

STATE OF TEXAS
CITY OF FRIENDSWOOD
COUNTIES OF
GALVESTON/HARRIS
AUGUST 31, 2020



AGENDA

NOTICE IS HEREBY GIVEN OF A FRIENDSWOOD CITY COUNCIL SPECIAL MEETING TO BE HELD AT 6:30 PM ON MONDAY, AUGUST 31, 2020, AT FRIENDSWOOD CITY HALL, COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, REGARDING THE ITEMS OF BUSINESS ACCORDING TO THE AGENDA LISTED BELOW:

6:30 PM – SPECIAL MEETING

1. Call to order
2. Invocation
3. Pledge of Allegiance – United States and Texas
(HONOR THE TEXAS FLAG; I PLEDGE ALLEGIANCE TO THEE, TEXAS, ONE STATE UNDER GOD, ONE AND INDIVISIBLE)
4. Communications from the Public
Communications from the Public (To comply with provisions of the Open Meetings Act, the City Council may not deliberate on items discussed under this agenda item. The Council may refer this item to the City Manager or direct this item to be placed on the next regular Council agenda. Out of respect for those speaking during public comment, please refrain from any outbursts or interjections to include, but not limited to, applause and/or disparaging noises from the audience. Doing so discourages others from voicing their thoughts and opinions, and disrupts the meeting. Furthermore, any personnel complaints against a City employee aside from the City Manager, City Secretary, City Attorney or Municipal Judge cannot be discussed under this section. Please contact the City Manager's office for concerns involving a City employee.)
5. WORK SESSION
 - A. Capital Improvement Projects Update
6. Public Hearing
To receive comments from the public, both oral and written, regarding:
 - A. Proposed Fiscal Year 2020-2021 General Operating Budget for the City of Friendswood
7. Consent Agenda

- A. Authorizing the acceptance of the Sterling Creek, Section 4, Public Paving and Utilities improvements project into the contractor's one-year maintenance period

8. Adjournment

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive service must be made two (2) business days or more prior to this meeting. Please contact the City Secretary's Office at (281) 996-3270 for further information.

I, MELINDA WELSH, CITY SECRETARY OF THE CITY OF FRIENDSWOOD DO HEREBY CERTIFY THAT THE ABOVE NOTICE OF MEETING OF THE FRIENDSWOOD CITY COUNCIL WAS POSTED IN A PLACE CONVENIENT TO THE GENERAL PUBLIC IN COMPLIANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE, ON

DATE

AT TIME

**MELINDA WELSH, TRMC
CITY SECRETARY**

****All meetings of City Council are open to the public, except when there is a necessity to meet in an Executive Session (closed to the public) under the provisions of Section 551, Texas Government Code. The City Council reserves the right to convene into Executive Session to hear any of the above described agenda items that qualify for an executive session by publicly announcing the applicable section number of the Open Meetings Act.**

FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 31, 2020

Date submitted: 8/4/2020

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Capital Improvement Projects Update

Originating Department: Engineering

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The City Council will be updated on the latest news regarding ongoing Capital Improvement Projects in the City. Updates will include projects such as the Friendswood Lakes Boulevard, the rehabilitation of Lift Station #23, the 2019-2020 Street Maintenance Program, and more.

The update will be in the form of a Power Point presentation to be provided at the Council Meeting.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. August 2020 CIP Update II

CITY OF FRIENDSWOOD

Capital Improvement Projects Update



Street Maintenance Program

2019-2020

Program is over 50% complete

\$4 Million in 2020

3/8th cent sales tax



Street Maintenance Program

2019-2020

\$839,851 in concrete street repairs with related curbs, sodding, driveway tie-ins, ADA ramps, manhole adjustments, etc., completed so far (57,281 SQ. FT.)

Approximately 1 lane mile of roadway



Street Maintenance Program

2019-2020

Concrete Streets Addressed So Far:

Castle Harbour Dr.

Castlewood Dr.

Falcon Ridge Blvd.

Greenbriar Dr.

Laurel Ln.

Merriewood Dr.

Penn Dr.

Quaker Dr.

San Joaquin Pkwy

San Miguel Dr.

Tanglewood Dr.

Westood Dr.

Wittier Oaks Dr.

Winding Way

Vaquero

Winding Rd.



Street Maintenance Program

2019-2020

Upcoming Concrete Streets:

Appleblossom Ln.

Bentwood Ln.

Laura Leigh Ln.

Mary Ann Dr.

Parkview Dr.

Azalea Trl.

Camellia Ct.

Carolina Ct.

Pennystone Way

Applewood Dr.

St. Andrew's Dr.



Street Maintenance Program

2019-2020

65,062 square yards in asphalt repairs related curbs, sodding, driveway tie-ins, ADA ramps, manhole adjustments, etc., nearing completion (\$1,632,821)

Over 8.5 lane miles of roadway reclaimed



Street Maintenance Program

2019-2020

Asphalt Streets Addressed So Far:

John Ave.

Judy Ave.

Steele Dr.

Thomas Dr.

Myrtlewood Dr.

Crawford Dr.

Melody Ln.

Chester Dr.

Rustic Ln.

Clover Ridge Ave.

Westfield Ln.

Meadowlark Ave.

Mandale Rd.

Colt Rd.

Diamond Lane

Layfair Pl.

Rancho Cir.



Street Maintenance Program

2019-2020

Upcoming Asphalt Streets:

Merriewood Dr.

N. Clear Creek Dr.

S. Clear Creek Dr.

Clearview Ave.*

Cowards Creek Dr.

Murphy Ln.

Leisure Ln.

Park Ln.

*Curb & gutter replaced, reclamation in a few weeks



Friendswood Lakes Boulevard

(Between Stoney Lake Drive & West Boulevard)

Bids opened June 9th

\$4.27 Million (includes road construction, construction of 4800 feet of 8" waterline, and 1400 feet of 8" and 10" sewer main)



Friendswood Lakes Boulevard

(Between Stoney Lake Drive & West Boulevard)

Galveston County Commissioners' Court awarded contract to Angel Brothers

Construction to start in the next few weeks

Contract Time: 270 days (Late May/Early June 2021 completion)



Lift Station #23

(FM 518 & Oak Dr.)

Construction: \$3.5 Million

Bypass pumping in place
demolition work nearing
completion

Scope now includes a
package lift station dedicated
to serve the Century Oaks
Subdivision



Fire Station 2 Reconstruction & Training Upgrades

RFQ closed July 16th

13 Responses to the RFQ

Engineering, FMO, and members of the FVFD evaluated qualifications

Interviews have been held

Firm selected to be presented at September Council Meeting



Public Safety Building Expansion

RFQ closed July 16th

18 Responses to the RFQ

Engineering, FMO, and PD Staff
evaluated qualifications

Firm selected to be presented at
September Council Meeting

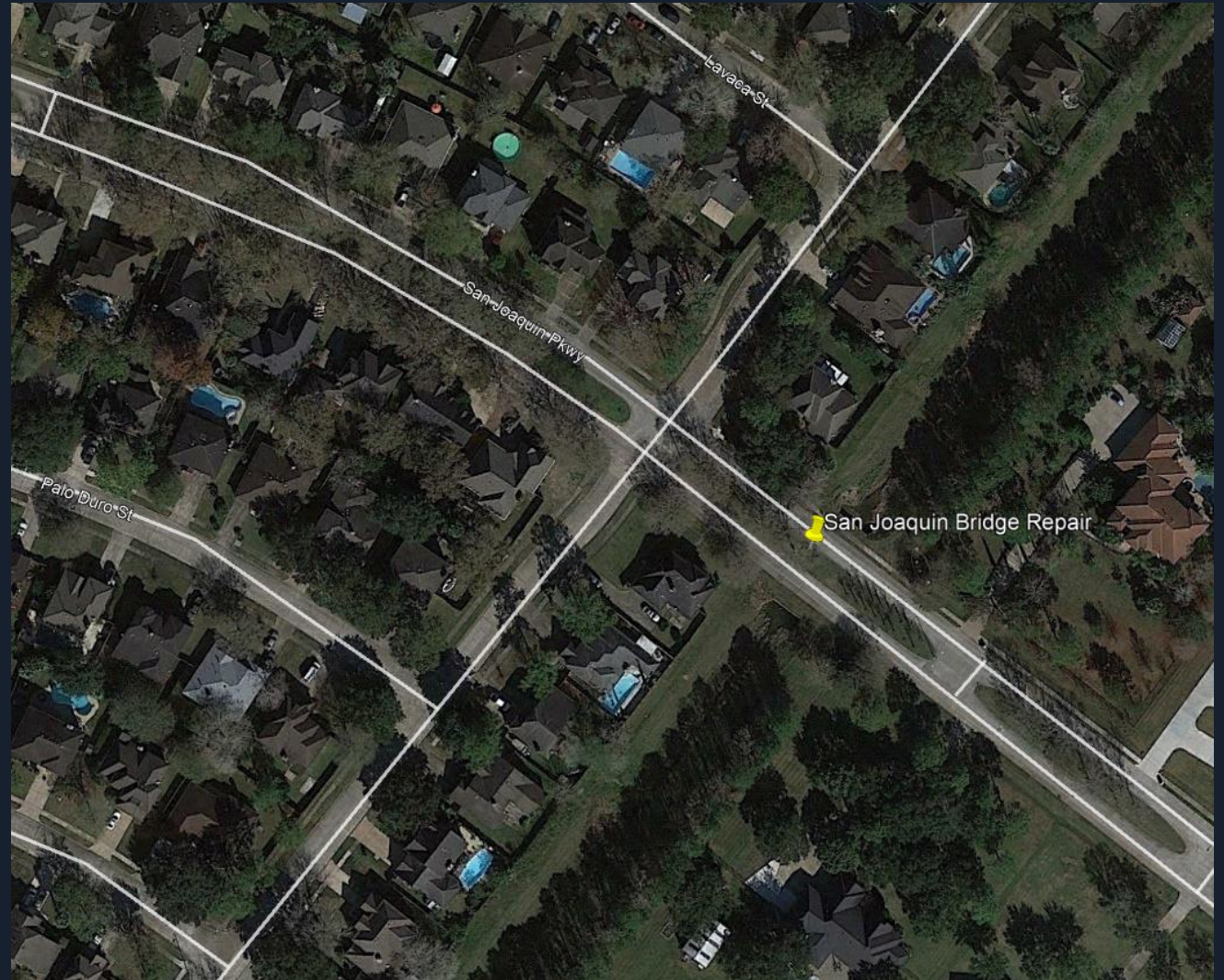


San Joaquin Parkway Bridge Repair

Offset & collapsing culverts discovered during routine bridge inspection

City has placed Load Posting signs (15,000 lbs)

Only road into/out of San Joaquin Estates



San Joaquin Parkway Bridge Repair

Emergency Repairs to
begin by end of August
(\$242,788)

Point repair to be
performed along with
geopolymer spray-on (fiber
reinforced structural rehab
product)



Other Agency Projects

HARRIS COUNTY

Beamer Road/FM 2351 Intersection Upgrades

Work resumed July 20th

Tentative completion: December 2020

Project will address congestion at this intersection

FM2351 will be reduced to 1 lane each way



Other Agency Projects

Texas Department of Transportation

FM 518 Mill and Overlay

Milling started July 20th, most work scheduled for night time to alleviate congestion

FM 518 Curb Ramp, Sidewalk, & Traffic Signal Upgrades

\$3.5 Million

90% design plans recently received and reviewed

Let in February 2021



QUESTIONS?



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 31, 2020

Date submitted: 8/3/2020

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Proposed Fiscal Year 2020-2021 General Operating Budget for the City of Friendswood

Originating Department: Administrative Services

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The City Charter [Sec.8.03. (c)] requires "Public notice and hearing: The Council shall post in the City Hall and publish in the official newspaper a general summary of their proposed budget and a notice stating: (1) The times and places where copies of the message and budget are available for inspection by the public, and (2) The time and place, not less than ten nor more than 30 days after such publication, for a public hearing on the budget." This notice is scheduled for publishing in the Friendswood Reporter on August 19, 2020.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

The Public Hearing gives Council an opportunity to receive comments from the public regarding the proposed budget.

RECOMMENDATIONS

None at this time

ATTACHMENTS

1. Friendswood Notice of Public Hearing (FY21 Proposed Budget)
2. Friendswood Notice of Public Hearing (FY21 Proposed Budget)
3. FY21 Proposed Budget Public Hearing - 8.31.2020

NOTICE OF PUBLIC HEARING

CITY OF FRIENDSWOOD

The Friendswood City Council will hold a docketed Public Budget Hearing at a regular Council Meeting on August 31, 2020 at 7:00 p.m., 910 S. Friendswood Drive, Friendswood City Hall. All citizens are invited to attend and provide written or oral comments concerning the City's Proposed Budget. The public may inspect the entire Proposed Budget at any time on the City's website (www.friendswood.com) or by appointment from 7:30 a.m. to 5:30 p.m., Monday through Thursday, and 8:00 a.m. to 5:00 p.m., Friday, in the City Secretary's Office, Friendswood City Hall or by appointment during regular operating hours of the Friendswood Public Library.

*Proposed Budget includes the Use of Fund Balance and Retained Earnings, totaling \$24,567,642 for operational and capital expenditures in several funds.

This budget is estimated to raise less total property taxes than last year's budget by \$7,648 or (-0.3%), but raises more property tax revenue than last year's property tax levy and collections. The proposed budget includes \$404,518 projected tax revenue to be raised from new property added to the tax roll this year.

Dated this 19th day of August 2020.

Melinda Welsh, TRMC

City Secretary

City of Friendswood, Texas

Budget Summary

Budget Year 2020-2021

			Permanent Fund	Internal Service Fund	Enterprise Funds					
	General Fund	Tax Debt Service	1776 Park Trust Fund	Vehicle Replacement	W/S Operations	2016 W/S Construct Bonds	2018 W/S Construct Bonds	Water CIP/ Impact Fee	Sewer CIP/ Impact Fee	W/S Revenue Debt
Revenues										
Property Taxes	\$15,727,370	\$3,711,797	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax	7,261,012									
Franchise & Local Taxes	2,383,192									
Licenses & Permits	874,049									
Intergovernmental	590,603									
Charges for Services	503,483				16,150,599			208,800	84,000	
Fines & Forfeitures	799,700									
Interest	168,600	9,075	185	5,000	103,000	25,000	200,000	178	673	18,900
Vehicle Lease										
Reimbursements				782,590						
Other Misc Receipts	413,213									
Transfers from Other Funds	1,557,853									4,865,425
Use of Fund Balance / Retained Earnings	500,000	8,217				1,548,687	11,655,939			0
Total Revenues	\$30,779,075	\$3,729,089	\$185	\$787,590	\$16,253,599	\$1,573,687	\$11,855,939	\$208,978	\$84,673	\$4,884,325
Expenditures										
Personnel	21,499,160				2,611,948					
Supplies	1,151,678				266,260					
Maintenance	995,220				566,980					
Services	6,614,017				4,810,603					
Capital Outlay	519,000			652,000	300,000	1,573,687	11,855,939			
Debt Services		3,729,089								4,865,425
Other					1,445,803					
Total Expenditures before Transfers	\$30,779,075	\$3,729,089	\$0	\$652,000	\$10,001,594	\$1,573,687	\$11,855,939	\$0	\$0	\$4,865,425
Transfers to Other Funds					6,127,278			200,000	80,000	
Total Expenditures	\$30,779,075	\$3,729,089	\$0	\$652,000	\$16,128,872	\$1,573,687	\$11,855,939	\$200,000	\$80,000	\$4,865,425
Revenue Over / (Under) Expenditures	\$0	\$0	\$185	\$135,590	\$124,727	\$0	\$0	\$8,978	\$4,673	\$18,900

	Capital Projects						Special Revenue Funds				
	G.O.*	2021 G.O.*	Sidewalk	Park Land	Street	Economic	Police	Fire/EMS	Municipal	2017 CDBG-DR	
Revenues	Bonds	Bond	Installation	Dedication	Improvements	Development	Investigation	Donation	Court	Harris Co.	Galv. Co.
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax					1,815,271	605,081					
Intergovernmental										4,401,736	5,454,167
Charges for Services				50,000					49,000		
Interest	40,000		245	775	19,800	11,400	1,425	2,150	1,850		
Other Misc Receipts		9,100,000						215,000			
Use of Fund Balance / Retained Earnings	8,813,277			106,863	225,170	1,559,732		149,757			
Total Revenues	\$8,853,277	\$9,100,000	\$245	\$157,638	\$2,060,241	\$2,176,213	\$1,425	\$366,907	\$50,850	\$4,401,736	\$5,454,167
Expenditures											
Personnel									12,552		
Services						2,000			35,000		
Capital Outlay	8,853,277	8,800,000		157,638	2,060,241	2,158,213				4,401,736	5,454,167
Debt Services								366,907			
Total Expenditures before Transfers	\$8,853,277	\$8,800,000	\$0	\$157,638	\$2,060,241	\$2,160,213	\$0	\$366,907	\$47,552	\$4,401,736	\$5,454,167
Transfers to Other Funds						16,000					
Total Expenditures	\$8,853,277	\$8,800,000	\$0	\$157,638	\$2,060,241	\$2,176,213	\$0	\$366,907	\$47,552	\$4,401,736	\$5,454,167
Revenue Over / (Under) Expenditures	\$0	\$300,000	\$245	\$0	\$0	\$0	\$1,425	\$0	\$3,298	\$0	\$0

*G.O. = General Obligation Bonds

NOTICE OF PUBLIC HEARING

CITY OF FRIENDSWOOD

The Friendswood City Council will hold a docketed Public Budget Hearing at a regular Council Meeting on August 31, 2020 at 7:00 p.m., 910 S. Friendswood Drive, Friendswood City Hall. All citizens are invited to attend and provide written or oral comments concerning the City's Proposed Budget. The public may inspect the entire Proposed Budget at any time on the City's website (www.friendswood.com) or by appointment from 7:30 a.m. to 5:30 p.m., Monday through Thursday, and 8:00 a.m. to 5:00 p.m., Friday, in the City Secretary's Office, Friendswood City Hall or by appointment during regular operating hours of the Friendswood Public Library.

*Proposed Budget includes the Use of Fund Balance and Retained Earnings, totaling \$24,567,642 for operational and capital expenditures in several funds.

This budget is estimated to raise less total property taxes than last year's budget by \$7,648 or (-0.3%), but raises more property tax revenue than last year's property tax levy and collections. The proposed budget includes \$404,518 projected tax revenue to be raised from new property added to the tax roll this year.

Dated this 19th day of August 2020.

Melinda Welsh, TRMC

City Secretary

City of Friendswood, Texas

Budget Summary

Budget Year 2020-2021

			Permanent Fund	Internal Service Fund	Enterprise Funds					
	General Fund	Tax Debt Service	1776 Park Trust Fund	Vehicle Replacement	W/S Operations	2016 W/S Construct Bonds	2018 W/S Construct Bonds	Water CIP/ Impact Fee	Sewer CIP/ Impact Fee	W/S Revenue Debt
Revenues										
Property Taxes	\$15,727,370	\$3,711,797	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax	7,261,012									
Franchise & Local Taxes	2,383,192									
Licenses & Permits	874,049									
Intergovernmental	590,603									
Charges for Services	503,483				16,150,599			208,800	84,000	
Fines & Forfeitures	799,700									
Interest	168,600	9,075	185	5,000	103,000	25,000	200,000	178	673	18,900
Vehicle Lease										
Reimbursements				782,590						
Other Misc Receipts	413,213									
Transfers from Other Funds	1,557,853									4,865,425
Use of Fund Balance / Retained Earnings	500,000	8,217				1,548,687	11,655,939			0
Total Revenues	\$30,779,075	\$3,729,089	\$185	\$787,590	\$16,253,599	\$1,573,687	\$11,855,939	\$208,978	\$84,673	\$4,884,325
Expenditures										
Personnel	21,499,160				2,611,948					
Supplies	1,151,678				266,260					
Maintenance	995,220				566,980					
Services	6,614,017				4,810,603					
Capital Outlay	519,000			652,000	300,000	1,573,687	11,855,939			
Debt Services		3,729,089								4,865,425
Other					1,445,803					
Total Expenditures before Transfers	\$30,779,075	\$3,729,089	\$0	\$652,000	\$10,001,594	\$1,573,687	\$11,855,939	\$0	\$0	\$4,865,425
Transfers to Other Funds					6,127,278			200,000	80,000	
Total Expenditures	\$30,779,075	\$3,729,089	\$0	\$652,000	\$16,128,872	\$1,573,687	\$11,855,939	\$200,000	\$80,000	\$4,865,425
Revenue Over / (Under) Expenditures	\$0	\$0	\$185	\$135,590	\$124,727	\$0	\$0	\$8,978	\$4,673	\$18,900

	Capital Projects						Special Revenue Funds				
	G.O.*	2021 G.O.*	Sidewalk	Park Land	Street	Economic	Police	Fire/EMS	Municipal	2017 CDBG-DR	
Revenues	Bonds	Bond	Installation	Dedication	Improvements	Development	Investigation	Donation	Court	Harris Co.	Galv. Co.
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax					1,815,271	605,081					
Intergovernmental										4,401,736	5,454,167
Charges for Services				50,000					49,000		
Interest	40,000		245	775	19,800	11,400	1,425	2,150	1,850		
Other Misc Receipts		9,100,000						215,000			
Use of Fund Balance / Retained Earnings	8,813,277			106,863	225,170	1,559,732		149,757			
Total Revenues	\$8,853,277	\$9,100,000	\$245	\$157,638	\$2,060,241	\$2,176,213	\$1,425	\$366,907	\$50,850	\$4,401,736	\$5,454,167
Expenditures											
Personnel									12,552		
Services						2,000			35,000		
Capital Outlay	8,853,277	8,800,000		157,638	2,060,241	2,158,213				4,401,736	5,454,167
Debt Services								366,907			
Total Expenditures before Transfers	\$8,853,277	\$8,800,000	\$0	\$157,638	\$2,060,241	\$2,160,213	\$0	\$366,907	\$47,552	\$4,401,736	\$5,454,167
Transfers to Other Funds						16,000					
Total Expenditures	\$8,853,277	\$8,800,000	\$0	\$157,638	\$2,060,241	\$2,176,213	\$0	\$366,907	\$47,552	\$4,401,736	\$5,454,167
Revenue Over / (Under) Expenditures	\$0	\$300,000	\$245	\$0	\$0	\$0	\$1,425	\$0	\$3,298	\$0	\$0

*G.O. = General Obligation Bonds

CITY OF FRIENDSWOOD

FY 2020 – 2021 Proposed Budget Public Hearing



Changes to the Proposed Budget

GENERAL FUND

- REVENUES
 - Franchise Tax Revenue Decrease – (\$224K)
 - S.B. 1152 (AT&T video service fees end)
 - Property Tax Revenue Increase - \$156K
 - Projected collection rate 99% to 100%
- EXPENDITURES
 - General Gov't Category Decrease – (\$68K)
 - Property Tax Refunds Expense – (\$58K)
 - Contract Services – (\$10K)

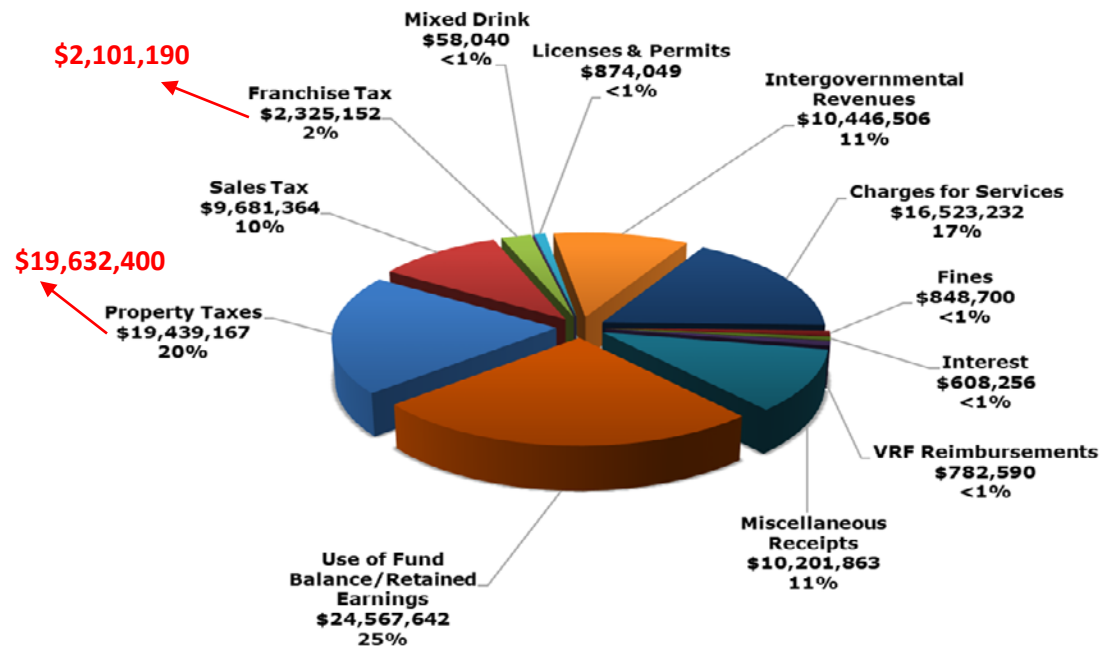
TAX DEBT SERVICE FUND

- Property Tax Revenue Increase - \$37K
 - Projected collection rate 99% to 100%

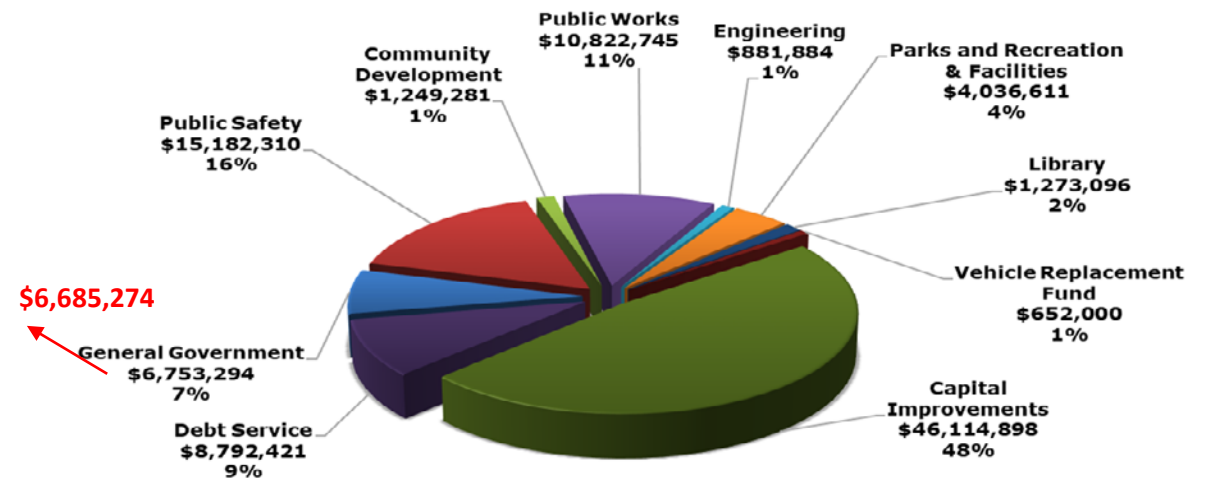


Total Revenues & Expenditures

FY21 Proposed Budget Revenues
 \$96,356,561 (all funds) → **\$96,317,615**



FY21 Proposed Budget Expenditures
 \$95,758,540 (all funds) → **\$95,690,520**



August 31, 2020

General Fund Revenues - \$30.2M

Property Tax - \$15.9M

- Includes penalty & interest for PY collections
- Sales Tax – \$7.3M
- Franchise Tax – \$2.1M
- Fines – \$800K
- Permits - \$874K
- Intergovernmental – \$591K
- Charges for Services – \$503K
- Misc./Interest/Cell Tower Rent - \$582K
- Inter-fund Transfer – \$1.6M
- Use of Fund Balance - \$500K



General Fund Expenditures - \$30.7M

- **Personnel - \$21.5M**
 - Increase from FY20 - \$835K
 - Restructure of Administrative Services Department
 - Human Resources Department
 - Information Technology Department
 - Merit of 2.75% - \$577K
 - Health & Dental Insurance increase - \$97K
 - TMRS Rate Increase
 - Salary & Benefits growth - \$161K
- **Non-Personnel - \$9.2M**
 - Decrease from FY20 - \$242K
 - Based on Current Services
 - Departmental budgets “scrubbed”
 - Includes \$500K for Street Maintenance
- **FAW’s & DP’s included - \$786K**



August 31, 2020

Tax Rate

- **No New Revenue Tax Rate - \$0.487314**
- **Voter Approval Tax Rate - \$0.532452**
- **Proposed Tax Rate - \$0.497314**
- Estimated Net Taxable Value - \$3.9B
 - Up \$246M
 - New Construction - \$81M
 - Includes Over 65 Freeze Ceilings
- Tax Debt Service Obligation - \$3.7M



Water & Sewer Fund Revenue - \$16.3M

- **Water Revenue - \$8.2M**
- **Sewer Revenue - \$7.5M**
- **Administrative Fees - \$393K**
 - Includes late payment penalties, disconnection / reconnection fees, same day services connections, etc.
- **Water Meter Sales - \$30K**
- **Interest - \$103K**



Water & Sewer Fund Expenditures - \$16.1M

- **Personnel - \$2.6M**
 - Net increase of \$87K from FY20
 - Administrative Services Restructure
 - Human Resources Department
 - Merit of 2.75% - \$69K
 - Health & Dental Insurance increase - \$15K
 - TMRS Rate Increase
- **Non-Personnel - \$13.5M**
 - Net decrease of \$3.6M from FY20
 - Blackhawk WWTP capital improvement projects funded in FY20
 - Based on current services
 - Departmental budgets “scrubbed”
 - Includes \$300K for sewer maintenance
- **Debt Services Obligations included - \$6.1M**
- **FAW’s & DP’s included - \$302K**



General Fund - FAW's & DP's

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
CITY WIDE	Health Insurance Increase 5%		\$96,947	\$96,947		\$96,947
FVFD-Fire	FVFD Annual Contract Increase for Fire		\$29,500	\$29,500		\$29,500
FVFD-EMS	FVFD Annual Contract Increase for EMS		\$42,300	\$42,300		\$42,300
TOTAL FORCES AT WORK		\$0	\$168,747	\$168,747	\$0	\$168,747
DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
City Wide	Merit 2.75%		\$577,529	\$577,529		\$577,529
Parks-Rec	New Program - Mother and Son Event		\$6,000	\$6,000	\$6,000	\$0
Parks-Pk Ops	Increase Part-time Park Laborer Position to Full-time (FTE 1.0)		\$33,349	\$33,349		\$33,349
TOTAL DECISION PACKAGES		\$0	\$616,878	\$616,878	\$6,000	\$610,878
TOTAL FAW & DECISION PACKAGES FOR GENERAL FUND		\$0	\$785,625	\$785,625	\$6,000	\$779,625



Water & Sewer Fund - FAW's & DP's

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
City Wide	Health Insurance Increase 5%		\$14,535	\$14,535		\$14,535
PW-Wtr Ops	Purchased Water rate increase @ 9%		\$123,000	\$123,000		\$123,000
PW-Swr Ops	Blkhwk WW Operations increase @ 4.5%		\$95,500	\$95,500		\$95,500
TOTAL FORCES AT WORK		\$0	\$233,035	\$233,035	\$0	\$233,035
DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
City Wide	Merit 2.75%		\$ 69,299	\$69,299		\$69,299
TOTAL DECISION PACKAGES		\$0	\$69,299	\$69,299	\$0	\$69,299
TOTAL FAW & DECISION PACKAGES FOR WATER & SEWER FUND		\$0	\$302,334	\$302,334	\$0	\$302,334



Unfunded FAW's & DP's

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	NET TOTAL
PW-Swr Util	Replace current 2002 Backhoe (PW116)	\$120,000	\$6,000	\$126,000
Engineering	Survey Grade Drone	\$9,385	\$4,990	\$14,375
PW-Swr Ops	Addition to Fleet - Class 5 Truck with Service Body and other equipment	\$65,500	\$5,500	\$71,000
PW-Swr Ops	Mechanic Tools & Equipment	\$20,000		\$20,000
PW-Wtr Ops	New Operations Maintenance Worker Position (FTE 1.0)		\$58,320	\$58,320
PW-Wtr Util	New Crew Leader Position (FTE 1.0) and Class 5 Truck with Service Body	\$65,500	\$79,241	\$144,741
TOTAL UNFUNDED DECISION PACKAGES		\$280,385	\$154,051	\$434,436



Next Steps

- Proposed Budget Delivered – 7/31/2020
- Budget Work Session – 8/3/2020
- **Proposed Budget Public Hearing – 8/31/2020**
- **Proposed Tax Rate Public Hearing – 9/14/2020**
- **Budget & Tax Rate Adoption – 9/14/2020**



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

This form should be completed and forwarded to the City Manager's Office as soon as possible prior to the first date that the item is expected to be placed on the Friendswood City Council agenda.

Date requested for City Council consideration: August 31, 2020

Date submitted: 8/4/2020

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Authorizing the acceptance of the Sterling Creek, Section 4, Public Paving and Utilities improvements project into the contractor's one-year maintenance period

Originating Department: Engineering

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

Construction of water, sanitary sewer, storm sewer, and paving infrastructure for Sterling Creek, Section 4, has been completed. This infrastructure will serve 24 new lots in the Sterling Creek Subdivision.

City Staff has inspected the aforementioned infrastructure and have found it to be built in compliance with City specifications.

The City has received a one year maintenance bond from the contractor, David Wight Construction Company, Ltd., to correct any work found deficient during this one year period.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Authorize the acceptance of the Sterling Creek, Section 4 Paving and Utilities improvements project into the contractor's one-year maintenance period

ATTACHMENTS

1. Sterling Creek 4 One Year Maintenance Bond

MERCHANTS
BONDING COMPANY™

Merchants Bonding Company (Mutual) P.O. Box 14498, Des Moines, Iowa 50306-3498
Phone: (800) 678-8171 Fax: (515) 243-3854

MAINTENANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

Bond No. TXC 611769

That DWC Management, LLC, David Wight Construction Company, Ltd.
of Alvin, Texas
as Principal, and the Merchants Bonding Company (Mutual) as Surety are
held and firmly bound unto the City of Friendswood, Texas

in the penal sum of
Eight Hundred Four Thousand Three Hundred Twenty and No/100*** (\$804,320.00***)
DOLLARS, lawful money of the United States of America, for the payment of which, well and truly to be
made, the Principal and Surety bind themselves, their and each of their heirs, executors, administrators,
successors and assigns, jointly and severally, firmly by these presents.

Signed and delivered this 21st day of May, 2020

WHEREAS, the Principal entered into a certain contract, dated the 22nd day of January,
2020, with the Hill-Hubbard Development

to furnish all the material and labor necessary for the construction of
Water, Sanitary Sewer, Storm Sewer, and Paving for
Sterling Creek, Section 4

in conformity with certain specifications; and

WHEREAS, a further condition of said contract is that the Principal should furnish a bond of indemnity,
guaranteeing to remedy any defects in workmanship or materials that may develop in said work within a
period of One years from the date of acceptance of the work under said contract; and

WHEREAS, the above work has been completed and accepted and if not accepted will be automatically
accepted upon the filing of this maintenance bond; and

WHEREAS, the Merchants Bonding Company (Mutual) for valuable
consideration, has agreed to join with said Principal in such bond or guarantee, indemnifying said
City of Friendswood, Texas as aforesaid;

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal does
and shall, at the Principal's own cost and expense, remedy any and all defects that may develop in said
work, within the period of One years from the date of acceptance of the work under said contract, by
reason of bad workmanship or poor material used in the construction of said work, and shall keep all
work in continuous good repair during said period, and shall in all other respects, comply with all the
terms and conditions of said contract with respect to maintenance and repair of said work, then this
obligation to be null and void; otherwise to be and remain in full force and virtue in law.

It is agreed that while the Principal shall be and remain liable for failure to adhere to the specifications
which form the basis for the work, the Surety, inasmuch as the original work was not bonded, shall be
obligated only to assure the maintenance of the work in the condition in which it existed at the time the
work was accepted. Any obligation beyond this shall be that of only the Principal.

DWC Management, LLC
David Wight Construction Company, Ltd.
Principal

By 204

Approved _____

By _____

Merchants Bonding Company (Mutual)

By Donna Wein

Donna Wein, Attorney-in-Fact

CON 0304 (2/15)

MERCHANTS
BONDING COMPANY
POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,
A A Shotwell; Betty A Bush; Chase Wortham; Donna Weinel; G C Blystone Jr; Joseph C Blackshear Jr; Mark Smith; Thomas Scott Price

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015.

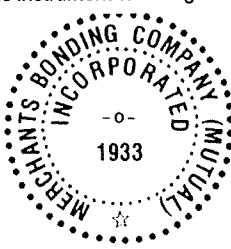
"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner-Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 29th day of January, 2020.



MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

By

Larry Taylor

President

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 29th day of January, 2020, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



POLLY MASON
Commission Number 750576
My Commission Expires
January 07, 2023

(Expiration of notary's commission
does not invalidate this instrument)

Polly Mason

Notary Public

I, William Warner, Jr., Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 21st day of May, 2020.



William Warner Jr.

Secretary



MERCHANTS BONDING COMPANY (MUTUAL) P.O. BOX 14498, DES MOINES, IOWA 50306-3498
PHONE: (800) 678-8171 FAX: (515) 243-3854

IMPORTANT NOTICE

To obtain information or make a complaint:

You may contact your insurance agent at the telephone number provided by your insurance agent.

You may call Merchants Bonding Company (Mutual) toll-free telephone number for information or to make a complaint at:

1-800-678-8171

You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

1-800-252-3439

You may write the Texas Department of Insurance at:

P. O. Box 149104
Austin, TX 78714-9104
Fax: (512) 490-1007
Web: www.tdi.texas.gov
E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM AND CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim you should contact the agent first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.