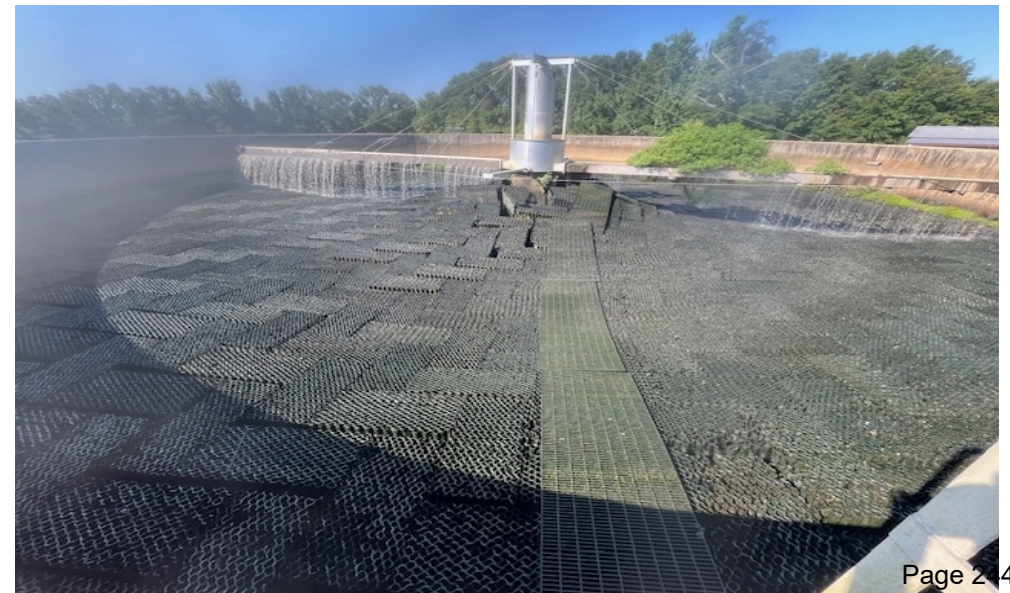
Trickling Filters

- Estimated Cost - \$500,000 - \$600,000 each
- Current TCEQ Violation.
- Removal and Replacement of river rock media and terracotta brick.
- Purpose: Creates support film for aerobic, anaerobic, and facultative bacteria, fungi, algae, etc. to grow and remove carbonaceous BOD and/or nitrogen.
- Wastewater is then sent to the Bio-towers for further treatment.



Bio Towers

- Estimated Cost – New media at \$750,000 - \$1,000,000 per each tower
- Bio-Towers are a housing in which wastewater trickles through a bed of slime covered plastic media at 16' of depth and is treated by the action of the microorganisms in the slime layer, utilizing the contents of the wastewater as a food source. Tower trickling filter media or packing provide the surface over which microorganisms grow.
- This is followed by the activated sludge process based aeration tank, which is then followed by the final clarifiers in the operation process.



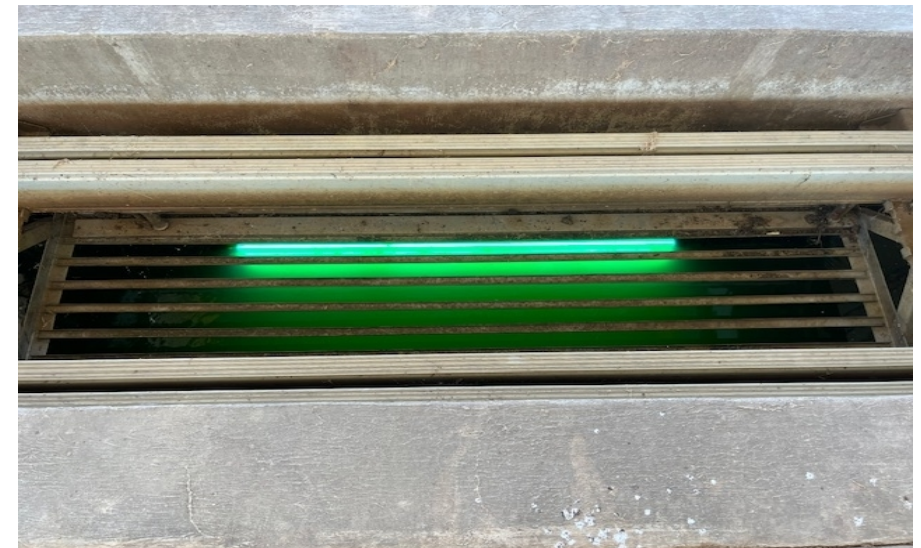
Secondary Clarifiers

- Estimated Cost to replace - \$800,000 - \$1,000,000 for both.
- Currently both secondary clarifiers are out of service with secondary clarifier #1 under emergency inspection, then repair.
- Replacement of structural bridges, mechanical drives, weirs and baffles, and replacement of sludge collecting equipment.
- Purpose - the final clarifiers are used to separate the suspended and settle-able solids to produce a clear effluent. The secondary clarifier in wastewater treatment is known to handle mixed liquor-suspended solids commonly known as MLSS which are found in large quantities generated in the activated sludge process.



New Trojan UV Disinfection System

- Cost - \$1,250,000 or higher
- UV Modules - Includes 4 Banks, 9 Modules per bank, and 8 lamps per module (288 lamps total)
- UV Panels – Includes 4 Power distribution centers and 1 system control center.
- Purpose - UV disinfection is effective at inactivating most viruses, spores, and cysts before discharging treated water into the 8 mile creek system.



Wastewater Treatment Plant Priorities

1. Replace Both Secondary Clarifiers - Estimated cost: \$1,000,000
2. Trickling Filters - Estimated Cost: \$1,200,000
3. Replace Both Primary Clarifiers - Estimated cost \$1,000,000
4. Purchase of New Grit Chamber - Estimated cost: \$900,000
5. Influent Pump Station - Estimated Cost: up to \$1,800,000
6. Anaerobic Digesters - Estimated Cost: \$2,000,000
7. Sludge De-watering Fan Press - Estimated Cost: \$1,300,000
8. Bio Towers - Estimated Cost - up to \$2,000,000
9. New Trojan UV Disinfection System - Estimated Cost: \$1,250,000

Estimated Total Costs to Rebuild Entire Wastewater Treatment Plant

- Equipment: \$16,500,000
- Engineering Services: \$2,300,000
- General, Legal, Financial: \$425,000
- Contingency: \$2,500,000
- Other: \$230,000
- **TOTAL: \$22,000,000**

Funding Sources

- City Borrowing/Debt
- Clean Water State Revolving Fund (TWDB).
- EPA Funding – competitive grants.
- Other Federal Funding Sources



TO: City Council
DATE: January 23, 2025
ITEM #: 12.A
SUBJECT: An Executive Session pursuant to the Open Meetings Act, Chapter 551 of the Texas Government Code under Section 551.074 Personnel Matters: Discuss or deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee: City Manager

Recommendation for Action:

Executive Summary:

Budget Cost:

Staff Contact:

Attachments: None