



October 24, 2025

Texas Department of Housing and Community Affairs
Attn: Governing Board
P.O. Box 13941
Austin, TX 78711-3941

Re: Appeal Letter – City of Slaton / TDHCA Contract #1003148

To Whom It May Concern:

This correspondence is submitted in response to the Denial Letter issued following the initial appeal to the Texas Department of Housing and Community Affairs (TDHCA) concerning the City of Slaton's HOME Program Contract #1003148. We respectfully request the opportunity to present this matter for consideration before the Governing Board at its meeting on November 6, 2025.

Background and Context

The City of Slaton was awarded Contract #1003148 and retained the South Plains Association of Governments (SPAG), a Regional Council of Governments, to serve as the Administrative Consultant.

Initially, Chelsey Baldivia and Piata Bryant were assigned to administer the grant. In April 2025, Ms. Baldivia was promoted to Director of Regional Services and Economic Development, which required her to assume new responsibilities. Shortly thereafter, it was discovered that progress on several contracts, including this one, had been delayed. On April 7, 2025, Ms. Bryant's employment with SPAG ended, and Demenica Prince was subsequently assigned as lead administrator for all HOME Programs.

Given the complexity of the program, Ms. Prince required additional training before assuming full administrative duties. A timeline of this transition is enclosed for reference.

Activity Draw Submissions

At the time of transition, construction activities were already underway, and multiple contracts had pending deficiencies. To ensure accuracy and compliance, Ms. Prince consulted with TDHCA staff regarding the most effective way to proceed. TDHCA staff agreed that submitting a single Activity Draw including retainage—rather than multiple partial draws—would be the most efficient and compliant approach under the circumstances.



Between April 10 and October 10, 2025, SPAG maintained regular communication with TDHCA staff through email, phone calls, and virtual meetings. During this period, SPAG worked diligently to cure deficiencies, maintain accurate records, and ensure compliance across all contracts while navigating significant staff turnover.

TDHCA staff were informed of the plan to submit a single draw during conversations on July 1–2, 2025, but to delay this submission until the existing deficiencies on other concurrent project contracts were remedied. On October 7, 2025, SPAG staff contacted TDHCA to inquire about submission issues and were informed that the contract end date of July 7, 2025, had expired.

Construction Delays and Contributing Factors

Appeal Response and Request for Reconsideration

In reference to the Denial Letter, we respectfully offer the following clarifications:

- **Awareness and Communication:** Based on the discussion between TDHCA and SPAG, and subsequent verbal agreement from TDHCA, it was determined early on that a single Activity Draw would be submitted with retainage. This approach was discussed during ongoing communications and documented in correspondence dated September 18, 2025 (Attachment #16). While no formal extension request was submitted, SPAG staff operated under the understanding—based on TDHCA guidance—that this method was acceptable given the transition and training circumstances.
- **Guidance from TDHCA Staff:** During a Teams meeting involving Ms. Prince, Ms. Baldivia, and Ms. Bruington, TDHCA staff advised that a contract extension appeal would be required to allow submission of payment requests. Acting upon that guidance, SPAG submitted an appeal to extend the contract (Attachment #18).
- **Staff Turnover and Oversight:** SPAG acknowledges responsibility for administrative oversight and recognizes the importance of compliance with all program deadlines. However, the oversight in question resulted from staff transition and unforeseen events, not negligence or disregard. Records of communications with TDHCA training, environmental, and program staff demonstrate consistent efforts to maintain compliance (Attachment #20). In addition, SPAG staff made multiple requests for clarification and repeatedly encountered unreturned phone calls and emails, reflecting a consistent struggle to obtain timely responses from program staff.
- **City Notification:** The City of Slaton received notice on September 8, 2025, to complete the project completion report and promptly forwarded it to SPAG. At that time, SPAG had already uploaded the reimbursement request and was unaware that funds were at risk of deobligation.



Conclusion

The City of Slaton respectfully requests reconsideration of the denial and the opportunity to submit the prepared reimbursement request for Activity #53727. We respectfully ask that TDHCA allow submission of the reimbursement request so the City of Slaton may successfully complete its awarded contract.

Thank you for your consideration.

Sincerely,

Clifton Shaw
Mayor, City of Slaton

cc: South Plains Association of Governments



Weather Related Events (attachments included)

- January 9- Snow
- January 17-21 Snow
- March 8 Snow
- April 3-5 Heavy Snow
- April 22-23 Flooding, Hail, Severe Weather
- April 29-30 Flooding, Hail, Severe Weather
- May 5-6 Widespread Severe Storms and Flooding
- May 25- Flooding, Giant Hail, Torrential Rain
- June 2 Scattered Thunderstorms, Damaging Wind, Heavy Rain
- June 5 Tornadoic Storms
- June 6-10 Severe Thunderstorms and Heavy Rain
- July 3 Flooding Severe Storms
- July 7 Severe Storms, Flooding, Damaging Winds and Hail