



**AGENDA
REGULAR MEETING
FREEPORT CITY COUNCIL
MONDAY, AUGUST 17, 2020 at 6:00 P.M.**

Mayor:

Brooks Bass

Council Members:

Ken Green

Jerry Cain

Sandra Loeza

Roy Yates

City Manager:

Timothy Kelty

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON MONDAY, THE 17th DAY OF AUGUST 2020, AT 6:00 P.M., AT THE FREEPORT, POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD FREEPORT TEXAS

BECAUSE OF THE PUBLIC HEALTH THREAT, SEATING WILL BE POSITIONED TO MEET THE REQUIREMENTS OF THE CDC, AND ATTENDEES WILL BE REQUIRED TO WEAR A FACE MASK.

OR YOU MAY JOIN THE PUBLIC MEETING REMOTELY BY TELECONFERENCE BY DIALING:

(425) 436-6312 AND USING ACCESS CODE 5678901#

OR

AUDIO VISUAL CONFERENCE CALL USING:

PCs, Macs®, Chromebooks™, iOS and Android™ phones and tablets.

International dial-in numbers: https://fccdl.in/i/council_mtg_081720

For users wanting to view and listen to the council meeting via a web browser go to

https://join.freeconferencecall.com/council_mtg_081720

enter access code 5678901# and the online meeting code is: council_mtg_081720.

OR

Visit the App Store or Google Play to download FreeConferenceCall. Enter the phone number, access code and online code listed above to view the meeting.

REMOTE PARTICIPANTS WILL NOT BE ABLE TO ADDRESS COUNCIL DIRECTLY. COMMENTS FROM REMOTE PARTICIPANTS MUST BE SENT VIA EMAIL TO publiccomments@freeport.tx.us ANY TIME PRIOR TO, OR DURING THE MEETING ALL COMMENTS RECEIVED WILL BE READ ALOUD INTO THE RECORD.

THE MEETING IS BEING HELD FOR THE FOLLOWING PURPOSES:

CALL TO ORDER: *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

CITIZENS' COMMENTS:

Members of the public are allowed to address the City Council at this time, and must include name and address. *Note*, specific factual information or a recitation of existing policy may be furnished in response to an inquiry made, but any deliberation, discussion, or decision with respect to any subject about which the inquiry was made shall be limited to a proposal to place such subject on the agenda for a subsequent meeting for which notice is provided in compliance with the Texas Open meetings Act unless said notice appears herein. The public is reminded that there is a (4) minute time limit as approved by City Council on June 21, 2010.

PRESENTATIONS/ANNOUNCEMENTS: Announcements by Mayor, City Council and/or Staff.

1. Emergency management briefing COVID-19. (Motley/Garivey)
2. Presentation of the collection of delinquent taxes and court fine and fees from Mike Darlow with Perdue, Brandon, Fielder, Collins & Mott, LLP. (Russell)
3. Presentation of Proclamation for Carlos Alberto Martinez, Sr.

CONSENT AGENDA:

Consent Agenda items are considered to be routine in nature and may be acted upon in one motion. Any item requiring additional discussion may be withdrawn from the Consent Agenda by the Mayor, Councilmember or City Manager, and acted upon separately.

4. Consideration and possible action on the approval of City Council meeting minutes from August 3, 2020, and meeting minutes from the Special Meeting on August 10, 2020. (Wells)
5. Consider changing the date of the first meeting in September due to the Labor Day holiday, to Tuesday, September 8, 2020. (Kelty)

COUNCIL BUSINESS – REGULAR SESSION:

6. Consideration and possible action on approving Ordinance No. 2020-2605 on the new Water/Sewer Rate. **(Russell)**
7. Record for receipt the certified values from the Brazoria County Tax Assessor used in calculating the No-New-Revenue Tax Rate and Voter-Approval Tax Rate for the 2020 tax year. **(Russell)**
8. Consideration of and action on setting the City of Freeport proposed 2020 tax rate, setting public hearing (if necessary), and directing staff to publish the Notice of Proposed 2020 Tax Rate. **(Russell)**
9. Consideration and possible action regarding proposal for balancing HVAC at City Hall. **(Petty)**

WORK SESSION:

10. **The City Council may deliberate and make inquiry into any item listed in the Work Session.**
 - A. Mayor Brooks Bass announcements and comments.
 - B. Councilman Green Ward A announcements and comments.
 - C. Councilman Cain Ward B announcements and comments.
 - D. Councilwoman Loeza Ward C announcements and comments.
 - E. Councilman Yates Ward D announcements and comments.
 - F. City Manager Tim Kelty announcements and comments.
 - G. Updates on current infrastructure.
 - H. Update on reports / concerns from Department heads.

CLOSED SESSION:

11. Executive Session regarding a.) (Potential Litigation) consultation with city attorney, b.) (Deliberations about Real Property), in accordance with Vernon's Texas Government Code Annotated, Chapter 551, Sections 551.071, 551.072.

COUNCIL BUSINESS – REGULAR SESSION:

12. Consideration and possible action on the sale or transfer of property located at 212 East Park Avenue. **(Kelty)**

ADJOURNMENT:


13. Adjourn.
-

Items not necessarily discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

ACCESSIBILITY STATEMENT This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 233-3526.

CERTIFICATE I certify the foregoing notice was posted in the official glass case at the rear door of the City Hall, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, before 6:00 p.m. in accordance with Open Meetings Act.


Betty Wells, City Secretary
City of Freeport, Texas



City Council Agenda Item # 2

Title: Presentation by Perdue, Brandon, Fielder, Collins and Mott, L.L.P. regarding Collections.

Date: August 17, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

N/A

Item Summary:

Presentation by Michael J. Darlow with Perdue Brandon Fielder Collins & Mott, LLP regarding Collections Report.

Background Information:

Perdue Brandon collects delinquent taxes, liens and court fines and fees on behalf of the City.

The City's Collection of Delinquent Taxes contract allows Perdue Brandon to enforce by suit or otherwise, the collection of all delinquent taxes, penalty and interest. Taxes that are delinquent as of July 1st each year are turned over to Perdue Brandon for collection.

The City's Collection of Mowing, Demolition & Paving Liens and/or Assessments contract allows Perdue Brandon to use reasonable and necessary legal steps to effect collections of mowing, demolition and paving liens and/or assessments due to City.

Special Considerations:

N/A

Financial Impact:

Perdue, Brandon, Fielder, Collins and Mott, L.L.P. receives fees directly paid by the account holders; therefore, there are not direct costs associated with their services.

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Collection Report by Michael J. Darlow, Perdue Brandon Fielder Collins & Mott, LLP



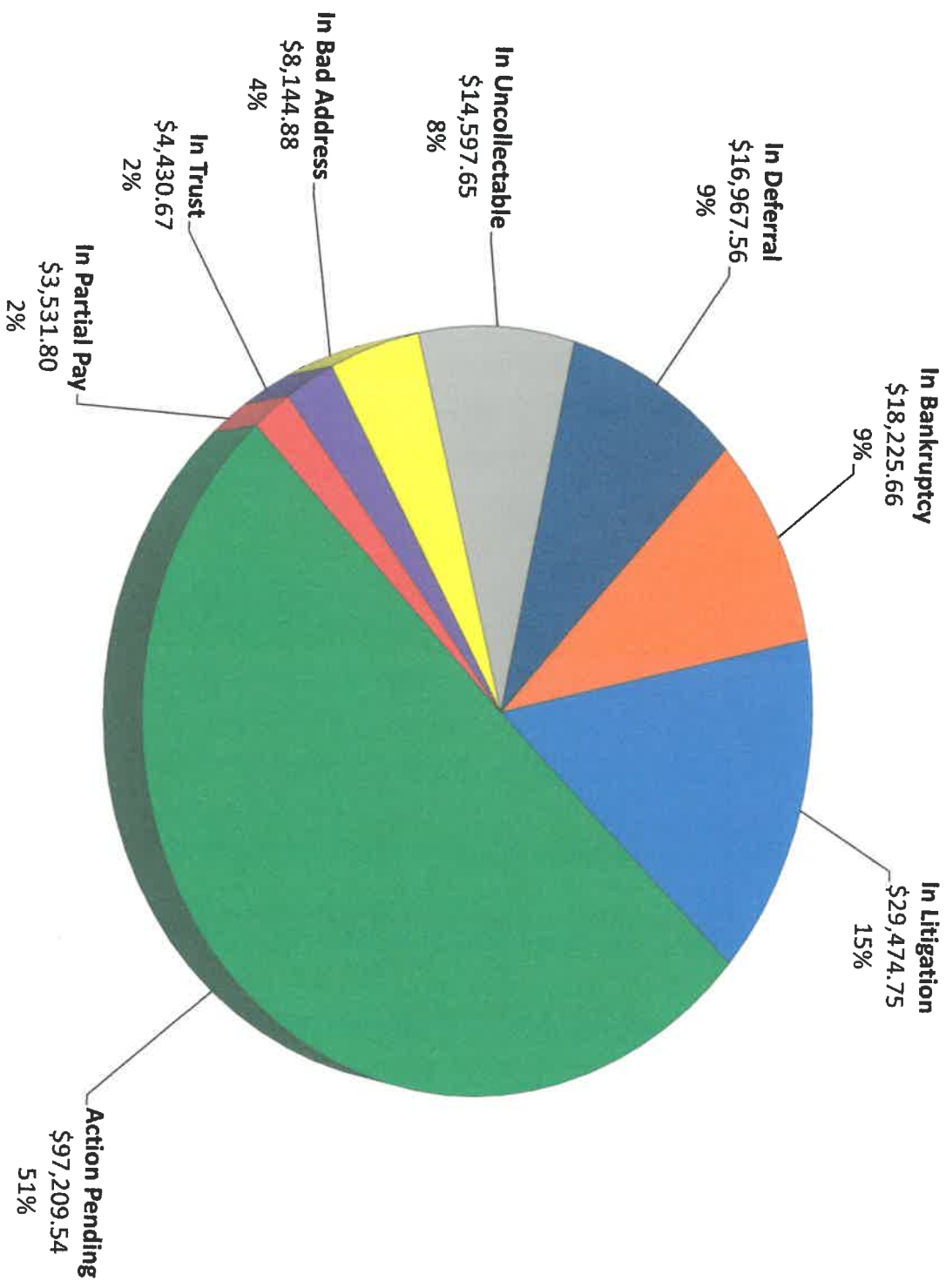
Collection Report to the City of Freeport

Submitted by: Michael J. Darlow
Perdue Brandon Fielder Collins & Mott, LLP
www.pbfcml.com



August 2020

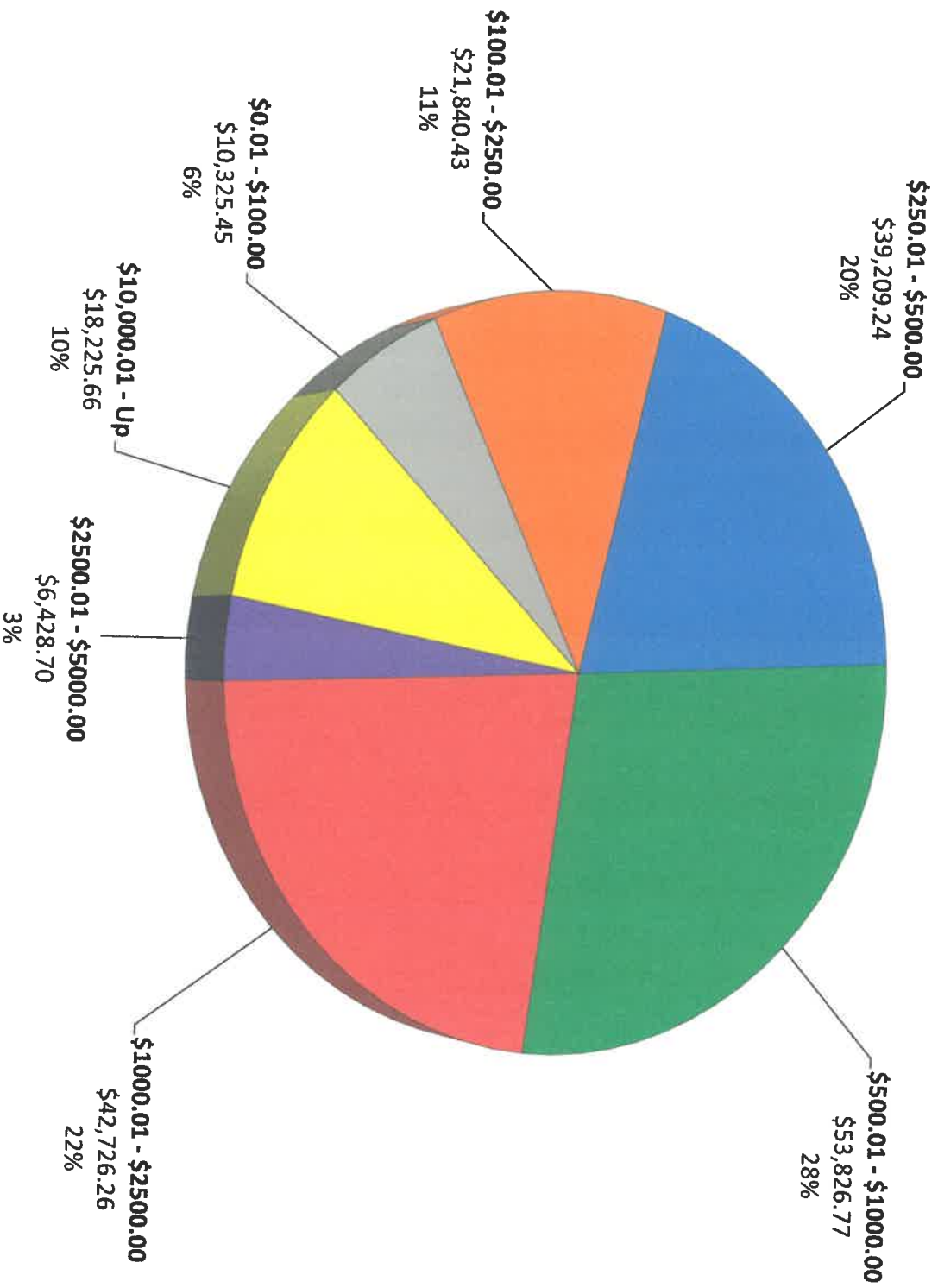
Account Break Down Chart For
City of Freeport



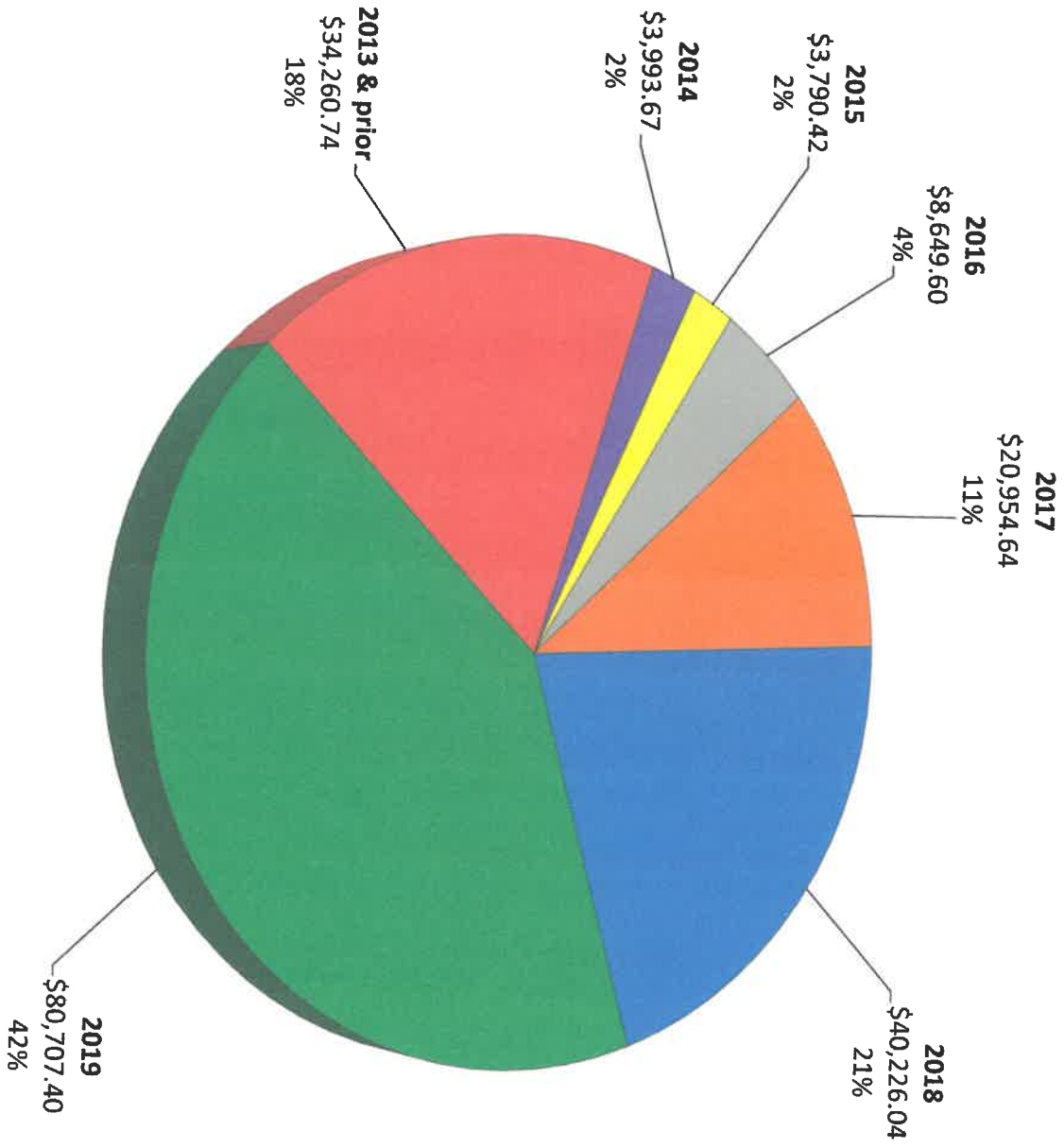
As Of 8/6/2020

Total Base Tax: \$192,582.51

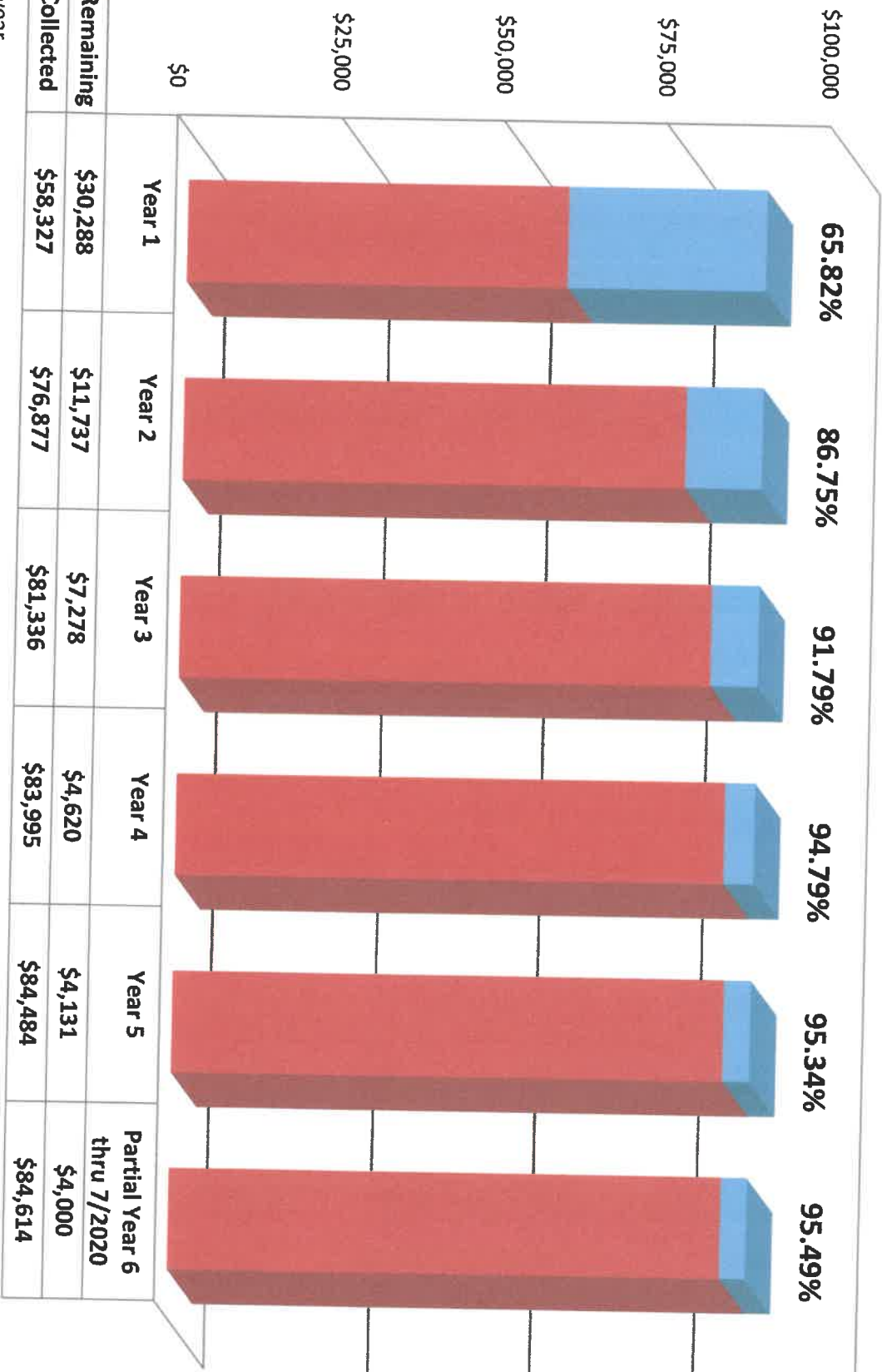
Dollar Range Chart For
City of Freeport



**Tax Year Chart For
City of Freeport**



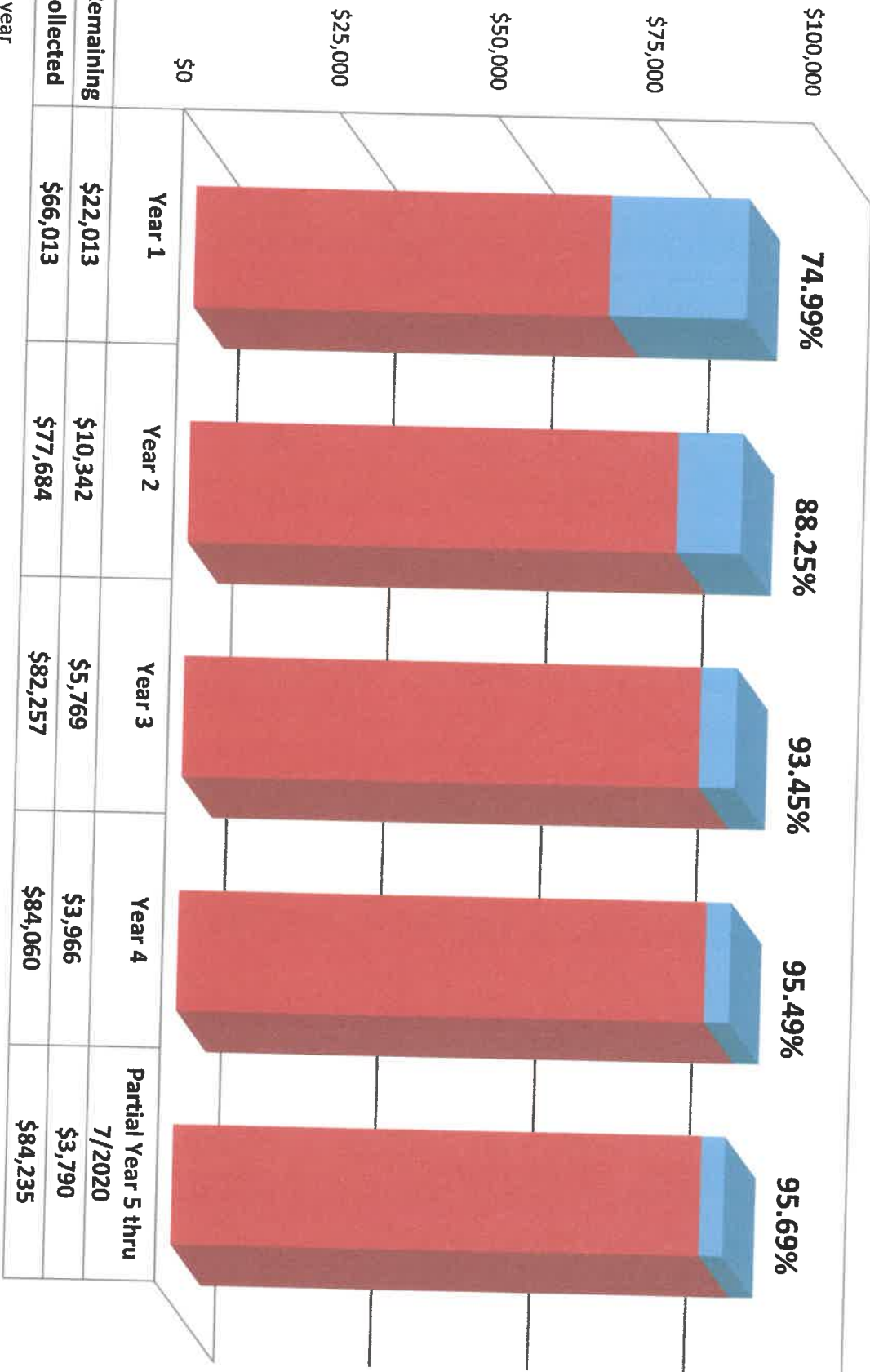
**CITY OF FREEPORT
2014 Percentage of Collection**



7/1 -6/30 for each year

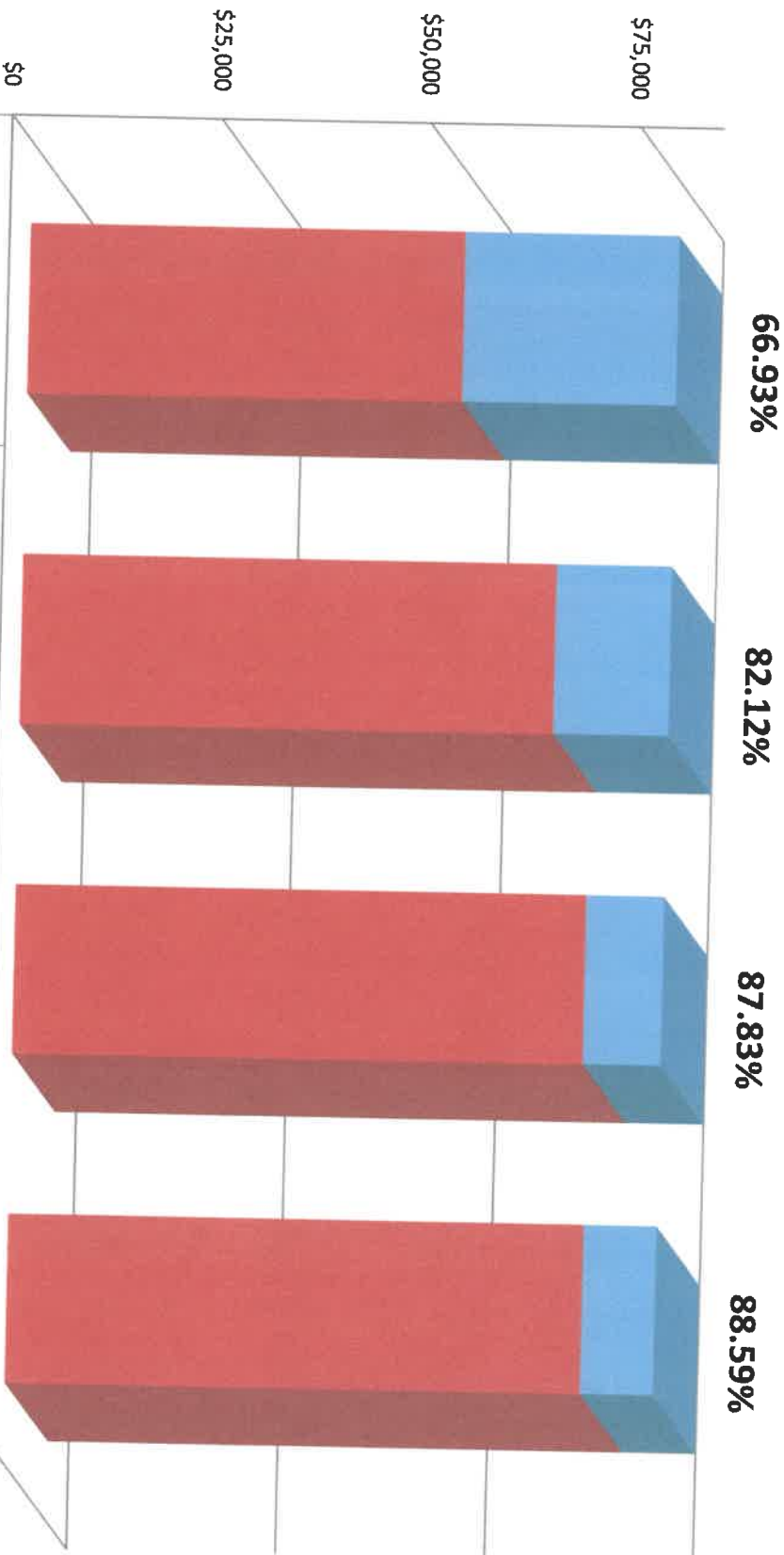
Initial Outstanding Base Tax \$88,615 - as of 7/1/15

**CITY OF FREEPORT
2015 Percentage of Collection**



7/1 -6/30 for each year
Initial Outstanding Base Tax \$88,026 - as of 7/1/16

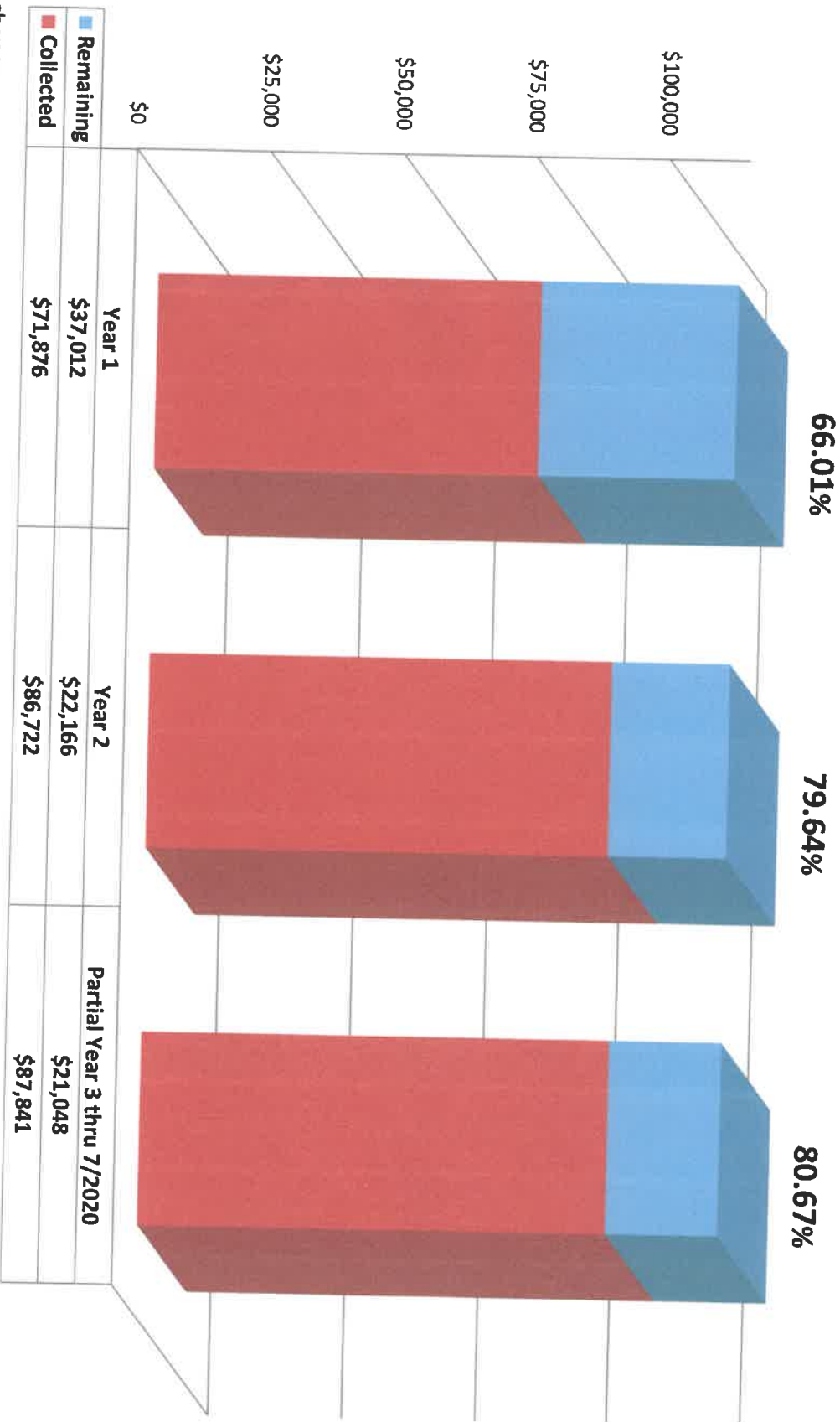
**CITY OF FREEPORT
2016 Percentage of Collection**



	Year 1	Year 2	Year 3	Partial Year 4 thru 7/2020
Remaining	\$25,610	\$13,848	\$9,425	\$8,835
Collected	\$51,831	\$63,593	\$68,016	\$68,606

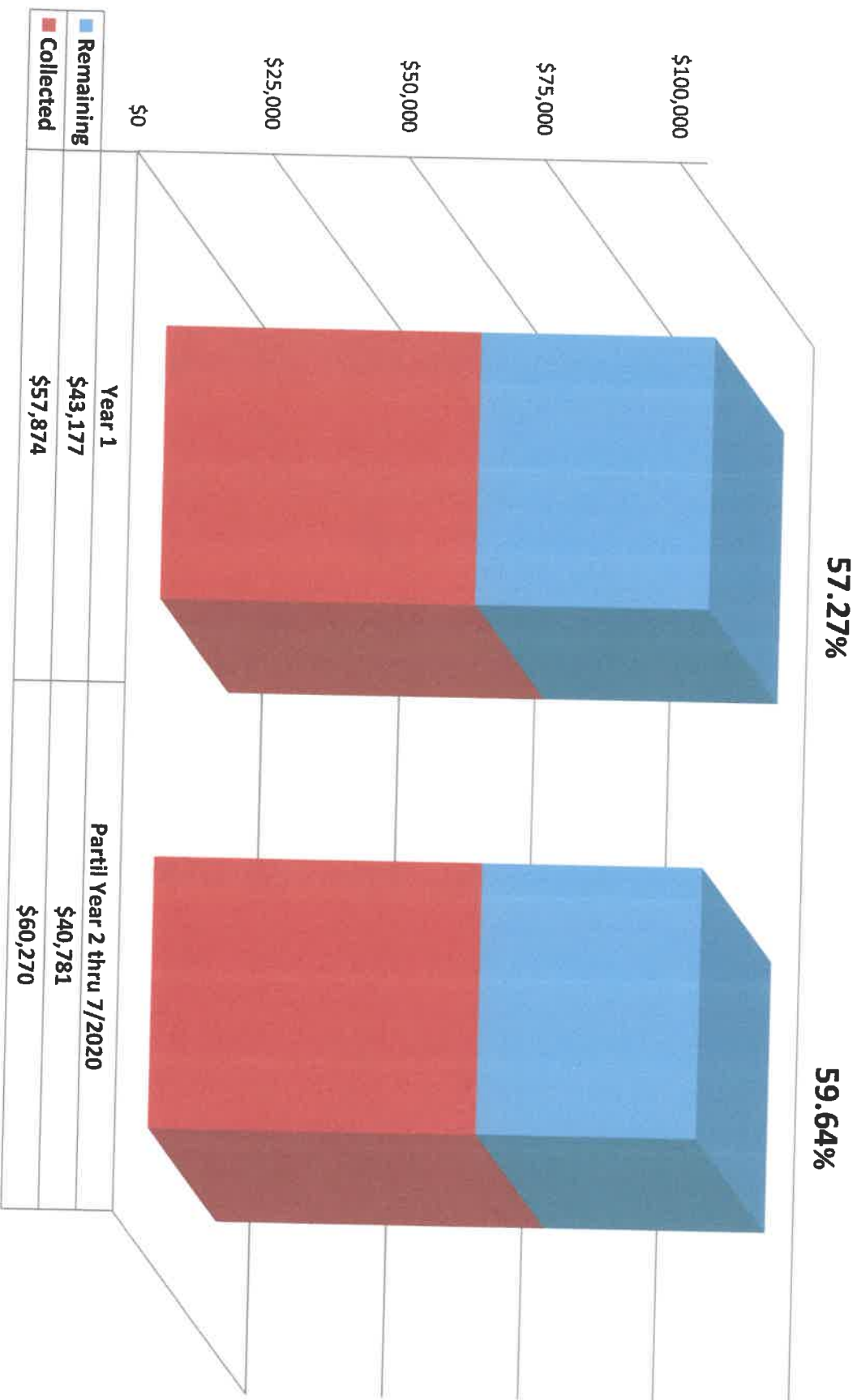
7/1 -6/30 for each year
Initial Outstanding Base Tax \$77,441 - as of 7/1/17

**CITY OF FREEPORT
2017 Percentage of Collection**



7/1 -6/30 for each year
Initial Outstanding Base Tax \$108,888 - as of 7/1/18

**CITY OF FREEPORT
2018 Percentage of Collection**



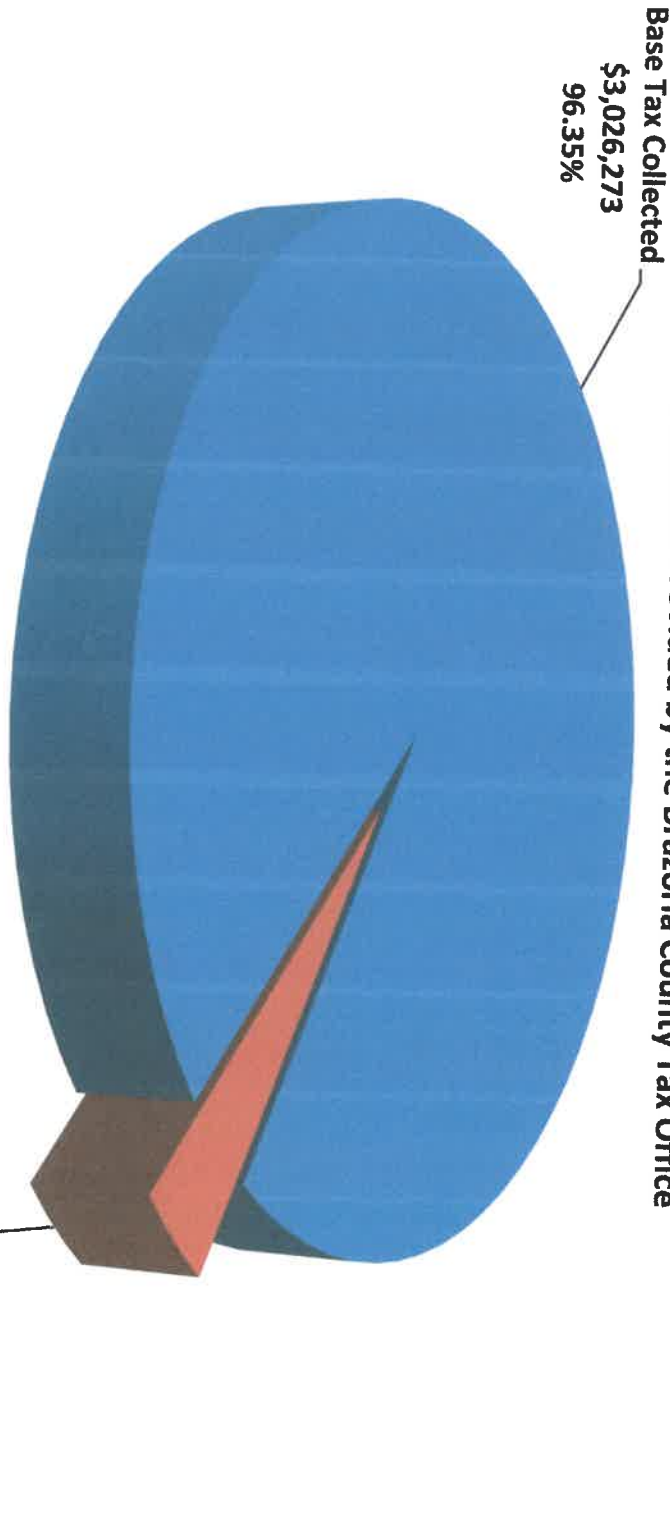
7/1 -6/30 for each Year

Initial Outstanding Base Tax \$101,052 - as of 7/1/19

CITY OF FREEPORT

2019 Tax Year - Tax Collections
\$3,140,910 Total Levy of 2019 Base Tax*

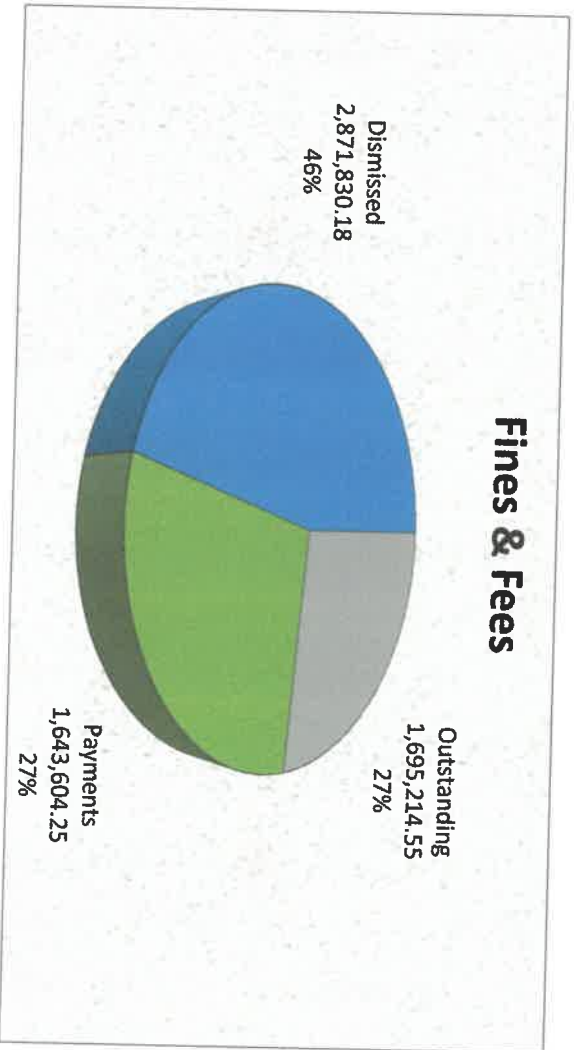
*Amounts Provided by the Brazoria County Tax Office



Total Levy	Base Tax Collected as of June 30, 2020	Base Tax Remaining as of June 30, 2020
\$3,140,910	\$3,026,273 96.35%	\$114,637 3.65%

Perdue, Brandon, Fielder, Collins, & Mott L.L.P
 Fine and Fee Collection Report as of August 6, 2020
 City of Freeport

Total Turnover		Payments and/or Partial Payments			Dismissed/Cleared			Total \$ %	Address	Letters	Phone #	Phone
\$	#	\$	#	% of \$	\$	#	% of \$	cleared	Correction	Mailed	Changes	Contacts
6,210,648.98	14,796	1,643,604.25	8,786	26.46%	2,871,830.18	16,940	46.24%	72.70%	9,077	50,907	7,158	15,860



Docket Age Summary

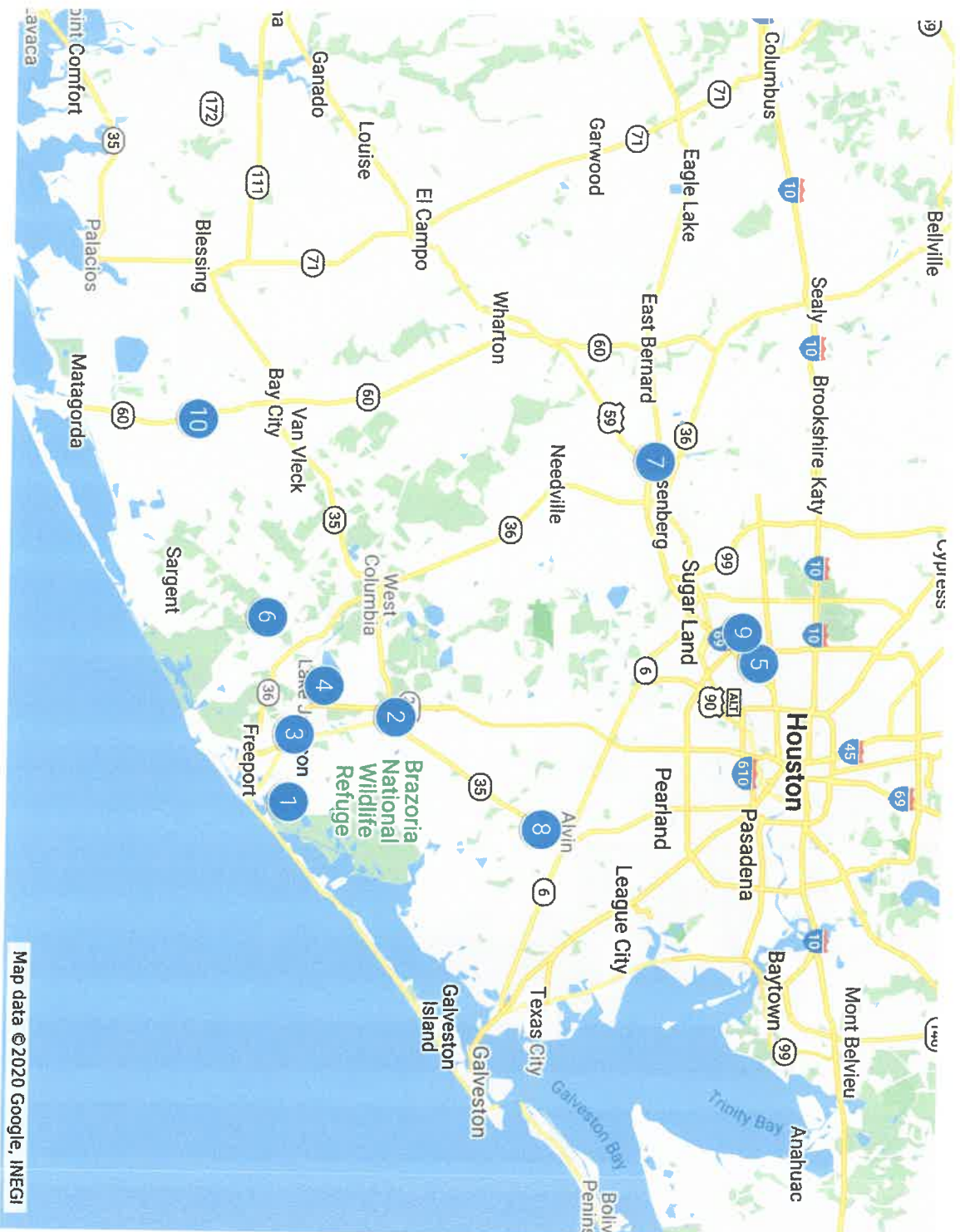
Freepport City Fines And Fees

Year of Offense	Offense Age In Years	Total Dollar Amount		Total Dollar Amount Due		Total Dollar Amount Paid		Percent Paid		Total Dollar Amount Non Cash		Percent Non Cash		Total Dollar Amount Liquidated		Percent Liquidated	
		Turned Over	Turned Over	Amount Due	Amount Due	Amount Paid	Amount Paid	Percent Paid	Percent Paid	Cash	Cash	Percent Non Cash	Percent Non Cash	Liquidated Amount	Liquidated Amount	Percent Liquidated	Percent Liquidated
1978	42	\$255.60	\$255.60	\$0.00	\$0.00	\$163.00	\$163.00	63.77%	63.77%	\$92.60	\$92.60	36.23%	36.23%	\$255.60	\$255.60	100.00%	100.00%
1992	28	\$305.50	\$305.50	\$305.50	\$305.50	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00	0.00%	0.00%	\$0.00	\$0.00	0.00%	0.00%
2000	20	\$478.81	\$478.81	\$0.00	\$0.00	\$300.00	\$300.00	62.66%	62.66%	\$178.81	\$178.81	37.34%	37.34%	\$478.81	\$478.81	100.00%	100.00%
2002	18	\$6,345.90	\$6,345.90	\$300.00	\$300.00	\$4,537.00	\$4,537.00	71.49%	71.49%	\$1,508.90	\$1,508.90	23.78%	23.78%	\$6,045.90	\$6,045.90	95.27%	95.27%
2003	17	\$287,223.21	\$287,223.21	\$0.00	\$0.00	\$36,463.54	\$36,463.54	12.70%	12.70%	\$250,759.67	\$250,759.67	87.30%	87.30%	\$287,223.21	\$287,223.21	100.00%	100.00%
2004	16	\$303,812.02	\$303,812.02	\$0.00	\$0.00	\$48,737.03	\$48,737.03	16.04%	16.04%	\$255,074.99	\$255,074.99	83.96%	83.96%	\$303,812.02	\$303,812.02	100.00%	100.00%
2005	15	\$214,752.36	\$214,752.36	\$9,451.20	\$9,451.20	\$45,417.03	\$45,417.03	21.15%	21.15%	\$159,884.13	\$159,884.13	74.45%	74.45%	\$205,301.16	\$205,301.16	95.60%	95.60%
2006	14	\$256,094.41	\$256,094.41	\$64,796.56	\$64,796.56	\$76,753.12	\$76,753.12	29.97%	29.97%	\$114,544.73	\$114,544.73	44.73%	44.73%	\$191,297.85	\$191,297.85	74.70%	74.70%
2007	13	\$430,766.62	\$430,766.62	\$124,243.23	\$124,243.23	\$129,263.32	\$129,263.32	30.01%	30.01%	\$177,260.07	\$177,260.07	41.15%	41.15%	\$306,523.39	\$306,523.39	71.16%	71.16%
2008	12	\$523,345.99	\$523,345.99	\$94,647.87	\$94,647.87	\$145,208.93	\$145,208.93	27.75%	27.75%	\$283,489.19	\$283,489.19	54.17%	54.17%	\$428,698.12	\$428,698.12	81.91%	81.91%
2009	11	\$476,424.81	\$476,424.81	\$65,308.74	\$65,308.74	\$141,534.53	\$141,534.53	29.71%	29.71%	\$269,581.54	\$269,581.54	56.58%	56.58%	\$411,116.07	\$411,116.07	86.29%	86.29%
2010	10	\$277,055.22	\$277,055.22	\$79,747.57	\$79,747.57	\$84,917.62	\$84,917.62	30.65%	30.65%	\$112,390.03	\$112,390.03	40.57%	40.57%	\$197,307.65	\$197,307.65	71.22%	71.22%
2011	9	\$415,478.06	\$415,478.06	\$104,106.48	\$104,106.48	\$133,876.74	\$133,876.74	32.22%	32.22%	\$177,494.84	\$177,494.84	42.72%	42.72%	\$311,371.58	\$311,371.58	74.94%	74.94%
2012	8	\$387,579.17	\$387,579.17	\$85,883.82	\$85,883.82	\$135,171.55	\$135,171.55	34.88%	34.88%	\$166,523.80	\$166,523.80	42.97%	42.97%	\$301,695.35	\$301,695.35	77.84%	77.84%
2013	7	\$426,153.25	\$426,153.25	\$95,566.55	\$95,566.55	\$134,365.35	\$134,365.35	31.53%	31.53%	\$196,221.35	\$196,221.35	46.04%	46.04%	\$330,586.70	\$330,586.70	77.57%	77.57%
2014	6	\$451,593.39	\$451,593.39	\$119,871.65	\$119,871.65	\$146,131.49	\$146,131.49	32.36%	32.36%	\$185,590.25	\$185,590.25	41.10%	41.10%	\$331,721.74	\$331,721.74	73.46%	73.46%
2015	5	\$588,641.42	\$588,641.42	\$187,700.99	\$187,700.99	\$172,723.90	\$172,723.90	29.34%	29.34%	\$228,216.53	\$228,216.53	38.77%	38.77%	\$400,940.43	\$400,940.43	68.11%	68.11%
2016	4	\$501,143.44	\$501,143.44	\$215,832.25	\$215,832.25	\$117,233.01	\$117,233.01	23.39%	23.39%	\$168,078.18	\$168,078.18	33.54%	33.54%	\$285,311.19	\$285,311.19	56.93%	56.93%
2017	3	\$429,948.07	\$429,948.07	\$253,788.59	\$253,788.59	\$74,035.00	\$74,035.00	17.22%	17.22%	\$102,124.48	\$102,124.48	23.75%	23.75%	\$176,159.48	\$176,159.48	40.97%	40.97%
2018	2	\$184,320.72	\$184,320.72	\$149,980.71	\$149,980.71	\$16,100.32	\$16,100.32	8.73%	8.73%	\$18,239.69	\$18,239.69	9.90%	9.90%	\$34,340.01	\$34,340.01	18.63%	18.63%
2019	1	\$48,931.01	\$48,931.01	\$43,682.84	\$43,682.84	\$671.77	\$671.77	1.37%	1.37%	\$4,576.40	\$4,576.40	9.35%	9.35%	\$5,248.17	\$5,248.17	10.73%	10.73%
		\$6,210,648.98	\$6,210,648.98	\$1,695,214.55	\$1,695,214.55	\$1,643,604.25	\$1,643,604.25	26.46%	26.46%	\$2,871,830.18	\$2,871,830.18	46.24%	46.24%	\$4,515,434.43	\$4,515,434.43	72.70%	72.70%

City Of Freeport Top 10 Bad Address Accounts By Zip Code

FreeportCity_Bad.xlsx

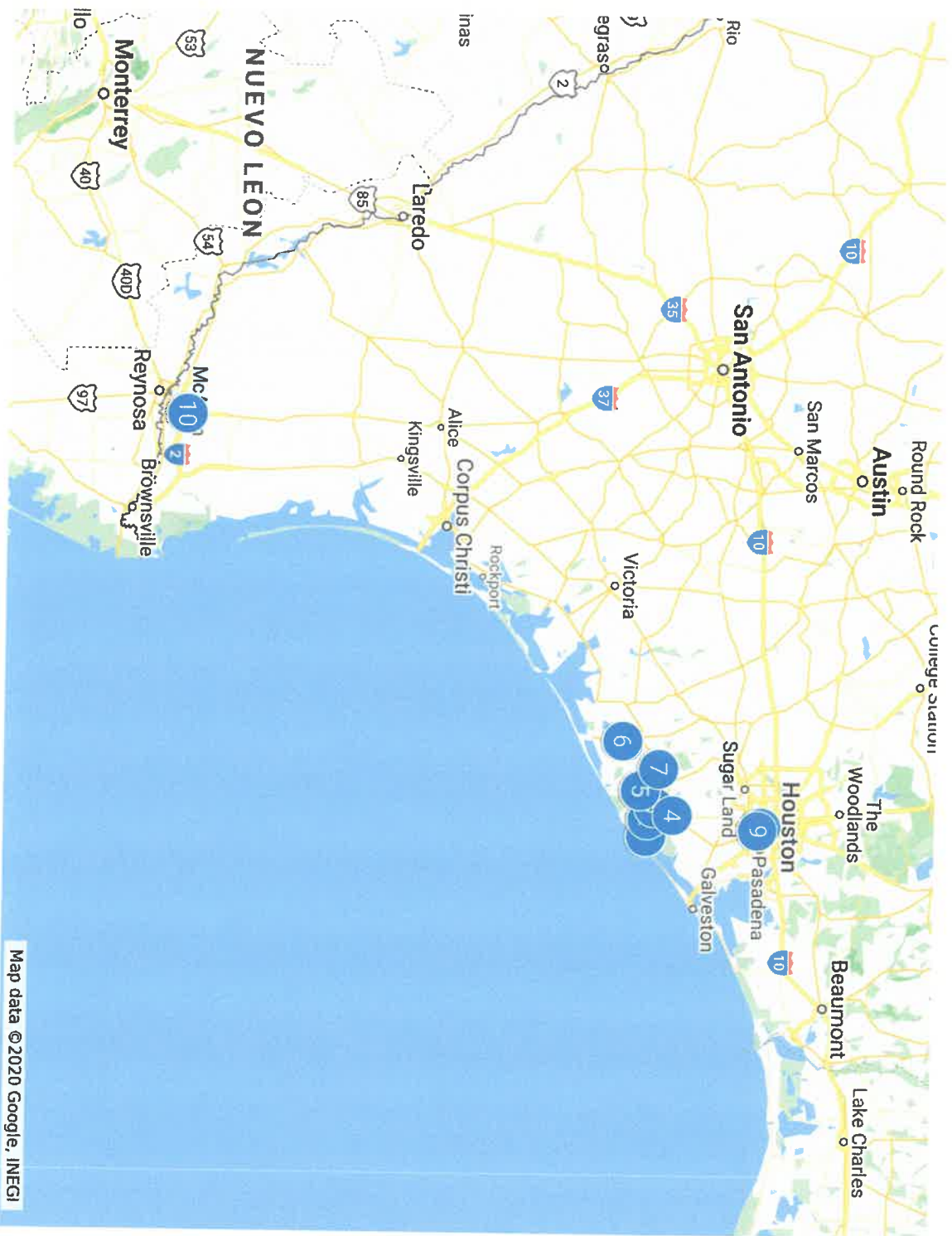
- 1 77541 - \$83350.61(105)
- 2 77515 - \$9531.58(12)
- 3 77531 - \$7398.08(12)
- 4 77566 - \$11531.15(11)
- 5 77036 - \$3073.59(4)
- 6 77422 - \$2510.33(4)
- 7 77471 - \$2077.40(4)
- 8 77511 - \$2710.46(4)
- 9 77099 - \$2571.79(3)
- 10 77414 - \$1609.66(3)



City Of Freeport Top 10 Accounts By Zip Code

FreeportCity_Valid.xlsx

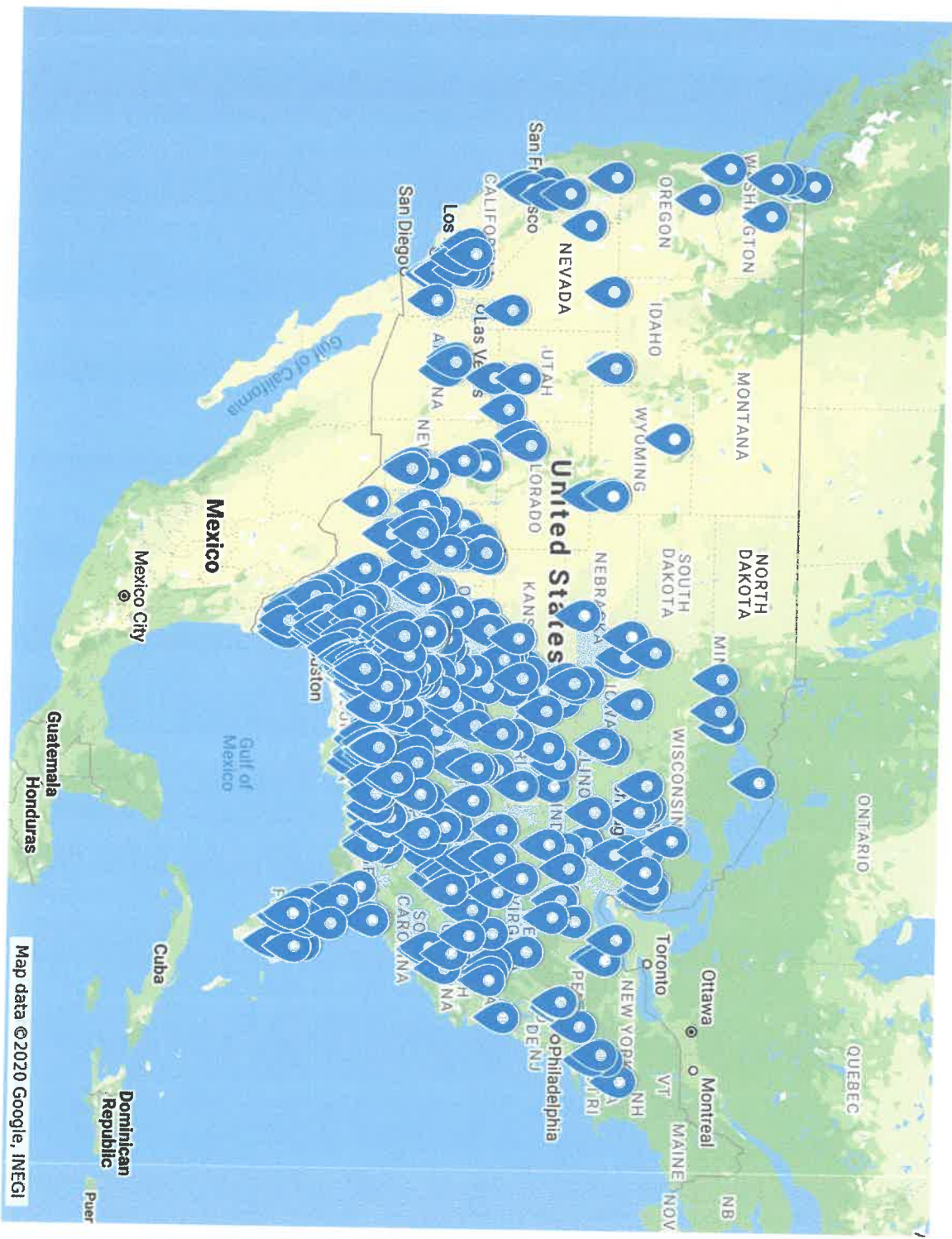
- 1 77541 - \$252398.03(356)
- 2 77531 - \$76822.25(107)
- 3 77566 - \$62621.71(88)
- 4 77515 - \$49678.84(72)
- 5 77422 - \$26132.23(44)
- 6 77414 - \$10114.02(15)
- 7 77480 - \$13898.08(15)
- 8 77021 - \$13225.19(13)
- 9 77033 - \$6523.60(13)
- 10 78589 - \$10735.19(13)



City Of Freeport All Accounts

FreeportCity_All.xlsx

All Items



***Proclamation of the City of Freeport Texas
Honoring the Work, Community Service and Life
of Carlos Alberto Martinez, Sr.***

Whereas, Carlos Alberto Martinez "Sr." left this earth on Wednesday, July 29, 2020;
and,

Whereas, Carlos Alberto Martinez "Sr." was a dedicated and respected leader of the
Freeport Community; and,

Whereas, he was a dedicated husband to his wife Cynthia, and loving father to his two
children; and

Whereas, he served as Branch Manager at the Freeport Branch of Triplex, Inc. for over
twenty years serving his customers with the company moto "quality", "service", and
'integrity", and demonstrating the love and value he placed on his Triplex, Inc. family;
and,

Whereas, He proudly served the City of Freeport as a Member of City Council Ward D
for the years of 2001-2003, and prior to that served as a valued member of the
Freeport Economic Development Corporation Board, and:

Whereas, His compassion for our youth in the community led him to serve as a softball
coach and board member for the Freeport Softball Association, as well as serving as
an umpire and President of the Freeport Little League.

Now, Therefore, I Brooks Bass, Mayor of Freeport, do hereby Proclaim Monday,
August 17, 2020 as CARLOS ALBERTO MARTINEZ, SR. DAY in Freeport, Texas

*In witness thereof, I have set my hand hereunto and caused the seal of the City of
Freeport to be affixed this 17th day of August, 2020.*

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, August 3, 2020 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council: Mayor Brooks Bass: Absent
Councilman Jerry Cain
Councilman Ken Green
Councilwoman Sandra Loeza
Councilman Roy E. Yates

Staff: Tim Kelty, City Manager
Stephanie Russell, Assistant City Manager
Betty Wells, City Secretary
Laura Tolar, Assistant City Secretary/ Special Projects Coordinator
Chris Duncan, City Attorney
Brenda Miller-Ferguson, Human Resource Director Via teleconference
LeAnn Strahan, Freeport Destination Director Via teleconference
Chris Motley, Freeport Fire Chief
Billy Shoemaker, Director for Building and Code
Lance Petty, Freeport Public Works Director
Kim Townsend, Facility Supervisor
Clarisa Molina, Administrator Assistant Via teleconference

Visitors:

Melanie Oldham	Ruben Renobato
Manning Rollerson	Kenneth Hayes
Marinell Music	Karen Downing
Ed Garcia	David McGinty
Tommy Pearson	Sam Reyna
Sylvia Davila	Jessie Parker
Jeff Pena	

Visitors, Via Teleconference:

Vander Williams	M. Washington
Blomquis Garcia	Kelle Odom (Grant Works)
Chase Eastland (Masterson)	Roc Cantu
Drew Masterson (Masterson)	Kristin Blomquist (Masterson)

Call to order.

Mayor Pro Tem, Sandra Loeza called the meeting to order at 6:15 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Invocation and the Pledge was led by City Manager Tim Kelty.

Citizen's Comments

Tommy Pearson 225 S. Front, spoke of his concerns of the water pumps, between Superior Fab. He said that the city has had problems with these pumps in the past. He asked if engineers are working on the electrical for these pumps, will we have the same number of pumps, will there be waterproofing of the bearings and electrical, will there be a switch gear for when there is a power outage.

Kenneth Hayes 223 S. Front, said that he is pleased with all the storm prep that has been done by Mr. Kelty, Lance Petty and all the public workers. He said it was nice seeing all the pumps up and ready to go.

Manning Rollerson 126 West 6, said that he received an email that Troy Brimage had applied for a job at the Freeport Police Department. He said that he has filed a complaint against Mr. Brimage, and nothing has been done. He also asked how the citizens know what the candidates will do, when we aren't talking about anything that will be done.

Sam Reyna 2002 N Ave. G, he spoke to council about a Public Information Request that he submitted on June 10. He passed out the information that he was given.

Jessie Parker 323 East 7th, she spoke to council about the condition of streets in the East End, she said that she has lost two tires in two weeks. She said that there is grass growing out of the streets. Ms. Parker said that her Councilman does nothing for her Ward.

Melanie Oldham 922 West 5th, spoke of Port Freeport, the Eminent Domain and the East End. She said that there has been no improvement on infrastructure on the East End. She said City Council needs to do the right thing. Ms. Oldham said that the city needs to hire an Eminent Domain Attorney. She also said that we do not need to allow trucks to go down 2nd or 5th Street.

Merinell Music 126 Dutch Lane, Oyster Creek, spoke to council about her lease agreement with the City. She said that she would like the property to be transferred to the EDC, so that they can sell and she would be interested in trying to purchase the property. She said that the new lease, is a standard commercial lease for one year with no option to renew. Ms. Music spoke of her concerns on the proposed lease agreement.

Jeff Pena 224 West Park, spoke to council about the developments of downtown freeport. He said there needs to be a clear and sensible policy when it comes to City of Freeport owning and leasing any property. He said that there have been two businesses that have left the downtown area, Captain Ken's Bar and Grill and Roc's Kitchen. He spoke on the COVID-19 numbers, and said that Brazoria County has the highest numbers. He said there needs to be enforcement rules on the mask. He thanked the City for the lights and the flag in downtown.

PRESENTATIONS/ANNOUNCEMENTS: Announcements by Mayor, City Council and/or Staff

Emergency management briefing COVID-19.

Freeport Fire Chief Chris Motley said that there were 143 tests done at the Freeport Park for the COVID-19 screening. He said that Freeport had higher numbers over the weekend, and it is possibly from the testing. He said that we need to keep educating everyone, and to wash our hands with soap and water, wear our mask, and social distance. He said that we have to follow the rules. Chief Motley said that the supplies are good.

Freeport Police Department, Captain Danny Gillchriest said that the Police Department is still doing good, and is working great. He said that there are no issues with the public wearing masks.

Presentation of the Investment Report for the quarter ending June 30, 2020.

Assistant City Manager Stephanie Russell presented to council the Investment Report for the quarter ending June 30, 2020.

There was no questions or comments on this presentation from council or citizens.

CONSENT AGENDA

Consideration and possible action on the approval of City Council meeting minutes from July 20, 2020.

Consider and approving Resolution No. 2020-2639 adopting the actions of the City of Freeport Employee Benefit Trust

Consideration and possible action approving Ordinance No 2020-2604 amending school zone times.

Consideration and possible action approving Resolution No. 2020-2640 for the revision of Chapter 9 in the Personnel Policy Handbook.

Consideration and possible action on approving Resolution No. 2020-2641 for temporary policy for the COVID Call-Pay Policy for First Responders.

Consideration and possible action approving Resolution No. 2020-2642 appointing/re-appointing a member to the BWA Board.

On a motion by Councilman Yates, seconded by Councilman Green, with all present voting "Aye" 4-0 Council unanimously approved the Consent Agenda.

REGULAR SESSION

Public Hearing: Pubic Hearing and possible action on Jenkins Tone Road Subdivision.29.48 Acres- 4 Lots a Subdivision Plat of a 29.48 Acre Tract Consisting of a Called 14.19 Acre Tract Out of a 14.82 Acre Tract Out of Lot 6 In Tract 3, Division 18 of The S.F. Austin 7-1/3 Leagues Grant, Abstract 20, Brazoria County, Texas.

Public Hearing: Pubic Hearing and possible action on a Replat of Lot 453, Block 3 formerly known as lots 453 & 454, Block 3 (2.144 Acres). of Bar "X" Ranch Section two recorded in Volume 16, Pages 119-128 of The Brazoria County Plat Records in The Samuel Carter League Abstract 53 Brazoria County, Texas July 2020.

Mayor Pro Tem Sandra Loeza said that item number's nine & ten will have no action.

City Manager Tim Kelty said that these are public hearings for minor replats, in the ETJ. There was no quorum at the Planning and Zoning Public Hearing so there was no action taken. Mr. Kelty said that State Law says we have a certain amount of time to act, and there will not be enough time for Public Hearings to be rescheduled on these minor replats. After thirty days they are automatically approved. He said that he feels very confident that these replats would have been approved.

No action taken on the Public Hearings.

Consideration of adopting Ordinance No. 2020-2602 amending regulations on substandard and unsafe structure abatement.

Billy Shoemaker, Freeport Building/Code Director presented to council Ordinance No. 2020-2602 amending regulations on substandard and unsafe structure abatement. Mr. Shoemaker said that this has been brought before Council a few times, as well as the Mayor, and Legal Counsel to make sure that all documentation has been corrected to everyone's satisfaction. City Manager Tim Kelty said that the language has been changed on the probable cause and notice requirements. Mr. Kelty said that rather than creating a new Building Standards Board, these cases will go to the Board of Adjustments. He said that this ordinance is for structures that are unsafe and needs significant work.

Mayor Pro Tem, Sandra Loeza asked if this is for both commercial and residential buildings? Mr. Shoemaker said this is for all structures in the City Limits.

Councilman Yates asked how to file a complaint? Mr. Shoemaker said you call the Code Department at City Hall. Mr. Yates asked if there is a record required for the complaint? Mr. Shoemaker said that the person filing the complaint may remain anonymous. He said that there will be written complaints issued and there will be a paper trail, as well as computer software where all records will be input. There will be a record of every complaint that is filed. Mr. Kelty said that every complaint can be looked up by a complaint number.

On a motion by Councilman Cain, seconded by Councilman Yates, with all present voting "Aye" 4-0 Council unanimously approved adopting Ordinance No. 2020-2602 amending regulations on substandard and unsafe structure abatement.

Consideration and possible action regarding proposal for HVAC improvements at Police Department.

Public Works Director, Lance Petty presented to council the proposal for HVAC improvements at the Police Department. He said that this will replace the chiller system. He said that the proposal is from Comfort USA, and it is for a 30-ton unit, and in the amount of \$64,962.29.

Mayor Pro Tem asked how long the warranty is for. Mr. Petty was unable to give this information, but said that he will get the information.

Councilman Green asked approximately how old the unit is? Mr. Petty said that he is not sure.

On a motion by Councilman Green, seconded by Councilman Cain, with all present voting "Aye" 4-0 Council unanimously approved the proposal for HVAC improvements at Police Department, with the condition of at least a two-year warranty.

Consideration of approving Task Authorization #13 with Freese and Nichols for development and submission of an Application to the Texas Water Development Board.

City Manager Tim Kelty presented to council Task Authorization #13 with Freese and Nichols for development and submission of an Application to the Texas Water Development Board. He said that we have been approved at the preliminary level, and the full application is due by the first of November. He said that the application is very extensive process.

Melanie Oldham asked if the City did get the funding, will the city have to come up with the eleven percent match? City Manager Tim Kelty said that there is not an eleven percent match, but part of this funding is a loan.

On a motion by Councilman Yates, seconded by Councilman Cain, with all present voting "Aye" 4-0 Council unanimously approved Task Authorization #13 with Freese and Nichols for development and submission of an Application to the Texas Water Development Board.

Consideration and possible action awarding Request for Proposals (RFP) #2005 for CDBG Disaster Mitigation Grant Administration.

Assistant City Manager Stephanie Russell presented to council the request for proposals for awarding (RFP) #2005 for CDBG Disaster Mitigation Grant Administration. Ms. Russell said that there were five proposals. She said that staff recommends awarding to Grant Works, based on their criteria.

On a motion by Councilman Cain, seconded by Councilman Green, with all present voting "Aye" 4-0 Council unanimously approved awarding Request for Proposals (RFP) #2005 for CDBG Disaster Mitigation Grant Administration.

Consideration and possible action on approving Ordinance No. 2020-2605 on the new Water/Sewer Rate.

Assistant City Manager Stephanie Russell, presented to council Ordinance No. 2020-2605 on the new Water/Sewer Rate. She said that this 16 % increase was previously presented to council in April 2020. She said that this new rate will begin in October 1, 2021. Ms. Russell said that staff recommends that council approve this ordinance now to give the public ample notice of the increase.

Ed Garcia 1924 North G, he said that he is against this ordinance. He said with the pandemic and the unemployment, he feels that this is unfair. He said that he hopes that council will reconsider this ordinance. He also spoke on funds that DOW and LNG gave to the city.

Mrs. Yates asked if there was a rate increase recently, and she asked how much the percentage was? Ms. Russell said that there was a rate increase in 2019, and was not sure of the percentage.

Melanie Oldham 922 West 5th, said that 16% is too large of an increase.

Councilman Green, asked if the fees that are collected in sewer and water help cover infrastructure expense of the city's water and sewer utility? Ms. Russell said yes, they pay directly to support the improvements that will be made over the next few years.

City Manager Tim Kelty said that the public has demanded necessary improvements to the water and sewer. He said that the infrastructure has been neglected for years, and this means there is a lot of work

to do. He also said that the utility fund is supposed to stand on its own. He said that it was in serious financial distress last year.

Councilwoman Loeza asked if the senior citizens receive discounts? Ms. Russell said that the city does not do this but it is something we can look into. Councilwoman Loeza said if we don't increase, then we keep falling further behind. Ms. Russell said yes.

Councilman Yates said we need to pass this rate increase in order to fix the problems.

Councilman Cain said that this was brought several months ago, he said that it was tabled then so that the citizens could participate in this discussion.

On a motion by Councilman Yates, seconded by Councilman Green, with all present voting "Aye" 4-0 Council unanimously tabled approving Ordinance No. 2020-2605 on the new Water/Sewer Rate.

Consideration and possible action approving Ordinance No. 2020-2606 authorizing the issuance of Bonds for streets and drainage.

Assistant City Manager Stephanie Russell presented to council Ordinance No. 2020-2606 authorizing the issuance of Bonds for streets and drainage. She said that is for \$8 million the interest rate is 1.44%. She said that the city received a AA-bond rating. She said that Financial Advisor recommends awarding to Baker Group.

On a motion by Councilman Yates, seconded by Councilman Green, with all present voting "Aye" 4-0 Council unanimously approved Ordinance No. 2020-2606 authorizing the issuance of Bonds for streets and drainage.

Consideration and possible action approving Resolution No. 2020-2643 for Freeport Application to Texas Mainstreet Program

LeAnn Strahan, Freeport Destination Director presented to council Resolution No. 2020-2643 for Freeport Application to Texas Mainstreet Program. She said that staff recommends approval of the resolution to authorize participation in the Texas Main Street program, and designating the City Manager to supervise program activities.

City Manager Tim Kelty said that Ms. Strahan will act in the capacity as Main Street Manager.

On a motion by Councilman Cain, seconded by Councilman Yates, with all present voting "Aye" 4-0 Council unanimously approved Resolution No. 2020-2643 for Freeport Application to Texas Mainstreet Program.

WORK SESSION:

Councilman Green asked when the outriggers will be completed? Mr. Petty said that they should start tomorrow morning on the install. Councilman Green also asked why the trash cans on Broad Street, Park Ave and Oak are so far into the street. He asked when Church's Chicken will open, Billy Shoemaker said in believes in September.

Councilman Cain asked if we have a mosquito truck, and when we can get the city sprayed. Lance Petty said that the spraying has started, and the county has begun to spray as well.

Councilman Yates said that the Fishing Fiesta is put on by the Lions Club, he said that it was limited this year. He said that Ann Johnston was unhappy about the city not supporting her. Mr. Yates said that businesses are leaving the city. He asked about the pumps on Ave A, if there will be funding through the bond for these, and asked if they are being engineered currently? Mr. Tim Kelty said yes.

Councilwoman Loeza said that there is a house on Ave H there is high grass, she said that the house looks vacant. She asked about the shopping strip on Brazosport Boulevard, she said that it is vacant, and is curious if something will be done with the property. Billy Shoemaker said that the owner is talking of demo and rebuilding.

City Manager Tim Kelty said that the streets will be ready for asphalt early September. He announced that the Presentation of the Proposed Budget will be on Thursday August 6, 2020 at 6 P.M.

Update on reports / concerns from Department heads

There was no comment from Department heads.

Open session was closed at 7:50 pm and Council entered into Executive Session.

CLOSED SESSION:

Executive Session regarding a.) (Potential Litigation) consultation with city attorney b.) (Deliberations about Real Property), 212 East Park Ave in accordance with Government Code Annotated, Chapter 551, Sections 551.071, 551.074.

REGULAR SESSION

Mayor Pro Tem Sandra Loeza reconvened regular session at 8:17 P.M.

Consideration and possible action approving lease agreement with Lucy Goose Market

On a motion by Councilman Yates seconded by Councilman Green, with all present voting "Aye" 4-0 Council unanimously approved to table this item until the next Regular Council Meeting.

Adjourn

On a motion by Councilman Cain, seconded by Councilman Yates, with all present voting "Aye", Mayor Pro Tem, Sandra Loeza adjourned the meeting at 8:18 PM.

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, August 10, 2020 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council: Mayor Brooks Bass:
Councilman Jerry Cain:
Councilman Ken Green:
Councilwoman Sandra Loeza:
Councilman Roy E. Yates:

Staff: Tim Kelty, City Manager
Stephanie Russell, Assistant City Manager
Betty Wells, City Secretary
Chris Duncan, City Attorney
Laura Tolar, Assistant City Secretary/ Special Projects Coordinator
LeAnn Strahan, Freeport Destination Director
Chris Motley, Freeport Fire Chief
Brian Dybala, Freeport Golf Course Director
Brenda Ferguson, Freeport Human Resource Director
Lance Petty, Freeport Public Works Director
Clarisa Molina, Administrative Assistant Via Teleconference

Visitors: Jerry Meeks (Veolia) Edmeryl Williams
Melanie Oldham Angie Williams
Mario Muraira Ty Morrow
Ruben Renobato Sam Reyna
Keith Stumbaugh Nick Irene (Facts)
Jessie Parker

Visitors By Teleconference:
John Hoss

Call to order.

Mayor Brooks Bass called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

Invocation was a moment of silence. The Pledge of Allegiance was led by Mayor Brooks Bass.

Citizen's Comments

Melanie Oldham 922 West 5th, had several questions for Council: 1). Will there be department by department discussion tonight? 2) Is the three percent merit raise for everyone, including department heads? 3) Is there money to design and build the promised Community Center, in the budget? 4) Can you explain the \$150,000.00 transfer from water/sewer fund being transferred to the general fund. 5) How much will be paid out to the Heritage House renovation? 6) DOW money, where will this be used? 7) Why do water rates need to be raised to sixteen percent? 8) What are the capital projects?

Mayor Bass told Melanie Oldham we will go through the budget, and we will discuss the questions as they come up.

City Manager Tim Kelty said that the budget is one of the most important things that the city council does on an annual basis. He said that the budget is strong. He said that we have been working on this for several months.

REGULAR SESSION

Budget Presentation for Fiscal Year 2020-2021.

Assistant City Manager, Stephanie Russell presented to council the Budget Presentation for Fiscal Year 2020-2021. She said that this started with the Strategic Plan. She spoke on the streets and drainage being a major goal for the city, along with, solid waste, city hall renovations, city financial software, electronic record, and grant funding. She said that the budget has been put together conservatively because we are uncertain of the impact from the COVID-19 pandemic. She spoke on the utility fund and the repayment to the general fund for the two plus million that the city has put into the utility fund for the past three years. Miss Russell, went through the budget, she gave page numbers for several accounts. She also said there is a summary of the DOW money and how it was used. Miss Russell said that the next step will be to set and propose the tax rate and public hearing. That date will be set at the August 17 council meeting. There will be a workshop for streets and drainage projects on August 31, and the hearings for the Budget and Tax Rate will be September 8, the deadline to approve the Tax Rate to be on the consolidated tax bill is September 20.

Mayor Brooks Bass said that from the last meeting the NNR (No New Revenue) percentage has changed, from the Appraisal District and Ro'Vin Garrett, he asked if there is a something to show the comparison of the two? Miss Russell shared this this information. She also said that this information is on the City's website.

Councilwoman Loeza asked if staff was recommending no new revenue rate, and Stephanie Russell said correct, staff is recommending the No New Revenue Tax Rate.

Mayor Bass asked if anyone had questions on the proposed tax rate, that we are looking at now. There were no questions.

Councilwoman Loeza asked if the sixteen percent rate increase on the water can be split between now and future year increases, instead all at once. She also asked about the Senior Citizen discount. Ms. Russell said that she would look at this option.

Ruben Renabato asked about the sixteen percent increase and how much revenue it will generate, and how many water meters this will affect.

Ms. Russell said annually it will generate 1.395 million. She said she will have to check on the water meter numbers.

Melanie Oldham spoke to Council about the sixteen percent on the water rate increase. She said there is a lot of people concerned about this.

Mayor Bass said that there will be discussion on this Monday.

Melanie Oldham also asked about the three percent merit raises across the board. Ms. Russell said that the merit raises are not across the board, she said some may be less. It's based-on performance.

Mayor Bass asked how do I answer if someone ask where the five million was spent. Ms. Russell said that on page 29 there is a summary of how the funds were spent. She said it paid the lease purchase agreements, repaired the HVAC at City Hall and Riverplace, demo of the old City Hall, and the Community House, additional concrete and street repairs, and a onetime, one-million-dollar loan to water and sewer.

City Manager Tim Kelty said that this is just transfers from the budget of last FY, there were also about a million and half from two other past budget years.

Mayor Bass asked if this budget was on the website, Ms. Russell said yes, it is.

Mr. Yates asked about the \$645,000.00 cost of repairs of HVAC at City Hall and Riverplace. Ms. Russell said that the broiler and the chiller was replaced at City Hall. And the chiller was replaced at Riverplace as well. Mayor Bass said that he believes that the cost at City Hall was approximately \$280,000 if not more.

Melanie Oldham asked about the money from DOW and Freeport LNG, and the onetime 5 million capital investments.

Tim Kelty said that the 2.7 million capital investments, are what Ms. Russell just covered. Paying off lease purchase agreements, \$1.3 million. HVAC repair for City Hall and Riverplace, \$645,000.00. Demo of old City Hall and the Community House, \$67,000.00. Additional concrete and street repairs, \$765,000.00. And a onetime one-million-dollar loan to water and sewer. Mr. Kelty said this is where this money was used.

Mayor Bass said that this is approximately \$5.2 million.

Councilman Yates said we would have been in a heck of a shape without this, we need to be thankful for this agreement with DOW.

Mayor Bass asked about the \$100,000.00 a year, until the total amount is paid off. Ms. Russell said yes. And Mr. Kelty said this will be until the year 2036. Ms. Russell said the full summary for this is on page 34, under Revenue Summary.

Melanie Oldham asked about the Community Center, if there will be funds for the design and build of this? And she asked why we are putting \$375,000 into the Heritage House. She also asked if there is money to fix the erosion at the Golf Course. Ms. Russell said that the we are working with FEMA and the engineer to repair the damage at the Golf Course. She said that there is no money budgeted for this because this is waiting for the award from FEMA.

Mayor Bass said that the Heritage House has significant damage, and asked Mr. Kelty to explain. Mr. Kelty said that the architect has discovered serious issues in the work that was previously done, it was done wrong. There is water damage on exterior and interior walls, some being structural walls that will have to be replaced.

Mayor Bass said that this is a lot of money.

Mayor Bass said in regards to the Community Center, there are some negotiation going on with different entities. This is why it is not included in this budget, there may be other ways to pay for it.

Mayor Bass asked how many department heads are in attendance, and if they are prepared to discuss their particular budgets? He asked, if there are any questions? He said they can be discussed by Ms. Russell or Mr. Kelty, or the department heads if they are prepared to discuss specific expenditures.

Melanie Oldham asked about the Administration Budget, she wanted to know about the Financial Officer that is being requested, and will they be able to write grants. Ms. Russell said that this position would be to assist her, and to segregate the duties. Ms. Russell said no, this position is not for a grant writer. Mayor Bass asked about the position and if will it have a positive effect on business for the City of Freeport as well as transparency, and accuracy? Ms. Russell said yes.

Mayor Bass asked if there are people in the City that can write grants. Ms. Russell said yes throughout the departments, they have written grants, and secured them. Mayor Bass asked if it is possible to hire someone that just writes grants. Ms. Russell said that it is sometimes better to get someone that specializes in the particular area.

Ty Morrow, 1867 Acacia Circle said that Mr. Kelty and Ms. Russell are correct. It is important to get the person that specializes in the grant that you are going for.

Mayor Bass asked where the Legal Fees and Chris Duncan fees are located in the budget. Ms. Russell said that Mr. Duncan is under Administration under Professional Services, on page 43. She said that she can provide a break down if council would prefer. Mayor Bass asked if there is not a line item for Legal Fees, he would like a line item added. And to add an additional \$150,000.00 to be asked for in legal fees.

Melanie Oldham spoke to council about the professional services, and she also asked about the \$150,000.00. Melanie Oldham asked if the Historical Museum still has remodel funds. Ms. Russell said yes.

Councilwoman Loeza asked what the salary is for the Financial Officer position. Ms. Russell said that it will be \$85,000.00. She said that this will be for computer, benefits, and salary.

Mayor Bass said that the VIC was moved and he would like to see a presence on 288, the main road through the area. So, visitors can stop and get information on where to stay, where to eat and things to do. He said a building on the green area by Antonelli's, the park and the Mystery. He said nothing big, but with A/C and heat. He would like staff to think about this to get back with something.

Councilman Yates asked about the software upgrade for \$135,000.00. Ms. Russell said this was approved by council in a previous meeting, and this is for the city's financial department, community development,

and payroll. She said that this will offer more transparency, and this is a one-time fee. He asked what kind of software this is, she said that it is Tyler Incode.

Councilman Yates also asked if there is anything in the budget that does a breakdown by Ward. Ms. Russell said no.

Mr. Kelty said that we will have a special meeting in the next 30-45 days over streets and drainage. He said that Mr. Petty is working on a map and spreadsheet. He said that we have a seven and half million dollars' worth of improvements that we are wanting to make over the next three years.

Jessie Parker from Ward A asked how much was allocated for Ward A. Mayor Bass said this is not specific amount to any Ward at this time. Ms. Parker said the streets haven't be repaired in 20 years. Mayor Bass said there are some bad streets, but they aren't all bad. Ms. Parker said she has had to get two new tires from her street busting out two tires, in two weeks.

Mr. Kelty said that Mr. Petty is renting equipment to get some road repair done in this area.

Melanie Oldham spoke about the infrastructure under the streets. She said that Mr. Petty has a big job ahead of him.

City Manager Tim Kelty announced that there will be a Special Meeting on August 13, 2020 at 5 p.m., to adopt the Election Order.

Chris Duncan said that the County has added more locations to vote, and the early voting has been extended.

Adjourn

On a motion by Councilwoman Loeza, seconded by Councilman Cain, with all present voting "Aye", Mayor Brooks Bass adjourned the meeting at 7:13 PM.

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas



City Council Agenda Item # 5

Title: Consideration and possible action on rescheduling the first regular City Council Meeting in the month of September.

Date: August 17, 2020

From: Betty Wells

Staff Recommendation: Staff recommends rescheduling the first regular City Council Meeting in September, to Tuesday September 8, 2020.

Item Summary: The first regular City Council meeting in September falls on September 7, 2020 which is Labor Day Holiday, the City Offices are closed and regular meetings suspended.

It is recommended that the meeting be rescheduled for the following day, Tuesday September 8, 2020 at 6 p.m.

Background Information: None

Special Considerations None

Financial Impact: None

Board or 3rd Party recommendation: None

Supporting Documentation: None



City Council Agenda Item # 6

Title: Consideration of An Ordinance Amending Sections 52.15 And 52.16 of the Code of Ordinances to Increase the Rates for Water and Sewer Services

Date: August 17, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends adoption of the ordinance increasing water and sewer base and volumetric charges. And at the next regular meeting adopting an ordinance providing for a 20% senior citizen discount.

Item Summary:

The current recommended rate ordinance lowers by 25% the previously recommended residential rates to reflect an increase on the current average residential bill (using 5,000 gallons) from \$7.54 to \$5.62 per month.

Previously staff presented a proposed rate increase as recommended by the recently completed Utility Rate Study on August 3, 2020. During that meeting staff was directed to evaluate a Senior Discount, and the possibility of spreading the increase more evenly over 2 years.

This proposed increase includes tiered based fees for the Commercial customer class, based on meter equivalency standards found in American Water Works Association’s M1 manual. This has not changed from what was previously presented.

Single-Family Residences	Current Rate	Final Proposed Rate	Increase	
			Rate	\$ %
Sewer Rates				
Senior 0 - 2k gal	N/A	\$9.86		
0 - 2k gal	\$11.00	\$12.32	\$1.326	12.00%
3k - 12k gal	\$3.80	\$4.25	\$0.45	12.00%
Water Rates				
Senior 0 - 2k gal	N/A	\$10.84		
0 - 2k gal	\$12.10	\$13.55	\$1.45	11.98%
3k - 12k gal	\$4.18	\$4.68	\$0.50	11.96%
Over 12k gal	\$5.50	\$6.16	\$0.66	12.00%

This recommendation assumes that the proposed rate increase for next year will be increased from the original recommendation to make up for the \$75,000 annual loss that will be realized if that action is not taken.

Background Information:

In July 2019, Council approved a 10% increase in water and wastewater rates until a formal rate study was completed. Before the 2019 increase, the City's rates had not been updated since October 2014. Since then, Veolia's maintenance and operations contract increases annually with the Consumer Price Index. From October 2015, the rate has increased by over \$135,000 annually or nearly six percent. In addition to the operations and maintenance, the City has been increasing its usage at the Oyster Creek Sewer Plant – roughly 56 percent or over \$41,000 the last few years. Lastly, the Brazosport Water Authority will also be increasing its water rate by 5% or over \$113,000 annually.

In June 2019, the City authorized Freese and Nichols, Inc. to perform a water and wastewater rate study. The purpose of the rate study was to develop a multi-year plan for rates that will provide sufficient revenue to implement needed capital improvements and allow the water and wastewater system to be self-supporting.

The proposed rate increases were recommended in the Utility Rate Study presented to Council on April 20, 2020. Freese and Nichols' methodology for performing this study is based on accepted industry standards and practices, specifically the American Water Works Association (AWWA) Manual 1 (M1) "Principles of Water Rates, Fees, and Charges", Seventh Edition. The study included the following steps:

- Obtain data from City needed for the rate study.
- Review and analyze the data and develop projections of the operating expenses and revenues at current rates.
- Identify the revenue requirements for the water and wastewater system using the projected operating expenses and projected capital expenses in the next few years.
- Develop a rate model for the City's water and wastewater systems that projects the rates needed to provide sufficient annual revenue.
- Document the findings in a report.

The report describes the findings and recommendations of the water and wastewater rate study. The full study is available on the City's website under the Water Department.

Special Considerations:

Below is the Residential Water and Wastewater water bill Comparison to Other Cities based on 5,000 gallons per month.

City	Total Bill
Lake Jackson	\$42.69
Freeport (Current)	\$47.04
Freeport (Proposed)	\$52.66
Clute	\$57.90
Bay City	\$58.98
Angleton	\$61.62
Richwood	\$72.90

Financial Impact:

This ordinance will lead to an increase in water and sewer revenue next fiscal year to fund necessary improvements to the City’s water and wastewater infrastructure. Over \$17 million in infrastructure needs has been identified to-date. This proposed rate increase is the first step in funding these projects.

Water and Sewer Capital Projects	2020-2022	2023-2024	TOTAL
Waste Water Treatment Plant	\$7,445,000	\$911,000	\$8,356,000
Waste Water Lift Station	\$1,025,850	\$2,190,000	\$3,215,850
Water System	\$1,919,000		\$1,919,000
Wastewater I&I	\$3,610,150	Unknown	\$3,610,150
ESTIMATED TOTAL	\$14,000,000	\$3,101,000+	\$17,101,000+

Over the past three fiscal years, the general fund has supplemented the Utility Fund by over \$2.4 million. The FY2020-2021 Proposed Budget assumed a 16% rate increase and was projected to have an Available Fund Balance of 20,975.

Category	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Proposed Budget
Revenue Total	4,948,567	5,121,489	5,276,100	6,742,802
Expenditures Total	5,296,199	5,737,981	6,196,112	5,750,982
Beg Fund Balance	(13,371)	141,747	484,413	564,401
Revenue Less Expenditures	(347,631)	(616,492)	(920,012)	991,819
Transfers In/(Out)	502,749	959,159	1,000,000	(150,000)
Ending Fund Balance	141,747	484,413	564,401	1,406,220
25% Operating Reserve	1,210,612	1,313,679	1,361,528	1,385,246
Available Fund Balance	(1,068,865)	(829,266)	(797,127)	20,975

Supporting Documentation:

Technical Memorandum
Ordinance

DRAFT
TECHNICAL
MEMORANDUM



Innovative approaches
Practical results
Outstanding service

10431 Morado Circle, Suite 300 + Austin, Texas 78759 + 512-617-3100 + FAX 817-735-7491

www.freese.com

TO: Stephanie Russell, CGFO, City of Freeport
FROM: Adam Conner, PMP, CFM, Freese & Nichols, Inc.
CC: Richard Campbell, Freese & Nichols, Inc.
SUBJECT: Impacts of Potential Alternative Rate Increase Pattern & Addition of Senior Discount to Residential Revenues
DATE: 8/11/2020



At the request of Freeport City Council, Freese & Nichols, Inc. (FNI) analyzed the potential impact of modifying the rate increase schedule from that identified in the 2020 Water and Wastewater Rate Study and the potential impact of adding a senior discount to Freeport's current rate structure. This memorandum summarizes FNI's methodology and findings and is meant to supplement the rate study that FNI performed for Freeport earlier in 2020.

Specifically, the City asked FNI to analyze the following modifications:

- Introducing a Senior Discount to Residential bills, which would reduce the water and wastewater base fees by 20% for qualifying Senior Citizens,
- Reducing the FY21 water and wastewater rate increase from 16% (as shown in the 2020 Rate Study) to 12%, only for the Residential base fees and volumetric rates, and
- Increasing the FY22 water and wastewater rate increase from 5% (as shown in the 2020 Rate Study) to 9%, only for the Residential base fees and volumetric rates.

Note that all of the non-Residential recommendations from that rate study remain the same in this analysis. Should the City decide to implement these above changes to the Residential rates, this memorandum provides a summary of how those changes would impact the revenues identified in the 2020 Water and Wastewater Rate Study. **Table 1** and **Table 2** of this memorandum summarize the findings.

METHODOLOGY

Calculation of Current and Projected Residential Water and Wastewater Volumetric Revenue

The first step was to determine the baseline usage (in gallons) of each of the three tiers: Residential Water Tier 1, Residential Water Tier 2, and Residential Wastewater Tier 1. This was done by looking at the corrected sales in each of these three tiers between FY16 and FY19, removing the year with the highest usage in each tier, and averaging the remaining three years. This provided the baseline water usage for each tier.

Next, the current volumetric rates were applied to the baseline water usage in order to calculate the volumetric revenues without rate increases. These revenues were increased by 0.75% per year to account for increases in accounts, to create a baseline revenue.

Finally, the two rate increase patterns (the pattern found in the 2020 Water and Wastewater Rate Study and an alternative pattern proposed by the City) were applied to the baseline revenue, for the purpose of calculating the difference in revenue between the two patterns. A price elasticity factor is applied to approximate the reduction in usage that might occur from the rate increases. Based on the recommendations of the American Water Works Association's (AWWA) M-1 Manual, FNI assumed that with every 10 percent increase in rates, usage will reduce by 2 percent. The modified revenues associated with applying an alternative rate increase pattern to the Residential volumetric revenue are shown in **Table 1**. In FY21, the revenue is estimated to be reduced by approximately \$32,000, but will increase by approximately \$2,000 annually in subsequent years.

Calculation of Current and Projected Residential Water and Wastewater Base Revenue

There are two components to the recalculation of revenue from Base fees. The first is the change of the pattern of the rate increases (reduced from 16% to 12% in FY21 and increased from 5% to 9% in FY22). The second is the introduction of the Senior Citizen Discount. **Table 2** of this memo shows the combined effect of the changes on the base revenue, which is revenue reduction of approximately \$55,000 in FY21 and approximately \$13,000 in FY22 and following years. The changes are discussed separately below.

- Change in Pattern of Rate Increases for Base Fees

The change in the pattern of the rate increases was applied to all residential base fees, both Senior Citizen and non-Senior Citizens. As with the volumetric fees, the number of accounts was increased by 0.75 percent per year to account for growth. The net effect of this change was a reduction of approximately \$40,000 in revenue for FY21 (when the rate increase was only 12% rather than 16% from the rate study). In FY22 and subsequent years, the net effect was an annual increase of approximately \$2,000 to \$3,000 due to the cumulative effects of the new rate increase pattern.

- Reduction in Base Fee for Senior Discount

In order to evaluate the most appropriate way to incorporate senior discounts into rates, the first step was to determine how many accounts within the Freeport system would ultimately utilize the discount. City staff was not able to provide an estimate, so FNI researched the US Census data for Freeport, which showed that 6.4 percent of Freeport's population is 65 years of age or older. While we recognize that not all of these residents will own a water/wastewater account for various reasons, such as living with family, in a nursing home, or they might be a couple, given the lack of adequate data to determine the actual customer count, FNI believes that using the percent of the population that is 65 years of age or older (6.4 percent) as a proxy for how many accounts might utilize the senior discount is a valid and supportable approach.

Next, FNI created a model to calculate the revenue impacts of applying a 20 percent reduction in the water and wastewater base fees for qualified seniors without increasing the water and wastewater base fees for others, at the request of the City. This resulted in an annual reduction in the revenues (from those that are shown in the 2020 Water and Wastewater Rate Study) of approximately \$15,000 in FY21 and increasing slightly in future years.

RESULTS AND RECOMMENDATIONS

Impacts of Potential Alternative Rate Increase Pattern



Should the City decide to modify the rate increase pattern recommended in the 2020 Water and Wastewater Rate Study for its Residential class, these will replace Table 6-1 of the 2020 Water and Wastewater Rate Study and will result in reduced revenues in FY21 and slightly increased revenues in FY22 and beyond. Along with the reduced revenues associated with the senior discount, the City should ensure the modified revenues as a result of its Residential volumetric revenues are taken into account in its budgets. The modified revenues associated with an alternative rate increase pattern on the Residential volumetric revenue are illustrated in **Table 1**.

Mechanism to Apply the Senior Discount

There are several ways to implement a senior discount in the water rates. Some utilities offer a reduced rate in their tiered usage rates, while others offer a reduced rate in their base fees. FNI believes that offering the senior discount in Freeport's base fee is more appropriate from an equity standpoint as well as from a billing system standpoint.

Impacts of Potential Percent Reduction in Residential Water Base Fee for Senior Discount

FNI modeled a 20% senior discount on the residential base fee, such that the base fee for accounts for users 65 and older is 80 percent of the existing test year residential base fee (\$12.10/month for water and \$11.00/month for wastewater). At the request of the City, the non-Senior base fee was not adjusted above the current base fees. Should the City decide to implement a senior discount on the water and/or wastewater base fee, these new fees should replace the base fees identified in Table 6-1 of the 2020 Water and Wastewater Rate Study. Along with the modified revenues associated with the alternative rate increase pattern, the City should ensure the reduced revenues as a result of its Senior Discount are taken into account in its budgets. The reduced revenues associated with the combination of an alternative rate increase pattern and Senior Discount on Residential base fees are illustrated in **Table 2**.

ADDITIONAL CONSIDERATIONS

Divergence from Estimated Number of Senior Accounts

Should the City of Freeport sign up more or less accounts for the senior discount than this memorandum estimates (6.4 percent of the total accounts), or should the demographics of the City change in the future, the City should revisit the recommendations in this memorandum as part of its next water/wastewater rate study to ensure that the overall cash needs of the utility are being met.

Proportion of Total Revenue Derived from Base Fees Versus Volumetric Fees

Also, in connection with the next water/wastewater rate study, a sensitivity analysis could be performed to evaluate the appropriate mix of base fee revenue versus volumetric fee revenue. The City's Utility Fund currently derives 80 percent of its total revenues from volumetric fees and 20 percent of its total revenues from base fees. Within the residential class however, that ratio is closer to a 50 percent split.

Cost of Service Methodology

Applying a different rate increase pattern to the Residential class than other classes without performing a cost of service analysis goes somewhat against the best practices found in the AWWA M-1 manual. However, using the alternative rate increase pattern requested by the City, the rate increases applied to all classes are relatively reconciled by FY23.

Table 1: Potential Residential Volumetric Rates

	Projected									
	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Alternative Rate Adjustment Pattern (per City request)	12%	9%	2%	1%	0%	0%	3%	3%	2%	2%
Cumulative Reduced Residential Use due to Price Elasticity	2.4%	4.4%	4.9%	5.2%	5.2%	5.2%	5.9%	6.7%	7.2%	7.8%
Residential Water Tier 1 at current rates	\$384,715	\$387,600	\$390,507	\$393,436	\$396,387	\$399,360	\$402,355	\$405,373	\$408,413	\$411,476
Residential Water Tier 2 at current rates	\$52,966	\$53,364	\$53,764	\$54,167	\$54,573	\$54,983	\$55,395	\$55,810	\$56,229	\$56,651
Residential Wastewater Tier 1 at current rates	\$372,940	\$375,737	\$378,555	\$381,394	\$384,255	\$387,137	\$390,041	\$392,966	\$395,913	\$398,882
Total Residential Volumetric Revenue at current rates	\$810,622	\$816,701	\$822,826	\$828,998	\$835,215	\$841,479	\$847,790	\$854,149	\$860,555	\$867,009
Total Residential Volumetric Revenue after Rate Increase	\$907,896	\$963,128	\$985,906	\$1,001,234	\$1,008,744	\$1,016,309	\$1,048,269	\$1,080,994	\$1,106,071	\$1,131,609
Difference in Residential Volumetric Revenue between 2020 Water & Wastewater Rate Study Methodology and Methodology found in this Tech Memo	(\$32,425)	\$1,780	\$1,812	\$1,834	\$1,848	\$1,892	\$1,903	\$1,944	\$1,975	\$2,007

Table 2: Potential Residential Base Fees

	Current	Re-allocated	Projected									
	FY20		FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Alternative Rate Adjustment Pattern (per City request)	-	-	12%	9%	2%	1%	0%	0%	3%	3%	2%	2%
Senior Discount Water Base Fee (monthly)	N/A	\$9.68	\$10.84	\$11.82	\$12.05	\$12.17	\$12.17	\$12.17	\$12.54	\$12.92	\$13.17	\$13.44
Non-Senior Discount Water Base Fee (monthly)	\$12.10	\$12.10	\$13.55	\$14.77	\$15.07	\$15.22	\$15.22	\$15.22	\$15.67	\$16.14	\$16.47	\$16.80
Senior Discount Wastewater Base Fee (monthly)	N/A	\$8.80	\$9.86	\$10.74	\$10.96	\$11.07	\$11.07	\$11.07	\$11.40	\$11.74	\$11.98	\$12.22
Non-Senior Discount Wastewater Base Fee (monthly)	\$11.00	\$11.00	\$12.32	\$13.43	\$13.70	\$13.83	\$13.83	\$13.83	\$14.25	\$14.68	\$14.97	\$15.27
Senior Discount <i>Savings</i> from Water & Wastewater Base Fee (monthly)	-	-	\$5.17	\$5.64	\$5.75	\$5.81	\$5.81	\$5.81	\$5.98	\$6.16	\$6.29	\$6.41
Difference in Residential Base Fee Revenue between 2020 Water & Wastewater Rate Study Methodology and Methodology found in this Tech Memo	-	(\$12,752)	(\$54,535)	(\$13,069)	(\$13,431)	(\$13,668)	(\$13,770)	(\$13,873)	(\$14,395)	(\$14,938)	(\$15,352)	(\$15,776)

ORDINANCE NO. 2020-2605

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS, CONTAINING A PREAMBLE; AMENDING SECTIONS 52.15 AND 52.16 OF THE CODE OF ORDINANCES OF SAID CITY TO INCREASE THE RATES FOR WATER AND SEWER SERVICES FURNISHED TO SINGLE-FAMILY RESIDENCES AND MULTI-FAMILY RESIDENCES, INDUSTRIAL FACILITIES, OFFICE AND OTHER COMMERCIAL ESTABLISHMENTS INSIDE THE CORPORATE LIMITS OF THE CITY FOR WATER AND SEWER AND WATER ONLY SERVICES FURNISHED ON OR AFTER OCTOBER 1, 2020 AND FOR WATER FURNISHED TO INDUSTRIAL FACILITIES, OFFICES AND OTHER COMMERCIAL ESTABLISHMENTS, RESIDENCES AND CUSTOMERS LOCATED OUTSIDE THE CORPORATE LIMITS OF THE CITY ON AND AFTER OCTOBER 1, 2020; CONTAINING SAVINGS CLAUSES; CONTAINING A SEVERANCE CLAUSE; AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS PASSAGE AND ADOPTION.

WHEREAS, the City of Freeport, Texas, ("the City") is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, Chapter 51 and 402 of the Local Government Code of Texas and Sections 2.01, 2.02, 3.07(n) and (u) of the Home Rule Charter of the City of Freeport authorize the City Council thereof to adopt the provisions of this Ordinance; and,

WHEREAS, the City Council of the City of Freeport has determined to here now declare that the adoption of this ordinance is necessary to the health, safety and general welfare of the inhabitants of said City and persons owning land therein.

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

First, Division (A) of Section 52-15 of the Code of Ordinances of the City of Freeport, Texas, is hereby amended to read as follows:

"(1) Sewer service furnished to single-family residences and multi-family residences:

0 to 2,000 gal. \$12.32 (minimum charge)

3,000 to 12,000 gal. \$4.25 per 1,000 gal.

(12,000 gallons is the maximum charge for sewer for residential)

(2) Sewer service furnished to all other customers, including but not being limited to industrial facilities, offices and other commercial establishments:

0 to 2,000 gal.

1" meter \$17.10 (minimum rate)

1 ½" meter \$21.98 (minimum rate)

2" meter \$35.42 (minimum rate)

3" meter \$134.34 (minimum rate)

4" meter \$170.98 (minimum rate)

6" meter \$256.48 (minimum rate)

8" meter \$354.18 (minimum rate)

10" meter \$452.48 (minimum rate)

3,000 to 12,000 gal. \$9.21 per 1,000 gal.

13,000 gal. and up \$12.16 per 1,000 gal.

(3) The following miscellaneous charges shall be made for the indicated purposes:

Apartment deposit \$35.00 per unit

Voluntary ambulance \$2.50 per month

Delinquency fee \$40.00"

Second, Section 52-16 of the Code of Ordinances of the City of Freeport, Texas, is hereby amended to read as follows:

"(A) The city shall furnish water service to customers within the corporate limits of the city and shall charge each customer as follows:

(1) For water furnished to single-family residences and multi-family residences:

0 gal. to 2,000 gal.	\$13.55 (minimum rate)
3,000 gal. to 12,000 gal.	\$4.68 per 1,000 gal.
All over 12,000 gal.	\$6.16 per 1,000 gal.

(2) For water furnished to all other customers, including but not being limited to industrial facilities, offices and other commercial establishments located within the city:

0 gal. to 2,000 gal.	
1" meter	\$19.75 (minimum rate)
1 ½" meter	\$25.40 (minimum rate)
2" meter	\$40.92 (minimum rate)
3" meter	\$155.22 (minimum rate)
4" meter	\$197.55 (minimum rate)
6" meter	\$296.32 (minimum rate)
8" meter	\$409.21 (minimum rate)
10" meter	\$522.77 (minimum rate)
3,000 gal. to 12,000 gal.	\$9.22 per 1,000 gal.
13,000 gal. and up	\$12.16 per 1,000 gal.

(B) The city may furnish water service to customers outside the corporate limits of the city and shall charge each customer as follows:

0 gal. to 2,000 gal.	
1" meter	\$29.63 (minimum rate)
1 ½" meter	\$38.09 (minimum rate)
2" meter	\$61.37 (minimum rate)
3" meter	\$232.78 (minimum rate)
4" meter	\$296.26 (minimum rate)
6" meter	\$444.40 (minimum rate)
8" meter	\$613.69 (minimum rate)
10" meter	\$784.01 (minimum rate)

3,000 gal. and up \$13.82 per 1,000 gal.

(C) The city shall furnish water-only service to customers inside the corporate limits of the city and shall charge each customer as follows:

0 gal. to 2,000 gal.

1" meter	\$28.21 (minimum rate)
1 ½" meter	\$36.27 (minimum rate)
2" meter	\$58.44 (minimum rate)
3" meter	\$221.66 (minimum rate)
4" meter	\$282.11 (minimum rate)
6" meter	\$423.17 (minimum rate)
8" meter	\$584.37 (minimum rate)
10" meter	\$746.56 (minimum rate)

3,000 gal. to 12,000 gal. \$9.73 per 1,000 gal.

13,000 gal. and up \$12.83 per 1,000 gal."

Third, this ordinance is cumulative of and in addition to all other ordinances of the City of Freeport, Texas, on the same subject and all ordinances are hereby expressly saved from repeal.

Fourth, where this ordinance and another ordinance conflict or overlap, this ordinance shall prevail.

Fifth, nothing contained in this ordinance shall cause any rights heretofore vested to be altered, affected or impaired in any way and all such rights may be hereafter enforced as if this ordinance had not been adopted.

Sixth, if any section or provision of this ordinance is found to be unconstitutional, void or inoperative by the final judgment

of a court of competent jurisdiction, such defective provision, if any, is hereby declared to be severable from the remaining sections and provisions of this ordinance and such remaining sections and provisions shall remain in full force and effect.

Seventh, this ordinance shall take effect and be in force after its passage and adoption.

READ, PASSED AND ADOPTED this _____ day of _____, 2020.

Brooks Bass, Mayor,
City of Freeport, Texas

ATTEST:

Betty Wells, City Secretary,
City of Freeport, Texas

APPROVED AS TO FORM ONLY:

Christopher Duncan, City Attorney,
City of Freeport, Texas



City Council Agenda Item # 7

Title: Record for receipt the certified values from the Brazoria County Tax Assessor used in calculating the No-New-Revenue Tax Rate and Voter-Approval Tax Rate for the 2020 tax year

Date: August 17, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Record receipt of certified calculations from the Brazoria County Tax Assessor submitted to the City of Freeport in accordance with Tax Code Section 26.04.

Item Summary:

The Brazoria County Appraisal District (BCAD) is charged with assessing property values within Brazoria County. The City of Freeport contracts with the Brazoria County Tax Assessor-Collector (a separate entity from BCAD) for Tax Assessor/Collector services, including calculation of tax rates as directed by the Tax Code. This item is recording receipt of the required information from the Tax Assessor/Collector only - not a decision on the tax rate.

Background Information:

With the passage of Senate Bill 2 (SB2) in the 86th legislative session, the processes that must be followed to review and adopt the tax rate have changed. Consistent with these changes due to SB2, the Tax Office must provide certified information to the City as required and requests that the City Council record receipt of this information into the minutes of a City Council meeting.

This information includes various calculations and certified values necessary to complete the calculation of the no-new-revenue and voter-approval tax rates for tax year 2020. The Tax Office is required to submit the no-new-revenue tax rate and voter-approval tax rate to the governing body of each taxing entity by August 7th or as soon thereafter as practicable.

Special Considerations:

N/A

Financial Impact:

N/A

Board or 3rd Party recommendation:

N/A

Supporting Documentation:
2020 Certified Estimate of Taxable Value
Tax Rate Calculation Worksheet

BRAZORIA COUNTY APPRAISAL DISTRICT

MEMBERS OF THE BOARD

Ro*Vin Garrett
Tommy King
Gail Robinson
Glenn Salyer
George Sandars
Susan Spoor

CHIEF APPRAISER
Cheryl Evans
500 North Chenango
Angleton, Texas 77515
979-849-7792
Fax 979-849-7984

A message from the Chief Appraiser of Brazoria County Appraisal District:

As all of you know this is a difficult time in our county, in our state and country and the world. As leaders, we are all being faced daily with challenges to maintain acceptable standards for those we serve.

Part of the responsibility put on me, as chief appraiser, is to deliver to you an accurate certified tax roll so that you can prepare for the upcoming year with your utmost due diligence.

Unfortunately, for the first time in my career – I am unable to do so.

Limitations brought on by Covid 19 hampered the timely procession of appraisal review board hearings and therefore the Brazoria County Appraisal Review Board was unable to approve the district's records under Tax Code Section 41.12.

However, as if our legislature had insight into what was about to happen, they added a caveat under Section 26.01 (SB2-subsection a-1) to provide that if by July 20th the ARB has not approved the appraisal records for the district, the chief appraiser shall prepare and certify for each taxing unit an estimate of the taxable value of property in that taxing unit.

I want to assure each of you that the attached estimate is viable and very close to being part of a completed certified roll.

Your patience and understanding is appreciated and if you have any questions or concerns, please feel free to contact me.

Sincerely,



Cheryl Evans
Chief Appraiser
Brazoria County Appraisal District

BRAZORIA COUNTY APPRAISAL DISTRICT
STATE OF TEXAS
COUNTY OF BRAZORIA

2020 CERTIFIED ESTIMATE OF TAXABLE VALUE

CITY OF FREEPORT

In compliance with Section 26.01(a-1) of the State Property Tax Laws, "submission of rolls to taxing units," notice is hereby given to-wit:

ESTIMATED TAXABLE VALUE FOR 2020

TOTAL TAXABLE VALUE \$468,813,338

ESTIMATED TAXABLE VALUE FOR THE 2020 STILL UNDER PROTEST
(properties still under protest)

B.C.A.D. APPRAISED VALUE	*VALUE CLAIMED BY OWNER
<u>\$70,966,949</u>	<u>\$65,289,593</u>

SUMMARY

ESTIMATED TAXABLE VALUE FOR 2020	<u>\$468,813,338</u>
*ESTIMATED TAXABLE VALUE FOR 2020 UNDER PROTEST	<u>\$65,289,593</u>
NET TAXABLE VALUE	<u>\$534,102,931</u>

I, Cheryl Evans, Chief Appraiser for the Brazoria County Appraisal District, do hereby certify the correctness of the certified estimate.

Cheryl Evans
Cheryl Evans, Chief Appraiser

July 23, 2020
Date

2020 PRELIMINARY TOTALS

Property Count: 6,335

CFP - CITY OF FREEPORT
Not Under ARB Review Totals

7/21/2020

9:58:42PM

Land		Value		
Homesite:		23,305,650		
Non Homesite:		54,805,691		
Ag Market:		2,498,180		
Timber Market:		0	Total Land	(+) 80,609,521
Improvement		Value		
Homesite:		248,382,098		
Non Homesite:		287,393,190	Total Improvements	(+) 535,775,288
Non Real		Count	Value	
Personal Property:	569		127,642,640	
Mineral Property:	0		0	
Autos:	0		0	
			Total Non Real	(+) 127,642,640
			Market Value	= 744,027,449
Ag		Non Exempt	Exempt	
Total Productivity Market:	2,498,180		0	
Ag Use:	52,130		0	Productivity Loss (-) 2,446,050
Timber Use:	0		0	Appraised Value = 741,581,399
Productivity Loss:	2,446,050		0	
			Homestead Cap	(-) 32,239,650
			Assessed Value	= 709,341,749
			Total Exemptions Amount (Breakdown on Next Page)	(-) 240,528,411
			Net Taxable	= 468,813,338

APPROXIMATE TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)
2,944,171.20 = 468,813,338 * (0.628005 / 100)

Tax Increment Finance Value: 0
Tax Increment Finance Levy: 0.00

2020 PRELIMINARY TOTALS

Exemption Breakdown

Exemption	Count	Local	State	Total
AB	3	14,912,118	0	14,912,118
CHODO (Partial)	1	1,364,070	0	1,364,070
DP	132	7,938,073	0	7,938,073
DV1	12	0	116,000	116,000
DV1S	1	0	5,000	5,000
DV2	7	0	61,500	61,500
DV3	8	0	92,000	92,000
DV3S	1	0	10,000	10,000
DV4	13	0	84,000	84,000
DV4S	2	0	24,000	24,000
DVHS	11	0	1,054,797	1,054,797
DVHSS	1	0	104,731	104,731
EX-XD	1	0	590	590
EX-XG	1	0	396,570	396,570
EX-XN	9	0	1,011,820	1,011,820
EX-XV	720	0	151,659,388	151,659,388
EX-XV (Prorated)	9	0	68,185	68,185
EX366	31	0	7,220	7,220
FR	1	0	0	0
HS	1,650	21,908,151	0	21,908,151
OV65	577	37,923,030	0	37,923,030
OV65S	4	309,608	0	309,608
PC	3	1,477,560	0	1,477,560
Totals		85,832,610	154,695,801	240,528,411

2020 PRELIMINARY TOTALS

Property Count: 535

CFP - CITY OF FREEPORT
Under ARB Review Totals

7/21/2020

9:58:42PM

Land		Value			
Homesite:		3,357,876			
Non Homesite:		14,897,860			
Ag Market:		29,674			
Timber Market:		0	Total Land	(+)	
				18,285,410	
Improvement		Value			
Homesite:		33,738,699			
Non Homesite:		23,203,953	Total Improvements	(+)	
				56,942,552	
Non Real		Count	Value		
Personal Property:	12		1,826,800		
Mineral Property:	0		0		
Autos:	0		0	Total Non Real	(+)
				Market Value	=
					1,826,800
					77,054,762
Ag		Non Exempt	Exempt		
Total Productivity Market:	29,674		0		
Ag Use:	302		0	Productivity Loss	(-)
Timber Use:	0		0	Appraised Value	=
Productivity Loss:	29,372		0		29,372
					77,025,390
				Homestead Cap	(-)
					2,080,468
				Assessed Value	=
					74,944,922
				Total Exemptions Amount	(-)
				(Breakdown on Next Page)	3,977,973
				Net Taxable	=
					70,966,949

APPROXIMATE TOTAL LEVY = NET TAXABLE * (TAX RATE / 100)

445,675.99 = 70,966,949 * (0.628005 / 100)

Tax Increment Finance Value:

0

Tax Increment Finance Levy:

0.00

2020 PRELIMINARY TOTALS

Exemption Breakdown

Exemption	Count	Local	State	Total
DP	4	296,479	0	296,479
DV1S	1	0	5,000	5,000
DV3	1	0	10,000	10,000
DV4	1	0	12,000	12,000
EX-XV (Prorated)	1	0	48,409	48,409
HS	107	1,874,956	0	1,874,956
OV65	22	1,651,129	0	1,651,129
OV65S	1	80,000	0	80,000
Totals		3,902,564	75,409	3,977,973

2020 PRELIMINARY TOTALS

Property Count: 6,335

CFP - CITY OF FREEPORT
Not Under ARB Review Totals

7/21/2020 10:00:22PM

State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	2,678		\$5,323,140	\$264,979,842	\$164,915,411
B	MULTIFAMILY RESIDENCE	104		\$3,990	\$29,908,559	\$28,287,361
C1	VACANT LOTS AND LAND TRACTS	1,649		\$0	\$10,960,000	\$10,960,000
D1	QUALIFIED OPEN-SPACE LAND	11	736.5930	\$0	\$2,498,180	\$52,130
E	RURAL LAND, NON QUALIFIED OPE	88	584.7008	\$8,120	\$1,563,803	\$1,563,803
F1	COMMERCIAL REAL PROPERTY	320		\$419,910	\$91,489,752	\$77,222,536
F2	INDUSTRIAL AND MANUFACTURIN	12		\$23,442,450	\$63,317,850	\$61,118,082
J2	GAS DISTRIBUTION SYSTEM	8		\$0	\$1,218,810	\$1,218,810
J3	ELECTRIC COMPANY (INCLUDING C	12		\$0	\$15,829,370	\$15,829,370
J4	TELEPHONE COMPANY (INCLUDI	15		\$0	\$2,714,740	\$2,714,740
J5	RAILROAD	12		\$0	\$4,927,060	\$4,927,060
J6	PIPELAND COMPANY	37		\$0	\$7,324,970	\$7,324,970
J7	CABLE TELEVISION COMPANY	5		\$0	\$1,776,750	\$1,776,750
L1	COMMERCIAL PERSONAL PROPE	421		\$6,000	\$62,720,900	\$62,685,800
L2	INDUSTRIAL AND MANUFACTURIN	21		\$0	\$26,147,430	\$26,147,430
M1	TANGIBLE OTHER PERSONAL, MOB	103		\$25,240	\$557,450	\$482,945
O	RESIDENTIAL INVENTORY	134		\$0	\$257,580	\$257,580
S	SPECIAL INVENTORY TAX	8		\$0	\$1,328,560	\$1,328,560
X	TOTALLY EXEMPT PROPERTY	772		\$399,160	\$154,507,843	\$0
	Totals	1,321.2938	1,321.2938	\$29,628,010	\$744,027,449	\$468,813,338

2020 PRELIMINARY TOTALS**State Category Breakdown**

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	341		\$252,600	\$33,857,861	\$27,961,465
B	MULTIFAMILY RESIDENCE	35		\$13,980	\$12,705,695	\$12,624,642
C1	VACANT LOTS AND LAND TRACTS	56		\$0	\$1,796,511	\$1,796,511
D1	QUALIFIED OPEN-SPACE LAND	1	16.5584	\$0	\$29,674	\$302
D2	IMPROVEMENTS ON QUALIFIED OP	1		\$0	\$14,909	\$14,909
E	RURAL LAND, NON QUALIFIED OPE	21	520.8197	\$31,810	\$6,631,573	\$6,598,990
F1	COMMERCIAL REAL PROPERTY	63		\$986,780	\$19,452,630	\$19,452,630
L1	COMMERCIAL PERSONAL PROPE	12		\$0	\$1,826,800	\$1,826,800
M1	TANGIBLE OTHER PERSONAL, MOB	1		\$0	\$3,200	\$3,200
O	RESIDENTIAL INVENTORY	16		\$0	\$687,500	\$687,500
X	TOTALLY EXEMPT PROPERTY	1		\$0	\$48,409	\$0
	Totals		537.3781	\$1,285,170	\$77,054,762	\$70,966,949

2020 PRELIMINARY TOTALS

Property Count: 6,336

CFP - CITY OF FREEPORT
Not Under ARB Review Totals

7/21/2020 10:00:22PM

CAD State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A		4		\$0	\$85,898	\$6,040
A1	SINGLE FAMILY RESIDENCE	2,668		\$5,322,710	\$264,789,974	\$164,830,465
A2	MOBILE HOME ON LAND	7		\$430	\$103,970	\$78,906
B		1		\$3,660	\$1,364,070	\$1,364,070
B1	APARTMENTS	10		\$0	\$19,396,119	\$19,396,119
B2	DUPLEX	93		\$330	\$9,146,370	\$7,527,172
C1	VACANT LOT IN CITY	1,503		\$0	\$8,390,247	\$8,390,247
C2	COMMERCIAL OR INDUSTRIAL VAC	147		\$0	\$2,569,680	\$2,569,680
C3	VACANT LOT OUT SIDE CITY	1		\$0	\$73	\$73
D1	QUALIFIED AG LAND	11	736.5930	\$0	\$2,498,180	\$52,130
E2	FARM OR RANCH OUT BUILDINGS	47		\$8,120	\$210,160	\$210,160
E4	NON QUALIFIED AG LAND	41		\$0	\$1,353,643	\$1,353,643
F1	COMMERCIAL REAL PROPERTY	319		\$419,910	\$91,482,922	\$77,215,706
F2	INDUSTRIAL REAL PROPERTY	12		\$23,442,450	\$63,317,850	\$61,118,082
FX1	RELIGIOUS AND CHARITABLE ORGAN	1		\$0	\$6,830	\$6,830
J2	GAS DISTRIBUTION SYSTEM	8		\$0	\$1,218,810	\$1,218,810
J3	ELECTRIC COMPANY	12		\$0	\$15,829,370	\$15,829,370
J4	TELEPHONE COMPANY	15		\$0	\$2,714,740	\$2,714,740
J5	RAILROAD	12		\$0	\$4,927,060	\$4,927,060
J6	PIPELINES	37		\$0	\$7,324,970	\$7,324,970
J7	CABLE TELEVISION COMPANY	5		\$0	\$1,776,750	\$1,776,750
L1	COMMERCIAL PERSONAL PROPER	421		\$6,000	\$62,720,900	\$62,685,800
L2	INDUSTRIAL PERSONAL PROPERTY	21		\$0	\$26,147,430	\$26,147,430
M1	MOBILE HOMES	103		\$25,240	\$557,450	\$482,945
O1	RESIDENTIAL INVENTORY VACANT L	131		\$0	\$222,210	\$222,210
O2	RESIDENTIAL INVENTORY IMPROVEN	3		\$0	\$35,370	\$35,370
S	SPECIAL INVENTORY	8		\$0	\$1,328,560	\$1,328,560
X	TOTAL EXEMPT	772		\$399,160	\$154,507,843	\$0
	Totals		736.5930	\$29,628,010	\$744,027,449	\$468,813,338

2020 PRELIMINARY TOTALS

Property Count: 535

CFP - CITY OF FREEPORT
Under ARB Review Totals

7/21/2020 10:00:22PM

CAD State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A		1		\$0	\$49,441	\$16,481
A1	SINGLE FAMILY RESIDENCE	340		\$252,600	\$33,808,380	\$27,944,934
A2	MOBILE HOME ON LAND	1		\$0	\$40	\$40
B1	APARTMENTS	3		\$0	\$8,308,220	\$8,306,220
B2	DUPLEX	32		\$13,980	\$3,399,475	\$3,318,422
C1	VACANT LOT IN CITY	36		\$0	\$976,330	\$976,330
C2	COMMERCIAL OR INDUSTRIAL VAC	19		\$0	\$746,041	\$746,041
C3	VACANT LOT OUT SIDE CITY	1		\$0	\$74,140	\$74,140
D1	QUALIFIED AG LAND	1	16.5584	\$0	\$29,874	\$302
D2	IMPROVEMENTS ON QUALIFIED AG L	1		\$0	\$14,909	\$14,909
E1	FARM OR RANCH IMPROVEMENT	2		\$0	\$121,677	\$89,094
E2	FARM OR RANCH OUT BUILDINGS	7		\$31,810	\$88,010	\$88,010
E4	NON QUALIFIED AG LAND	12		\$0	\$6,421,886	\$6,421,886
F1	COMMERCIAL REAL PROPERTY	63		\$986,780	\$19,452,630	\$19,452,630
L1	COMMERCIAL PERSONAL PROPER	12		\$0	\$1,826,800	\$1,826,800
M1	MOBILE HOMES	1		\$0	\$3,200	\$3,200
O1	RESIDENTIAL INVENTORY VACANT L	16		\$0	\$687,500	\$687,500
X	TOTAL EXEMPT	1		\$0	\$48,409	\$0
	Totals		16.5584	\$1,285,170	\$77,054,762	\$70,966,949

2020 PRELIMINARY TOTALS

New Value

TOTAL NEW VALUE MARKET: \$30,913,180
TOTAL NEW VALUE TAXABLE: \$29,780,837

New Exemptions

Exemption	Description	Count		
EX-XV	Other Exemptions (including public property, re	8	2019 Market Value	\$111,920
EX366	HB366 Exempt	11	2019 Market Value	\$19,660
ABSOLUTE EXEMPTIONS VALUE LOSS				\$131,580

Exemption	Description	Count	Exemption Amount
DP	Disability	2	\$159,750
HS	Homestead	45	\$1,204,017
OV65	Over 65	48	\$3,214,807
OV65S	OV65 Surviving Spouse	1	\$80,000
PARTIAL EXEMPTIONS VALUE LOSS			96
NEW EXEMPTIONS VALUE LOSS			\$4,658,574
			\$4,790,154

Increased Exemptions

Exemption	Description	Count	Increased Exemption Amount
INCREASED EXEMPTIONS VALUE LOSS			

TOTAL EXEMPTIONS VALUE LOSS \$4,790,154

New Ag / Timber Exemptions

New Annexations

New Deannexations

Average Homestead Value

Category A and E

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
1,714	\$106,690	\$33,119	\$73,571
Category A Only			

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
1,713	\$106,710	\$33,120	\$73,590

BRAZORIA County

2020 PRELIMINARY TOTALS
CFP - CITY OF FREEPORT
Lower Value Used

Count of Protested Properties	Total Market Value	Total Value Used
535	\$77,054,762.00	\$48,045,207

2020 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

CITY OF FREEPORT

(979) 233-3526

Taxing Unit Name

Phone (area code and number)

200 W. 2nd Street, Freeport, TX, 77541

<https://www.freeport.tx.us/>

Taxing Unit Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller For 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do use this form but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

STEP 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Rate Activity	Amount/Rate
1.	2019 total taxable value. Enter the amount of 2019 taxable value on the 2019 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 17).[1]	\$498,055,414
2.	2019 tax ceilings. Counties, cities and junior college districts. Enter 2019 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[2]	\$0
3.	Preliminary 2019 adjusted taxable value. Subtract Line 2 from Line 1.	\$498,055,414
4.	2019 total adopted tax rate.	\$.628005
5.	2019 taxable value lost because court appeals of ARB decisions reduced 2019 appraised value.	
	A. Original 2019 ARB values:	\$1,429,000
	B. 2019 values resulting from final court decisions:	\$930,000
	C. 2019 value loss. Subtract B from A.[3]	\$499,000

Line	No-New-Revenue Rate Activity	Amount/Rate
6.	2019 taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. 2019 ARB certified value:	0
	B. 2019 disputed value:	0
	C. 2019 undisputed value Subtract B from A.[4]	0
7.	2019 Chapter 42-related adjusted values. Add Line 5 and 6	499,000
8.	2019 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 7	\$498,554,414
9.	2019 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2019. Enter the 2019 value of property in deannexed territory.[5]	\$0
10.	2019 taxable value lost because property first qualified for an exemption in 2020. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in 2020 does not create a new exemption or reduce taxable value.	
	A. Absolute exemptions. Use 2019 market value:	\$131,580
	B. Partial exemptions. 2020 exemption amount or 2020 percentage exemption times 2019 value:	\$4,658,574
	C. Value loss. Add A and B.[6]	\$4,790,154
11.	2019 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2020. Use only properties that qualified in 2020 for the first time; do not use properties that qualified in 2019.	
	A. 2019 market value:	\$0
	B. 2020 productivity or special appraised value:	\$0
	C. Value loss. Subtract B from A.[7]	\$0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$4,790,154
13.	Adjusted 2019 taxable value. Subtract Line 12 from Line 8	\$493,764,260
14.	Adjusted 2019 total levy. Multiply Line 4 by Line 13 and divide by \$100	\$3,100,864
15.	Taxes refunded for years preceding tax year 2019. Enter the amount of taxes refunded by the district for tax years preceding tax year 2019. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.[8]	\$5,053
16.	Taxes in tax increment financing (TIF) for tax year 2019 Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.[9]	\$0
17.	Adjusted 2019 levy with refunds and TIF adjustment. Add Lines 14, and 15, subtract Line 16.[10]	\$3,105,917
18.	Total 2020 taxable value on the 2020 certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled.[11]	
	A. Certified values:	\$468,813,338
	B. Counties: Include railroad rolling stock values certified by the Comptroller's office.	\$0
	C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property	\$0
	D. Tax increment financing: Deduct the 2020 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the	\$0

Line	No-New-Revenue Rate Activity	Amount/Rate
	2020 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below.[12]	
	E. Total 2020 value Add A and B, then subtract C and D	\$468,813,338
19.	Total value of properties under protest or not included on certified appraisal roll.[13]	
	A. 2020 taxable value of properties under protest The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest.[14]	\$65,289,593
	B. 2020 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll.[15]	\$0
	C. Total value under protest or not certified. Add A and B.	\$65,289,593
20.	2020 tax ceilings. Counties, cities and junior colleges enter 2020 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2019 or a prior year for homeowners age 65 or older or disabled, use this step.[16]	\$0
21.	2020 total taxable value. Add Lines 18E and 19C. Subtract Line 20C.[17]	\$534,102,931
22.	Total 2020 taxable value of properties in territory annexed after Jan. 1, 2019. Include both real and personal property. Enter the 2020 value of property in territory annexed.[18]	\$0
23.	Total 2020 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2019. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2019 and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2020.[19]	\$29,780,837
24.	Total adjustments to the 2020 taxable value. Add Lines 22 and 23.	\$29,780,837
25.	Adjusted 2020 taxable value. Subtract Line 24 from Line 21.	\$504,322,094
26.	2020 NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100.[20]	\$.615859 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the 2020 county NNR tax rate.[21]	

[1]Tex. Tax Code Section

[2]Tex. Tax Code Section

[3]Tex. Tax Code Section

[4]Tex. Tax Code Section

[5]Tex. Tax Code Section

[6]Tex. Tax Code Section

[7]Tex. Tax Code Section

[8]Tex. Tax Code Section

[9]Tex. Tax Code Section

[10]Tex. Tax Code Section

[11]Tex. Tax Code Section

[12]Tex. Tax Code Section

[13]Tex. Tax Code Section

[14]Tex. Tax Code Section

[15]Tex. Tax Code Section

[16]Tex. Tax Code Section

[17]Tex. Tax Code Section

[18]Tex. Tax Code Section

[19]Tex. Tax Code Section

[20]Tex. Tax Code Section

[21]Tex. Tax Code Section

STEP 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

1. Maintenance and Operations (M&O) Tax Rate: The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.

2. Debt Rate: The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter Approval Tax Rate Activity	Amount/Rate
28.	2019 M&O tax rate. Enter the 2019 M&O tax rate.	\$.517972
29.	2019 taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	498,554,414
30.	Total 2019 M&O levy. Multiply Line 28 by Line 29 and divide by 100.	2,582,372
31.	Adjusted 2019 levy for calculating NNR M&O rate.	
	A. 2019 sales tax specifically to reduce property taxes. For cities, counties and hospital districts, enter the amount of additional sales tax collected and spent on M&O expenses in 2019, if any. Other taxing units, enter 0. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	0
	B. M&O taxes refunded for years preceding tax year 2019. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2019. This line applies only to tax years preceding tax year 2019.	3,229
	C. 2019 taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2020 captured appraised value in Line 18D, enter 0.	0
	D. 2019 transferred function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in E below. The taxing unit receiving the function will add this amount in E below. Other taxing units enter 0.	0
	E. 2019 M&O levy adjustments. Add A and B, then subtract C. For taxing unit with D, subtract if discontinuing function and add if receiving function	3,229
	F. Add Line 30 to 31E.	2,585,601
32.	Adjusted 2020 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	504,322,094
33.	2020 NNR M&O rate (unadjusted) Divide Line 31F by Line 32 and multiply by \$100.	0.512688
34.	Rate adjustment for state criminal justice mandate. [23]	
	A. 2020 state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose.	0
	B. 2019 state criminal justice mandate Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies	0

Line	Voter Approval Tax Rate Activity	Amount/Rate
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
35.	Rate adjustment for indigent health care expenditures[24]	
	A. 2020 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state assistance received for the same purpose	0
	B. 2019 indigent health care expenditures Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state assistance received for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Enter the rate calculated in C. If not applicable, enter 0.	0.000000
36.	Rate adjustment for county indigent defense compensation.[25]	
	A. 2020 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2019 and ending on June 30, 2020, less any state grants received by the county for the same purpose	0
	B. 2019 indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals for the period beginning on July 1, 2018 and ending on June 30, 2019, less any state grants received by the county for the same purpose	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	0.000000
	E. Enter the lessor of C and D. If not applicable, enter 0.	0.000000
37.	Rate adjustment for county hospital expenditures.	
	A. 2020 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2019 and ending on June 30, 2020	0
	B. 2019 eligible county hospital expenditures Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2018 and ending on June 30, 2019	0
	C. Subtract B from A and divide by Line 32 and multiply by \$100	0.000000
	D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100	0.000000
	E. Enter the lessor of C and D, if applicable. If not applicable, enter 0.	0.000000
38.	Adjusted 2020 NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E.	0.512688
39.	2020 voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit If the taxing unit qualifies as a special taxing unit, multiply Line 38 by 1.08 -or- Other Taxing Unit If the taxing unit does not qualify as a special taxing unit, multiply Line 38 by 1.035. -or- Taxing unit affected by disaster declaration If the taxing unit is located in an area declared as disaster area, the governing body may direct the person calculating the voter-approval rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval rate in this manner until the earlier of 1) the second year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, and 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 38 by 1.08. [27]	0.530632

Line	Voter Approval Tax Rate Activity	Amount/Rate
40.	Total 2020 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.	
	A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount	537,303
	B. Subtract unencumbered fund amount used to reduce total debt.	0
	C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none)	0
	D. Subtract amount paid from other resources	0
	E. Adjusted debt Subtract B, C and D from A	537,303
41.	Certified 2019 excess debt collections Enter the amount certified by the collector.	0
42.	Adjusted 2020 debt Subtract Line 41 from Line 40E	537,303
43.	2020 anticipated collection rate.	
	A. Enter the 2020 anticipated collection rate certified by the collector	102.31
	B. Enter the 2019 actual collection rate	102.31
	C. Enter the 2018 actual collection rate	103.85
	D. Enter the 2017 actual collection rate	106.31
	E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%.	102.31
44.	2020 debt adjusted for collections. Divide Line 42 by Line 43E.	525,171
45.	2020 total taxable value. Enter the amount on Line 21 of the No-New-Revenue Tax Rate Worksheet.	534,102,931
46.	2020 debt rate Divide Line 44 by Line 45 and multiply by \$100.	0.098327
47.	2020 voter-approval tax rate. Add Line 39 and 46.	0.628959
48.	COUNTIES ONLY. Add together the voter-approval tax rate for each type of tax the county levies. The total is the 2020 county voter-approval tax rate.	
STEP 3 NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes		

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
49.	Taxable sales. For taxing units that adopted the sales tax in November 2019 or May 2020, enter the Comptroller's estimate of taxable sales for the previous four quarters [32]. Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November 2019, skip this line.	0
50.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue.[33] Taxing units that adopted the sales tax in November 2019 or in May 2020. Multiply the amount on Line 49 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95 [34] -or- Taxing units that adopted the sales tax before November 2019. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	0

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	
52.	Sales tax adjustment rate. Divide Line 50 by Line 51 and multiply by \$100.	
53.	2020 NNR tax rate, unadjusted for sales tax [35]. Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	
54.	2020 NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2019 or in May 2020. Subtract Line 52 from Line 53. Skip to Line 55 if you adopted the additional sales tax before November 2019.	
55.	2020 voter-approval tax rate, unadjusted for sales tax. [36] Enter the rate from Line 47 or Line 48 as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i>	
56.	2020 voter-approval tax rate, adjusted for sales tax. Subtract Line 52 from Line 55.	

[37]Tex. Tax Code Section [38]Tex. Tax Code Section

STEP 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O Funds to pay for a facility, device or method for the control of air, water or land pollution.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Activity	Amount/Rate
57.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ [37]. The taxing unit shall provide its tax assessor-collector with a copy of the letter.[38]	\$0
58.	2020 total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	
59.	Additional rate for pollution control. Divide Line 57 by Line 58 and multiply by \$100.	0.000000
60.	2020 voter-approval tax rate, adjusted for pollution control. Add Line 59 to one of the following lines (as applicable): Line 47, Line 48 (counties) or Line 56 (taxing units with the additional sales tax).	

[37]Tex. Tax Code Section

[38]Tex. Tax Code Section

STEP 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years [39]. In a year where a special taxing unit adopts a rate above the voter-approval tax rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

For each tax year before 2020, the difference between the adopted tax rate and voter-approval rate is considered zero, therefore the unused increment rate for 2020 is zero.[40]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [41]

Line	Activity	Amount/Rate
61.	2019 unused increment rate. Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
62.	2018 unused increment rate. Subtract the 2018 actual tax rate and the 2018 unused increment rate from the 2018 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
63.	2017 unused increment rate. Subtract the 2017 actual tax rate and the 2017 unused increment rate from the 2017 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020, enter zero.	0.000000
64.	2020 unused increment rate. Add Lines 61, 62 and 63.	0.000000
65.	2020 voter-approval tax rate, adjusted for unused increment rate. Add Line 64 to one of the following lines (as applicable): Line 47, Line 48 (counties), Line 56 (taxing units with the additional sales tax) or Line 60 (taxing units with pollution control).	

STEP 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.[42]

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit. [43]

Line	Activity	Amount/Rate
66.	Adjusted 2020 NNR M&O tax rate. Enter the rate from Line 38 of the <i>Voter-Approval Tax Rate Worksheet</i>	0.512688
67.	2020 total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i>	534,102,931
68.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 67 and multiply by \$100.	0.093614
69.	2020 debt rate Enter the rate from Line 46 of the <i>Voter- Approval Tax Rate Worksheet</i>	0.098327
70.	De minimis rate Add Lines 66, 68 and 69.	0.704629

STEP 7: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate	0.615859
Voter-Approval Tax Rate	0.628959
De minimis rate	0.704629

STEP 8: Taxing Unit Representative Name and Signature

Printed Name of Taxing Unit Representative
Ro'Vin Garrett,

Sign here
PCC
 Taxing Unit Representative

Digitally signed by Ro'Vin Garrett, PCC
 DN: cn=Ro'Vin Garrett, PCC, o=Brazoria
 County, ou=Tax Assessor-Collector,
 email=roving@brazoria-county.com, c=US
 Date: 2020.08.04 14:58:51 -05'00'



City Council Agenda Item # 8

Title: Consideration of and action on setting the City of Freeport proposed 2020 tax rate, setting public hearing (if necessary), and directing staff to publish the Notice of Proposed 2020 Tax Rate.

Date: August 17, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends that Council propose the No-New Revenue Tax Rate of \$0.615859 per \$100 valuation for adoption on Tuesday, September 8, 2020. A vote on the proposed tax rate must be a record vote.

Should Council choose to propose a tax rate above the No-New Revenue Tax Rate, staff recommends holding the Public Hearing on Tuesday, September 8, 2020 (Special Meeting) with the adoption on the same date.

Item Summary:

The FY2020-2021 Proposed Budget was developed utilizing a projected taxable value and debt service amount. Since then, the City has received the Certified Estimate, 2020 Certificate of Obligations Debt Service Schedule, and final calculations based on a Net Taxable Value of \$534,102,931.

Based on calculations performed by the Tax Assessor/Collector, the required rates have been calculated and submitted to the governing body as follows:

No New Revenue Tax Rate: \$0.615859

Voter Approval Tax Rate: \$0.628959

Background Information:

Local government taxing units must provide notice using language specified in the Property Tax Code. The required notice may be published in a newspaper or by mailing it to each property owner in the city or county, as applicable. If published, it must also be placed on the homepage of the taxing unit's website.

Should Council propose a rate higher than the No-New Revenue Rate, a public hearing on the tax increase is required. After publishing the required notice, taxing units must hold one public hearing. A quorum of the governing body must be present at the hearing.

The public hearing must be held at least five days after the date notice of public hearing is given. This hearing must be held on a weekday that is not a public holiday and must take place in a public building inside the taxing unit's boundaries or a suitable building to which the public have normal access. Taxpayers must have the opportunity to express their views on the increase at the hearing.

Council may adopt the tax rate at this hearing. If Council does not vote on the proposed tax rate at the public hearing, Council must announce at the public hearing the date, time and place of the meeting at which it will vote on the tax rate.

Council must adopt the tax rate before Sept. 30 or 60 days after receiving the certified appraisal roll, whichever date is later.

Special Considerations:

If Council proposes the No New Revenue Rate, a Public Hearing is not required. The City must simply publish notice of the meeting to vote on the tax rate. Additionally, the deadline to approve a tax rate for consolidated tax bill is September 20, 2020.

Financial Impact:

Based on the 2020 Certified Estimate, the following table shows the financial impact of each rate. The current tax rate is above the No New Revenue Rate but below the Voter Approval Tax Rate.

Line	Description of Rate	M & O Rate	Debt Rate*	Total Rate	% Over NNR	General Fund (M&O) Revenue	Change from Proposed Budget
1	Rate in Proposed Budget	0.508976	0.106405	0.615382		\$2,718,400	
2	No New Revenue Tax Rate	0.517532	0.098327	0.615859		\$2,764,154	\$45,754
3	Last Year's Tax Rate	0.529678	0.098327	0.628005	2.0%	\$2,829,026	\$110,626
4	Voter Approval Tax Rate	0.530632	0.098327	0.628959	2.1%	\$2,834,121	\$115,721
5	3% Above NNR	0.536008	0.098327	0.634335	3.0%	\$2,862,833	\$144,433

**Must adopt this rate.*

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Governing Body Summary
 Notice About 2020 Tax Rates

2020 Governing Body Summary

Comparison of This Year's M & O Tax Levy with Last Year's M & O Tax Levy City of Freeport

Date: 07/29/2020

Last Year's M & O Tax Levy**: \$2,585,601

DESCRIPTION OF TAX RATE*	TAX RATE PER \$100	2020 M & O LEVY GENERATED
Debt Rate You MUST ADOPT	\$0.098327	
No New Revenue Tax Rate as 2020 Tax Rate NO TAX INCREASE	M & O Rate \$0.517532 Debt Rate \$0.098327 Total Tax Rate \$0.615859	\$2,764,154
Voter Approval Tax Rate as 2020 Tax Rate TAX INCREASE No Election Required	M & O Rate \$0.530632 Debt Rate \$0.098327 Total Tax Rate \$0.628959	\$2,834,121
De Minimis Tax Rate as 2020 Tax Rate TAX INCREASE May adopt rate greater than VATR up to De Minimis Rate. Exceeds Voter Approval Rate. No Election required, but possible petition to call election.	M & O Rate \$0.606302 Debt Rate \$0.098327 Total Tax Rate \$0.704629	\$3,238,277
Last Year's Tax Rate as 2020 Tax Rate TAX INCREASE Does not exceed VATR. No election required	M & O Rate \$0.529678 Debt Rate \$0.098327 Total Tax Rate \$0.628005	\$2,829,026
Proposed Tax Rate to generate revenue for M & O as per information sheet No Information provided	M & O Rate \$0. Debt Rate \$0.098327 Total Tax Rate \$0.	\$

* These figures are provided as estimates of possible outcomes resulting from varying the tax rate.

Please be aware that these are only estimates and should not be used alone in making budgetary decisions.

**Last year's tax levy is calculated using Texas Property Tax Code's definition of "last year's levy".

***This year's M & O tax levy is calculated using line 21 of the No New Revenue Tax Rate Worksheet.

NOTICE ABOUT 2020 TAX RATES

Property Tax Rates in CITY OF FREEPORT

This notice concerns the 2020 property tax rates for CITY OF FREEPORT. This notice provides information about two tax rates. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. The voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

This year's no-new-revenue tax rate: \$0.615859

This year's voter-approval tax rate: \$0.628959

To see the full calculations, please visit <https://www.brazoriacountytx.gov/departments/legal-notices> for a copy of the Tax Rate Calculation Worksheet.

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
Maintenance & Operations	5,000,000
Interest & Sinking	0

Current Year Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
Series 2008	0	21,224	0	21,224
Series 2020	415,000	97,179	3,900	516,079
<hr/>				
Total required for 2020 debt service				537,303
- Amount (if any) paid from funds listed in unencumbered funds				0
- Amount (if any) paid from other resources				0
- Excess collections last year				0
= Total to be paid from taxes in 2020				537,303
collect only 102.31% of its taxes in 2020				-12,131
=Total debt levy				525,171

This notice contains a summary of the no-new-revenue and voter-approval calculations as certified by Ro'Vin Garrett, PCC Tax Assessor-Collector on August 04, 2020.



City Council Agenda Item # 9

Title: Consideration of approving Comfort Systems USA for repairs on City Hall HVAC system.

Date: August 17, 2020

From: Lance Petty, Public Works Director

Staff Recommendation:

Staff recommends approval of this contractor for the repairs.

Item Summary:

To make necessary repairs to the city hall HVAC system with the installation of a new base mounted chill pump, flushing both chill & hot water loops, removal and replacement of control valves, installation of a side stream bypass filtration on the closed loop side, and water treatment for chill and hot water loops for one year.

Background Information:

The City of Freeport invested in major repairs to the HVAC system in the past to correct deficiencies in the system. The proposed repairs are additional repairs needed to ensure proper operation of the system. Once these repairs are complete the city will only have one other item that may need to be addressed, which is the duct work throughout the system. The duct work will be evaluated during the remodel of city hall.

Special Considerations

If approved, the completion of the proposed repairs will extend and improve the operation and protect the system from further damage.

Financial Impact:

The proposed costs of repairs are included as an attachment.

Flush/chemical treat cold and hot water loops including quarterly flushing	\$6,416.05
Water treatment for 1 year	\$2,311.40

Install continuous side stream bypass filtration on all closed loop system	\$5,986.25
Replace (1) 1 ½" pneumatic 3 way control valve and (2) ½: pneumatic control valves	\$5,594.78
Remove and replace chill water pump due to bad bearings	\$9,553.43
Total repair costs	\$29,861.91

Board or 3rd Party recommendation:

This repair proposal has been reviewed and authorized for repairs by Ron Bavarian with Freese and Nichols engineering.

Supporting Documentation:

Letter from Freese and Nichols, and comparison quotes from vendors.

THE CITY OF



FREEPORT

200 West Second St • Freeport, TX 77541

979.233.3526 • Fax 979.233.8867

To: Tim Kelty

City Manager

From: Lance Petty

Public Works Director

Date: 7/29/2020

Re: City Hall HVAC Quotes

Mr. Kelty

With the continued issues with the HVAC system at city hall, we have had Hunton Services and Comfort system USA both look at the needed repairs to the system. After their initial assessment of the system both companies sent over cost estimate repairs which are attached. As you and I discussed I felt more comfortable with having Freese and Nichols review the quotes due to the huge difference in services from the two. On July 28, 2020 I had a conference call with city engineer Ron Bavarian to discuss the proposals, after reviewing and comparing the documents it was clear the Comfort systems USA will be the best direction for the city to move forward with. Attached is a recommendation letter from the city engineer Ron Bavarian for reference of the project.

Thank you

Lance Petty



Innovative approaches
Practical results
Outstanding service

11200 Broadway St., Suite 2320 + Pearland, Texas 77584 + 832-456-4700 + FAX 817-735-7491

www.freeze.com

July 28, 2020

Lance Petty
Public Works Director
City of Freeport
200 West 2nd Street
Freeport, Texas 77541

Re: City Hall Chill & Hot Water System, etc. Repairs

Dear Lance:

Per your request I reviewed the different items Comfort Systems USA has submitted to City for the reference repairs. They are:

1. Install new B&G base-mounted chill pump at cost of \$9,553.43.
2. Flushing both chill & hot water loops at cost of \$6,416.05.
3. Removal and replacement control valves at cost of \$5,594.78.
4. Install continuous side stream bypass filtration on the closed loop system at cost of \$5,986.25.
5. Turn-key water treatment for chill and hot water loops for a year at cost of \$2,311.40.

For a total cost of \$29,861.91. Details of their proposed repairs are provided in their submittal to City. Comfort Systems USA had inspected the system before providing above proposed repairs. In reviewing their proposed repairs and pricings with you and Carissa Liddell, City Maintenance Supervisor, today, we believe their pricings are very reasonable and they have the experience and expertise to do this work. It was mentioned that they provided quality services to Lake Jackson, Angleton, and Dow Chemical among others. Therefore, I recommend proceeding with Comfort Systems USA to undertake above repairs. Please contact me if you have any question.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mehran Bavarian'.

Mehran (Ron) Bavarian, PE
Associate

Comfort System USA			Hunton Services	
Flush and chemical treat cold and hot water loops including Quarterly flushing	6,416.05		Flush cold and hot water loops does not include chemical treatment or quarterly flushing	91,281.00
water treatment for 1 year	2,311.40			
Install continuous side stream bypass filtration on all closed loop system	5,986.25		Install continuous side stream bypass filtration on all closed loop system	15,845.00
Replace (1) 1 1/2" pneumatic 3 way control valve and (2) 1/2" pneumatic control valves	5,594.78		Replace (1) 1 1/2" pneumatic 3 way control valve and (2) 1/2" pneumatic control valves	25,937.00
Remove and replace chill water pump due to bad bearings	9,553.43		Didn't ask for quote due to excessive costs on other items	
Totals/Comparisons	29,861.91			133,063.00



Quote No. QUC-36156-C3S4T1
Date: 5/1/2020

To: City of Freeport
200 West 2nd Street
Freeport, TX 77541

Carissa Seidler,

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Provide labor, and materials for the replacement of (3) pneumatic actuators and (3) three 3-way control valves. New valves to be Belimo Direct Digital Controlled actuators. Replacement as follows:

AHU-2: Replace (1) one 1 1/2" chill water pneumatic 3-way control valve located in the crawl space just above the ceiling on the 1st floor meeting room.

AHU-3: Replace (2) two 1/2" pneumatic 3-way control valves located in the ceiling inside the vault above the 12' ceiling. AHU-3 is approximately 3' above the ceiling.

Insulation to match existing.

One (1) parts and labor warranty

All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

NOTE:

Due to the condition of the existing pipe and fittings, all piping involved with direct replacement of each of the (3) three valves is required to be replaced at the same time.

Controls:

Included: installing wire from controller to new chill water and hot water valve actuators. Check for proper operation.

Exclusions:

Taxes

Overtime

Ceiling work

Water Treatment

Smoke alarms

Paint

Mechanical Permit

Temporary cooling

Total price for labor and materials for above scope \$25,937.00



NOTE:

Salvage value has been calculated into the sell price for this project. All equipment and or material demoed by Hunton Services to become the property of Hunton Services. If the owner wishes to retain possession of the aforementioned equipment, a value will be provided.

Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
5622 Luce St., Houston, TX 77087
Office: 713-643-8336
Mobile: 713-906-4082
Email: SBayless@huntinggroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____

By: _____

Title: _____

Date: _____

P.O. Number: _____



CONSTRUCTION
TERMS & CONDITIONS

Acceptance. A proposal made upon these terms is subject to acceptance within thirty days from date and the price are subject to change without notice prior to acceptance by Customer. Any rebate from CenterPoint Energy has been accounted for in the price of the proposal, therefore Hunton Services will retain any rebate funds. If your order is an acceptance of a written proposal or a form provided by Hunton Services, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order, subject to credit approval. If your order is not such an acceptance, then this document is Hunton Services' offer, subject to credit approval, to provide the goods and/or Work solely in accordance with the following terms and conditions of sale.

Exclusions from Work. Hunton Services' obligation is limited to the Work as defined and does not include any modifications to the Premises under the Americans with Disabilities Act or any other law or building codes.

Construction Procedures. Hunton Services shall supervise and direct the Work using its best skill and attention and have exclusive control over construction means, methods, techniques, sequence and procedures.

Payment Terms. Customer shall pay Hunton Services invoices within not thirty (30) days of invoice date. Hunton Services may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all work performed onsite or offsite. No retention shall be withheld from any payments except as expressly agreed in writing by Hunton Services, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. If payment is not received as required herein, Hunton Services may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Hunton Services for all reasonable shutdown, standby and start-up costs as a result of the suspension. All amounts outstanding 10 days beyond the due date are subject to a service charge not to exceed 1.5% of the principal amount due or the maximum allowable legal interest rate, retroactive to the due date. Customer shall pay all costs including attorneys' fees incurred by Hunton Services in attempting to collect amounts due and otherwise enforcing these terms and conditions.

Time for Completion. Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Hunton Services, all dates provided by Hunton Services or its representatives for commencement, progress or completion are estimates only. While Hunton Services will use commercially reasonable efforts to meet such estimated dates, Hunton Services shall not be responsible for any damages for its failure to do so.

Access. Hunton Services and its contractor or subcontractor shall be provided access to the Premises during regular business hours, or each other hours as may be requested by Hunton Services, and accessible to the Premises owner or tenant for the performance of the Work, including sufficient credit for staging, mobilization, and storage. Hunton Services' access to correct any emergency condition shall not be restricted.

Permits and Governmental Fees. Hunton Services shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work, which are legally required when bids from Hunton Services' subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities.

Utilities during Construction. Hunton Services shall be provided without charge all water, heat, and utilities during performance of the Work.

Concealed or Unknown Conditions in the Performance of the Work. If Hunton Services encounters conditions at the Premises that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein, or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized at the time of construction activities of the type and character of the Work, Hunton Services shall notify Customer of such conditions promptly, prior to significantly disturbing the same. If such conditions affect materially and cause an increase in Hunton Services' cost of or time required for performance of any part of the Work, Hunton Services shall be entitled to and Customer shall consent by Change Order to an equitable adjustment in the Contract Price. Contract time, or both. Any loss contributed to or aggravated by rust, mold, fungus, wet or dry rot, and any resulting loss always excluded under this contract however caused.

Asbestos and Hazardous Materials. Hunton Services' Work and other services in connection with the Agreement expressly excludes any identification, abatement, cleanup, control, removal, removal or other work connected with asbestos, polychlorinated biphenyl ("PCB"), or other hazardous material (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Hunton Services, there are no Hazardous Materials on the Premises that will in any way affect Hunton Services' Work and Customer has disclosed to Hunton Services the existence and location of any Hazardous Materials in all areas within which Hunton Services will be performing the Work. Should Hunton Services become aware of or suspect the presence of Hazardous Materials, Hunton Services may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to

correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims.

Including the payment therefor, arising out of or relating to any Hazardous Materials on or about the Premises, not brought into the Premises by Hunton Services, Hunton Services shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or when the affected area has been rendered harmless. In no event shall Hunton Services be obligated to excavate or handle Hazardous Material, to provide any notices to any governmental agency, or to evacuate the Premises for the presence of Hazardous Material.

Conditions Beyond Control Of Parties. If Hunton Services shall be unable to carry out any material obligation under the Agreement due to events beyond its control, such as acts of God, governmental or judicial authority, insurrection, riot, labor disputes, labor or material shortages, fire or explosion, this Agreement shall of Hunton Services' election (i) remain in effect but Hunton Services' obligation shall be suspended until the (i) unavoidable event terminates, or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Hunton Services for all parts of the Work furnished to the date of termination. Any loss consisting of, caused by, contributed to, or aggravated by rust, mold, fungus, wet or dry rot, and any resulting loss is always excluded under this contract however caused.

Customer's Breach. Each of the following events or conditions shall constitute a breach by Customer and shall give Hunton Services the right, without an election of remedies, to terminate the Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Hunton Services for all Work furnished to date and all damages sustained by Hunton Services (including lost profit and overhead): (1) Any failure by Customer to pay amounts due hereunder within (30) days after the date of the invoice herefor or (2) Any failure by Customer to perform or comply with any material provision of the Agreement.

Indemnification. Hunton Services and Customer shall indemnify, defend and hold each other harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement, however, neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the negligence or misconduct of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination. Notwithstanding any contrary provision, neither party shall be liable to the other for any special, incidental, consequential or punitive damages.

Warranty. And Equipment Warranty. Hunton Services warrants that, for a period of one year from the date of substantial completion (the "Warranty Period"), frame equipment installed hereunder and Work it shall be free from defects in material, manufacture, and workmanship and it shall have the capacities and ratings set forth in frame catalogs and bulletins, substantial completion shall be the earlier of the date that the Work is substantially completed or that Customer can utilize the Work. Not later than 10 days after the date that Customer receives beneficial use of the Work, for frame equipment not installed by Hunton Services, the Warranty Period is the lesser of 12 months from initial shipment or 18 months from the date of shipment. If such defect is discovered within the Warranty Period, Hunton Services will correct the defect or furnish replacement equipment (or, at its option, parts therefor) and, if said equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to this warranty, its liability, wherever that labor is performed, shall be limited to Hunton Services' cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Hunton Services' warranties expressly exclude any remedy for damage or defect caused by collision, erosion, or deterioration, abuse, modifications or repairs not performed by Hunton Services, improper operation, or normal wear and tear under normal usage. Hunton Services shall not be obligated to pay for the cost of lost refrigerant.

THE WARRANTY AND LIABILITY SET FORTH IN THE PRECEDING PARAGRAPH ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER BY CONTRACT, MANUFACTURE, EXPRESS OR IMPLIED, BY LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL HUNTON SERVICES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

Assignment. Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest hereof, without the written consent of Hunton Services, subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's successors and assigns.

Complete Agreement. This Agreement shall constitute the entire Agreement between both parties, and this Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. Any documents shall be incorporated herein by reference except to the extent Hunton Services is a signatory thereto.

Governing Law. This shall be governed by an agreement in accordance with the laws of the State of Texas. Texas, license #A001A00929C. Regulated by The Texas Department of Licensing and Registration, P.O. Box 127517, Austin, TX 78711-1-800-803-9201.

Chillers: Air & Water Cooled

- Routine maintenance/Coil cleaning
- Complete turnkey replacements
- Vibration & oil analysis
- Eddy current testing
- Controls
- Routine operations log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Refurbishment or Replacement
- Maintenance/Coil cleaning
- Alignment & vibration analysis
- Annual stop inspection
- Drain line & P-trap maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofits

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types (AHU) R&M
- Fan coil repair & maintenance
- Laboratory fume-hoods
- Spot coolers
- Complete turnkey retrofits

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Retrofits
- Service and Repairs
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofits

Building Automation Systems

- Open protocol, Internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofits
- Building automation systems R&M
- Internet remote access
- Building control units (BCU)
- Thermostats sensors
- Digital electronic/pneumatic
- Software programming
- Variable frequency drives (VFD)
- Retro-commissioning
- Energy management services

Rental Services

- Rental chillers
- Air conditioning units w/electric heat
- Portable air conditioning units
- Air handling units
- Cooling towers
- Diesel generators
- Transformers, pumps, flexible duct & hose
- Heaters, humidifiers & compressors

Refrigeration

- Ice machines
- Freezers/chillers - cafeterias & labs

Indoor Air Quality (IAQ)

- Air filtration - filters & maintenance
- Internal air duct inspection (robot)
- Air duct cleaning & sanitation
- Ultraviolet lighting
- Photo-catalytic filtration
- Dust collection & exhaust

Pumps and Valves

- Routine maintenance
- Chiller/condenser water valves

- Controls
- Complete turnkey retrofits

Fabrication/Modification

- Explosion proofing Class I, Division II
- Weather proofing
- Structural skids & protective coatings
- Custom designed air handling systems & pressurization
- Package central plants
- Custom fabrication/modification

Industrial Plant Services

- Unitary HVAC Comfort Cooling
- Process Absorption Chillers
- Process Ammonia Chillers
- Process Centrifugal Scroll and Screw Chillers
- Compound and Cascade Systems
- Multi-stage Centrifugal Systems (normal and low pressure)
- Cooling Tower Repair
- Multi-stage Gas Compression

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSFO@tips-usa.com

Proposal Date: June 25, 2020

Estimated By: Zeb Mitchell

Proposal#: 0630ZM

Reference: Install 2 pot filters on chillwater & hot water loops

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Customer:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
200 W. 2ND STREET

FREEPORT TX

Service Site:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
200 W 2ND STREET

FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 5,986.25 excluding any applicable taxes

\$	1,052.07	Labor
\$	4,934.18	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor; equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential - This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal

Best Regards,

Zeb Mitchell

Service Supervisor
832-557-5306
dispatch@csusasc.com
832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
Name: _____
Title: _____
Company: CITY OF FREEPORT
Date: _____
Purchase Order Number: _____

Accepted By: _____
Name: Jerri Anh G. Wright
Title: Director of Service
COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Install continuous side stream bypass filtration on all closed loop systems

- Install 2 Dynamics FF-100 Filter feeder
- Install 3/4 taps on suction and discharge lines to pipe in pot filters
- Insulate chill water loop only

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr., Houston, TX 77040 Service Department: (832) 590-5795 / (888) 479-6017

Regulated by The Department of Licensing and Regulation/ P.O. Box 12157, Austin, TX 78711/1-800-803-9202/512-463-6599/ www.license.state.tx.us

Mechanical Contractors Lic. TACLA00079984C

dated 02/25/2020

(the "Purchase Order") at the project/property located at

301 W 2ND STREET

FREEPORT

77541

06302M

the ("Property"). Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1 1/4 % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the preceding sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and proximate cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to test, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport City Hall Special Projects Proposal

Authorized Warranty Service
TACLA009290C
MPL38267



5822 Luce St
Houston, TX 77067

p. 713.643.8376
f. 713.643.6519

customerservice@huntinggroup.com
www.huntonservices.com



Quote No: QUO-Freeport-SMB
Date: 04/02/2020

Choice Facilities Contract # 14/021JN-05

To: City of Freeport
200 West 2nd Street
Freeport, Tx 77541

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Provide filter, labor and materials to install One (1) BoilerMag XT Filtration, as follows:

1-6" Model BMXT300HF / ANSI

Magnetic performance is 9,000 Gauss high strength

Stainless Steel housing

Performance reading - On tube surface

Drain valve 1 1/4"

Filter to be installed inside boiler room, before suction pump header, in the horizontal position.

Two (2) 6" weld neck, raised faced 150# flanges included

2- NIBCO Butterfly valves included for isolation

Insulation to match existing

Industry standard leak test

All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

Choice Fees

One (1) year parts and labor warranty

Exclusions:

Taxes

Overtime

Water Treatment

Drain down and fill of system

Paint

Temporary cooling

Mechanical Permit

Total price for labor and materials for above scope\$15,845.00

Chillers: Air & Water Cooled

- Routine maintenance (Coil cleaning)
- Complete turnkey replacements
- Vibration & oil analysis
- Eddy current testing
- Controls
- Routine operations log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Refurbishment/Replacement
- Maintenance/Coil cleaning
- Alignment & vibration analysis
- Annual stop inspection
- Drain line & P-trap maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofit

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types (AHU) RCM
- Fan coil repair & maintenance
- Laboratory fume hoods
- Spar coolers
- Complete turnkey retrofit

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Retrofits
- Service and Repair
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofits

Building Automation Systems

- Open protocol, Internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofit
- Building automation systems (BAS)
- Internet remote access
- Building control unit (BCU)
- Thermostat sensors
- Digital electronic pneumatic
- Software programming
- Variable frequency drives (VFD)
- Filter-recommissioning
- Energy management services

Rental Services

- Rental chillers
- Air conditioning units w/ dehumidifier
- Portable air conditioning units
- Air handling units
- Drying towers
- Diesel generator
- Transformers, pumps, flexible duct & hoses
- Heaters, humidifiers, compressors

Refrigeration

- Ice machines
- Freezer coolers - (walk-ins & line)

Indoor Air Quality (IAQ)

- Air filtration - filters & maintenance
- Internal air duct inspection (robot)
- Air duct cleaning & sanitization
- Ultraviolet lighting
- Photocatalytic filtration
- Dust collection & removal

Pumps and Valves

- Routine maintenance
- Chilled condenser water valves

- Controls
- Complete turnkey retrofits

Fabrication/Modification

- Explosion proofing (Class I Division II)
- Weather proofing
- Structural steel & protective coating
- Custom designed air handling systems & pressurization
- Package central plants
- Custom fabrication/modification

Industrial Plant Services

- Utility HVAC Control Dosing
- Process Ablation Chillers
- Process Ammonia Chillers
- Process Centrifugal Scroll and Screw Chillers
- Compound and Cascade Systems
- Multi-stage Centrifugal Systems (normal and low pressure)
- Cooling Tower Repair
- Multi-stage Air Compressor

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Proposal Date: June 29, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 06332M
 Reference: J Way Valve Replacement

Customer:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET
 FREEPORT TX

Service Site:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET
 FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 5,544.78 excluding any applicable taxes

\$	3,094.17	Labor
\$	2,500.61	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor, equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), inc Confidential: This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Accepted By: _____
 Name: Jerri Anh G. Wright
 Title: Director of Service
 Company: COMFORT SYSTEMS USA (SOUTH CENTRAL), INC.
 Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

- AHU-2 Replace (1) 1 1/2 CW Pneumatic 3 way control valve located in crawl space just above the ceiling on first floor meeting room.
- AHU-3 Replace (2) 1/2" Pneumatic control valves in Vault

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr, Houston, TX 77040 Service Department: (832) 590-5795 / (888) 479-6017

Regulated by The Department of Licensing and Regulation/ P.O. Box 12157, Austin, TX 78711/1-800-803-9202/512-463-6599/ www.license.state.tx.us

Mechanical Contractors Lic. TACLA00079984C

dated 8/29/2020

(the "Purchase Order") at the project/property located at

380W 2ND STREET

FREEMONT

77541

06337M

the ("Property"). Customer and Contractor are collectively referred to as the "Parties".

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1 1/2 % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, force of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the preceding sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supercedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superceded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport Special Projects Proposal

Authorized Warranty Service
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Houston, Tx 77087

p: 713.841.3736
f: 713.593.1519

customerservice@huntingroup.com
www.huntonservices.com

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Proposal Date: June 25, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 06312M
 Reference: Chill water & hot water loop flush

Customer:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET

FREEPORT TX

Service Site:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET

FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), in the amount of: \$ 6,416.05 excluding any applicable taxes

\$	458.43	Labor
\$	5,957.63	Equipment Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor; equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc. Confidential. This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusase.com
 832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Accepted By: _____
 Name: Jerri Anh G. Wright
 Title: Director of Service
 COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____

www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Flush both Chill & Hot water loops due to poor condition. Flush and chemically treat before beginning beginning Quarterly Service.

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr., Houston, TX 77040. Service Department (832) 590-5795 / (888) 479-6017

dated 06/25/2020

(the "Purchase Order") at the project/property located at

300 W 2ND STREET

FREEPORT

77541

06317M

the ("Property") Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1 1/2 % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** ~~To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties") from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the preceding sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.~~
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Proposal Date: June 25, 2020
Estimated By: Zeb Mitchell
Proposal#: 0629ZM
Reference: Water Treatment

Customer:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT.TX US

CITY OF FREEPORT
200 W. 2ND STREET

FREEPORT TX

Service Site:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT TX US

CITY OF FREEPORT
200 W 2ND STREET

FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 2,311.40 excluding any applicable taxes.

\$	463.64	Labor
\$	1,847.76	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor; equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential. This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
832-557-5306
dispatch@csusasc.com
832-590-5795

Customer Acceptance

Accepted By: _____
Name: _____
Title: _____
Company: CITY OF FREEPORT
Date: _____
Purchase Order Number: _____

Comfort Systems USA (South Central), Inc

Accepted By: _____
Name: Jeri Ann G. Wright
Title: Director of Service
COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Turn-Key water treatment for chill water and hot water loops for a year.

EXCLUSIONS:

- * Anything not listed in scope of work above
- * Unscheduled Over Time Labor
- * Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr., Houston, TX 77040 Service Department: (832) 590-5795; (888) 479-6017

dated 4/25/2020

(the "Purchase Order") at the project/property located at

300 W. 2ND STREET

FREEPORT

17541

06292M

the ("Property"). Customer and Contractor are collectively referred to as the "Parties."

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in law. production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1% per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the foregoing sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport Special Projects Proposal

Authorized Warranty Service
TACLA009290C
MPL38267



5622 Loop 51
Houston, TX 77061

p. 713.643.8336
f. 713.583.6519

customerservice@huntinggroup.com
www.huntonservices.com



Quote No. QUC-Freepart-SMB
Date: 04/02/2020

Choice Facilities Contract # 14/021JN-05

To: City of Freeport
200 West 2nd Street
Freeport, Tx 77541

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Option 1:

Determine Hot Water and Chill Water system integrity, (piping).

Provide ultrasonic testing, inspection including report of the existing piping to determine system integrity regarding Chill and Hot water systems. Note: Ultrasonic equipment requires insulation and rust removal. Any additional work not included.

Pricing for Option 1:.....\$22,775

Option 2:

Pipe Flushing

Disconnect Chill water piping from each of the 7 AHUs, loop together at the highest elevation and flush system until free of noticeable debris. Note Chemical Treatment not included.

Pricing for Option 2:.....\$91,281

Option 3a and 3b:

Includes the following:

A. Provide all necessary pipe, valves, fittings, insulation and labor to demo and replace the chill water piping inside Freeport City Hall.

B. Provide tie-ins on the heating hot water branches that were replaced previously. Includes all insulation patches. Walls, ceiling tiles, grid and light removal included when necessary.

Pricing for Option 3a and 3b:.....\$751,117

Options 4a and 4b:

**If Option 1 determines the system integrity is unsatisfactory, Option 2 is deleted. Options 4a or 4b will be implemented.*

Option 4a:

A. Provide all necessary cutting, patching, excavation, backfilling, labor, valves, pipe, fittings, pipe supports to install Pre-Insulated Steel Underground Chilled and Hot Water mains between the central plant and Main Building (City Hall), approximately 50" of each of the 4 lines.

Note: Piping will route out of the ground just prior to the concrete bulk head and will be installed outside the brick wall and penetrate above the 1st floor ceiling.

Pricing for Option 4a:.....\$330,382

Option 4b:

B. Provide all necessary supports, pipe, valves, pipe fittings including insulation to install New Chilled and Hot Water mains overhead from the central plant to the Main Building (City Hall).

Pricing for Option 4b:.....\$359,321



Insulation to match existing
 Industry standard leak test
 Start up and make system operational
 One (1) year parts and labor warranty
 Choice Fees
 All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

Exclusions:

Taxes
 Overtime
 Water Treatment
 Control Valves
 Building Automation and Controls, (disconnect / reconnect only)
 Security and life safety devices NOT include
 Any conflicts not covered by this scope
 Unmarked underground utilities including electrical
 Tree maintenance or care
 Asbestos removal and testing
 Drain down and fill of system
 Paint
 Temporary cooling
 Mechanical Permit
 Any additional work that is not in the above scope.

Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
 5622 Luce St., Houston, TX 77087
 Office: 713-643-8336
 Mobile: 713-906-4082
 Email: SBayless@huntinggroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____

By: _____

Title: _____

Date: _____

P.O. Number: _____



CONSTRUCTION
TERMS & CONDITIONS

Acceptance: A proposal made about these terms is subject to acceptance within thirty days from date and the price is subject to change without notice prior to acceptance by Customer. Any rebate from Certificate Energy has been incorporated for in the price of the proposal. Therefore, Hunton Services will retain any rebate funds it can receive with acceptance in a written proposal and a form provided by Hunton Services. Without the addition of any other terms and conditions of sale or any other modification, this document shall be deemed fully and completely agreed to by Customer, subject to final approval of your client (not with an acknowledgment that this document is Hunton Services' offer to sell) to speak approval to provide the goods and/or services in compliance with the following terms and conditions of sale.

Customers from Work Order: Hunton Services' obligation is limited to the work as defined and does not include any modifications to the Premises under the Americans with Disabilities Act or any other law or building codes.

Construction Procedures: Hunton Services shall supervise and direct the Work using its best skill and attention, and have exclusive control over construction means, methods, techniques, sequence and procedures.

Payment Terms: Customer shall pay Hunton Services invoice within net thirty (30) days of invoice date. Hunton Services may invoice Customer for all equipment or material furnished whether delivered to the installation site or to an off-site storage facility, and for all work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Hunton Services, in which case retention shall be reduced per the contract documents and a retained no later than the date of substantial completion. If payment is not received as required, Hunton Services may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Hunton Services for all reasonable shutdown, idleness and start-up costs as well as the supervision of all amounts outstanding 10 days beyond the due date are subject to a service charge not to exceed 1.5% of the principal amount due on the maximum allowable legal interest rate, retroactive to the date that Customer shall pay in full (including attorney's fees) incurred by Hunton Services. Payment of all such amounts due and otherwise entering these terms and conditions.

Take the Direction: Except to the extent otherwise expressly agreed in writing, agreed by an authorized representative of Hunton Services, all data provided by Hunton Services or its representatives in connection with progress or completion are provided only. While Hunton Services may use commercially reasonable efforts to meet with estimated dates, Hunton Services shall not be responsible for any damage or liability caused.

Access: Hunton Services and its contractors or subcontractors shall be provided access to the Premises during regular business hours, or such other hours as may be requested by Hunton Services and as acceptable to the Premises' owner or tenant for the performance of the Work, including all relevant areas for staging, mobilization and storage. Hunton Services' access to correct any emergency condition shall not be restricted.

Permits and Governmental Fees: Hunton Services shall require (with Customer's assistance) and pay for building and other permits and governmental fees, licenses and inspections necessary for proper performance and completion of the Work, which are legally required when this Work. Hunton Services' subcontractors are required (negotiations herein excluded), or the effective date of a relevant change order, whichever is later, Customer is responsible for necessary approvals, easements, easements and changes to construction, use or occupancy of permanent structures, or for permanent changes to existing facilities.

Utilities during Construction: Hunton Services shall be provided without charge all water, fuel, and utility during performance of the Work.

Unavoidable or Unknown Conditions: In the performance of the Work, Hunton Services or its contractor, subcontractor or the Premises that are (a) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings, expressly recognized herein or (b) unknown physical conditions that are usually hidden that differ materially from those conditions ordinarily found in this and general recognized conditions of construction practices of the type and character of the Work. Hunton Services shall notify Customer of such conditions promptly, prior to, or within a reasonable period of time required for performance of any part of the Work. Hunton Services shall be entitled to, and Customer shall consent by Change Order to an equitable adjustment in the Contract Price, contract time, or both. Any loss contributed to or aggravated by rust, mold, fungus, wet or dry rot and any resulting is always excluded under the contract however caused.

Asbestos and Hazardous Materials: Hunton Services' Work and other services in connection with this Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, asbestos-containing material ("ACM"), or other hazardous materials, hereinafter collectively "Hazardous Materials". Customer warrants and represents that it has not and will not in any way affect Hunton Services' Work and Customer has disclosed to Hunton Services the existence and location of any Hazardous Materials in all areas within which Hunton Services will be performing the Work. Should Hunton Services become aware of or suspect the presence of Hazardous Materials, Hunton Services may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to

correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims.

Indemnity and the Payment of Costs: Hunton Services' liability for any Hazardous Materials in or about the Premises not brought into the Premises by Hunton Services. Hunton Services shall be required to remove performance of the Work in the affected areas and, in the absence of Hazardous Materials, or until the affected area has been rendered harmless. In no event shall Hunton Services be obligated to transport or handle Hazardous Materials, to provide any notices to any governmental agency, or to examine the Premises for the presence of Hazardous Materials.

Conditions Beyond Control of Parties: If Hunton Services shall be unable to carry out any material obligation under the Agreement due to events beyond its control, such as acts of God, governmental or judicial authority, insurrection, riot, labor disputes, labor or material shortage, fire, explosions, the Agreement shall be suspended until the cause of the event is removed. Hunton Services' obligations shall be suspended until the cause of the event is removed. Hunton Services shall give 10 days notice to Customer in which event Customer shall pay to Hunton Services for all work performed to the date of termination. Any work completed, covered by, distributed to, or segregated by Hunton Services will be its property, resulting in it always excluded under the contract however caused.

Customer's Breach: Each of the following events constitutes a breach of the Agreement by Customer and that give Hunton Services the right, without the need of a demand, to terminate this Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Hunton Services for all Work furnished to date and all work previously performed by Hunton Services (including lost profit and overhead). (1) Any failure by Customer to pay amounts due under this Agreement; (2) Any failure by Customer to comply with any material provision of the Agreement.

Indemnification: Hunton Services and Customer shall indemnify, defend and hold each other harmless from any and all claims, actions, suits, expenses, damages and liabilities, including reasonable attorney's fees, resulting from death or bodily injury or damage to real or personal property, in the event caused by the negligence or misconduct of their respective employees or other authorized agents, in connection with their activities within the scope of the Agreement. However, neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the negligence or misconduct of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. This duty to indemnify will continue until claims are paid and effect notwithstanding the expiration of work termination hereof, will extend to any claims based on facts or conditions that occurred prior to expiration or termination. Notwithstanding any contrary provision, neither party shall be liable to the other for any special, incidental, consequential or punitive damages.

Warranty: And Equipment Warranty: Hunton Services warrants that for a period of twelve months from the date of substantial completion of the Warranty Period, items equipment, material, materials and Work shall be free from defects in material, manufacture, and workmanship, and it shall have the applicable and ratings set forth in the applicable and building codes and standards. The warranty shall be the earlier of the date that the Work is substantially complete or the date that the Work is intended use or the date that Customer receives beneficial use of the Work. All items equipment not installed by Hunton Services, the Warranty Period is the lesser of 12 months from the date of installation or the date of receipt of the equipment. If such defect is discovered within the Warranty Period, Hunton Services will correct the defect or furnish replacement equipment, parts or supplies, parts, materials, and, if said equipment was installed pursuant herein, labor associated with the replacement of parts or equipment not constituting to this warranty. The liability, whatever may attach to Hunton Services, until said equipment and Work have been paid for in full and then said liability shall be limited to Hunton Services' cost to correct the defective Work and the percentage price of the equipment shown to be defective. Hunton Services' Warranty expressly excludes any liability for damage or defect caused by corrosion, erosion, or deterioration, abuse, misuse, fire, or other not performed by Hunton Services, improper operation, or normal wear and tear under normal usage. Hunton Services shall not be obligated to pay for the cost of lost equipment.

THE WARRANTY AND LIABILITY SET FORTH IN THE PRECEDING PARAGRAPHS ARE GIVEN IN FULL OF ALL OTHER WARRANTIES AND LIABILITIES WHETHER IN CONTRACT OR TORT AND SERVICE EXPRESS OR IMPLIED BY LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL HUNTON SERVICES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

Assignment: Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, the order hereof, without the written consent of Hunton Services, subject to the foregoing. This Agreement shall be binding upon and inure to the benefit of Customer, successors, and assigns.

Complete Agreement: This Agreement shall constitute the entire Agreement between the parties and the Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No document shall be incorporated hereinto by reference except to the extent Hunton Services is a party thereto.

Governing Law: This shall be deemed to be an agreement in accordance with the laws of the State of Texas, Texas Business Code, and is regulated by the Texas Department of Licensing and Registration, P.O. Box 12194, Austin, TX 78711, (502) 862-9222.

Chillers: Air & Water Cooled

- Routine maintenance/Coil cleaning
- Complete turnkey replacement
- Vibration & alignment
- Load current testing
- Controls
- Routine operation log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Reestablishment/Repair/Upgrade
- Maintenance/Coil cleaning
- Alignment & vibration analysis
- Annual stop inspection
- Duct life & Filter maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofit

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types (AHU) RRM
- Fan coil repair & maintenance
- Laboratory fume hoods
- Split coolers
- Complete turnkey retrofit

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Programs
- Service and Repair
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofit

Building Automation Systems

- Open protocol, Internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofit
- Building automation systems RRM
- Internet remote access
- Building control units (BCU)
- Thermostats/sensors
- Digital electronic/pneumatic
- Software programming
- Variable frequency drives (VFD)
- Retro-commissioning
- Energy management services

Rental Services

- Rental chiller
- Air conditioning units walk-in/heat
- Portable air conditioning units
- Air handling units
- Cooling towers
- Diesel generators
- Transformers, pumps, flexible duct & hose
- Heaters, humidifiers & compressor

Refrigeration

- Ice machines
- Freezer/cooler - walk-in/walk-out

Indoor Air Quality (IAQ)

- All filtration - filters & maintenance
- Infrared duct inspection analysis
- Air duct cleaning & sanitization
- Ultraviolet light fix
- Photo-catalytic filtration
- Duct collection & removal

Pumps and Valves

- Routine maintenance
- Chilled/condenser water valve

- Controls
- Complete turnkey retrofit

Fabrication/Modification

- Explosion proofing Class I Division I
- Weather proofing
- Structural work & protective coating
- Custom designed air handling systems
- Insulation
- Packaged central plants
- Custom fabrication/modification

Industrial Plant Services

- Unitary HVAC Comfort Cooling
- Process Absorption Chillers
- Process Ammonia Chillers
- Process Centrifugal, Scroll and Screw Chillers
- Compound and Cascade Systems
- Multi-stage Centrifugal Systems (medium and low pressure)
- Cooling Tower Repair
- Multi-stage Gas Compression

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

Proposal Date: June 25, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 0630ZM
 Reference: Chill Water Pump Replacement

CC Email PO to: SERVICEDISPATCHE@CSUSASC.COM

Customer:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET

 FREEPORT TX

Service Site:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET

 FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 9,583.43 excluding any applicable taxes.

\$	2,848.58	Labor
\$	6,704.85	Equipment Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor, equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential - This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Accepted By: _____
 Name: Jerri Anh G. Wright
 Title: Director of Service
 COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Centrifugal Pumps: Remove and Replace Chill Water pump due to Bad bearings in pump and rusted skid.

- Install New B&G Base Mounted pump and 1800RPM 254T Frame motor

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc. 9745 Bent Oak Dr., Houston, TX 77040. Service Department: (832) 590-5795 / (888) 479-6017

Regulated by The Department of Licensing and Regulation/ P.O. Box 12157, Austin, TX 78711/1-800-803-9202/512-463-6599/ www.license.state.tx.us

Mechanical Contractors Lic. TACLA00079984C

dated 4/23/2020

(the "Purchase Order") at the project/property located at

200 W 2ND STREET

FREEPORT

77541

06:30ZM

the ("Property"). Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 Customer Responsibilities. Customer shall make available to Contractor all safety information and other information necessary to perform the Services...
2 Contractor Warranty. Contractor warrants that the Services will be performed in a good and workmanlike manner...
3 Existing Systems. Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems...
4 Excluded Services. Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances...
5 Limitations of Warranty. THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES...
6 Limitations of Liability; No Consequential Damages. Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement...
7 Payment. Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order...
8 Taxes. Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
9 Additional Services. Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order...
10 Delays. Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party...
11 Indemnity. To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor and Contractor's employees, subcontractors, suppliers and vendors...
12 Arbitration. This Agreement shall be governed in all respects by the laws of the State of Texas (including all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement...
13 Independent Contractors. Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other.
14 No Third Party Beneficiaries. This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement.
15 Miscellaneous. This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order...

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or unenforceable, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or unenforceable.



Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
5622 Luce St., Houston, TX 77087
Office: 713-643-8336
Mobile: 713-906-4082
Email: SBayless@huntongroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____

By: _____

Title: _____

Date: _____

P.O. Number: _____

**City Council Agenda Item # _____**

Title: **Consideration of approving Comfort Systems USA for repairs on city hall HVAC system**

Date: **August 17,2020**

From: **Lance Petty, Public Works Director**

Staff Recommendation:

Staff recommends approval of this contractor for repairs

Item Summary:

To make necessary repairs to the city hall HVAC system with the installation of a new base mounted chill pump, flushing both chill & hot water loops, removal and replacement of control valves, installation of a side stream bypass filtration on the closed loop side, and water treatment for chill and hot water loops for one year.

Background Information:

The City of Freeport invested in major repairs to the HVAC system in the past to correct deficiencies in the system. The proposed repairs are additional repairs needed to ensure proper operation of the system. Once these repairs are complete the city will only have one other item that may need to be addressed, which is the duct work throughout the system. The duct work will be evaluated during the remodel of city hall.

Special Considerations:

If approved, the completion of the proposed repairs will extend and improve the operation and protect the system from further damage.

Financial Impact:

The proposed costs of repairs are included as an attachment

Flush/chemical treat cold and hot water loops including quarterly flushing	\$6,416.05
Water treatment for 1 year	\$2,311.40
Install continuous side stream bypass filtration on all closed loop system	\$5,986.25
Replace (1) 1 1/2" pneumatic 3 way control valve and (2) 1/2" pneumatic control valves	\$5,594.78
Remove and replace chill water pump due to bad bearings	\$9,553.43
Total repair costs	\$29,861.91

Board or 3rd Party recommendation:

This repair proposal has been reviewed and authorized for repairs by Ron Bavarian with Freese and Nichols engineering.

Supporting documentation:

Letter from Freese and Nichols; and comparison quotes from vendors.

THE CITY OF

200 West Second St • Freeport, TX 77541



FREEPORT

979.233.3526 • Fax 979.233.8867

To: Tim Kelty

City Manager

From: Lance Petty

Public Works Director

Date: 7/29/2020

Re: City Hall HVAC Quotes

Mr. Kelty

With the continued issues with the HVAC system at city hall, we have had Hunton Services and Comfort system USA both look at the needed repairs to the system. After their initial assessment of the system both companies sent over cost estimate repairs which are attached. As you and I discussed I felt more comfortable with having Freese and Nichols review the quotes due to the huge difference in services from the two. On July 28, 2020 I had a conference call with city engineer Ron Bavarian to discuss the proposals, after reviewing and comparing the documents it was clear the Comfort systems USA will be the best direction for the city to move forward with. Attached is a recommendation letter from the city engineer Ron Bavarian for reference of the project.

Thank you

Lance Petty



Innovative approaches
Practical results
Outstanding service

11200 Broadway St., Suite 2320 + Pearland, Texas 77584 + 832-456-4700 + FAX 817-735-7491

www.freese.com

July 28, 2020

Lance Petty
Public Works Director
City of Freeport
200 West 2nd Street
Freeport, Texas 77541

Re: City Hall Chill & Hot Water System, etc. Repairs

Dear Lance:

Per your request I reviewed the different items Comfort Systems USA has submitted to City for the reference repairs. They are:

1. Install new B&G base-mounted chill pump at cost of \$9,553.43.
2. Flushing both chill & hot water loops at cost of \$6,416.05.
3. Removal and replacement control valves at cost of \$5,594.78.
4. Install continuous side stream bypass filtration on the closed loop system at cost of \$5,986.25.
5. Turn-key water treatment for chill and hot water loops for a year at cost of \$2,311.40.

For a total cost of \$29,861.91. Details of their proposed repairs are provided in their submittal to City. Comfort Systems USA had inspected the system before providing above proposed repairs. In reviewing their proposed repairs and pricings with you and Carissa Liddell, City Maintenance Supervisor, today, we believe their pricings are very reasonable and they have the experience and expertise to do this work. It was mentioned that they provided quality services to Lake Jackson, Angleton, and Dow Chemical among others. Therefore, I recommend proceeding with Comfort Systems USA to undertake above repairs. Please contact me if you have any question.

Sincerely,

Mehran (Ron) Bavarian, PE
Associate

Comfort System USA			Hunton Services	
Flush and chemical treat cold and hot water loops including Quarterly flushing	6,416.05		Flush cold and hot water loops does not include chemical treatment or quarterly flushing	91,281.00
water treatment for 1 year	2,311.40			
Install continuous side stream bypass filtration on all closed loop system	5,986.25		Install continuous side stream bypass filtration on all closed loop system	15,845.00
Replace (1) 1 1/2" pneumatic 3 way control valve and (2) 1/2" pneumatic control valves	5,594.78		Replace (1) 1 1/2" pneumatic 3 way control valve and (2) 1/2" pneumatic control valves	25,937.00
Remove and replace chill water pump due to bad bearings	9,553.43		Didn't ask for quote due to excessive costs on other items	
Totals/Comparisons	29,861.91			133,063.00

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Proposal Date: June 29, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 06332M
 Reference: J Way Valve Replacement

Customer:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX US

CITY OF FREEPORT
 200 W. 2ND STREET

FREEPORT TX

Service Site:

CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX US

CITY OF FREEPORT
 200 W 2ND STREET

FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: ~~\$ 5,594.78~~ excluding any applicable taxes

\$	3,094.17	Labor
\$	2,500.61	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor, equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days

Comfort Systems USA (South Central), Inc Confidential: This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Comfort Systems USA (South Central), Inc

Accepted By: _____
 Name: Jerri Anh G. Wright
 Title: Director of Service
 COMPANY: COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

- AHU-2 Replace (1) 1 1/2 CW Pneumatic 3 way control valve located in crawl space just above the ceiling on first floor meeting room.
- AHU-3 Replace (2) 1/2" Pneumatic control valves in Vault

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr, Houston, TX 77040 Service Department: (832) 590-5795 / (888) 479-6017

Regulated by The Department of Licensing and Regulation/ P.O. Box 12157, Austin, TX 78711/1-800-803-9202/512-463-6599/ www.license.state.tx.us

Mechanical Contractors Lic. TACLAD0079984C

dated 6/24/2020

(the "Purchase Order") at the project/property located at

310 W 2ND STREET

FREEPORT

77541

06332M

the ("Property") ("Customer and Contractor are collectively referred to as the "Parties")

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes and materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoked for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1% % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-material basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the preceding sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relative to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport Special Projects Proposal

Authorized Warranty Service
TACLA009290C
MPL38267



9622 Link St
Houston, TX 77057

p. 713.643.8316
f. 713.583.6519

customerservice@huntingroup.com
www.huntonservices.com



Quote No. QUC-36156-C354T1
Date: 5/1/2020

To: City of Freeport
200 West 2nd Street
Freeport, TX 77541

Carissa Seidler,

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Provide labor, and materials for the replacement of (3) pneumatic actuators and (3) three 3-way control valves. New valves to be Belimo Direct Digital Controlled actuators. Replacement as follows:

AHU-2: Replace (1) one 1 1/2" chill water pneumatic 3-way control valve located in the crawl space just above the ceiling on the 1st floor meeting room.

AHU-3: Replace (2) two 1/2" pneumatic 3-way control valves located in the ceiling inside the vault above the 12' ceiling. AHU-3 is approximately 3' above the ceiling.

Insulation to match existing.

One (1) parts and labor warranty

All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

NOTE:

Due to the condition of the existing pipe and fittings, all piping involved with direct replacement of each of the (3) three valves is required to be replaced at the same time.

Controls:

Included: installing wire from controller to new chill water and hot water valve actuators. Check for proper operation.

Exclusions:

- Taxes
- Overtime
- Ceiling work
- Water Treatment
- Smoke alarms
- Paint
- Mechanical Permit
- Temporary cooling

Total price for labor and materials for above scope \$25,937.00



NOTE:

Salvage value has been calculated into the sell price for this project. All equipment and or material demoed by Hunton Services to become the property of Hunton Services. If the owner wishes to retain possession of the aforementioned equipment, a value will be provided.

Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
5622 Luce St., Houston, TX 77087
Office: 713-643-8336
Mobile: 713-906-4082
Email: SBayless@huntongroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____

By: _____

Title: _____

Date: _____

P.O. Number: _____



CONSTRUCTION TERMS & CONDITIONS

Acceptance: A proposal made upon these terms is subject to acceptance within thirty days from date and the prices are subject to change without notice prior to acceptance by Customer. Any rebate from CenterPoint Energy has been accounted for in the price of this proposal therefore Hunton Services will retain any rebate funds. If your order is an acceptance of a written proposal in a form provided by Hunton Services, without the addition of any other terms and conditions of sale or any other modification, this document shall be treated solely as an acknowledgment of such order, subject to credit approval. If your order is not such an acceptance, then this document is Hunton Services' offer, subject to credit approval, to provide the goods and/or Work solely in accordance with the following terms and conditions of sale.

Exclusions from Work: Hunton Services' obligation is limited to the Work as defined and does not include any modifications to the Premises under the Americans with Disabilities Act or any other law or building codes.

Construction Procedures: Hunton Services shall supervise and direct the Work using its best skill and attention and have exclusive control over construction means, methods, techniques, sequences and procedures.

Payment Terms: Customer shall pay Hunton Services invoices within net thirty (30) days of invoice date. Hunton Services may invoice Customer for all equipment or material furnished, whether delivered to the installer site or to an off-site storage facility and for all work performed on-site or off-site. No retention shall be withheld from any payments except as expressly agreed in writing by Hunton Services, in which case retention shall be reduced per the contract documents and released no later than the date of substantial completion. If payment is not received as required hereby, Hunton Services may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Hunton Services for all reasonable shutdown, standby and start-up costs at the full rate of the suspension. All amounts outstanding 10 days beyond the due date are subject to a service charge not to exceed 1.5% of the principal amount due or the maximum allowable legal interest rate, whichever is the due date. Customer shall pay all costs (including attorneys' fees) incurred by Hunton Services in attempting to collect amounts due and otherwise enforcing these terms and conditions.

Time for Completion: Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Hunton Services, all dates provided by Hunton Services or its representatives for commencement, progress or completion are estimates only. While Hunton Services shall use commercially reasonable efforts to meet such estimated dates, Hunton Services shall not be responsible for any damages for its failure to do so.

Access: Hunton Services and its contractors or subcontractors shall be provided access to the Premises during regular business hours, or such other hours as may be requested by Hunton Services, and acceptable to the Premises' owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Hunton Services' access to correct any emergency condition shall not be restricted.

Permits and Governmental Fees: Hunton Services shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work, which are legally required when bids from Hunton Services' subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approval easements, assessments and charges for construction, use or occupancy of permanent structures or for permanent changes to existing facilities.

Utilities during Construction: Hunton Services shall be provided without charge all water, heat, and utilities during performance of the Work.

Concealed or Unknown Conditions: In the performance of the Work, if Hunton Services encounters conditions at the Premises that are (i) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (ii) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and previously recognized as inherent in construction activities of the type and character of the Work, Hunton Services shall notify Customer of such conditions promptly, prior to significantly disturbing the same. If such conditions affect materials and cause an increase in Hunton Services' cost of, or time required for, performance of any part of the Work, Hunton Services shall be entitled to, and Customer shall consent by Change Order to, an equitable adjustment in the Contract Price, contract time, or both. Any loss contributed to, or aggravated by, rust, mold, fungus, wet or dry rot and any resulting claims always excluded under this contract however caused.

Asbestos and Hazardous Materials: Hunton Services' Work and other services in connection with the Agreement expressly excludes any identification, abatement, clean-up, control, disposal, removal or other work connected with asbestos, polychlorinated biphenyl (PCB) or other hazardous materials (hereinafter, collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Hunton Services, there are no Hazardous Materials on the Premises that will in any way affect Hunton Services' Work and Customer has disclosed to Hunton Services the existence and location of any Hazardous Materials in all areas within which Hunton Services will be performing the Work. Should Hunton Services become aware of or suspect the presence of Hazardous Materials, Hunton Services may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to

correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims.

including the payment thereof, arising out of or relating to any Hazardous Material on or about the Premises not brought onto the Premises by Hunton Services. Hunton Services shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Material or when the affected area has been rendered harmless. In no event shall Hunton Services be obligated to transport or handle Hazardous Material, to provide any notices to any governmental agency, or to examine the Premises for the presence of Hazardous Material.

Conditions Beyond Control Of Parties: If Hunton Services shall be unable to carry out any material obligation under this Agreement due to events beyond its control, such as acts of God, governmental or judicial authority, insurrection, riots, labor disputes, labor or material shortages, fires or explosions, this Agreement shall of Hunton Services' election (i) remain in effect but Hunton Services' obligations shall be suspended until the uncontrollable event terminates, or (ii) be terminated upon ten (10) day notice to Customer, in which event Customer shall pay Hunton Services for all parts of the Work furnished to the date of termination, any loss consisting of caused by, contributed to, or aggravated by, rust, mold, fungus, wet or dry rot, and any resulting loss in claims excluded under this contract however caused.

Customer's Breach: Each of the following events or conditions shall constitute a breach by Customer and shall give Hunton Services the right, without an election of remedies, to terminate the Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Hunton Services for all Work furnished to date and all damages sustained by Hunton Services (including lost profit and overhead). (i) Any failure by Customer to pay amounts due within thirty (30) days after the date of the invoice therefor or (ii) Any failure by Customer to perform or comply with any material provision of the Agreement.

Indemnification: Hunton Services and Customer shall indemnify, defend and hold each other harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of this Agreement, however, neither party shall indemnify the other against claims, damages, expenses or liabilities to the extent attributable to the negligence or misconduct of the other party. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify will continue in full force and effect notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination. Notwithstanding any contrary provision, neither party shall be liable to the other for any special, incidental, consequential or punitive damages.

Workmanship And Equipment Warranty: Hunton Services warrants that, for a period of one year from the date of substantial completion (the "Warranty Period"), frame equipment installed hereunder and Work (i) shall be free from defects in material, manufacture, and workmanship and (ii) shall have the capacities and ratings set forth in frame's catalogs and bulletins, substantial completion shall be the earlier of the date that the Work is sufficient, complete so that Customer can utilize the Work for its intended use or the date that Customer receives beneficial use of the item. For frame equipment not installed by Hunton Services, the Warranty Period is the lesser of 12 months from initial start-up or 18 months from the date of shipment. If such defect is discovered within the Warranty Period, Hunton Services will correct the defect or furnish replacement equipment for, at its option, parts therefor and, if said equipment was installed pursuant hereto, labor associated with the replacement of parts or equipment not conforming to the warranty, its liability, whatever shall attach to Hunton Services until said equipment and Work have been paid for in full and then said liability shall be limited to Hunton Services' cost to correct the defective Work and/or the purchase price of the equipment shown to be defective. Hunton Services' warranties expressly exclude any remedy for damage or defect caused by corrosion, erosion, or deterioration, abuse, misapplication or repairs not performed by Hunton Services, improper operation, or normal wear and tear under normal usage. Hunton Services shall not be obligated to pay for the cost of lost equipment.

THE WARRANTY AND LIABILITY SET FORTH IN THE PRECEDING PARAGRAPH ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE, IN NO EVENT SHALL HUNTON SERVICES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

Assignment: Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest herein, without the written consent of Hunton Services. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Customer's successors and assigns.

Complete Agreement: This Agreement shall constitute the entire Agreement between both parties and the Agreement may not be amended, modified or terminated except by a writing signed by the parties hereto. No document shall be incorporated herein by reference except to the extent Hunton Services is a signatory thereto.

Governing Law: This shall be governed by an agreement in accordance with the laws of the State of Texas, Texas license (A014009290, Regulated by The Texas Department of Licensing and Registration, P.O. Box 12131, Austin, TX 78711, 1-800-803-9200).

Chillers: Air & Water Cooled

- Routine maintenance/Coil cleaning
- Complete turnkey replacements
- Vibration & oil analysis
- Eddy current testing
- Controls
- Routine operations log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Refurbishment vs Replacement
- Maintenance/Coil cleaning
- Alignment & vibration analysis
- Annual stop inspection
- Drain line & P-trap maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofit

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types (AHU) P&M
- Fan coil repair & maintenance
- Laboratory fume hoods
- Spot coolers
- Complete turnkey retrofits

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Retrofits
- Service and Repair
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofits

Building Automation Systems

- Open protocol, Internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofits
- Building automation systems P&M
- Internet remote access
- Building control units (BCU)
- Thermostats/sensors
- Digital electronic/pneumatic
- Software programming
- Variable frequency drives (VFD)
- Retro-commissioning
- Energy management services

Rental Services

- Rental chillers
- Air conditioning units w/electric heat
- Portable air conditioning units
- Air handling units
- Cooling towers
- Diesel generator
- Transformers, pumps, flexible duct & hose
- Heaters, humidifiers & dehumidifiers

Refrigeration

- Ice machines
- Freezers/coolers - all types & sizes

Indoor Air Quality (IAQ)

- Air filtration - filters & maintenance
- Internal air duct inspection (robot)
- Air duct cleaning & sanitation
- Ultraviolet lighting
- Photo-catalytic filtration
- Dust collection & exhaust

Pumps and Valves

- Routine maintenance
- Chilled/condenser water valves

- Controls
- Complete turnkey retrofit

Fabrication/Modification

- Explosion proofing (Class I, Division II)
- Weather proofing
- Structural skids & protective coatings
- Custom designed air handling systems & pressurization
- Packaged central plants
- Custom fabrication/modification

Industrial Plant Services

- Unitary HVAC/Comfort Cooling
- Process Absorption Chillers
- Process Ammonia Chillers
- Process Centrifugal, Scroll and Screw Chillers
- Compound and Cascade Systems
- Multi-stage Centrifugal Systems (nominal and low pressure)
- Cooling Tower Repair
- Multi-stage Gas Compressor

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full-Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

CC Email PO to: SERVICEDISPATCHE@CSUSASC.COM

Proposal Date: June 25, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 0630ZM
 Reference: Install 2 pot filters on chillwater&hot water loops

Customer:
 CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET
 FREEPORT TX

Service Site:
 CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET
 FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 5,986.25 excluding any applicable taxes.

\$	1,052.07	Labor
\$	4,934.18	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor, equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential: This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Accepted By: _____
 Name: Jerri Anh G. Wright
 Title: Director of Service
 Company: COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____

www.csusasc.com

SCOPE OF WORK: TIPS contract (#21030301)

Install continuous side stream bypass filtration on all closed loop systems

- Install 2 Dynamics FF-100 Filter feeder
- Install 3/4 taps on suction and discharge lines to pipe in pot filters
- Insulate chill water loop only

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc. 9745 Bent Oak Dr., Houston, TX 77040 Service Department: (832) 590-5795; (888) 479-6017

Regulated by The Department of Licensing and Regulation/ P.O. Box 12157, Austin, TX 78711/1-800-803-9202/512-463-6599/ www.license.state.tx.us

Mechanical Contractors Lic. TACLA00079984C

dated 7/20/2020

(the "Purchase Order") at the project/property located at

200 W 2ND STREET

FREEPORT

77541

0630ZM

the ("Property") Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1% % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the foregoing, Contractor shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and proximate cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claim, liabilities, damages, losses and expenses related to mold or in the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA") by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport City Hall Special Projects Proposal

Authorized Warranty Service
TACLA009290C
MPL38267



5622 Luce St
Houston, Tx 77067

pl. 713.643.8336
t. 713.583.6519

customer.service@huntongroup.com
www.huntonservices.com



Quote No. QUO-Freeport-SMB
Date: 04/02/2020

Choice Facilities Contract # 14/021JN-05

To: City of Freeport
200 West 2nd Street
Freeport, Tx 77541

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Provide filter, labor and materials to install One (1) BoilerMag XT Filtration, as follows:

1-6" Model BMXT300HF / ANSI

Magnetic performance is 9,000 Gauss high strength

Stainless Steel housing

Performance reading - On tube surface

Drain valve 1 1/4"

Filter to be installed inside boiler room, before suction pump header, in the horizontal position.

Two (2) 6" weld neck, raised faced 150# flanges included

2- NIBCO Butterfly valves included for isolation

Insulation to match existing

Industry standard leak test

All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

Choice Fees

One (1) year parts and labor warranty

Exclusions:

Taxes

Overtime

Water Treatment

Drain down and fill of system

Paint

Temporary cooling

Mechanical Permit

Total price for labor and materials for above scope \$15,845.00

Chillers: Air & Water Cooled

- Routine maintenance/coil cleaning
- Complete turnkey replacement
- Vibration & oil analysis
- Eddy current testing
- Controls
- Routine operations log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Refurbishment/Replacement
- Maintenance/Coil cleaning
- Alignment & Vibration analysis
- Annual stop inspection
- Coil line & Filter maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofits

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types - AHU/ P&M
- Fan coil repair & maintenance
- Laboratory fume hoods
- Spot cooling
- Complete turnkey retrofits

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Retrofits
- Service and Repairs
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofits

Building Automation Systems

- Open protocol, internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofits
- Building automation systems P&M
- Internet remote access
- Building control units (BCU)
- Thermostats/sensors
- Digital electronic/pneumatic
- Software programming
- Variable frequency drives (VFD)
- Retro-commissioning
- Energy management services

Rental Services

- Rental chillers
- Air conditioning unit w/electric heat
- Portable air conditioning units
- Air handling units
- Cooling towers
- Diesel generation
- Transformers, pumps, flexible duct & hose
- Heaters, humidifiers & compressors

Refrigeration

- Ice machines
- Freezer/cooler - materials & bins

Indoor Air Quality (IAQ)

- Air filtration - filters & maintenance
- Internal air duct inspection (robot)
- Air duct cleaning & sanitation
- Ultraviolet lighting
- Photo-catalytic oxidizers
- Dust collector fan & controls

Pumps and Valves

- Routine maintenance
- Chilled/condenser water valves

- Control
- Complete turnkey retrofits

Fabrication/Modification

- Explosion proofing Class I, Division II
- Weather proofing
- Structural steel & protective coating
- Custom designed air handling systems
- B&P pressurization
- Purge air central plants
- Custom fabrication/modification

Industrial Plant Services

- Unitary HVAC Comfort Cooling
- Process Absorption Chillers
- Process Ammonia Chillers
- Process Centrifugal Scroll and Screw Chillers
- Compound and Cascade Systems
- Multistage Centrifugal Systems (normal and low pressure)
- Cooling Tower Repair
- Multistage Gas Compressor

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

Proposal Date: June 25, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 0631ZM
 Reference: Chill water & hot water loop flush

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Customer:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET

 FREEPORT TX

Service Site:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET

 FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), in the amount of: \$ 6,416.05 excluding any applicable taxes

\$	458.43	Labor
\$	5,957.63	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor; equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc. Confidential. This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Comfort Systems USA (South Central), Inc

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Accepted By: _____
 Name: Jeri Ann G. Wright
 Title: Director of Service
 COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Flush both Chill & Hot water loops due to poor condition. Flush and chemically treat before beginning beginning Quarterly Service.

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr., Houston, TX 77040 Service Department (832) 590-5795 / (888) 479-6017

dated 4/25/2020

(the "Purchase Order") at the project/property located at

330 W 2ND STREET

FREEPORT

77541

06317M

the ("Property") Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others; including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1 1/2 % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
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- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, and Contractor's employees, subcontractors, suppliers and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the preceding sentence, Customer shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to trace, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.

9745 Bent Oak Dr, Houston, TX 77040 - (832) 590-5795 / (888) 479-6017

Email PO to: TIPSP0@tips-usa.com

Proposal Date: June 25, 2020
Estimated By: Zeb Mitchell
Proposal#: 06292M
Reference: Water Treatment

CC Email PO to: SERVICEDISPATCH@CSUSASC.COM

Customer:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
200 W. 2ND STREET

FREEPORT TX

Service Site:

CARISSA LIDDELL
MAINTENANCE SUPERVISOR
979-248-9315
CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
200 W 2ND STREET

FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 2,311.40 excluding any applicable taxes.

\$	463.64	Labor
\$	1,847.76	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor; equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential. This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
832-557-5306
dispatch@csusasc.com
832-590-5795

Customer Acceptance

Comfort Systems USA (South Central), Inc

Accepted By: _____
Name: _____
Title: _____
Company: CITY OF FREEPORT
Date: _____
Purchase Order Number: _____

Accepted By: _____
Name: Jeri Ann G. Wright
Title: Director of Service
COMFORT SYSTEMS USA (SOUTH CENTRAL), INC.
Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Turn-Key water treatment for chill water and hot water loops for a year.

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc 9745 Bent Oak Dr., Houston, TX 77040 Service Department: (832) 590-5795; (888) 479-6017

dated 6/25/2020

(the "Purchase Order") at the project/property located at

301 W 2ND STREET

FREEPORT

77541

06292M

the ("Property"). Customer and Contractor are collectively referred to as the "Parties."

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others, including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in law. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1% per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-material basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, and Contractor's employees, subcontractors, suppliers and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the foregoing, Contractor shall indemnify and hold Contractor harmless from and against any claim, demand or legal proceeding relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold at the Property and shall have no obligation to locate, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



High Performance Buildings for Life

City of Freeport Special Projects Proposal

Authorized Warranty Service
TACLA009290C
MPL38267



5622 Lytle St
Houston, TX 77067

p: 713.643.8336
t: 713.583.8519

customerservice@huttongroup.com
www.huttonservices.com



Quote No. QUO-Freeport-SMB
Date: 04/02/2020

Choice Facilities Contract # 14/021JN-05

To: City of Freeport
200 West 2nd Street
Freeport, Tx 77541

As the Trane™ Company's authorized service provider for southeast Texas, we are pleased to offer the following proposal:

Scope of work:

Option 1:

Determine Hot Water and Chill Water system integrity, (piping).

Provide ultrasonic testing, inspection including report of the existing piping to determine system integrity regarding Chill and Hot water systems. Note: Ultrasonic equipment requires insulation and rust removal. Any additional work not included.

Pricing for Option 1:.....\$22,775

Option 2:

Pipe Flushing

Disconnect Chill water piping from each of the 7 AHUs, loop together at the highest elevation and flush system until free of noticeable debris. Note Chemical Treatment not included.

Pricing for Option 2:.....\$91,281

Option 3a and 3b:

Includes the following:

- A. Provide all necessary pipe, valves, fittings, insulation and labor to demo and replace the chill water piping inside Freeport City Hall.
- B. Provide tie-ins on the heating hot water branches that were replaced previously. Includes all insulation patches. Walls, ceiling files, grid and light removal included when necessary.

Pricing for Option 3a and 3b:.....\$751,117

Options 4a and 4b:

**If Option 1 determines the system integrity is unsatisfactory, Option 2 is deleted. Options 4a or 4b will be implemented.*

Option 4a:

A. Provide all necessary cutting, patching, excavation, backfilling, labor, valves, pipe, fittings, pipe supports to install Pre-Insulated Steel Underground Chilled and Hot Water mains between the central plant and Main Building (City Hall), approximately 50" of each of the 4 lines.

Note: Piping will route out of the ground just prior to the concrete bulk head and will be installed outside the brick wall and penetrate above the 1st floor ceiling.

Pricing for Option 4a:.....\$330,382

Option 4b:

B. Provide all necessary supports, pipe, valves, pipe fittings including insulation to install New Chilled and Hot Water mains overhead from the central plant to the Main Building (City Hall).

Pricing for Option 4b:.....\$359,321



Insulation to match existing
 Industry standard leak test
 Start up and make system operational
 One (1) year parts and labor warranty
 Choice Fees
 All work to be performed during normal business hours (M-F 7:00am - 3:30pm)

Exclusions:

Taxes
 Overtime
 Water Treatment
 Control Valves
 Building Automation and Controls, (disconnect / reconnect only)
 Security and life safety devices NOT include
 Any conflicts not covered by this scope
 Unmarked underground utilities including electrical
 Tree maintenance or care
 Asbestos removal and testing
 Drain down and fill of system
 Paint
 Temporary cooling
 Mechanical Permit
 Any additional work that is not in the above scope.

Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
 5622 Luce St., Houston, TX 77087
 Office: 713-643-8336
 Mobile: 713-906-4082
 Email: SBayless@huntinggroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____
 By: _____
 Title: _____
 Date: _____
 P.O. Number: _____



CONSTRUCTION TERMS & CONDITIONS

Acceptance: A proposal made under these terms is subject to acceptance within thirty days from date and the price is subject to change without notice prior to acceptance by Customer. Any rebate from Certificate of Funds may be accounted for in the price of the proposal. Therefore Hunton Services will retain any rebate funds if you make an acceptance of a written proposal in a form provided by Hunton Services without the addition of any other terms and conditions of sale or any other modification. The document shall be treated solely as an acknowledgment of work order, subject to final approval. If you object to not such an acceptance, then this document is Hunton Services offer, subject to your approval, to provide the goods and/or Work solely in accordance with the following terms and conditions of sale.

Exclusion from Work: Hunton Services' obligation is limited to the Work as defined and does not include any modifications to the Premises under the Americans with Disabilities Act or any other law or building codes.

Construction Procedure: Hunton Services shall supervise and direct the Work using its best skill and attention and have exclusive control over construction means, methods, techniques, sequences and procedures.

Payment Terms: Customer shall pay Hunton Services invoices within sixty (60) days of invoice date. Hunton Services may invoice Customer for all equipment or material furnished, whether delivered to the installation site or to an off-site storage facility and for all work performed on-site or off-site. No retention shall be withheld from any payments unless expressly agreed in writing by Hunton Services, in which case retention shall be reduced per the contract documents and related materials. If payment is not received as required per the contract documents and related materials, Hunton Services may suspend performance and the time for completion shall be extended for a reasonable period of time not less than the period of suspension. Customer shall be liable to Hunton Services for all reasonable shut-down, standby and start-up costs as a result of the suspension. All amounts outstanding 30 days beyond the due date are subject to a service charge not to exceed 1.5% of the principal amount due or the maximum allowable legal interest rate, retroactive to the due date. Customer shall pay all costs including attorney's fees incurred by Hunton Services in attempting to collect amounts due and otherwise enforcing these terms and conditions.

Time for Completion: Except to the extent otherwise expressly agreed in writing signed by an authorized representative of Hunton Services, all dates provided by Hunton Services or its representatives for commencement, progress or completion are estimates only. While Hunton Services shall use commercially reasonable efforts to meet such estimated dates, Hunton Services shall not be responsible for any damages for its failure to do so.

Access: Hunton Services and its contractors or subcontractors shall be provided access to the Premises during regular business hours, or on other hours as may be requested by Hunton Services and acceptable to the Premises' owner or tenant for the performance of the Work, including sufficient areas for staging, mobilization, and storage. Hunton Services' access to correct any emergency condition shall not be restricted.

Permits and Governmental Fees: Hunton Services shall secure (with Customer's assistance) and pay for building and other permits and governmental fees, licenses, and inspections necessary for proper performance and completion of the Work, which are legally required when plans from Hunton Services' subcontractors are received, negotiations thereon concluded, or the effective date of a relevant Change Order, whichever is later. Customer is responsible for necessary approvals, easements, assessments and charges for construction, use or occupancy of permanent structures or for permitted changes to existing facilities.

Utilities during Construction: Hunton Services shall be provided without charge all water, heat, and utilities during performance of the Work.

Concealed or Unknown Conditions: In the performance of the Work, if Hunton Services encounters conditions at the Premises that are (a) subsurface or otherwise concealed physical conditions that differ materially from those indicated on drawings expressly incorporated herein or (b) unknown physical conditions of an unusual nature that differ materially from those conditions ordinarily found to exist and generally recognized or inherent in construction activities of the type and character of the Work, Hunton Services shall notify Customer of such conditions promptly, prior to significantly disturbing the same. If such conditions affect materially and cause an increase in Hunton Services' cost of or time required for performance of any part of the Work, Hunton Services shall be entitled to, and Customer shall consent to, a Change Order to an equitable adjustment in the Contract Price, contract time, or both. Any loss contributed to or aggravated by rust, mold, fungus, wet or dry rot, and any resulting is always excluded under this contract, however caused.

Asbestos and Hazardous Materials: Hunton Services' Work and other services in connection with the Agreement expressly excludes any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos, risk-oriented asbestos (ROA), or other hazardous materials (hereinafter collectively, "Hazardous Materials"). Customer warrants and represents that, except as set forth in a writing signed by Hunton Services, there are no hazardous materials on the Premises that will in any way affect Hunton Services' Work and Customer has disclosed to Hunton Services the existence and location of any Hazardous Materials in all areas within which Hunton Services will be performing the Work. Should Hunton Services become aware of or suspect the presence of hazardous materials, Hunton Services may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to

correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims

including the payment thereof, arising out of or relating to any Hazardous Materials or to doing the Premises, not brought onto the Premises by Hunton Services. Hunton Services shall be required to resume performance of the Work in the affected area only in the absence of Hazardous Materials or until the affected area has been rendered harmless. In no event shall Hunton Services be obligated to transport or handle Hazardous Materials, to provide any notices to any governmental agency, or to evacuate the Premises for the presence of Hazardous Materials.

Conditions Beyond Control of Parties: If Hunton Services shall be unable to carry out any material obligation under this Agreement due to events beyond its control, such as acts of God, governmental or judicial authority, insurrection, riot, labor disputes, strike or material shortage, fire or explosion, the Agreement shall terminate (whether or not terminated in effect) but Hunton Services' obligation shall be suspended until the uncontrollable event terminates or is re-terminated upon ten (10) days notice to Customer in which event Customer shall pay Hunton Services for all parts of the Work finished to the date of termination. Any loss consisting of, caused by, contributed to, or aggravated by rust, mold, fungus, wet or dry rot, and any resulting loss is always excluded under this contract, however caused.

Customer's Breach: Each of the following events or conditions shall constitute a breach by Customer and shall give Hunton Services the right, without an election of remedies, to terminate this Agreement by delivery of written notice declaring termination, upon which event Customer shall be liable to Hunton Services for all Work finished to date and all damages sustained by Hunton Services (including lost profit and overhead) if it is a failure by Customer to pay amounts due hereunder that thirty (30) days after the date of the notice thereof or (2) any failure by Customer to perform or comply with any material provision of the Agreement.

Indemnification: Hunton Services and Customer shall indemnify, defend and hold each other harmless from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorney's fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of their respective employees or other authorized agents in connection with their activities within the scope of the Agreement. However, neither party shall indemnify the other against claims, damages, expenses or liability to the extent attributable to the negligence or misconduct of the other party. If the parties are both at fault, the obligation to indemnify shall be pro-rata to their relative fault. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination. Notwithstanding any contrary provision, neither party shall be liable to the other for any special, incidental, consequential or punitive damages.

Warranty: Hunton Services warrants that, for a period of one year from the date of substantial completion (the "Warranty Period"), (a) any equipment installed hereunder and Work (i) shall be free from defects in material, manufacture, and workmanship and (ii) shall have the capacities and ratings set forth in these drawings and specifications. Substantial completion shall be the earlier of the date that the Work is sufficiently complete so that Customer can utilize the Work for its intended use or the date that Customer receives beneficial use of the Work. For items of equipment not installed by Hunton Services, the Warranty Period is the lesser of (1) ninety (90) days from shipping or (2) thirty (30) days from the date of shipment. If such defect is discovered within the Warranty Period, Hunton Services will correct the defect or furnish replacement equipment (new or repaired) parts therefor and, if said equipment was installed pursuant herein, labor associated with the replacement of parts or equipment not conforming to the warranty. No liability whatsoever shall attach to Hunton Services if (a) said equipment and Work have been paid for in full and then said liability shall be limited to Hunton Services' cost to correct the defective work and/or the pro-rata price of the equipment shown to be defective. Hunton Services' warranty expressly excludes any remedy for damage or defect caused by corrosion, erosion, or deterioration, abuse, modification or repair not performed by Hunton Services, improper operation, or normal wear and tear under normal usage. Hunton Services shall not be obligated to pay for the cost of lost refrigerant.

THE WARRANTY AND LIABILITY SET FORTH IN THE PRECEDING PARAGRAPHS ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED BY LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL HUNTON SERVICES BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES.

Assignment: Customer may not assign, transfer, or convey this Agreement, or any part hereof, or its right, title or interest hereof, without the written consent of Hunton Services, subject to the foregoing. This Agreement shall be binding upon and inure to the benefit of Customer's successors and assigns.

Complete Agreement: This Agreement shall constitute the entire Agreement between the parties and no Agreement may not be amended, modified or terminated except by a writing signed by the parties hereof. No document shall be incorporated herein by reference except to the extent Hunton Services is a signatory thereon.

Governing Law: This shall be governed by an agreement in accordance with the laws of the State of Texas. Texas license TAC0400920. Registered by the Texas Department of Licensing and Registration, P.O. Box 12157, Austin, TX 78711. 1-800-803-9200.

Chillers: Air & Water Cooled

- Routine maintenance/Coil cleaning
- Complete turnkey replacements
- Vibration & oil analysis
- Eddy current testing
- Controls
- Routine operations log
- Annual stop inspection
- Tube brushing
- Major & minor repair work

Air Handling Units

- Complete Refurbishment or Replacement
- Maintenance/Coil cleaning
- Alignment & Vibration analysis
- Annual stop inspection
- Drain-line & P-trap maintenance
- Major & minor repair work
- Annual pressure wash
- Complete turnkey retrofits

Air Distribution

- Variable air volume (VAV) maintenance
- All air handler types (AHU) R&M
- Fan coil repair & maintenance
- Laboratory fume-hoods
- Spot-coolers
- Complete turnkey retrofits

Plumbing

- Pipe Fabrication and Installation
- Water Efficiency Retrofit
- Service and Repair
- Maintenance
- Preventative Maintenance
- Backflow Prevention
- Boiler Maintenance

Cooling Towers

- Routine maintenance
- Major & minor repair work/cleaning

- Complete turnkey retrofits

Building Automation Systems

- Open protocol, Internet based systems
- Connected buildings through fiber optics
- Hunton Smart Services
- Complete turnkey retrofits
- Building automation systems R&M
- Internet remote access
- Building control units (BCU)
- Thermostats/sensors
- Digital electronic/pneumatic
- Software programming
- Variable frequency drives (VFD)
- Retro-commissioning
- Energy management services

Rental Services

- Rental chillers
- Air conditioning units w/electric heat
- Portable air conditioning units
- Air handling units
- Cooling towers
- Diesel generators
- Transformers, pumps, flexible duct & hose
- Heaters, humidifiers & compressors

Refrigeration

- Ice machines
- Freezers/coolers - caterer/laundry

Indoor Air Quality (IAQ)

- Air filtration - filters & maintenance
- Internal air duct inspection program
- Air duct cleaning & sanitization
- Ultraviolet lighting
- Photo-catalytic filtration
- Dust collection & removal

Pumps and Valves

- Routine maintenance
- Chilled/condenser water valves

- Controls
- Complete turnkey retrofits

Fabrication/Modification

- Explosion proofing (Class I, Division 1)
- Weather proofing
- Structural skids & protective coating
- Custom designed air handling systems & pressurization
- Packaged central plants
- Custom fabrication/modification

Industrial Plant Services

- Unitary HVAC (Comfort Cooling)
- Process Absorption Chillers
- Process Ammonia Chillers
- Process Centrifugal, Scroll and Screw Chillers
- Compound and Cascade Systems
- Multi-stage Centrifugal Systems (normal and low pressure)
- Cooling Tower Repair
- Multi-stage Gas Compressors

OEM Benefits

- We coordinate with National Trane to support you and your needs
- Firm and/or expedited delivery schedules
- Packaging with value added services/rebates
- Issue(s) or problem resolution
- Technical assistance (factory direct)
- Awareness of latest equipment and controls upgrades/updates
- OEM exclusive distributor and Trane Warranty Service Provider

- Annual stop inspection
- Vibration analysis
- Alignment
- Controls

- Annual stop inspection
- Major & minor repair work
- Vibration analysis
- Alignment

Full Service Provider Benefits

- Energy solutions achieves greater value received yielding sustainable future value
- Increased coordination and tighter control through engineered systems integration
- Reduced operating costs
- Reduced downtime cost man hours spend by owner in oversight
- Extensive amount of expertise, knowledge, and experience; making Hunton Services a true full-service turnkey solutions and service provider

Email PO to: TIPSP0@tips-usa.com

Proposal Date: June 25, 2020
 Estimated By: Zeb Mitchell
 Proposal#: 0630ZM
 Reference: Chill Water Pump Replacement

CC Email PO to: SERVICEDISPATCHE@CSUSASC.COM

Customer:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W. 2ND STREET

 FREEPORT TX

Service Site:
CARISSA LIDDELL
 MAINTENANCE SUPERVISOR
 979-248-9315
 CSEIDLER@FREEPORT.TX.US

CITY OF FREEPORT
 200 W 2ND STREET

 FREEPORT TX

Comfort Systems USA (South Central) is pleased to submit the following price and general scope of work to be performed, (at the above-referenced site), for the Lump Sum amount of: \$ 9,553.43 excluding any applicable taxes

\$	2,848.58	Labor
\$	6,704.85	Equipment, Materials & Services

We appreciate the opportunity to provide you with our services. Upon receipt of a signed proposal, we will begin mobilizing material orders and contact you to coordinate the repairs. Price is valid for 30 days labor, equipment/material pricing subject to change based on supplier terms. Payment terms are net ten days from the invoice date, and past due after thirty days.

Comfort Systems USA (South Central), Inc Confidential: This proposal includes data that shall not be disclosed outside of the party or company to which it is intended, and shall not be duplicated, used or disclosed, in whole or in part, for any purpose other than to evaluate this proposal.

Best Regards,

Zeb Mitchell

Service Supervisor
 832-557-5306
 dispatch@csusasc.com
 832-590-5795

Customer Acceptance

Accepted By: _____
 Name: _____
 Title: _____
 Company: CITY OF FREEPORT
 Date: _____
 Purchase Order Number: _____

Comfort Systems USA (South Central), Inc

Accepted By: _____
 Name: Jeri Anh G. Wright
 Title: Director of Service
 Company: COMFORT SYSTEMS USA (SOUTH CENTRAL), INC
 Date: _____
www.csusasc.com

SCOPE OF WORK: TIPS contract (#20030301)

Centrifugal Pumps: Remove and Replace Chill Water pump due to Bad bearings in pump and rusted skid.

- Install New B&G Base Mounted pump and 1800RPM 254T Frame motor

EXCLUSIONS:

- Anything not listed in scope of work above
- Unscheduled Over Time Labor
- Delays not caused by Comfort Systems USA (South Central), Inc

Remit To: Comfort Systems USA (South Central), Inc. 9745 Bent Oak Dr., Houston, TX 77040. Service Department. (832) 590-5795 / (888) 479-6017

dated 6/25/2020

(the "Purchase Order") at the project/property located at

200 W 2ND STREET

FREEPORT

77581

0630ZM

the ("Property"). Customer and Contractor are collectively referred to as the "Parties"

PROJECT TERMS AND CONDITIONS

The following Terms and Conditions (the "Terms and Conditions") apply to all services and/or repairs described in the Purchase Order and all other work Contractor provides to Customer at the Property (collectively, the "Services"). The Purchase Order and Terms and Conditions collectively represent the "Agreement" between the Parties with respect to the Services.

- 1 **Customer Responsibilities.** Customer shall make available to Contractor all safety information and other information necessary to perform the Services, shall permit Contractor access to areas and equipment to be serviced, and shall allow Contractor to start and stop equipment as necessary to perform the Services. Customer shall also take all reasonable actions and precautions necessary to protect Contractor and its employees in connection with the performance of the Services, including but not limited to identifying and disclosing to Contractor concealed piping, fixtures, wiring, or other equipment or conditions that might be damaged, or cause damage or otherwise affect or be affected by the performance of the Services. Customer
- 2 **Contractor Warranty.** Contractor warrants that the Services will be performed in a good and workmanlike manner and in accordance with industry standards for similar services performed in the same location as the Property. Customer agrees to notify Contractor in writing of any failure to perform within ten (10) days after the completion of the Services. If Customer fails to notify Contractor within such ten (10) day period, then to the fullest extent permitted by law, Contractor shall be deemed to have accepted the Services and to have waived all claims relating to the Services.
- 3 **Existing Systems.** Notwithstanding the Contractor warranty in Section 2, Contractor does not warrant and takes no responsibility whatsoever for the quality, performance, or condition of the existing mechanical and plumbing systems at the Property, including all related equipment, components, and piping (the "Existing Systems"). Further, Contractor does not warrant against condensate water leaks, piping blockages and/or drain blockages associated with piping installed by Contractor, and is not responsible for any damage caused by such leaks or blockages.
- 4 **Excluded Services.** Contractor's obligations under this Agreement and any subsequent purchase order or agreement does not include the identification, abatement or removal of asbestos, mold or any other toxic or hazardous substances, hazardous wastes or hazardous materials. In the event such hazardous substances, wastes and materials are encountered, Contractor shall have the right thereafter to suspend the Services until such substances, wastes or materials and the resultant hazards are removed. The time for completion of the Services shall be extended to the extent caused by the suspension and the Purchase Order price shall be equitably adjusted. As previously provided, Contractor shall be held harmless and shall not be liable for any claims, liabilities, damages, losses and expenses related to such substances, wastes and materials, including the failure to identify or notify Customer of such substances, wastes and materials.
- 5 **Limitations of Warranty.** THE EXPRESS WARRANTY IN SECTION 2 IS IN LIEU OF ALL OTHER WARRANTIES AND CONTRACTOR EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES AGREE THAT THIS LIMITATION OF WARRANTY IS COMMERCIALY REASONABLE AND IS AN ESSENTIAL TERM OF THIS AGREEMENT. The warranty set forth in this Section 2 is contingent upon normal use of the material or equipment and completion of all preventative maintenance. Contractor does not warrant equipment or materials provided by others; including the Existing Systems.
- 6 **Limitations of Liability; No Consequential Damages.** Customer acknowledges and agrees that Customer's sole and exclusive remedy for Contractor's breach or failure to perform under this Agreement (including for any breach of the warranty in Section 2) shall be for Contractor to, at Contractor's option, (i) use reasonable efforts to correct the failure, and/or (ii) refund that portion of any payments received from Customer that correspond to such failure. Notwithstanding the foregoing, to the fullest extent permitted by law, in no event shall the total cumulative liability of Contractor in connection with the Services, whether by reason of breach of contract, tort (including without limitation negligence), warranty, or otherwise exceed the amounts paid by Customer to Contractor for the Services. Further, in no event shall Contractor have any liability for loss of profits, loss of business, indirect, incidental, consequential, special, punitive, indirect or exemplary damages, even if Contractor has been advised of the possibility of such damages.
- 7 **Payment.** Contractor will invoice Customer on a monthly basis unless other specific invoicing arrangements are detailed within the body of the Purchase Order. Customer shall promptly pay invoices within ten (10) days of receipt. Should a payment become thirty (30) days or more delinquent, Contractor may stop all work under this Agreement without notice and/or cancel this Agreement, and the Customer will be invoiced for all Services performed including costs for equipment and/or materials in production at the time of work stoppage. All past due amounts shall accrue a late charge on the balance outstanding at the lesser of (a) 1 1/4 % per month or (b) the highest rate allowed by law, and in either case compounded monthly to the extent allowed by law.
- 8 **Taxes.** Customer shall be responsible for all taxes applicable to the Services and/or materials hereunder.
- 9 **Additional Services.** Additional work or services performed by Contractor that is not specifically described in the Purchase Order shall become an extra charge over the price stated in the Purchase Order and will be billed to the Customer on a time-and-materials basis at Contractor's rates then in effect (unless otherwise agreed to by the Parties). In the event additional work is billed on a time-and-material basis, Contractor's invoiced time shall be presumed to be reasonable and necessary time to complete such additional work.
- 10 **Delays.** Contractor shall not be liable for any delay, loss, damage or detention caused by acts performed by Customer, Customer's agents and representatives, or any other third party, or caused by circumstances beyond Contractor's control including, without limitation, unavailability of machinery, equipment or materials, delay of carriers, strikes, including those by Contractor's employees, lockouts, civil or military authority, priority regulations, insurrection or riot, war, acts of terrorism, action of the elements, forces of nature, weather, or by any cause beyond Contractor's control.
- 11 **Indemnity.** To the fullest extent permitted by law, Customer shall indemnify and hold harmless Contractor, and Contractor's employees, subcontractors, suppliers, and vendors (the "Indemnified Parties"), from and against all claims, liabilities, damages, losses and expenses (including but not limited to attorneys' fees) arising out of or resulting from the performance of the Services at the Property, unless such claim, liability, damage, loss, or expense was caused solely by an act or omission of Contractor or one of the Indemnified Parties. Without limiting the foregoing, Contractor shall indemnify and hold Contractor harmless from and against any claim, demand, or legal proceeding, relating to alleged defects or deficiencies in the Existing Systems (including without limitation alleged construction and/or design defects at the Property), unless Contractor's deficient or defective services at the Property were the sole and absolute cause of the alleged defect or deficiencies. Contractor shall also be held harmless and shall not be liable to Customer for any claims, liabilities, damages, losses and expenses related to mold or to the creation of mold at the Property and shall have no obligation to treat, identify or remove such mold. In the event Customer is required to indemnify and defend Contractor pursuant to this Section 11, Contractor shall have the right to select legal counsel and direct the defense.
- 12 **Arbitration.** This Agreement shall be governed in all respects by the laws of the State of Texas (excluding all choice of law and conflicts of law rules). Any and all claims arising out of or related to this Agreement shall be submitted to and settled by binding arbitration in Texas with the American Arbitration Association ("AAA"), by a single arbitrator (the "Arbitrator"). The Parties shall cooperate in selecting the Arbitrator. If the parties are unable to mutually agree upon the Arbitrator within ten days of service of the demand for arbitration, an Arbitrator with appropriate qualifications and experience shall be appointed by the AAA. The Arbitrator shall not have power to award damages specifically excluded under these Terms and Conditions, and each party hereby irrevocably waives any claim to such damages. The prevailing party shall be entitled to recover from the other party all reasonable fees, costs and expenses incurred in connection with the Arbitration.
- 13 **Independent Contractors.** Each of the Parties hereto is an independent contractor and neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or present itself, directly or indirectly, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
- 14 **No Third Party Beneficiaries.** This Agreement is between Contractor and Customer alone, and neither intends that there be any third party beneficiaries to this Agreement. Without limiting the generality of the foregoing, by entering into this Agreement and providing services on Customer's behalf, Contractor is not assuming any duty or obligation to any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members. Customer agrees to indemnify and hold Contractor harmless from and against any and all liabilities, losses, claims, costs, expenses and damages (including without limitation reasonable attorneys' fees) incurred by Contractor by reason of a claim brought against Contractor by any of Customer's agents, employees, representatives, consultants, contractors, subcontractors, and material and equipment providers and suppliers, vendors, clients, shareholders, partners or members.
- 15 **Miscellaneous.** This Agreement sets forth the terms for the provision of the Services and of any products or other services Contractor may provide Customer, whether in connection with the Purchase Order that is identified as the subject of this Agreement or otherwise, unless and until a subsequent written agreement is signed by an authorized representative of Contractor agreeing to different terms. This Agreement constitutes the entire, complete, and exclusive agreement of the Parties and supersedes any and all prior negotiations, agreements and understandings relating to Services. To the extent any of these Terms and Conditions are in conflict with any terms and conditions or contract terms issued by Customer, these Terms and Conditions shall control. All terms and conditions contained in any prior oral or written communication, which are different from or in addition to the Terms and Conditions are hereby rejected and shall not be binding on Contractor. All prior proposals, negotiations and representations, if any, are merged herein. These Terms and Conditions may not be added to, modified, superseded or otherwise altered except by a written modification signed by Contractor. This Agreement shall not be assignable by Customer without the express prior written consent of Contractor.

Each party agrees they have read the terms of this Agreement and have had opportunity to consult with legal counsel regarding the same. In the event any portion of these terms and conditions is held invalid or inoperative, the other portions of these terms and conditions shall be deemed valid and operative and, so far as it is reasonable and possible, effect shall be given to the intent manifested by the portion held invalid or inoperative. Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope or terms of any restriction set forth herein is unreasonable, then it is the intention of the parties that such restriction or term be enforced to the fullest extent which the court deems reasonable, and these terms and conditions shall thereby be reformed.



Exclusions:

1. The price does not include sales tax unless specifically stated below. Taxes will be billed in addition at the time of job completion unless Hunton Services is furnished a Tax Exemption Certificate.
2. This quotation is based on straight time labor unless indicated otherwise.
3. Any additional work not covered by the scope of this proposal will require written authorization by the customer before Hunton Services can proceed.
4. Water Treatment is not included.
5. Temporary Cooling is not included.
6. Building Automation or Controls are not included unless specified above.
7. All freight charges incurred by Hunton Services will be billed with a 15% surcharge.
8. This proposal is firm for thirty (30) days unless stated otherwise.
9. See 'Construction Terms and Conditions' for terms and conditions of sale.

Steve Bayless

Service and Solutions Sales
5622 Luce St., Houston, TX 77087
Office: 713-643-8336
Mobile: 713-906-4082
Email: SBayless@huntinggroup.com



High Performance Buildings for Life

The proposal and the terms and conditions contained herein are accepted and Hunton Services is authorized to proceed with the work.

Customer: _____

By: _____

Title: _____

Date: _____

P.O. Number: _____

Monthly Golf Course Report July 2020

For our monthly golf course report, I will start out by giving you our monthly goals vs actual numbers followed by details regarding the month.

	Goal	Actual	Difference
Green fee	\$15,000	\$14,096	\$-904
Cart Rental	\$8,000	\$ 5,846	\$-2,154
Merchandise	\$12,000	\$8,953	\$-3,047
Prep Food	\$ 900	\$321	\$-579
Beer Sales	\$ 5,500	\$5,572	\$+72
Drinks/Chips	\$ 4,000	\$3,204	\$-796
Memberships	\$ 7,000	\$12,755	\$+5,755
Total	\$52,400	\$50,747	\$-1,653

For the month of July, we were still under guidelines due to COVID-19. Starting July 1st, we went back to only one rider per cart unless they lived in the same household. This does limit the amount of revenue we generate due to less tee times as we can only accommodate up to 55 guests at one time. We were still on track to beat our monthly goal, but we received rain 10 out of the last 15 days of the month.

Our membership is still at the highest we have seen it at 222 members. One area we have seen a decrease is our merchandise sales. This is mainly our bigger purchases as guests are more cautious of spending during the pandemic.

Hopefully, we can get back to normal soon as we have a full calendar of events booked for September pending the guidelines have been lifted.

Thank you as always

Brian

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Totals
Green Fee	12,000	11,000	11,000	11,000	10,000	15,000	18,000	17,000	17,000	15,000	14,000	14,000	165,000
Rec(taxable)	0	0	0	0	0	0	0	0	0	0	0	0	0
Golf Cart	5,000	5,000	4,000	4,000	4,000	7,000	8,000	8,000	8,000	8,000	8,000	8,000	77,000
Merchandi	10,000	10,000	10,000	9,000	9,000	15,000	19,800	16,000	16,000	12,000	12,000	12,000	150,800
Prep Food	700	700	700	600	600	900	1,000	1,000	1,000	900	900	900	9,900
Beer Sales	4,500	4,500	4,500	3,000	3,000	6,000	8,000	7,500	7,500	5,500	5,500	4,300	63,800
Drinks/Chil	2,000	2,000	1,500	1,500	1,500	3,000	4,000	4,000	4,000	4,000	4,000	3,700	35,200
Membersh	7,000	7,000	7,500	10,500	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	88,000
Total	41,200	40,200	39,200	39,600	35,100	53,900	65,800	60,500	60,500	52,400	51,400	49,900	589,700

Green Fee	\$ 12,005.82	\$ 11,918.50	\$ 15,515.09	\$ 4,941.00	\$ 10,741.00	\$ 16,032.00	\$ -	\$ 3,471.00	\$ 17,773.00	\$ 14,096.00	\$ -	\$ -	\$ 106,493.41
Rec(taxable)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Golf Cart	\$ 3,632.74	\$ 6,596.15	\$ 5,635.56	\$ 2,038.14	\$ 3,768.84	\$ 5,829.73	\$ -	\$ 1,395.48	\$ 6,427.22	\$ 5,845.67	\$ -	\$ -	\$ 41,169.53
Merchandi	\$ 10,087.83	\$ 11,336.00	\$ 12,027.00	\$ 3,328.07	\$ 10,897.02	\$ 16,999.48	\$ 593.75	\$ 6,019.74	\$ 13,785.27	\$ 8,952.78	\$ -	\$ -	\$ 94,026.94
Prep Food	\$ 541.74	\$ 495.18	\$ 740.21	\$ 247.48	\$ 536.97	\$ 1,993.62	\$ -	\$ 33.51	\$ 221.24	\$ 320.39	\$ -	\$ -	\$ 5,130.34
Beer Sales	\$ 5,651.22	\$ 4,917.57	\$ 5,699.14	\$ 1,834.95	\$ 3,679.60	\$ 5,492.05	\$ -	\$ 2,910.07	\$ 8,143.98	\$ 5,572.19	\$ -	\$ -	\$ 43,900.77
Drinks/Chil	\$ 2,168.15	\$ 1,512.47	\$ 2,079.87	\$ 898.41	\$ 1,493.38	\$ 2,096.95	\$ -	\$ 1,178.19	\$ 3,510.92	\$ 3,204.10	\$ -	\$ -	\$ 18,142.44
Membersh	\$ 8,320.00	\$ 6,562.50	\$ 7,293.60	\$ 10,077.50	\$ 6,337.50	\$ 7,860.00	\$ 13,130.00	\$ 13,935.00	\$ 12,292.50	\$ 12,755.00	\$ -	\$ -	\$ 98,563.60
Total	\$ 42,407.50	\$ 43,338.37	\$ 48,990.47	\$ 23,365.55	\$ 37,454.31	\$ 56,303.83	\$ 13,723.75	\$ 28,942.99	\$ 62,154.13	\$ 50,746.13	\$ -	\$ -	\$ 407,427.03



FREEPORT POLICE DEPARTMENT

430 N. Brazosport Blvd • Freeport, TX 77541 • 979.239.1211 • Fax 979.239.2075

*Lt. Corey Brinkman
CID Commander*

*Raymond Garivey
Chief of Police*

*Capt. Danny Gillchriest
Patrol Division Commander*

To: Mayor and Council

During the Month of June, my officers responded to 2124 calls for service. Those calls include all crime related calls, calls for citizen assistance, Animal Control calls, citizen contact and traffic stops. Anytime an officer calls out on the radio, a call type is generated.

As confirmed COVID cases continue to rise, we are still taking precautions by requiring mask when entering our building. We also have hand sanitizer at both entrance doors for visitors to sanitize their hands before entering the building as well.

The police department also continues wearing masks if within 6 feet of another person and each employee is still required to check their temperature daily as they arrive for work. Logs were maintained and forwarded over to Human Resources.

Significant Incidents:

We had two sexual assault cases that are being investigated by our Detective Division. In both cases there are conflicting details and both investigations have been completed and forwarded to the district attorney's office to be reviewed by a Grand Jury for charges.

We also had two calls of loss of life that were determined through investigations to be suicide. One incident took place on the beach where a man from the Fort Worth area took his own life by way of a firearm. In the second case a man from the Freeport area also took his own life with a firearm while staying at the Motel 6.

We had no serious incidents related to or citizens adhering to the Governor's orders related to the Corona Virus, mainly social distancing. Officers did have to warn and remind a few people about social distancing and all complied without further incident.



To Protect, Serve, Model Integrity and Demonstrate Professionalism

We continue to carry extra masks in our police units and if dispatched to calls regarding folks not wearing masks, we try to make contact and educate our citizens on the importance of wearing a mask and even offer them a mask if they do not have one.

Through the Month of July. We had 9 employees who were out due to testing positive for COVID. It was a rough month but as a team we came together to make sure that services continued without interruption for our citizens. All of these employees but one, have since returned back to their work assignments and all doing well and in good health.

Community Events:

During the Month of July, due to many celebrations being cancelled because of the Corona Virus, the police department began doing "birthday drive byes" for kids in our community. This consisted of officers driving by the birthday persons house with lights and sirens on, and even a birthday song over the PA system.

We also unveiled our Autism Awareness Humvee to the public. This is one of our two Humvees that was obtained through the government military surplus program. This Humvee has been wrapped in Autism Awareness graphics showing our support for those with Autism. All accessories for this project were donated by generous business owners and citizens. No cost to the City of Freeport!

Employee of the Month:

Captain Danny Gillchriest is the Employee of the Month for July. During this pandemic outbreak, Captain Gillchriest has gone above and beyond to make sure his Patrol Division staff continues to serve the citizens of Freeport without interruption of services even with some of his staff being out to the Corona Virus. Captain Gillchriest even filled in taking Patrol calls while still continuing to maintain his command staff duties.

Open Positions:

We currently have one police officer position open at the police department. We held a physical fitness test and written exam on August 4th. We have begun interviews and background checks on qualified candidates. We hope to have this position filled soon and back to full staff.

We also have a Dispatcher position open and accepting applications until August 14th, at which time we will begin interviews for that position.

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond Garivey". The signature is stylized with a large loop at the top and a horizontal line extending to the right.

Chief Raymond Garivey

Freeport Police Department

(979) 415-4187



CITY OF FREEPORT
FREEPORT FIRE & EMS DEPARTMENT

131 East 4th Street
Freeport, Texas 77541
Phone (979) 233-2111
Fax (979) 233-4103

Christopher Motley
Chief / EMC

Mike Praslicka
Deputy Chief
EMS Coordinator

To: Mr. Kelty, City Manager

From: Christopher D. Motley, Fire Chief

Date: August 17, 2020

Re: July 2020

Response alarms: July: Fire - 16
 EMS - 181
 Total - 197

Significant Events: Air Ambulance transport: 0
 Request mutual aid into the city to cover EMS response: 5
 Two EMS units working calls at the same time: 21
 Three working EMS alarms: 6
 Four working EMS alarms: 0
 Transport rate 54%

Equipment/Infrastructure: Unit 907 rear door latch mechanism pending replacement.
 Beach Response vehicle stripping complete. Pending installation
 radio/emergency lighting.

Hydrant Inspection: 61 hydrants, 3 hydrants repairs requested. Repair notifications sent to
 Veolia Water and Public Works.

Emergency Management: Report given to City Council each meeting.
 Weekly conference calls for COVID-19.
 Monitoring tropical weather and providing updates internal
 stakeholders as storms have approached Texas
 Coastline.

Personnel: Fire Marshal vacancy: Position reposted, also posted on TCFP.
 Interviews conducted July 23, 2020. Results continue search.
 Fire Fighter Vacancy #1: Blayne Redwine started June 29, 2020.
 Completed FTO program July 14, 2020 then assigned to shift.
 Firefighter Vacancy #2: James Jones. Pending Certification testing and transfer
 to TCFP and DSHS. Hiring pending state certifications. Forecast to start
 August.
 Covid-19 impacting two people on the same shift. One Firefighter out for medical
 (six weeks). FF Martinez returned back to work after COVID-19 impacted his
 family and himself (over a month).

Visit us online at www.freeport.tx.us
facebook.com/FreeportFire
fire@freeport.tx.us



CITY OF FREEPORT
FREEPORT FIRE & EMS DEPARTMENT

131 East 4th Street
Freeport, Texas 77541
Phone (979) 233-2111
Fax (979) 233-4103

Christopher Motley
Chief / EMC

Mike Praslicka
Deputy Chief
EMS Coordinator

Personnel: Employees taking vacation time before losing vacation per policy. Most shifts had one person per shift on scheduled vacation for 3 out of 4 weeks in the month of July.

Public Relations: Covid-19 Testing site Freeport Municipal Park July 24,2020.
Assist Freeport Museum movie night.
4th of July Fishin' Fiesta Fireworks Display.



Beach / Facilities Division

- Litter control Bryan Beach daily
- Litter control Surfside beach daily
- Litter control flood gate
- Litter control 2nd street
- Litter control Velasco/36
- Litter control city parks daily
- Sanitize / cleaning all city park restrooms daily
- Sanitize service center daily
- Sanitize Police Department daily
- Sanitize City Hall daily
- Sanitize museum daily
- Pressure wash city hall x 3 week
- River place landscape maintenance
- Pixie House landscape maintenance
- Clean drive thru at city hall

Projects

- Gym Floor Rec Center – in process
- Ball Field lights – waiting on quotes
- Soccer Goals, Dirt, Sod – planning
- Ball Field infield conditioner – waiting on delivery of material
- Mystery Boat – mast installed waiting on light installation
- Police department chiller – waiting on delivery
- Reconstruction of E. 7th, E.6th, Poplar and E. Broad in process
- County will begin milling scheduled roads in two weeks



EMPLOYEE OF MONTH NOMINATION FORM

Name of Nominee: Laurie Motley
Title: Administrative Assistant
Department: Public Works
Supervisor/Director: Lance Petty
Nominated By: Lance Petty

Address how this nominee meets any or all of these values. Remember, the award is made solely on the basis of the information provided on this nomination form. You may attach additional pages.

Please describe your nominee keeping in mind the criteria listed in the program guidelines. How does this employee distinguish themselves from others?

Ms. Motley Continues to provide a high level of customer service to the citizens and customers that exceeds her expectations. Ms. Motley always goes above and beyond for the citizens, customer and fellow employees

Ms. Motley continues to use resources efficiently and effectively and accomplishing tasks with a positive attitude

Ms. Motley has excellent team work skills

Ms. Motley is a self-starter and will take the lead on work assignments for the department

Ms. Motley shows pride in her work and the services provided by the department, and believes in getting the job done right the first time

Signature of Nominator: _____

Date: 8/12/20

Signature of Department Director: _____

Date: 8/12/20

Date received: _____ Eligibility Status checked: _____

Human Resource Department: _____



PUBLIC WORKS MONTHLY REPORT

Date: August 12, 2020

From: Lance Petty, Director of Public Works

Street / Drainage Division

- Ave F grade drainage
- Ave S grade drainage
- Ave R grade drainage
- Skinner grade drainage
- Install drain line in memorial park
- Saw cut and form 5 driveways on Broad
- Set gate post at Bryan Beach
- Install gates at Bryan Beach
- Pour concrete road patches at Yellowstone, Ave H, and Skinner
- Rake Bryan Beach x 4
- Set forms on curb / gutter on Broad and Walnut block 2
- Pour curb and gutter on Broad and Walnut block 2
- Backfill Broad and Walnut block 2
- City wide street sweeping all quadrants
- Mow city owned lots
- Grade entrance at Bryan beach
- Patch pot holes city wide

Parks Division

- Stephen F. Austin mow and weed eat grounds x 4
- Lincoln park mow and weed eat grounds x 3
- Mow levees @ Velasco bridge x 2
- Riverside Park mow and weed eat grounds x 4
- Arrington park mow and weed eat grounds x 4
- High school levee mow x 2
- FCH mow and weed eat grounds x 4
- W. Broad, League and Scotties mow and weed eat x2



- Library mow and weed eat grounds x 4
- FMP mow and weed eat grounds x 4
- Fire station 2 mow and weed eat grounds x 3
- Police Department mow and weed eat grounds x 4
- City Hall mow and weed eat grounds x 4
- Clean inlets
- Trim trees at Riverside Park
- Mow Levee at Schuster House
- Plant 8 trees throughout parks

Building Division

- Install LED lighting at PD on back parking lot
- Install new flag at Mystery Boat
- Install roof repair at service center
- Replace all filters at PD
- Replace all filters at library
- Replace all filters at River Place
- Install new breaker panel at Mystery Boat
- Installed new secret door at Museum
- Install new window at Velasco community house
- Repair leak in memorial park
- Repair sprinkler heads at memorial park
- Repair door at Stephen F Austin park
- Replace filters at VCH
- Replace filters at Rec Center
- Replace filters at Fire Station 1
- Replace filters at Museum
- Repair deck boards on levee walk at FMP
- Replaced sump pump on splash pad at memorial park
- Replace filters at Heritage House
- Repair leak in women's restroom at rec center
- Repair roof on picnic area at Arrington park
- Repair leak at VCH
- Repair freeport banners city wide
- Repair street lights at Bridge
- Repair pickets at River Place dock

City of Freeport
Culture, Recreation & Tourism Department
Monthly Summary Report
July 2020

FREEPORT HISTORICAL MUSEUM & VISITORS CENTER

Exhibits

Outside of our online exhibits, there are no new exhibits scheduled for display at this time due to lack of staff and the facility being closed to the public.

Events

While we continue preparations for the Texas Navy Day Celebration scheduled for Saturday, September 19th, we are not receiving favorable feedback regarding guest speakers or re-enactors joining the festivities.

Rental Venues

VIC staff cancelled or rescheduled all rentals through July 31st. We are not taking any additional reservations until further notice and looking at options and to continue rentals at 50% capacity.

Staff Updates

This month our Museum Coordinator resigned so we have posted the full-time position along with the part time Museum attendant. We hope to fill both positions before reopening to the public.

In addition to her regular duties at the Museum/VIC, our Administrative Secretary, Tammy Bell is cross training at the Water Dept. each Monday to assist as needed. She has also made a database of all of our contacts. They are organized by category such as Civic Organization, Daycare Centers, Advertising, etc.

Maintenance

There were no maintenance issues to report at the Historical Museum/VIC.

Revenues

Facility Rentals	\$0
Gift Shop	<u>\$35.00</u>
Total	\$35.00

Admissions (Closed)

Adult	0
Child	0
Senior	<u>0</u>

FREPORT RECREATION CENTER

Fitness Programs

We currently hosting the following programs:

- | | | |
|--------------|--------------------|-------------------|
| • Zumba | Tuesday & Thursday | 8:30am-9:30am |
| • Aqua Zumba | Tuesday & Thursday | 5:30pm-6:30pm |
| • Lap Swim | Monday – Friday | 8am-12pm, 3pm-7pm |
| | Saturday | 9am-2pm |

Zumba classes have grown from 2-3 participants at the first of the month to an average of 5-6 per class. The response to the Aqua Zumba class has been disappointing, even after pushing hard on multiple social media platforms.

Special Events/Programs

The FRC Program Coordinator, Bella Ramirez has emailed the high school principal in regard to reserving the Brazosport High School gyms for basketball games and also confirming coach requirements and forms from HR.

She has also researched the historical markers in Freeport for the Scavenger hunt event tentatively planned for late August and is working on the events flyer and starting to gather materials for the Fall Festival.

For Holiday on The Brazos she is updating an invitation letter that will be sent to performance groups and studios. Additionally, she is looking into fireworks display company for Riverfest and Holiday on the Brazos.

Staff Updates

Full time staff is filling in at the Water Department once a week on separate days for cross training. Bella reports on Tuesdays and Crystal reports on Thursdays. Yvonne is currently stationed at the Water Department due to limited sedentary work at the Recreation Center.

Lifeguards are two thirds of the way through their seasonal employment. Pool remains open for lap swim and classes only.

FRC staff is assisting at the Summer Drive-In Movie series on Friday nights.

Maintenance Projects

We have scheduled building projects for the first two weeks of August. The basketball gym floor is scheduled to start on August 5th and the Lap Lane Anchors are scheduled to be on Friday August 14th. The floor will be a multiple day project and the anchors will be a one-day project.

Monthly Memberships		Day Passes		Admissions	
Active Military	\$ 40.00	Adult	\$5.00	Employee	8
Individual	565.00			Individual	102
Senior Citizen	75.00			Senior	63
				Military	1
Total	\$ 680.00	Total	\$5.00	Total	174

SPECIAL EVENTS

We continue our free Summer Drive-In Movie series at the BHS student parking lot. This month we have shown Mary Poppins Returns, Karate Kid (1984) and Remember the Titans. Unfortunately, the Incredibles 2 showing set for July 24 was cancelled due to bad weather. We do plan to show Incredibles 2 at a later date. Thanks to BISD for the use of the parking lot and to Public Works, Police Dept. and Fire Dept. for their support and being on call to assist when needed.

MAIN STREET

Work continues on the Main Street recertification application with the deadline being extended to August 31, 2020. CRT staff is working closely with the EDC Director and administration on the details and gaining community support for the program. We are anxious to fill the three available positions on the Historical Commission and Main Street Advisory Board so that we may resume our monthly meetings during this imperative time for Main Street.

FREEPORT BRANCH LIBRARY

The library is partially open with limited services and limited capacity due to COVID19. All programming is virtual @FreeportLibrary.

Early Voting and Election Day are scheduled to take place in the meeting room at the library, although voting staff has expressed interest in changing venues to an alternate location in Freeport.

The Freeport Library suffered some floor damages from Harvey and have recently inquired as to when repairs would be made with allocated FEMA funds. I have reached out to Chief Motley and Lance Petty to bring us all up to speed on the time frame and what needs to be done.

SENIOR CITIZENS COMMISSION

The Senior Citizens Commission met July 20th to discuss how to proceed with meetings for the remainder of the year. The meeting resulted in cancelling all meetings for the rest of 2020, with the exception of Harvest Fest and the Christmas Party. While the Officers are still on the fence about Harvest Fest, the Christmas Party is ago. The gift from the commission to the attendees and the centerpieces have been purchased.

The Senior Citizens Commission has scheduled its next special meeting to be held at the Freeport Historical Museum on August 17th to discuss upcoming events and activities. There will be no more than 10 attendees and social distancing/masks will be required.

Building and Codes Monthly Action Report

The Following case load was managed by the Building and Codes Staff during the Month of
July 2020

This is a new tracking spread sheet in the department some field have a margin of error due to new tracking matrix.

July 2020 Code Enforcement		
New Cases	38	
Site Re-inspections	74	
Cases Abated	10	
Illegal Signs Pulled	10	
Filed Court Actions	8	
Court Appearances	0	No Court due to Covid
Phone/email/in person communication with violator	180	
Vehicles Tagged	5	
Vehicles Towed	0	
Contractor abatement of grass/weeds/brush	0	
Contractor abatement of nuisance (Demolition)	0	
Pool Inspections	1	

July 2020 Code Enforcement		
Building Permits	35	
Mechanical Permits	5	
Electrical Permits	17	
Plumbing Permits	10	
Permits issued for garage Sales	4	
Permits issued for fences	6	

Building and Codes Monthly Action Report

JULY 2020 TYPES OF VIOLATIONS	
General Nuisance	38
Zoning Violation	
Property Maintenance	38
Grass/Weeds/Brush	30
Fence Code Violations	5
Inoperable/Unlicensed Vehicles	18

JULY 2020 CITY WIDE CLEAN UP	
Piles Deployed	72
Tires	202
Paint	95 Gallons
Oil	42 Gallons



Finance, Court & Water Departments

Title: Monthly Report for July 2020

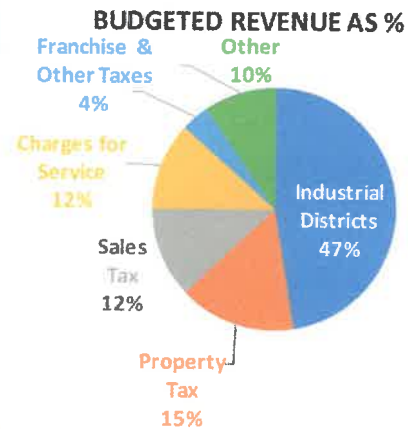
Date: August 17, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Major Revenue

Below is a summary of Revenue received to-date by category followed by detail for the top three.

	Current Budget	Actual FYTD	% Budget Received
Industrial Districts	(7,969,830)	(7,333,366)	92%
Property Tax	(2,601,000)	(2,533,746)	97%
Sales Tax	(2,040,000)	(1,278,157)	63%
Charges for Service	(1,965,484)	(1,503,231)	76%
Franchise & Other Taxes	(638,278)	(411,573)	64%
Intergovernmental	(506,575)	(315,898)	62%
Fines & Forfeits	(287,800)	(181,969)	63%
Miscellaneous Income	(283,000)	(200,976)	71%
Lease Income	(282,574)	(130,446)	46%
Investment Earnings	(140,000)	(79,457)	57%
License and Permits	(104,591)	(95,968)	92%
Grand Total	(16,828,332)	(14,074,070)	84%



Industrial District Contracts

As of the end of the period, the City had received over \$7.3 million in Industrial District Payments.

Industrial District	Current Budget	YTD Received	Budget Balance
Brazosport IDA	4,354,938	4,354,938	0
Freeport IDA	1,839,892	1,203,428	636,464
Freeport LNG IDA	1,775,000	1,775,000	0
Grand Total	7,969,830	7,333,366	636,464

Property Tax

As of the end of July, the City had received 98% of its Property Tax Revenue.

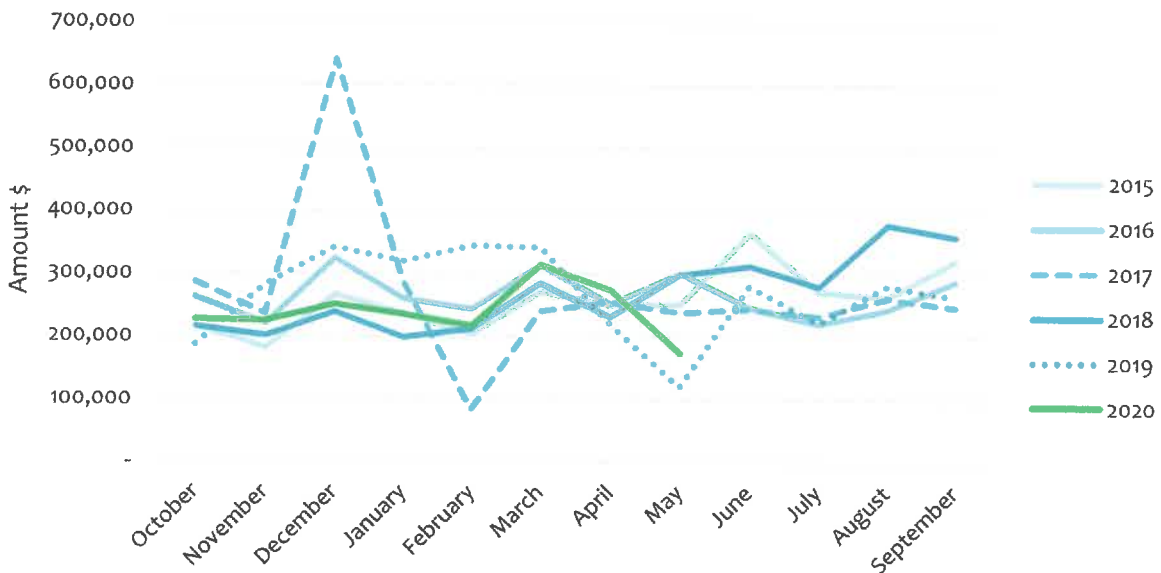
Fund	Budget	Actual FYTD	% Rcvd FYTD
General Fund	\$ 2,601,000	\$ 2,563,424	99%
Capital Purchase DS	\$ 564,832	\$ 546,160	97%
Total	\$ 3,165,832	\$ 3,109,584	98%

Sales Tax

Sales Tax Revenue through May (received in July) was over \$1,278,000, which is down from last year (-11%) and also under budget by 13.8%. It appears 2017 and 2019 were outlier years and thus we are seeing revenue dip to prior year trends. Sales tax in May was down from April, however; this was up from May 2019. Thus, so far, the impact from the COVID-19 pandemic has been minimal. Please note, there is a two-month lag from when sales tax is collected and received by the City; thus, May's sales tax was received in July.

Actual Sales Tax	FY2019	FY2020	% Change
October	124,907	150,803	21%
November	187,840	149,808	-20%
December	227,666	167,601	-26%
January	212,873	157,025	-26%
February	229,262	145,073	-37%
March	227,704	209,248	-8%
April	146,054	182,565	25%
May	80,307	116,035	44%
June	187,205		
July	147,760		
August	187,451		
September	175,616		
Grand Total	2,134,644	1,278,157	-40%
Total Budget	2,350,000	2,400,000	2%
% of Budget YTD	90.8%	53.3%	

Comparison of Sales Tax Revenue by Year



Budget vs. Actuals

Fund	Current Budget	Actuals FYTD	Budget-Actual
General Fund			
Revenue	-16,828,332	-13,591,672	-3,236,660
Administration	2,212,670	1,209,104	1,003,566
Beach Maintenance	9,200	6,084	3,116
Building	341,400	204,876	136,524
Code Enforcement	431,950	178,796	253,154
EMS	884,290	508,566	375,724
Fire/Emergency Management	1,209,222	803,041	406,181
Garbage	992,453	647,534	344,919
Golf Course	968,300	654,442	313,858
Historical Museum	276,293	152,511	123,782
Library	28,300	19,685	8,615
Municipal Court	180,508	112,771	67,737
Parks	1,448,659	870,187	578,472
Police/Animal Control	4,537,133	3,200,360	1,336,773
Recreation	584,200	201,003	383,197
Service Center	191,090	117,159	73,931
Sr. Citizen's Commission	10,100	6,329	3,771
Street	1,344,960	930,213	414,747
Transfers	5,144,348	2,199,087	2,945,261
General Fund Total	3,966,744	-1,569,926	5,536,670
Water & Sewer			
Revenue	-5,276,100	-3,720,840	-1,555,260
Transfers	-1,000,000	0	-1,000,000
Water/Sewer	6,196,112	3,640,221	2,555,891
Water & Sewer Total	-79,988	-80,620	632
Capital Debt Service			
Revenue	-565,232	-539,417	-25,815
Debt Service	565,232	569,224	-3,992
Capital Debt Service Total	0	29,807	-29,807
COO 2008 Construction			
Administration	54,000	0	54,000
COO 2008 Construction Total	54,000	0	54,000
Special Revenue			
Revenue	-55,600	-42,625	-12,975
Beach Maintenance	0	2,244	-2,244
Hotel/Motel	10,250	5,000	5,250
Municipal Court	24,800	9,378	15,422
Police/Animal Control	15,000	4,449	10,551
Transfers	-12,000	0	-12,000
Special Revenue Total	-17,550	-21,553	4,003

Street & Drainage			
Street	2,249,906	770,523	1,479,383
Transfers	-2,399,906	-757,834	-1,642,072
Street & Drainage Total	-150,000	12,689	-162,689
Facilities & Grounds CIP			
Administration	292,152	248,348	43,804
Golf Course	20,000	0	20,000
Library	15,000	5,650	9,350
Parks	462,902	324,397	138,505
Police/Animal Control	0	7,266	-7,266
Recreation	139,000	113,901	25,099
Service Center	25,000	0	25,000
Transfers	-954,054	-699,562	-254,492
Facilities & Grounds CIP Total	0	0	0
Vehicle & Equipment			
Administration	0	39,644	-39,644
Fire/Emergency Management	79,415	80,879	-1,464
Parks	140,206	140,206	0
Police/Animal Control	181,257	149,157	32,100
Street	46,910	31,805	15,105
Transfers	-447,788	-441,691	-6,097
Vehicle & Equipment Total	0	0	0

Utilities

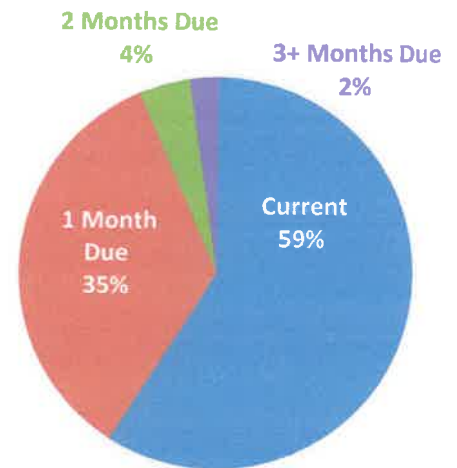
As of the end of July, 59% of water accounts were current and 41% had outstanding balances.

Jul-20

Billed	Water	Sewer	Total FYTD
Residential	\$696,923	\$600,267	\$1,297,190
Commercial	1,137,035	996,926	2,133,961
Outside CL	309,943	3,572	313,515
Irrigation	11,192	0	11,192
Water Only	170,339	0	170,339
Total Billed	\$2,325,432	\$1,600,765	\$3,926,198
Last FYTD	\$2,204,967	\$1,562,957	\$3,767,924
% Change	5.5%	2.4%	4.2%

Consumption	Water	Sewer	Total FYD
Billed	290,130,000	223,537,827	513,667,827
Unbilled	2,297,000	0	2,297,000
Total Gallons	292,427,000	223,537,827	515,964,827
Last FYTD	322,330,000	249,318,143	571,648,143
% Change	-9.3%	-10.3%	-9.7%

AGING REPORT FOR WATER ACCOUNTS



Municipal Court

Fiscal Year Total Through	Jul-18	Jul-19	Jul-20	% Change
Violations				
Filed	3,484	3,197	1,880	-41.2%
Completed	2,494	2,173	1,241	-42.9%
Net Difference Filed/Complete	990	1,024	639	-37.6%
Warrants				
Issued	1,147	537	213	-60.3%
Warrants Cleared	1,147	697	461	-33.9%
Change in Total Warrants	0	-160	-248	55.0%
Total Fees/Fines Paid*	\$542,293	\$460,312	\$269,520	-41.4%

* Includes Regulatory, State & Other Agency Fees

Ongoing Initiatives

Audit

The City's Auditor's conducted the interim audit for FY2019-2020 in July. The final audit will be conducted after the close of the fiscal year.

Budget

During the month of July, departments submit their budgetary and staff developed the FY2020-2021 Proposed Budget.

Bond Issuance

In July, Council approved the Preliminary Official Statement and Notice of Sale. During this time, staff also worked with the City's Financial Advisor and Bond Council to meet the proposed milestones for the sale. As part of this process, the City was evaluated and rated by Standard & Poor's (S&P) a 'AA-'.

Financial Software

Council approved the upgrade to Incode 10 with Tyler Technologies June 1st. Since, then staff has begun working with Tyler on implementation.

Grant Administration

Staff is working on reimbursement through the Texas Coronavirus Relief Fund (CRF) under the Cares Act and is reviewed proposals to hire a grant consultant to assist with the application to the General Land Office (GLO) for the next round of disaster recover funds.

The GLO announced the kick-off of the application process for the first round of more than \$2.3 billion for mitigation projects to protect Texas communities hit by Hurricane Harvey and severe flooding in 2015 and 2016. During the first round, the GLO will conduct three (3) competitive application programs from the CDBG-MIT Action Plan. Those programs include:

1. 2015 Floods State Mitigation Competition (\$46,096,950)
2. 2016 Floods State Mitigation Competition (\$147,680,760)

3. Hurricane Harvey State Mitigation Competition Round 1 (\$1 billion of \$2,144,776,720 total)

Online Services

Residents may now pay their court and water bill over the phone or online. The City is currently not charging any fees for these services for water customers. Additionally, residents may now apply for new water and garbage services online.

Policies

There are not any new updates for July. Staff is reviewing current policies and procedures to determine updates and new policies moving forward. Staff is currently working on administrative procedures to ensure internal controls, financial accountability, and year-end closing.

Purchasing

In July, staff evaluated proposals to Re-write the City's Zoning and Subdivision Ordinances, Grant Administrative Services, and Group Medical Insurance.

Records

There are not any new updates for July. There is a need to sort and organize the paper records left by the previous Director for ease of reference and compliance with records retention.

Texas Comptroller Of Public Accounts' Transparency Stars Program

No new updates for July. The Texas Comptroller of Public Accounts' Transparency Stars program recognizes local governments for going above and beyond in their transparency efforts. Over the next year or so, the Finance Department will be working towards expanding its online presence in an attempt to increase transparency and possibly submit for recognition.

Utility Rate Study

No new updates for July. The final report was presented to Council April. Based on the direction from Council during that meeting, staff will include the proposed rate increases in the FY2020-2021 Proposed Budget.