

STATE OF TEXAS
CITY OF FRIENDSWOOD
COUNTIES OF
GALVESTON/HARRIS
MAY 3, 2021



AGENDA

NOTICE IS HEREBY GIVEN OF A FRIENDSWOOD CITY COUNCIL REGULAR MEETING TO BE HELD AT 5:30 PM ON MONDAY, MAY 3, 2021, AT FRIENDSWOOD CITY HALL, COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, REGARDING THE ITEMS OF BUSINESS ACCORDING TO THE AGENDA LISTED BELOW:

5:30 PM – REGULAR MEETING

1. CALL TO ORDER

2. INVOCATION – Pastor Mike Cervantes, New Hope Church

3. PLEDGES OF ALLEGIANCE – United States and State of Texas

(HONOR THE TEXAS FLAG; I PLEDGE ALLEGIANCE TO THEE, TEXAS, ONE STATE UNDER GOD, ONE AND INDIVISIBLE)

4. PUBLIC COMMUNICATIONS

In order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City employee, aside from the City Manager, City Attorney or Municipal Judge, shall not be discussed under this section and shall be referred to City Management.

5. WORK SESSION

- A. Receive and discuss a presentation regarding ongoing drainage projects.
- B. Receive and discuss a presentation regarding proposed updates to the Future Land Use Map.

6. PUBLIC COMMUNICATIONS

In order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City

employee, aside from the City Manager, City Attorney or Municipal Judge, shall not be discussed under this section and shall be referred to City Management.

7. CITY MANAGER'S REPORT

- A. Present an update regarding the Spring Sparkle clean-up event.
- B. Present an update regarding the Friendswood Public Library Summer Reading Programs.
- C. Present an update regarding the Keep Texas Beautiful 2021 Governor's Community Achievement Awards.
- D. Present an update regarding Hurricane Harvey.
- E. Present an update regarding the Coronavirus Disease 2019 (COVID-19).

8. COMMUNICATIONS FROM COMMITTEES AND SPECIAL REPORTS

- A. Receive the annual report for the Animal Shelter Advisory Committee.

9. DISCUSSION AND POSSIBLE ACTION

- A. Discuss and take possible action reconfirming the appointment of Ms. Kathy Molinaro to the Library Board.
- B. Discuss and take possible action on the appointment of Derrick Brown and Judy Wiggins to the Community and Economic Development Committee.
- C. Discuss and take possible action on amending the Appointment Policy for Boards, Committees, and Commissions.

10. RESOLUTIONS

- A. Discuss and take possible action regarding Resolution No. 2021-11: a Resolution of the City Council of the City of Friendswood, Texas Galveston/Harris Counties, opposing 87- Senate Bill (SB) 1661 requiring a governmental body to hold a general election of the city on the November uniform election date in an even number year.
- B. Discuss and take possible action regarding Resolution No. 2021-12: a Resolution of the City Council of the City of Friendswood, Texas finding that Texas-New Mexico Power Company's application for approval to amend its distribution cost recovery factor to increase distribution rates within the City should be denied; authorizing the hiring of legal counsel and consulting services; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of the resolution to the company and legal counsel.

11. ORDINANCES

- A. Consideration and possible action regarding Ordinance No. T2021-12: the second and final reading of an ordinance approving an interlocal agreement

adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.

- B. Consideration and possible action regarding Ordinance No. T2021-13: the second and final reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.
- C. Consideration and possible action regarding Ordinance No. T2021-15: the first and final reading of an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VII" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.
- D. Consideration and possible action regarding Ordinance No. T2021-16: first and final reading of an ordinance authorizing the issuance and sale of City of Friendswood, Texas, General Obligation Improvement and Refunding Bonds, Series 2021; approving the official statement, paying agent/registrars agreement and a deposit agreement and engaging bond counsel; calling certain outstanding bonds for redemption prior to maturity; providing for the pledge of tax receipts for the payment of the Bonds and agreeing to levy taxes to pay Bonds; and enacting other provisions relating to the issuance and sale of the Bonds.

12. COMMUNICATIONS FROM MAYOR AND COUNCIL

- A. Operation Honor Our Local Veterans.

13. CONSENT AGENDA

- A. Consider approving two agreements with Friendswood Independent School District for School Resource Officers and School Zone Coverage by sworn police officers.
- B. Consider approving the disposal of a decommissioned Police Department vehicle through Houston Auto Auction.
- C. Consider approving an engagement letter with Gabriel, Roeder, Smith and Company for actuarial valuations and authorize the Mayor to execute said document.
- D. Consider authorizing the final acceptance of the Clear Creek Community Church off-site public improvements at the completion of the contractor's one-

year maintenance bond.

- E. Consider authorizing the final acceptance of a waterline for the Lundy Lane Estates subdivision at the completion of the contractor's one-year maintenance period.
- F. Consider authorizing the acceptance of the Sterling Creek, Sections 5 and 6 public paving and utilities improvements project into the contractor's one-year maintenance period.
- G. Consider accepting the March 2021 tax report.
- H. Consider approving the minutes of City Council Regular Meeting held on April 5, 2021.

14. ADJOURNMENT

PUBLIC NOTICE IS GIVEN THAT IN ADDITION TO ANY EXECUTIVE SESSION LISTED ABOVE, THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE SECTIONS 551.071 - 551.089 TO DISCUSS ANY MATTERS LISTED ABOVE. THE CITY OF FRIENDSWOOD IS COMMITTEE TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT.

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, LETICIA BRYSCH, 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 THE TEXAS OPEN MEETINGS ACT, ON

04/29/2021

DATE

5:30 P.M.

AT TIME



LETICIA BRYSCH
CITY SECRETARY

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: May 3, 2021

Date submitted: 03/08/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive and discuss a presentation regarding ongoing drainage projects.

Originating Department: Engineering

Degree of importance: Choose an Option

SUMMARY / ORIGINATING CAUSE

May 2021 City Drainage Update Presentation Followed by a presentation from Freese and Nichols on the results of the Lower Clear Creek and Dickinson Bayou Study and what they mean for Friendswood.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Knowledge of ongoing City and regional drainage projects will better prepare Council to discuss drainage concerns and determine how to act on any future drainage items requiring action.

RECOMMENDATIONS

Informational item

ATTACHMENTS

1. May 2021 Drainage Update Final Version

CITY OF FRIENDSWOOD

May 2021 Drainage Update
Samantha Haritos – Deputy Director of Engineering



Forest Bend Offline Detention

Total Grant Amount - \$3.4 Million

Project is On Schedule

**30% Design – 53 Ac-Ft Capacity; Meandering Layout with Wetland Plantings;
Concrete Trails; Solar Lighting**

95% Engineering Submittal – Due 6/4/2021

Final Engineering Submittal – Due 6/24/2021

Construction Phase – 288 Days (7/2021 to 8/2022)

Forest Bend



CLARK CONDON

LANDSCAPE ARCHITECTURE
10401 Stella Link Road
Houston, TX 77025
T: 713 871 1414 F: 713 871 0888

BENCHMARK:

FLOODPLAIN REFERENCE MARK NUMBER 010090 IS AN HPCD ALUMINUM DISC STAMPED A 100 BM 04 RESET 2001 LOCATED ON THE EASTERLY SIDEWALK ON BRIDGE OF FM 528 APPROXIMATELY 4 MILES WEST FROM THE INTERSECTION OF IH 45 IN KEYMAP 657 IN THE CLEAR CREEK WATERSHED.

ELEV. 23.89 FEET NAVD 1988, 2001 ADJUSTMENT
ALL HORIZONTAL COORDINATES ARE BASED ON TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83.

FLOODPLAIN:

PROJECT LIES WITHIN ZONE "AE" WITH A BASE FLOOD ELEVATION OF 21.5 AS REFERENCED TO THE N.A.V. DATUM OF 1988 ACCORDING TO FLOOD INSURANCE RATE MAP COMMUNITY PANEL NUMBER 48167C0018C, REVISED AUG. 15, 2019 AND PUBLISHED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY.

NOTICE:

For your safety, you are required by Texas Law to call 811 at least 48 hours before you dig so that underground lines can be marked. This signature does not fulfill your obligation to call 811.

VERIFICATION OF PRIVATE UTILITY LINES

Date: _____
CenterPoint Energy natural gas utilities shown. (Gas service lines are not shown.) This signature not to be used for conflict verification.
Signature Valid for six months.

Date: _____
CenterPoint Energy/UNDERGROUND Electrical Facilities Verification ONLY.
(This signature verifies existing underground facilities - not to be used for conflict verification.)
Signature Valid for six months.

Date: _____
Approved for AT&T Texas/SBT underground conduit facilities only.
Signature valid for one year.

REV	DESCRIPTION	BY	DATE

THESE DOCUMENTS ARE NOT COMPLETE AND ARE BEING FOR REVIEW ONLY AND ARE NOT FOR REGULATORY APPROVAL. THESE ARE FOR INFORMATION ONLY.
© SCOTT BRADLEY LANDSCAPE ARCHITECT
DATE: 03/04/2021

RPS Project No. 007994

Drawn By: _____ Checked By: _____
Scale: 1"=60'-0" Date: FEBRUARY 2021
DWG No. _____ Sheet _____ OF _____

Clear Creek Utility Rack Relocation

Total Grant Amount – Approximately \$1.2 Million

Project is On Schedule

30% Design – Geotechnical Complete; Environmental Complete; Submitted Permit to USACE; Utilities Located; Preliminary Staging Plan; 30% Design Drawings

60% Engineering Submittal – Received 4/21/2021 and in Review Process

90% Engineering Submittal – Due 6/2/21

Submit to City for Bidding – Due 6/25/2021

Clear Creek Utility Rack Relocate



Frenchman's Creek

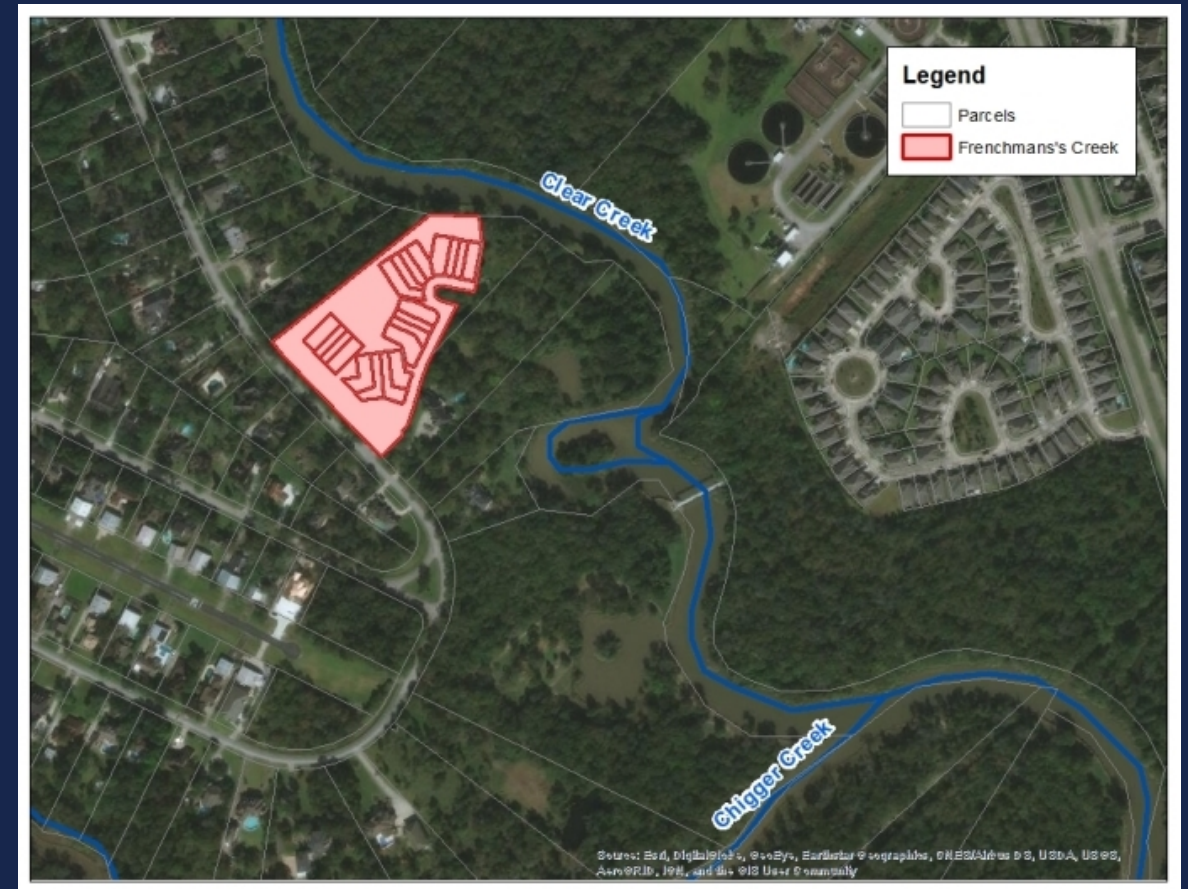
Appraisals for 140's and 150's Buildings Started

Completing Environmental Assessment In House (Engineering Department) – 90% Complete

Next Steps

- 1. Appraiser Will Evaluate Homes (4 Weeks)**
- 2. GLO will Review EA and Provide Authority to Receive Grant Funds (2-4 Weeks After Submission)**

Galveston County Working on Intake Process



30 Clear View Property Buyout (5.46 Acres)

Purchase Price – \$423,038 (Paid with Flood Control Bond Funds)

Closing April 30th, 2021

Property Surrounded by Prior Buyout Properties

Galveston County Consolidated Drainage District Plans to Terrace this Property and Other Properties Along Clear View

Potential Location for Future Flood Control Project

30 Clearview Buyout

Legend

-  30 Clearview Avenue
-  COF_Parcels
-  Parcels

Sources: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, AeroGRID, IGN, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS User Community

Timber Creek Bypass Channel

Studying Effects of Bypass Channel – Hypothetic Storms and Historic Events (Harvey/Allison)

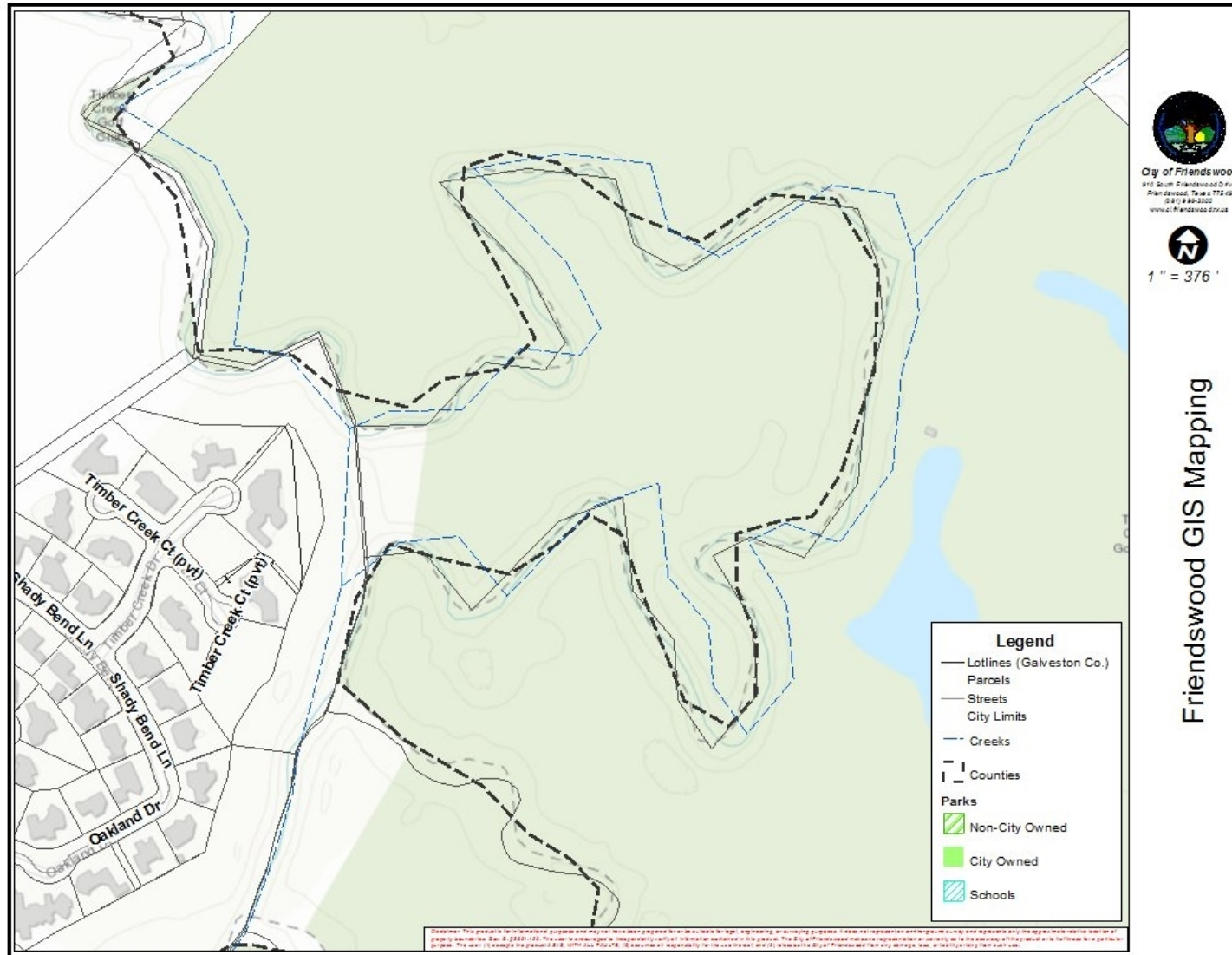
Two Alternatives

- 1. Removal of Plug**
- 2. Removal of Plug and Replacement with Box Culverts**

Galveston County Consolidated Drainage District awaiting Model Results

Timeframe – Aiming to Complete Study by End of May 2021

Timber Creek Bypass Channel



Lower Clear Creek and Dickinson Bayou Study

FRIENDSWOOD RESULTS **by Freese and Nichols**



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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive and discuss a presentation regarding proposed updates to the Future Land Use Map.

Originating Department: Community Development

Degree of importance: Choose an Option

SUMMARY / ORIGINATING CAUSE

The Planning and Zoning Commission, and more specifically the Planning Subcommittee, has continued work on the Future Land Use Map. On April 7, CEDC approved the map and gave a unanimous positive recommendation. One item of note that they did recommend to change was Timber Creek Golf Course property from Open Space on the 2008 map and Parks on the draft 2021 map; staff and the subcommittee agreed that changing it to Industrial was the best option. More importantly, the planned commercial acreages line up with the Zoning Adjustments identified in the Vision 20/20 plan (2.3 Vision Summary; 2.3.4 Zoning Adjustments). Also identifying parks, open space, buyout lots and publicly owned properties and removing those from the acreage calculations provides a better representation on actual land use.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

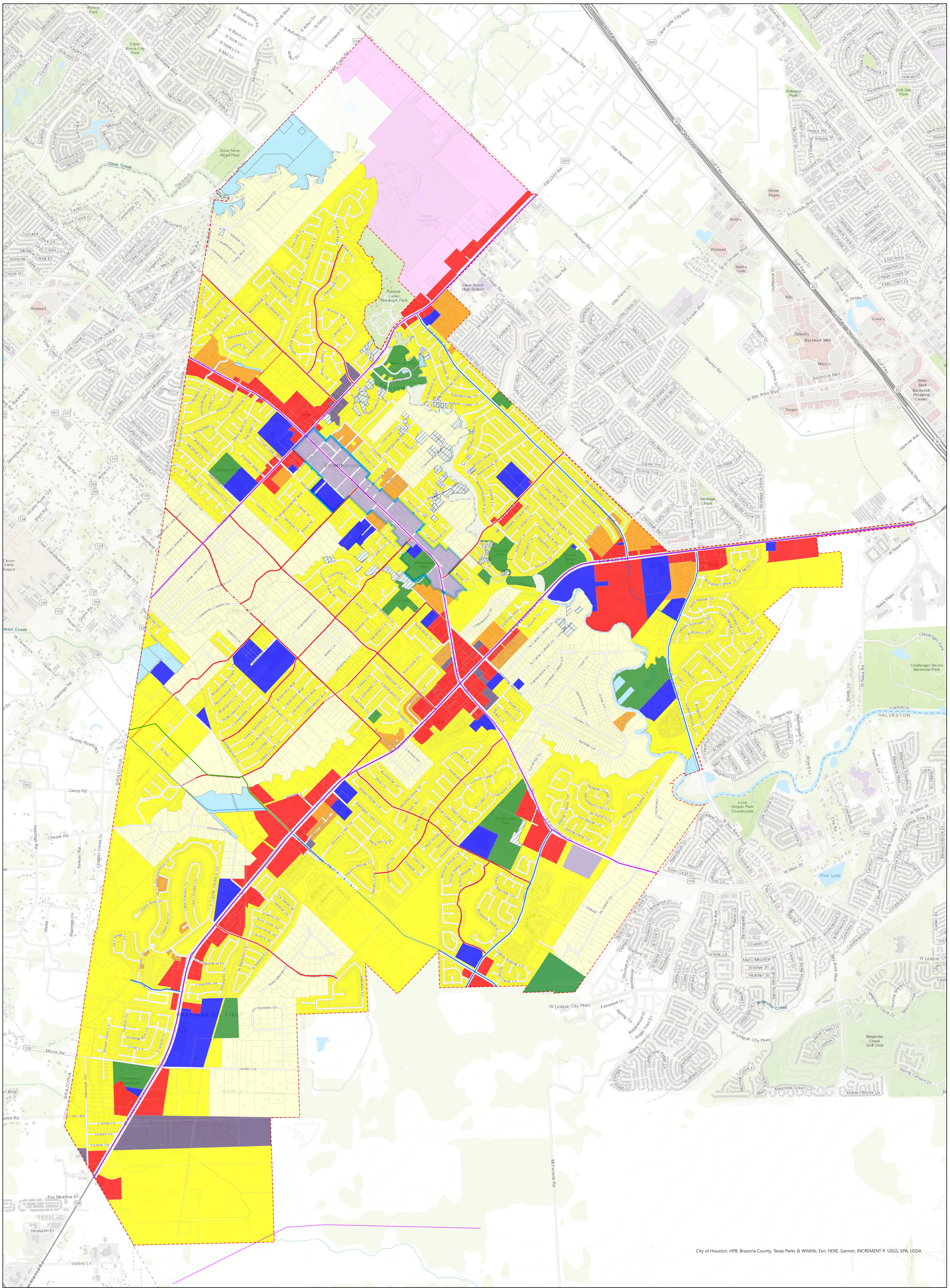
Updating the Future Land Use Map is a component of the overall Comprehensive Plan of the City.

RECOMMENDATIONS

None at this time. The map is a work in progress. The plan is to adopt a new map by the end of the year.

ATTACHMENTS

1. 2008 Future Land use Map
2. Draft Future Land Use Map 2021 April
3. Draft Future Land Use Map 2021 w NOTES April 2021 V2
4. Future Land Use Map Changes April 2021
5. Timeline to Update Future Land Use Map 2021
6. Undeveloped Land and Current Zoning Feb 2021
7. FM 528 Strategy Plan 2013
8. Vision 2020



City of Houston, HPB, Brazoria County, Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, EPA, USDA



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FOUNDED 1895

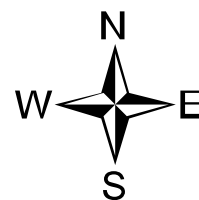
Future Land Use Draft April 2021

"A comprehensive plan shall not constitute
zoning regulations or establish zoning district boundaries."

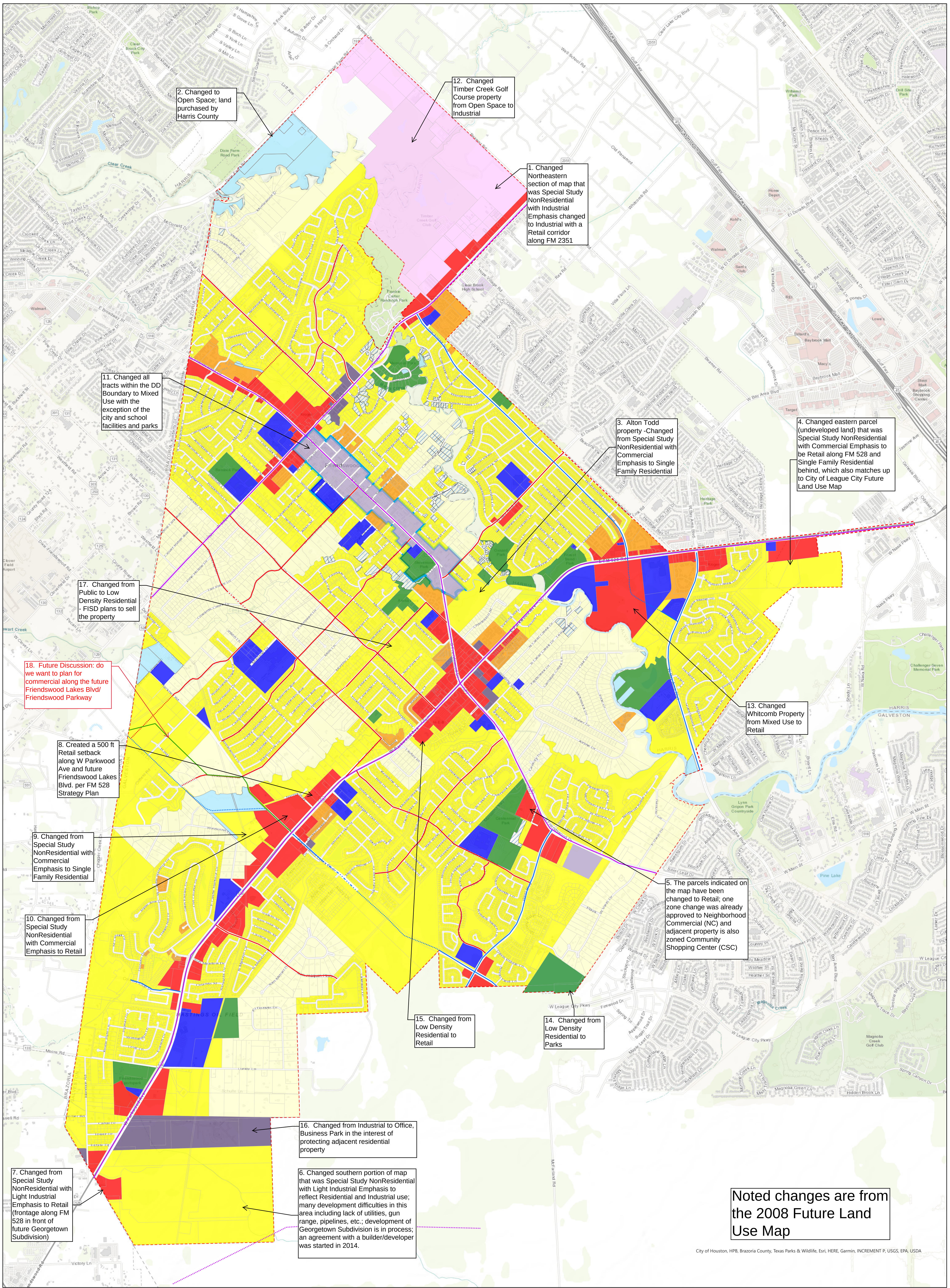
- MTF
- Collector
 - Boulevard
 - Major
 - Collector - To Be Acquired
 - Boulevard - To Be Acquired
 - Boulevard - To Be Widened
 - Collector - To Be Widened
 - Major - To Be Acquired
 - Proposed

- Future Land Use Code
- Brio
 - Buyout Lots
 - High Density Residential
 - Industrial
 - Low Density
 - Mixed Use
 - Office, Business Park
 - Parks
 - Public and Semi-Public
 - Regional Detention
 - Retail
 - SFR - Estate

- Downtown District Outline
- City Limits



0 0.38 0.75 1.5 Miles



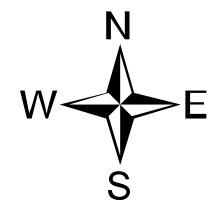
Future Land Use Draft April 2021

"A comprehensive plan shall not constitute
zoning regulations or establish zoning district boundaries."

- MTF
- Collector
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 - Collector - To Be Acquired
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 - Proposed

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 - Retail
 - SFR - Estate

- Downtown District Outline
- City Limits



PROPOSED CHANGES TO FUTURE LAND USE MAP

April 2021

Overall changes:

Added statement "A comprehensive plan shall not constitute zoning regulations or determine zoning district boundaries." This is in accordance with LGC 213.005 Notation on Map of Comprehensive Plan.

Changed the color scheme to match standard Land Use map guidelines.

Changed OPD/BP zoned properties to "Office, Business Park" Classification

Separated the previous "Open Space, Floodway, Public" category into four categories:

1. Parks
2. Buyout Lots
3. Regional Detention
4. Public & Semi-Public (schools, churches, city owned facilities)

Land use changes from 2008 Future Land Use Map :

1	Changed Northeastern section of map that was Special Study NonResidential with Industrial Emphasis changed to Industrial with a Retail corridor along FM 2351
2	Changed to Open Space; land purchased by Harris County
3	Alton Todd property -Changed from Special Study NonResidential with Commercial Emphasis to Single Family Residential
4	Changed eastern parcel (undeveloped land) that was Special Study NonResidential with Commercial Emphasis to be Retail along FM 528 and Single Family Residential behind, which also matches up to City of League City Future Land Use Map
5	The parcels indicated on the map have been changed to Retail; one zone change was already approved to Neighborhood Commercial (NC) and adjacent property is also zoned Community Shopping Center (CSC)
6	Changed southern portion of map that was Special Study NonResidential with Light Industrial Emphasis to reflect Residential and Industrial use; many development difficulties in this area including lack of utilities, gun range, pipelines, etc.; development of Georgetown Subdivision is in process
7	Changed from Special Study NonResidential with Light Industrial Emphasis to Retail (frontage along FM 528 in front of future Georgetown Subdivision)
8	Created a 500 ft Retail setback along W Parkwood Ave and future Friendswood Lakes Blvd. per FM 528 Strategy Plan
9	Changed from Special Study NonResidential with Commercial Emphasis to Single Family Residential
10	Changed from Special Study NonResidential with Commercial Emphasis to Retail
11	Changed all tracts within the DD Boundary to Mixed Use with the exception of the city and school facilities and parks
12	Changed from Open Space to Industrial
13	Changed from Mixed Use to Retail; several requests to change the zoning over the years to include a residential component has failed.

PROPOSED CHANGES TO FUTURE LAND USE MAP

April 2021

14	Changed from Low Density Residential to Parks - portion of Lake Friendswood
15	Changed from Low Density Residential to Retail - frontage on FM 528 and in accordance with FM 528 Strategy Plan
16	Changed from Industrial to Office, Business Park in the interest of protecting adjacent residential property
17	Changed from Public to Low Density Residential - FISD plans to sell the property
18	Future Discussion: do we want to plan for commercial along the future Friendswood Lakes Blvd/Friendswood Parkway

P&Z Planning Sub-Committee – Update Future Land Use Map

Chairman: Marc Perry – Planning and Zoning Commissioner
Members: Lisa Lundquist, Travis Mann - Planning and Zoning Commissioners
Planning Department: Aubrey Harbin – Director of Community Development/Planner
Abrin Brooks – GIS Coordinator

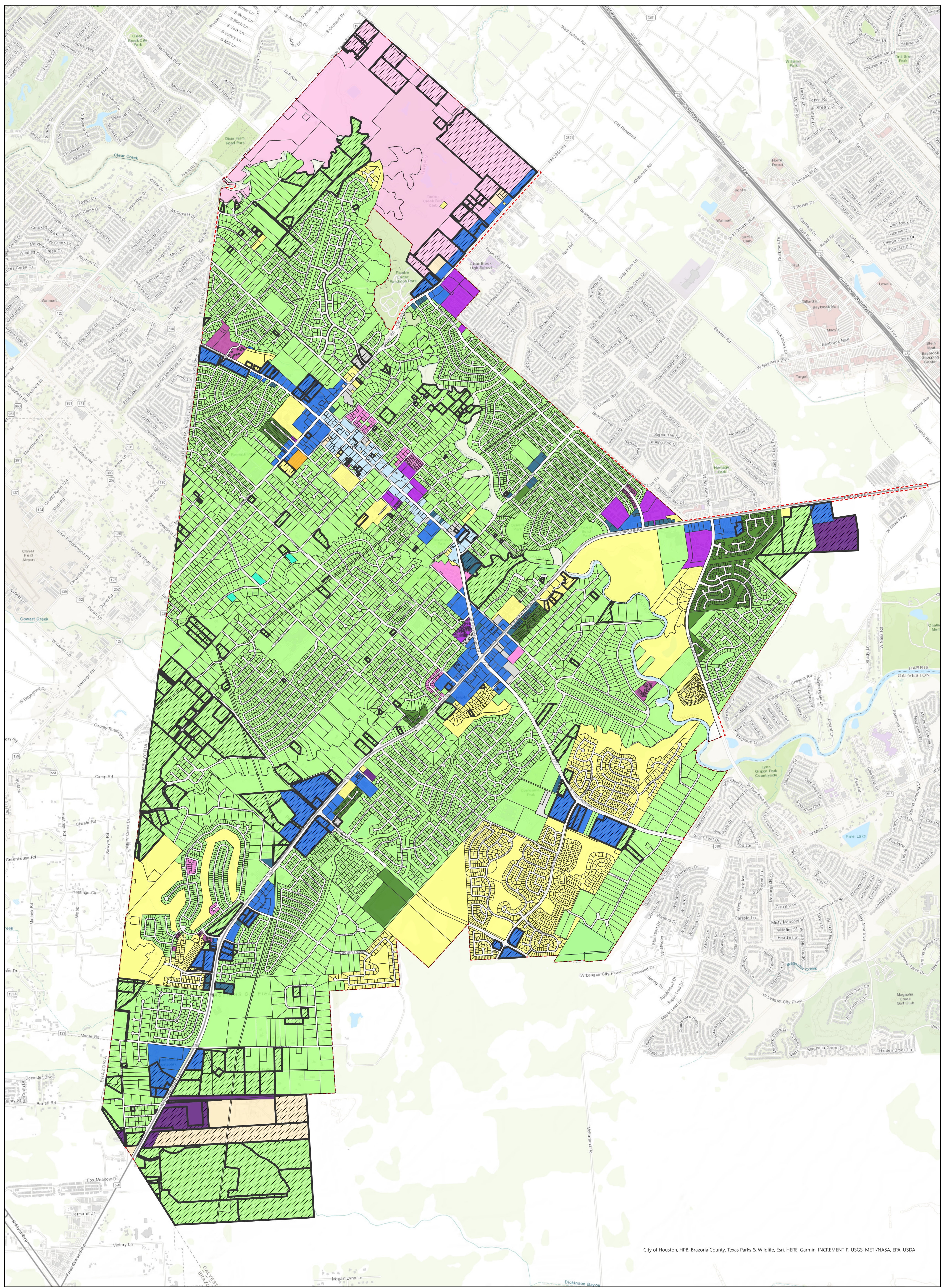
Objectives:

- Last Update was 2008 – need to establish a plan for updating in the future – 5 years?
- Change color scheme to conform with convention of American Planning Association
- Add note per state law

Steps to Update Map

Jan/Feb	1. 3 Planning Subcommittee meetings to review current Future Land Use Map and create Draft Update of Future Land Use Map • Update color scheme • Generate ideas around certain areas based on best use if land in Friendswood based on three pillars – 50,000 population, 80/20 residential and commercial tax base, and best use of land based on characteristics and surrounding properties
Feb. 25	2. Planning and Zoning Commission review draft map • Discuss and make suggested changes to the map
March	3. Sub-committee to take to Inter & Intra City governmental entities & committees for review and input • Community Economic Development Corporation (CEDC) • Keep Friendswood Beautiful/Parks & Recreation • Friendswood ISD & Clear Creek ISD • Galveston County Consolidated Drainage District (GCCDD) • Developers/Real Estate Groups
April 8	4. Final P&Z Commission Review of Draft Future Land Use Map
May 3	5. Work Session with City Council to review and receive input of Future Land Use Map – Amend Draft Future Land Use Map as per results of Work Session
June	6. Public Review of Draft Future Land Use Map • 4 Quadrants • Town Hall Meeting Format • Social Media (Facebook Page?) • Property Owners
July	7. Final Review of Draft Future Land Use Map with P&Z
August 2	8. Final Work Session with City Council
September	9. Public Hearing & Planning & Zoning Recommendation
October	10. Public Hearing and consideration of 1 st reading of ordinance by City Council

November	11. Consideration of 2 nd reading of ordinance by City Council
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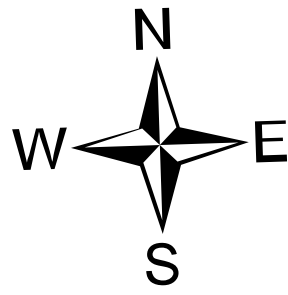
City of Houston, HPB, Brazoria County, Texas Parks & Wildlife, Esri, HERE, Garmin, INCREMENT P, USGS, METI/NASA, EPA, USDA



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Undeveloped Land Inventory January 2021

- | | |
|------------------|-------------|
| Undeveloped Land | MFR-M |
| A1 | MHR |
| BP | NC |
| CSC | NO ZONING |
| DD | OPD |
| I | PUD |
| LI | SFR |
| MFR-GHD | SFR-E |
| MFR-H | City Limits |
| MFR-L | |



0 0.45 0.9 1.8 Miles



The FM 528 Strategy Final Report

October 3, 2013

This report will discuss the background, commercial significance, and suggested objectives for Friendswood's FM 528 business corridor.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
IMPLEMENTATION	3
COMMUNICATION	3
PROPERTY OWNERS INPUT	3
INPUT FROM CITY COUNCIL, CITY COMMITTEES, AND BOARDS	5
PRIME (OPTIMUM) DEVELOPMENT	6
SUBPRIME (NON-OPTIMUM) DEVELOPMENTS	6
TAX EXEMPTION	7
RECOUP CITY EXPENSES ASSOCIATED WITH TAX EXEMPT PROPERTY	8
DOWNZONING.....	9
CITIZEN SURVEY	10
RESOURCES AND INCENTIVES TO ATTRACT COMMERCIAL DEVELOPMENT	10
INFRASTRUCTURE	13
TXDOT, STREETS, and DRAINAGE	14
RETAINING EXISTING DEVELOPMENT.....	14
THE FUTURE OF FM 528.....	15
CONCLUSION	16
MAP OF FM 528	18
FUTURE LAND USE PLAN MAP	19

EXECUTIVE SUMMARY

The Strategy

"The FM 528 corridor through Friendswood is currently the city's prime commercial real estate. Records show that this property generates a substantial portion of Friendswood's property and sales tax. After visiting with commercial developers and retailers, it was made more apparent that this real estate is the most sought-after and likely to be developed. Currently and for the foreseeable future this section of Friendswood real estate is its greatest commercial asset.

The main goal should be to deter, or minimize, further development along this corridor that does not have the potential for increased city revenue. Additionally, it is recommended that when financial resources become available, preferential consideration be given for infrastructure improvement, beautification, and attracting desired development."

On February 4th, 2013 at 4:30PM Friendswood City Council accepted this strategic development plan as presented.

"Without a balanced commercial tax base, city elected officials would eventually be faced with tax increases on residents." Vision 2020

Strategy Background

Vision 2020 – a key study created by the City in 1998 forecasts that without a balanced commercial tax base, City elected officials would eventually be faced with tax increases on residents. In the June 2013 Citizen Survey, Friendswood residents continue to see having a diversified tax base as the most important issue continuing to face the community.

Businesses are essential to any community as they provide jobs, shopping, dining, medical services, and promote a live and work environment for a whole life community. Businesses also generate more taxes and typically use less community services than residential as they pay taxes on land, building, business personal property, inventory, and collect sales taxes on consumable items. Whereas residents pay taxes on their land and homes. Vision 2020 set the goal of an 80 percent residential, 20 percent commercial land use plan in order to achieve a balanced tax base and to maintain the quality of life important to Friendswood residents. While residential growth has been easy, commercial growth has

"In any community, residents consume more city services than the taxes that they pay. This is typically offset by taxes collected from businesses and industries, who pay more in taxes than they consume." Vision 2020

proven more challenging due to competing localities that are more conducive to commercial development, primarily the I-45 retail corridor. With real estate corridors for commercial development limited, city officials have established key commercial zones along prime traffic corridors that would allow the city just enough prime real estate to reach its 80/20 (residential/commercial) goal. In addition, targeted businesses' SIC/NAICS codes were identified that best fit in the community.

IMPLEMENTATION

The FM 528 corridor will be the City's primary development focus with a sense of urgency established around three primary objectives: 1) Promotion, 2) Protection, and 3) Development.

- 1) **Promotion** – Targeted marketing, awareness and incentive programs will be prioritized with the primary focus on the FM 528 commercially zoned properties. Close relationships with property owners and developers will be established with a goal to work together to promote and secure commercial opportunities.
- 2) **Protection** – Raise awareness and deter downzoning of valuable commercially zoned properties that may cause the city to raise taxes in the future due to its loss of valuable commercial property. Provide an eye of caution to city officials, residents, developers and special interest groups that threaten future city revenues when non-commercial development applications are put forth requesting zone changes.
- 3) **Development** – Work closely with all parties that when financial resources become available, preferential consideration is given for infrastructure improvement, beautification, and attracting desired development.

COMMUNICATION

During the meetings with landowners and potential commercial developers, they expressed hearing mixed messages regarding whether the city desires commercial development. This can partially be attributed to the predominance and continued demand for residential development in the community – developers believe the city wants and needs more of the same. Overall, a resolution of commitment for economic development and the FM 528 Strategy will help initiate a communication strategy in moving forward.

The CEDC recommends the City launch a public awareness campaign to help communicate the FM 528 Strategy and the overall importance to diversify the tax base. A uniform message is needed that delivers a pro development image to attract commercial developers and brokers to the city. This can be done via the Public, Educational, and Governmental Access channel, website, and social media. Special ads and op ed pieces can be written and distributed to the local media. Packets of the final report should be made available to HOAs, landowners, developers, retailers, and local organizations such as the Friendswood Chamber and Rotary. Board and committees also expressed their desire to stay informed as well as Friendswood residents. A video of the Mayor with a pro development message can be produced and accessed on the City's website.

PROPERTY OWNERS INPUT

There are currently 71 separate lots that total 1,348 acres of undeveloped commercial property abutting FM 528 within the city limits of Friendswood, with an assessed value of \$22 million.

Between February 13th and June 19th, 2013, eighteen of the commercial property owners and/or their representatives were visited by members of CEDC. Those eighteen property owners account for ninety five (95%) of the 1,348 acres. All property owners were contacted and half were not readily available or

Agenda of meetings with property owners:

- Intended use of property (hold, develop or sell)
- Asking price (if applicable)
- Types of prospective buyers and end users
- Infrastructure needs
- Convey strategy and seek opinion
- Opinion of city and development within the city
- What can the city do to help

willing to meet. All the meetings were voluntary and most were conducted at Friendswood City Hall. Most of the property owners do not live within the city.

The feedback received was very forthcoming with a wide range of opinions and ideas. There was also a lot of misinformation, for example this statement was made numerous times “I thought the city prefers residential development and does not like commercial development.”

Property Owners’ Makeup

The vast majority of the property owners are individuals looking to sell their property to the highest bidder. Only two of the property owners are established developers, the largest of which does not intend to develop their property within the next five years.

Intended Use of Property

Only one property owner expressed their intent to install infrastructure, subdivide and sell their property. Two property owners expressed their intent to leave their property undeveloped and hold. All the other property owners are actively seeking to sell their property.

Opinions of property owners why the strategy will not be adhered to:

- City has a reputation of residential neighborhoods fighting commercial development which drives off retailers and developers
- City Council caves in to residential neighbors who object to commercial development
- City Council caves in to residential neighbors who want noncommercial rezoning
- City Council is inconsistent and can be misleading
- City has negative stigma as not being developer friendly
- Severe lack of infrastructure
- City missed the boat and let too many commercial opportunities walk away that will never return

Asking Price

The asking price of those property owners looking to sell ranges from \$.80 to \$25 per square foot. The closer to the intersection of FM 528 and FM 518, the higher the asking price.

Types of Prospective Buyers and End Users

Residential, retirement communities, and religious assemblies are the three top entities that have expressed the most interest in purchasing the available commercial property.

Infrastructure

Sanitary sewer, water, and storm sewer infrastructure are the utilities property owners lack the most. Several properties do not have any utilities.

Convey Strategy and Seek Opinion

The property owners unanimously agreed with

Property owners’ concerns:

- Neighborhood objections deter future development
- Noncommercial development has devalued their land and made it less attractive to developers (school, religious assemblies, animal shelter, water tower, etc.).
- City Council is not business friendly and caters to special interest groups.
- High property taxes on undeveloped land
- Planning and zoning process is too slow

the strategy. Numerous opinions were given about why they believe the strategy will not be adhered to.

Opinion of City and Development Within the City

There are two different sets of thought. Group one believes the city is not developer friendly, hard to deal with, and slow. Group two believes the city is very friendly, accommodating, proactive and easy to deal with, and better than most cities they deal with on a daily basis. Group one consists mostly of regional property owners and small developers. Group two consists mostly of experienced property developers and brokers.

What Can the City Do To Help?

This question did not generate a lot of response or insight. The most common answer was “send me prospective buyers” and “improve infrastructure.”

Property owners’ compliments:

- Change in alcohol ordinance was good for city
- City staff are very friendly and helpful
- Very progressive of city to reach out to property owners

In conclusion, the majority of the undeveloped land along FM 528 is owned by individuals who do not intend to develop it themselves, and they are willing to sell to whoever can afford their asking price. There is a lot of misinformation being conveyed to prospective buyers and end users about Friendswood’s development preferences. Property owners are not likely to

help or hinder development. Therefore, the city needs to consider what development will attract other desired developments, what development will have the opposite effect, and finally have the resolve to adhere to that strategy.

INPUT FROM CITY COUNCIL, CITY COMMITTEES, AND BOARDS

On February 4th, 2013, the CEDC met with Friendswood City Council to discuss the FM 528 Strategy and City Council accepted the strategic development plan as presented. City Council recognized this to be an important issue for the community.

Meeting	Accepted Strategy
City Council	Yes
Planning and Zoning Commission	Yes
Parks Board	Yes
Keep Friendswood Beautiful	Yes

CEDC also met with the Planning and Zoning Commission, Parks Board, and Keep Friendswood Beautiful. There was consensus regarding the strategy, its purpose to diversify the tax base, and the overall goal to minimize the downzoning of properties, particularly along FM 528. The CEDC received concerns expressed

by city boards and committees regarding their desire to limit future non-revenue uses along FM 528. There were also questions and concerns regarding what downzoning will do to the city’s tax base and whether the FM 528 properties were primarily locally-owned. In conclusion, the city committees and boards would like to be kept informed regarding any recommendations, implementation, and progress pertaining to the strategy.

PRIME (OPTIMUM) DEVELOPMENT

City Wide Target Industry List Updated March 9, 2011	
NAICS Code	Short Title
Construction	
233	Building, Developing and General Contracting
234	Heavy Construction
235	Special Trade Contractors
Manufacturing	
325412	Pharmaceutical Manufacturing
334	Computer & Electronic Product Manufacturing or Assembly
3364	Aerospace Products and Parts Manufacturing
3391	Medical Equipment and Supplies Manufacturing
Wholesale Trade	
42	Wholesalers
Retail Trade	
442	Furniture and Home Furnishing stores
443	Electronics and Appliance stores
448	Clothing and Clothing Accessory stores
451	Sporting Goods, Hobby, Book, and Music Stores
452	General Merchandise stores
Information	
513	Broadcasting and Telecommunications
514	Information Services and Data Processing Services
Finance and Insurance	
52	Finance & Insurance (Corporate Headquarters Only)
Real Estate and Rental and Leasing	
531120	Banquet and Event Centers
Professional, Scientific & Technical Services	
54	Professional, Scientific & Technical Services
Management of Companies and Enterprises	
55	Management of Companies and Enterprises
Health Care	
621	Ambulatory Health Care Services
622	Hospitals
Arts, Entertainment, and Recreation	
71	Arts, Entertainment, and Recreation
Food Service	
72210	Full-service Restaurants – dine-in only with no drive-through lane, pay after you eat
Public Administration	
927	Space Research and Technology

CEDC and City Council adopted a Target Market List in 2008 which was most recently updated in 2011. Friendswood's target markets are defined as those identified in Vision 2020: professional office, retail, commercial, and light industrial uses in keeping with zoning and the permitted use table. CEDC only targets businesses that are approved uses by P&Z and City Council within the Permitted Use Table which are defined as P= Permitted Uses. Businesses that require a Specific Use Permit S are not targeted by the CEDC. Master-planned sites are encouraged for properties that are mixed-use or that are converting a portion of a larger tract from residential to commercial.

Retail studies have shown that an unmet retail demand exists in Friendswood. Retail businesses not only provide the most revenue to a city, but also provide shopping and dining opportunities, and consumable items that help prevent leakage of local expendable income. Since sales taxes are received from consumers who are a combination of residents, workers, and visitors, this helps diversify the city's tax base from local property taxes that are paid primarily by Friendswood homeowners.

The FM 528 corridor has the most potential to attract retail businesses due to its location and traffic counts of 31,000 cars per day on a highly traveled seven-lane road. However, at a minimum, the city's main goal should be to deter, or minimize, further development along the FM 528 corridor that does not have the potential for increased city revenue.

SUBPRIME (NON-OPTIMUM) DEVELOPMENTS

As the City of Friendswood approaches its projected "build-out" sometime within the next decade, its increasing reliance on homeowner property taxes will force city leaders to make difficult budget decisions. The FM 528 corridor will need to be optimally utilized to help shift a portion of the tax

burden from homeowners to businesses. City leaders (City Council, P&Z, CEDC, and City staff) will need to work cohesively to deter “non-optimal” developments along the commercial frontage of FM 528.

What should be considered as “Non-Optimum” Developments? Any development that does not produce revenue at its “highest and best use.”

Developments that will not add to the property tax base and/or bring in additional revenue through sales taxes should be deterred from absorbing valuable commercial tracts abutting the FM 528 corridor. This is not a policy saying religious assemblies, parks, schools, etc. are not welcomed in the city, as these types of developments are crucial in developing a “whole life community,” but rather

Types of Subprime Developments (Tax Exempt Properties)

- Places of religious assembly
- Parks
- Schools
- City facilities

Risk of Subprime Developments

- Deters future commercial developments
- Loss of tax revenue for the city
- Future incompatibly issues (i.e. restaurants locating next to a school or religious assembly)
- City facilities interfering with the marketability of adjacent tracts

it’s a policy that should be used to guide non-revenue developments to less optimum land within the city.

In conclusion, the FM 528 corridor represents the most viable and valuable commercial land within the city. The addition of subprime developments will deter future commercial growth and inhibit diversification of the city’s tax base.

TAX EXEMPTION

Tax exempt development in Friendswood is on the rise and, if not curtailed and offset by additional retail and commercial development, will put undue burden on residential property tax payers.

Commercial and retail developments generate property, sales, and inventory tax. Residential developments generate property tax, less 20% homestead exemption. Nonprofit organizations and tax exempt entities like the city, county, state, and federal development generate no tax.

Nonprofit property examples in Friendswood:

- 32 religious assemblies
- 5 medical/family services
- 4 independent schools
- 2 apartment complexes
- 1 nursing home

The use of prime commercial real estate for tax exempt development is shortsighted and detrimental to the financial future of any city. Furthermore, tax exempt development typically deters neighboring property from retail and commercial development as parking, alcohol, and other restrictions make development more problematic.

Recent tax exempt use of commercial real estate:

- Friendswood Health Care Center
- Calvary Chapel Houston
- Friendswood Community Church
- Galloway School
- Friendswood Square Shopping Center

The conversion of tax paying commercially developed property to tax exempt status is also a trend on the rise in Friendswood. The most recent examples of this are the two separate strip centers currently occupied by Calvary Chapel and New Hope Church.

Other property development such as subsidized housing have a propensity to convert to tax exempt status at a later date. Tax exempt property seldom reverts back to tax paying.

Although a community receives the benefit of nonprofit entities that cannot be quantified in dollars and cents, an overabundance of tax exempt entities has the potential to cause

Property at risk of applying for tax exempt status on FM 528:

- Gardens at Friendswood Lakes

Preventative measures to consider:

- Modify specific use table (zoning restrictions)
- Separate permitted use table for prime real estate
- Consideration or incentives to relocate tax exempt development to other property within the city
- Encourage payment in lieu of taxes (PILOT)

significant stress on city finances and services (police, fire, schools, etc.). Even fallow land generates more tax revenue than tax exempt property.

In conclusion, preventing or regulating tax exempt development on privately owned real estate can be extremely sensitive and challenging, especially property owned by nonprofit organizations. Tax exemption exists in all cities. The strategic location of tax exempt development and forecasting its impact is the responsibility of city leaders.

RECOUP CITY EXPENSES ASSOCIATED WITH TAX EXEMPT PROPERTY

There are two groups of tax exempt properties such as public schools, parks, and other city and county property; and property owned by nonprofit organizations such as private schools and religious assemblies. The amount of property tax revenue lost due to nonprofit property within the City of Friendswood is estimated to be between \$1,000,000 and \$1,600,000 annually. The amount of sales tax

Appraised value of tax exempt property in Friendswood:

- Galveston County \$86 M
- Harris County \$150 M
\$236 M

*Includes tax exempt and nonprofit property within city limits.

Appraised value of nonprofit property examples in Friendswood:

- 32 religious assemblies \$74 M
- 5 medical/family services \$2 M
- 4 independent schools \$7 M
- 2 apartment complexes \$15 M
- 1 nursing home \$2 M

*List does not include all nonprofit property within city limits

revenue lost due to nonprofit development is too speculative to quantify.

Nonprofit properties still receive the benefit of vital services (police, fire, EMS, schools, roads, library, etc.). The cost of which cannot be quantified as the demand upon vital services differs greatly between the types of tax exempt properties, apartment complexes and nursing homes being the most demanding.

The only known way for a city to recoup city expenses from nonprofit and tax exempt property is a voluntary program called

“Payment in lieu of taxes” PILOT or PILT. This is a program most commonly participated in by the Federal Government to offset losses in property tax due to non-taxable federal land such as military

installations, national parks, federal water projects, etc. The government sees this as its way of fulfilling its role of being a good neighbor to local communities.

Some cities have been successful in having nonprofit organizations voluntarily participate in a PILOT program; however Friendswood does not have any participants in a program.

In conclusion, PILOT programs are strictly voluntary and cannot be enforced, and there are no other legal means for a city to recoup expenses associated with tax exempt property. It behooves a city to negotiate a PILOT program prior to the commencement of a tax exempt development, especially if the entity is going to be demanding upon vital services.

DOWNZONING

When there are references to downzoning in this report, the term is more specifically defined as the rezoning of commercially-zoned property to any residential-type use (single-family, multi-family apartments, assisted living facilities and nursing homes) as these residential uses have tenants which demand essential city services, i.e. fire, EMS, police, library, and parks that most commercial enterprises do not require.

In 1998, Vision 2020 recommended that the city follow an 80/20 residential-commercial land use plan. Vision 2020 also forewarned that as the city builds out and runs out of residential-zoned land, there will be pressure for city officials to rezone commercial land to residential to meet market demand. In addition, as land becomes scarce, the value of land will rise and place pressure on the city to allow higher density residential development in order to support the higher land prices. The committee does not feel that rezoning commercial property along high traffic, prime commercial corridors, particularly FM 528, FM 2351, and FM 518 coincides with the City's long-term goals for developing the tax base or is in the best interest of the city.

"As the City builds out and runs out of residential zoned land, there will be pressure to rezone commercial land to meet market demand." Vision 2020

At City Council's request, the CEDC discussed and reviewed council's idea to require a fiscal or economic impact analysis for zone change requests. The CEDC recommends the following factors be considered when a downzoning request is received: current zoning, future land use map, highest and best use, economic/fiscal impact to the property, city services and the tax base, and how the proposed zone change would positively/negatively impact surrounding properties. Since there are many factors to consider with downzoning requests, the CEDC recommends that an economic/fiscal impact analysis be prepared and submitted to the city for all downzonings or zone change requests from commercial to any type of residential use, including residential planned unit developments.

In moving forward, the CEDC believes there is no economic benefit for the city to approve rezoning requests that change the land use from commercial to any type of residential use. If City Council determines that a specific type of development would benefit the city, then special consideration should be given whether this project has already been identified as a strong need

in the community and whether an alternative site could be found to accommodate the use instead of a highly visible and high traffic corridor (prime commercial real estate.)

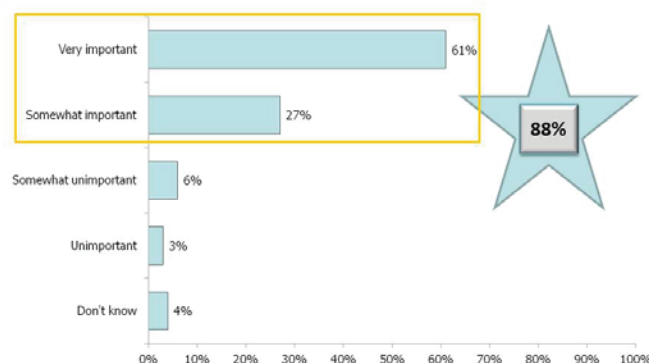
CITIZEN SURVEY

The results of the citizen survey that was conducted in June 2013 indicated that Friendswood residents stated the most important issue facing Friendswood today is taxes/diversifying the tax base. Regarding commercial development, almost half of the residents weren't aware that Friendswood's sales tax was lower than in surrounding communities. Eighty-eight percent of respondents said it is important to attract businesses to Friendswood and the types of businesses preferred are restaurants, retail, hotels, recreational facilities, and small independent businesses.

Most Important Issues Facing Friendswood Today	
Taxes, Diversify Tax Base	13%
Too much growth, growing too fast, planning for growth	12%
Crime, safety	10%
Quality, maintaining education	10%
Need more businesses, restaurants	10%
Traffic	6%
Budgeting, expenditures	6%
Repair, maintenance, planning, construction or roadways	5%

Preferred Commercial Development	
Restaurants	38%
Retail shopping	21%
Hotels, recreational facilities, etc.	12%
Small, independent businesses	6%
Industrial, manufacturing, commercial	5%
Large, franchise businesses	5%
Professional	3%
Office parks	3%
Discount stores (Target, Wal-Mart)	3%
Medical	3%
Grocery stores	3%
Base: Total Sample	400

How Important It Is to Attract Businesses to Friendswood



36

RESOURCES AND INCENTIVES TO ATTRACT COMMERCIAL DEVELOPMENT

After considerable research, the following list was created as a resource guide of possible incentives, grants, and financing mechanisms to assist with commercial development attraction and retention in the city.

Reimbursements, Grants, and Loans

Developer reimbursement agreements - a written contract between the city and one or more developers providing for a full or partial reimbursement to the developer for the construction of public street, water, sewer or storm drain facilities.

Chapter 380 Agreements - Chapter 380 of the Local Government Code allows cities to make loans and grants of public money and providing personnel and services of the municipality, to promote local economic development and to stimulate business and commercial activity in the municipality.

Municipal Sales Tax Agreements (Municipal Sales Tax Rebates) – an agreement to rebate a portion of the local city sales tax to a business entity for a designated period of time

Special Financing Districts

Tax Increment Financing District (TIF) - Chapter 311 of the Tax Code allows local governments to publicly finance needed structural improvements and infrastructure in a defined area. These improvements usually are undertaken to promote the viability of existing business and to attract new commercial enterprises to the area. A TIF uses the additional tax revenue generated by new development to pay for development costs such as infrastructure, land acquisition and site improvements. The difference between the taxes before the development occurs and after its completion is referred to as the "increment." The increment revenue is set aside in a special fund to pay for the new improvements.

Each taxing unit within the city can choose to dedicate all, a portion of, or none of the increment tax revenue from the development project.

MUD	MMD/PID	TIF
✓ Water ✓ Sewer ✓ Drainage/detention ✓ Broader service - Garbage collection - Parks construction	✓ Landscaping & Fountains ✓ Distinctive Lighting ✓ Signs ✓ Sidewalks & Streets ✓ Pedestrian Malls & Art ✓ Off-Street Parking ✓ Transit facilities ✓ Water, Sewer & Drainage ✓ Parks/Recreation ✓ Promotion & Advertising ✓ Public Safety & Security	✓ Paving ✓ Water, Sewer, Drainage ✓ Property Acquisition ✓ Environmental ✓ Public Buildings ✓ Land Acquisition ✓ Public Beautification ✓ Parks/Recreation ✓ Financing Costs

Public Improvement

Districts (PID) – Chapter 372 of the Local Government Code allows cities to levy and collect a special assessment on property that is within the city to pay for eligible public improvements that include landscaping, fountains, lighting, signs, construction of sidewalks, streets, installation of art, construct or improvement of libraries, off-street parking facilities, mass transportation facilities, water, wastewater, or drainage improvements, park improvements, land acquisition, advertising and promoting of services and amenities in the district.

Municipal Utility Districts (MUD) - Municipal Utility Districts (MUDs) are political subdivisions authorized under the Texas constitution, Chapter 54 of the Water Code, to levy taxes, charge for services and issue debt for infrastructure such as water, sewer and drainage, within limited geographically defined areas. The Texas Commission on Environmental Quality (TCEQ) regulates and provides ongoing supervision of MUDs and other special purpose districts.

Municipal Management Districts (MMD) – Under Chapter 375 of the Local Government Code, an MMD allows commercial property owners to enhance a defined business area. The district is usually created within an existing commercial area to finance facilities, infrastructure and services beyond those already provided by individual property owners by the municipality. The improvements may be paid for by a combination of self-imposed property taxes, special assessments, and impact fees by property owners within the district. Eligible improvements include landscaping, lighting, banners, signs, streets and sidewalks, pedestrian skywalks or crosswalks, seawalls, marinas, drainage and navigation improvements, pedestrian malls, solid waste, water, sewer, and power facilities, parks, plazas, lakes, rivers, bayous,

ponds, and recreation and scenic areas, historic areas, works of art, off-street parking facilities, transit facilities, theatres, exhibition halls, demolition costs in connection with improvements. The creation of an MMD must be submitted to the TCEQ.

Municipal Development District - Chapter 377 of the Local Government Code allows cities to

MUD	MMD/PID	TIF
✓ A tax is levied to repay the capital costs of infrastructure and to defray some of the costs of maintenance and operations	✓ An assessment to repay costs of improvements is established annually with a public hearing or set once without increase	✓ No additional tax or assessment authority exists
✓ Debt is issued as authorized by voters and is secured by the pledge of a tax	✓ Debt is issued as allowed by the City	✓ Debt is issued as allowed by the City

establish a district within a city's boundaries or ETJ and impose an additional sales tax if approved by the city's voters within the district not to exceed the local 2% sales tax cap as allowed by the state. The funding may be used similar to the economic development Type A and B sales tax.

Local Property Tax Incentives

Property Tax Abatement – Chapter 312 of the Tax Code allows municipalities to enter into an agreement with a business and abate/forgo up to 100% for a period not to exceed ten years of city property taxes on the increment in value added to a particular property by a specific development proposal, which meets the economic goals and objectives of the city. The tax abatement shall not apply to any portion of the inventory or land value of the project. Tax abatement may be offered on improvements to real property owned by the applicant and/or on new personal property brought to the site by the applicant.

Freeport Tax Exemption – The City of Friendswood can exempt personal property consisting of goods, wares, merchandise or ores other than oil, natural gas, and petroleum. Under Tax Code, Section 11.251, eligible property must be transported out of the state within 175 days of acquisition, but must first be assembled, stored, manufactured, processed, or fabricated locally.

Other Funding Mechanisms

Neighborhood Empowerment Zone – Chapter 378 of the Local Government Code allows cities to create a zone within their municipal boundaries to promote/increase economic development within the zone, affordable housing, and social services, education, or public safety of the zone. A municipality may create more than one zone and may include an area in more than one zone. A municipality may grant one or more of the following within the zone: waive or adopt fees related to the construction of buildings in the zone, including fees related to inspection of the building and impact fees; enter into agreements, for a period of not more than 10 years, for the purpose of benefiting the zone, for refunds of municipal sales tax on sales made in the zone; enter into tax abatement agreements subject to the duration and limits under Chapter 312, and set baseline performance standards, such as Energy Star Program as developed by the Department of Energy, to encourage the use of alternative building materials that address concerns relating to the environment or to the building costs, maintenance, or energy consumption.

Type B Economic Development Sales Tax – A city is eligible to adopt a Type B sales tax, with voter approval, if the new combined local sales tax rate would not exceed 2%. 361 cities in Texas have passed the Type B tax. Some of the eligible projects for funding include all of Type A projects that promote or develop new or expanded business enterprises that create or retain primary jobs, and also Type B infrastructure improvements including streets, water, and sewer improvements for economic

development, public parks, civic centers, entertainment, tourist, and convention facilities, professional and amateur sports and athletic facilities, public safety facilities, drainage and related improvements, water supply facilities, and general municipally owned improvements. Downtown improvements including burying overhead power lines and pedestrian improvements are also eligible uses.

Hotel Occupancy Tax – Under Chapter 351 of the Tax Code, a city may adopt a hotel occupancy tax rate of up to 7%. The state of Texas imposes a 6% rate that applies throughout the state. The hotel tax revenues must be used locally to pay for tourism-related promotion of a city including improvements or maintenance of convention/civic center facilities, administrative costs for convention registration, programs that enhance the arts, historical restoration or preservation, costs to hold sporting events, and signage to attractions, funding transportation systems for tourists.

In conclusion, if funding for capital improvement projects that will encourage business development is not available, the city should consider other funding mechanisms that have been successfully used in many cities, counties, and states such as developer reimbursements, sales tax refunds, special financing districts, grants, and incentives. Most CIP infrastructure projects that benefit economic development are large and are planned, prioritized and implemented on a proactive basis in cities, however funding is typically limited since there are many competing needs and demands throughout the city. Special financing districts, grants, and incentives are typically considered when a development proposal is presented. The CEDC recommends that City Council seek CEDC's input and recommendation on the use of special financing districts, grants, and incentives for any commercial project development proposal or incentive application.

INFRASTRUCTURE

The majority of the FM 528 corridor significantly lacks infrastructure and impedes commercial development. The further south from intersection FM 528 and FM 518, the greater the need is for infrastructure.

The infrastructure that exists on FM 528 has been funded primarily by state, county, and private development. Very little has been funded by the city.

Infrastructure funding ideas:

- Higher impact fees
- Capital improvement budget
- Grants
- Type "B" sales tax
- Special improvement districts
- Tax increment financing
- Betterments

Sanitary sewer is the most absent utility. Less than 20% of the undeveloped commercial land along FM 528 has sanitary sewer on site.

Water service is the second most absent utility. Approximately 40% of undeveloped commercial land along FM 528 has adequate water service.

Infrastructure lacking on FM 528:

- Sanitary sewer
- Water
- Storm Sewer
- Natural gas
- Pedestrian mobility
- Electricity
- Roads

*In order of greatest demand and priority.

Storm sewer piping and inlets exist north of Sunset Drive on FM 528. Everything south of Sunset Drive is an open ditch system.

Commercial property developers are required to use a prorated portion of their real estate for onsite storm water detention. Developments less than five (5) acres have the option to buy into an offsite

storm water detention pond in lieu of building a detention pond on site. Currently only the Galveston County Consolidated Drainage District has an offsite detention pond that developers can buy into. That detention pond is at less than 50% capacity. The offsite storm water detention option provides a significant benefit to developers as they can make full use of their prime real estate.

Infrastructure improvement ideas:

- Restrict offsite detention participation to prime development on FM 528
- Additional offsite detention facilities
- Oversize new private infrastructure for future development
- Opportunistic improvements
- Off-site mitigation for large new developments

The city's master utility, drainage, and major thoroughfare plans have addressed the infrastructure needs along FM 528. However, the city does not have any funding (Capital

Improvement Plan) scheduled within the next five years.

In conclusion, a more concerted effort needs to be put into improving infrastructure on south FM 528 as it is impeding prime development. The City has a plan for the required infrastructure but does not have a schedule or funding strategy.

Infrastructure improvement strategy:

- Prioritize infrastructure needs
- Implement funding strategy(s)
- Set a timetable (schedule)

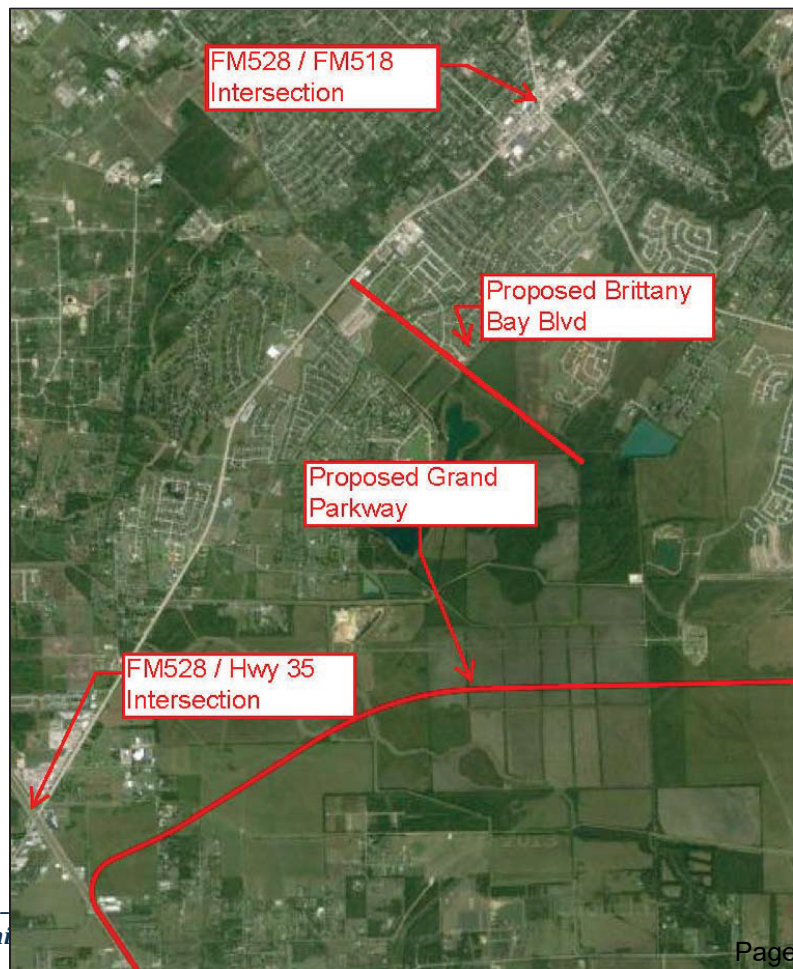
TXDOT, STREETS, and DRAINAGE

TXDOT

As the city and surrounding areas grow in population, TXDOT and City of Friendswood will continue to expand and improve the transportation infrastructure. A portion of TXDOT's proposed 180+ mile circumferential highway will be constructed just south of FM 528; and the proposed Brittany Bay Boulevard will intersect FM 528. These two large transportation projects will only enhance the commercial development potential along the FM 528 corridor. The Brittany Bay Blvd project, in the long-term, should increase the traffic flow along FM 528 corridor and thereby entice prospective retail and commercial developers to the area.

RETAINING EXISTING DEVELOPMENT

As a business grows and matures, it provides possibilities for expansion within the community. There are many factors that an existing business considers when they are considering to expand within a city, the primary being the cost and availability of land,



THE FUTURE OF FM 528

[illegible]

FM 528 Traffic Counts	
1985	13,700
1990	21,000
1995	21,000
2000	33,000
2005	35,400
2010	33,000

In conclusion, the city can either stay focused on diversifying the tax base or squander its only opportunity to diversify before build-out occurs. Once Friendswood is built out, there may be little or no redevelopment opportunities. Some steps the city can consider in the future are to: proactively rezone properties that are designated as future commercial use in

the Future Land Use Map; provide infrastructure to tracts; and work with commercial developers to master plan larger tracts so that smaller parcels may be available for end users.

CONCLUSION

The FM 528 Business Corridor represents Friendswood's greatest commercial potential to diversify its "residential-heavy" property tax base. It has been quite evident that the free-market has made the area the target designation for commercial development. Due to the highest traffic counts within the city, commercial developers and retail merchants want to locate along the FM 528 corridor.

"From 1998 to 2007, there was a widening gap between residential and commercial assessed property values in Friendswood, driven by rapid growth in the assessed value of residential property and slower growth in commercial property value. The City of Friendswood now relies much more heavily on residential property values as a source for tax revenue than in 1998." Vision 2020 Update, Jason E. Murasko, PhD, October 3, 2007

Summary of Recommendations

Communication:

The city launches a public awareness campaign to help communicate the FM 528 Strategy and the overall importance to diversify the tax base.

Property Owners' Input:

The city should consider what developments will attract other desired development, what development will have the opposite effect, and finally have the resolve to adhere to that strategy along the FM 528 Corridor.

Input From City Council, Boards, and Committees:

The City Boards and Committees would like to be kept informed regarding the FM 528 Strategy's recommendations, implementation, and progress.

Prime (Optimum) Development:

The city's main goal should be to deter, or minimize, further development along the FM 528 corridor that does not have the potential for increased city revenue.

Subprime (Non-Optimum) Developments:

A policy should be implemented to guide subprime developments from FM 528 to less valuable commercial land within the city.

Tax Exemption:

Preventing or regulating tax exempt development on privately owned real-estate can be extremely sensitive and challenging, especially property owned by nonprofit organizations. The strategic location of tax exempt development and forecasting its impact is the responsibility of city leaders.

Recouping Cost of City Services from Tax Exempt Properties:

City should consider negotiating a PILOT program prior to the commencement of future tax exempt developments, especially if the entity is going to be demanding upon vital services.

Downzoning:

There is no economic benefit for the city to approve zone change requests along the FM 528 Corridor that change the land use from commercial to any type of residential use. If City Council determines that a specific type of development would benefit the city, then special consideration should be given whether the project has already been identified as a strong need in the community and whether an alternative site could be found to accommodate the use instead of a highly visible and high traffic corridor (prime commercial real estate).

Resources & Incentives to Attract Commercial Developments:

CEDC recommends that City Council seek CEDC's input and recommendation on the use of special financing districts, grants, and incentives for any commercial project development proposal or incentive application.

Infrastructure:

A more concerted effort needs to be put into improving infrastructure on south FM 528 as it is impeding prime development.

The Future of FM 528

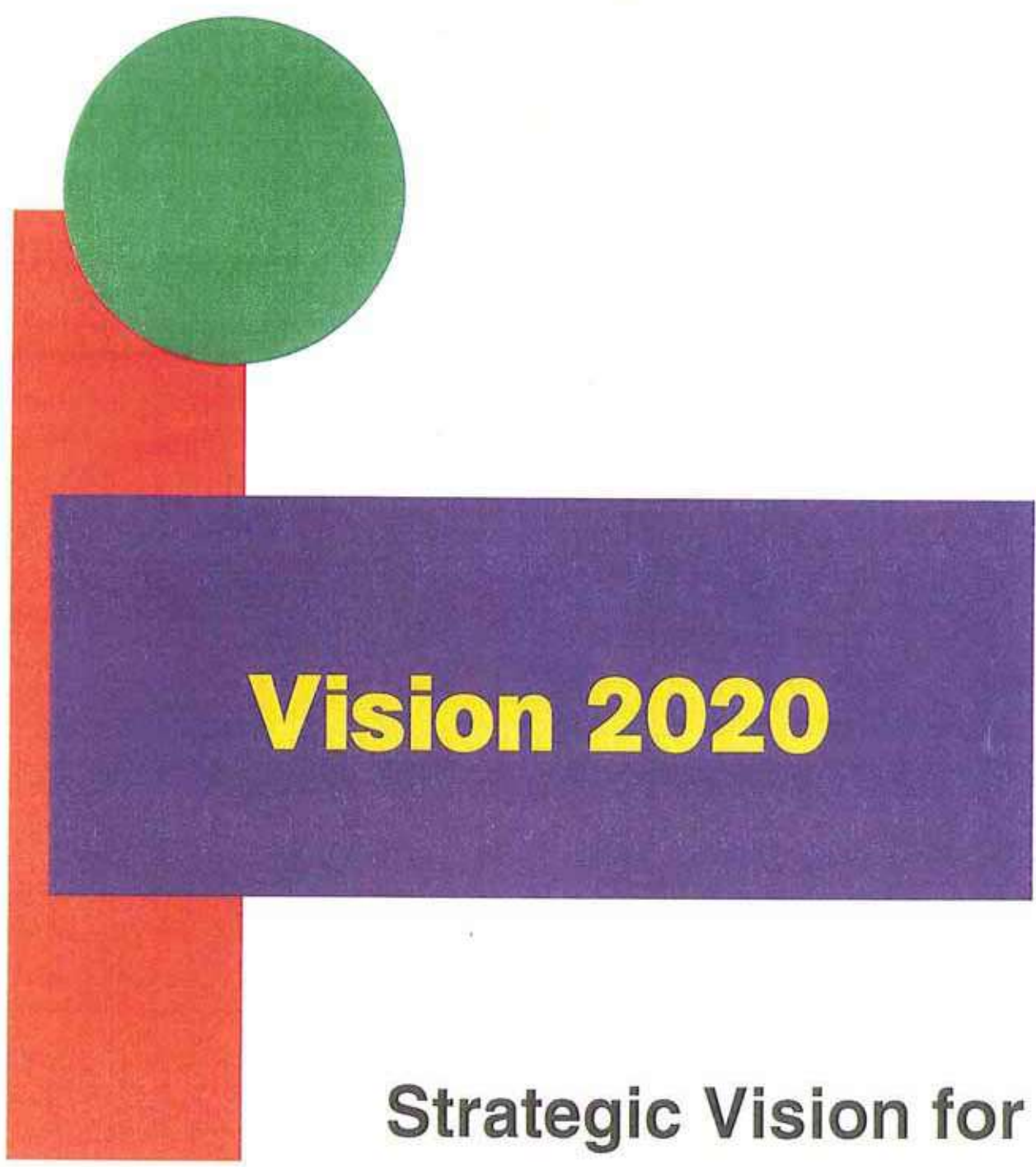
Some proactive steps the city can consider are to proactively rezone properties that are designated as future commercial use in the Future Land Use Map, provide infrastructure to tracts, and work with commercial developers to master plan larger tracts so that smaller parcels may be available for end users.

As the city runs out of residentially zoned real estate, there will be ever mounting pressure to rezone commercial property to residential. The city cannot keep chipping away at the remaining commercially zoned real estate, especially the prime FM 528 commercial real estate, and expect to meet future financial demands without raising property tax rates. Commercial developments generate significantly more tax revenue and consume a fraction of the city services. Now is the time to adopt this strategy and implement it across all facets of the city.



MAP OF FM 528

FUTURE LAND USE PLAN MAP



Vision 2020

Strategic Vision for Friendswood, Texas



**Beach
Ramirez**

November 1998

TABLE OF CONTENTS

Section 1	INTRODUCTION	
1.1	Objective	1
1.2	The Study	1
1.3	Use of Results	3
1.4	Expression of Appreciation	4
Section 2	CONCLUSIONS AND RECOMMENDATIONS	
2.1	Inventory and Analysis	1
2.2	Community Development Models	3
2.3	Vision Summary	4
Section 3	INVENTORY AND ANALYSIS	
3.1	Background	1
3.2	Community Perceptions	2
3.3	Community Goals	3
3.4	Community Inventory and Analysis	3
3.5	Target Markets	10
Section 4	COMMUNITY DEVELOPMENT ALTERNATIVES	
4.1	Community Development Models	1
4.2	Summary of Development Scenarios	5
Section 5	APPENDIX	
	Work Shop Summaries	

Section 1

INTRODUCTION

Kenneth Balk & Associates Inc. (KBA), in association with Beach Ramirez, submits this report at the conclusion of a study to develop a vision or strategy for the ultimate development of Friendswood, Texas. It is intended to summarize the work of the study, the conclusions reached, and provide a foundation for planning and implementation of future steps in Friendswood's community development process.

1.1 The Objective

Friendswood is a rapidly developing city with fixed physical limits to expansion, having no remaining extra-territorial jurisdiction. The City is interlaced with natural drainage ways significant portion of land lie in the flood plane and flood way. Therefore; the amount of undeveloped land remaining is fixed. Its growth and development within these limits will be guided by the current master plan, land use controls, and any modifications to these land use controls which may be adopted in the future. It is clear that if present patterns continue the City will *build-out* sometime within the next 20 to 30 years. What will Friendswood be like when it reaches its maximum development? What are the strategic issues which must be addressed in order to maintain the economic and quality of life factors which sustain Friendswood as the unique community it is?

In any community, residents consume more city services than the taxes that they pay will support. This is typically offset by taxes collected from businesses and industries, who pay more in taxes than they consume. The non-residential land uses in Friendswood represent an unusually low proportion of the developed land. What are the implications of continuing this development trend on: municipal services, tax rates, and the quality of life that is so important to this unique community?

This study therefore has sought a vision for the future development of Friendswood. In developing the Vision, these primary issues were addressed.

- Change and Growth
- Preservation of Lifestyle
- Maintaining the Level of Community Services
- Maintaining Favorable Property Tax Rates

1.2 The Study

The study was conducted in two basic steps. The first was an assessment of the community, its strengths and weaknesses, its goals, its characteristics and the business enterprises that are suitable for Friendswood. (summarized in section 3 of this report). The second was the construction and evaluation of alternate scenarios for Friendswood's build out (summarized in section 4.0 of this report) Based upon the outcome of this process certain conclusions and

recommendations were formulated (summarized in section 2.0 of this report). These conclusions regarding Friendswood's ultimate build out represent Vision 2020.

Throughout the study, the planning team utilized an open and interactive process whereby focused analytical work was combined with meaningful exchange with community stakeholders. The purpose of this process was the creation of a Vision with an informed consensus of the community.

1.2.1 Research and Analysis

A wide range of data was collected from a variety of sources. This data was analyzed to produce an overview of Friendswood and the trends that are most important in projecting the direction and impact of continued development in the community. The team estimated the amount of land remaining for development, dwelling unit and population density of residential development, and the market potential for development of additional commercial land uses. It modeled a variety of community development scenarios, projecting ultimate population and impact on critical factors that determine municipal tax rates.

1.2.2 Community Workshops

At critical points in the process, four community workshops were conducted. These publicly announced workshops solicited the attendance and participation of community stakeholders (40 to 60 persons attended each workshop) in the critical decisions of the visioning process. These workshops provided the best opportunity to inform and involve those members of the community most concerned about the issues at hand and most likely to play a continuing role in future community development actions of the City. The purpose of the workshops was to provide an opportunity for the planning team to pose issues, provide data, and solicit an informed response from among community stakeholders in order to create a Vision for the community. Thus, all critical decisions regarding the strategic vision were formed in the workshops based upon the input of the participants. The outcome is not the product of the planner but represents the informed and facilitated views of community stakeholders. The workshops (and their basic outcomes) are as follows:

- Organizational Workshop *Setting Goals and Objectives*
- Analysis Workshop *Reviewing Community Profile, Target Markets, and
Discussing Build-Out Alternatives*
- Alternatives Workshop *Reviewing Alternative Build Out Models*
- Vision Workshop *Confirming and Refining the Selected Build Out Model*

Summaries of workshop material are included in the appendix to this report. In some cases information presented in the workshops has been updated or corrected to reflect analysis of additional data and refining of estimates.

1.2.3 Meeting the Objective

A successful strategy for the development of a community must embody two important features. It must be well grounded in the realities of the marketplace. And it must represent a consensus among community stakeholders. Vision 2020 has sought to arrive at a plan for Friendswood that includes both these features..

Achieving consensus depends upon two basic factors. The first is the quality of work by the planning team in accurate analysis of data, focusing of issues, posing of options and preparation for and conduct of the workshop sessions. The second is the willingness of the community's stakeholders to work together to consent.

In Friendswood the planning process produced insight into the issues that will determine the future of the community. And the workshop participants voted in overwhelming majority for the results which form the recommendations of this study. The results are not ambiguous. A clear plan has emerged; one that will pass most tests for planning excellence. The consensus, however is not enthusiastic. The workshops were often marked with contention. Some of the most vocal participants at the workshops never entered into the spirit of the process. They seemed to believe, in spite of every effort at openness, that there was a hidden agenda. Their concerns and suspicions were apparently never allayed. Enthusiasm for the results of the process was a sub-theme of the workshops, generally expressed after the workshops were adjourned, but not by all that came.

Community Development is a team sport. It requires that the entire community work in harmony with one another. It requires that the legitimate concerns of all parties be sensitively entertained and addressed. No group can be marginalized, and no group can be allowed to dominate. Without a willingness to form consensus there can be no Vision. Perhaps Friendswood has so much going for it that the underlying contention within the community may not seem important. This is not so. Friendswood is sustaining loss due to lack of a common commitment to mutual goals. The results of the loss of opportunity to work together will be most clearly felt in the future. There is additional work needed in the area of consensus.

1.3 Use of Results

This report contains a strategic Vision for the ultimate development of The City of Friendswood. This vision was developed from two sources; the analytical work of the planning team and the input of the community. The specific recommendations contained in section 2 are the results of the workshop sessions where community stakeholders, after being provided with options and information to evaluate them, voted regarding their preferences.

All of this must now be reviewed and evaluated. Ultimate responsibility for community development must remain with duly constituted authority. This means that the results of this effort should be viewed as recommendations for consideration by the Economic Development Committee and ultimately by City Council as these bodies discharge their constitutional and statutory responsibilities. Review, modification, and approval of the results of this study must legitimately remain with the bodies that truly represent the community as a whole.

1.4 Expression of Appreciation

The planning team thanks the City of Friendswood, its Economic Development Committee; Ron Cox, City Manager; Harold Whitaker, Mayor; Jerry Ericsson, Mayor Protem; Mickiel Hodge, Community Development Director; Bill Finger, Planning and Zoning Commission; Roger Roecker, Finance Director; Jared Stout, Police Chief; and many other City staff members who aided and assisted in the completion of the project. In addition, we acknowledge the Friendswood School District and the Galveston Central Appraisal District for invaluable contributions of data and guidance. Most of all, we thank the citizens and stakeholders of Friendswood who attended the workshops. The outcome of this study is the result of the investment of time and participation these individuals made in the future of their community.

Section 2.0

CONCLUSIONS AND RECOMMENDATIONS

This section summarizes Vision 2020. It presents the principal results of the study based upon outcome of the analytical work of the planning team, and the input of community stakeholders from the workshop sessions.

2.1 Inventory and Analysis

The first step in the vision process involved an inventory of Friendswood and the determination of the characteristics that will control its future growth. Section 3.0 contains a more detailed summary of this step which has three major parts. The first part consists of the views and objectives of the community. The second part is an independent inventory of the characteristics of the community as it is seen from outside. The third part is the identification of the target markets, those business enterprises that are most suitable for Friendswood as it grows.

2.1.1 Community Goals

In the initial Organizational Workshop the participants were asked to rank the community's strengths and weaknesses and to establish overall goals for Vision 2020. The top six goals are as follows:

- Develop Tax Base
- Improve Infrastructure
- Retain Values
- Maintain Quality of Schools
- Improve Drainage
- Maintain High Level of Public Services

Please see Section 3.0 and the Appendix for more detailed summary of community views and goals.

2.1.2 Community Inventory and Assessment

The planning team then collected and analyzed data to identify factors which typify Friendswood and impact its future development. This analysis was presented at the Analysis Workshop (See Appendix) and is more fully discussed in Section 3.0.



Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

LAND USE SUMMARY

- SFR Dominate (84%)
- Land is available (est. 5473 acres)
- Zoning Plan Will Increase Non-Residential Land Uses
- Build Out Capacity Will Vary With Development Scenarios


Beach
Ramirez

Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

HOUSING SUMMARY

- High Average Housing Values (ave \$150,000 sale in 97)
- High Development Rate
- Lack of Housing for Younger and Older Households


Beach
Ramirez

Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

WORK FORCE SUMMARY

- Fully Employed & Stable
- Highly Educated
- Professional, Executive, & Technical Occupations Lead
- Declines in Sales, Precision Production


Beach
Ramirez

Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

SALES SUMMARY

- Retail, Transportation, Services and Construction Growing
- Retail losing market share
- Lowest ratio of retail sales per person in area.
- Vacancy of retail space


Beach
Ramirez

Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

TRANSPORTATION SUMMARY

- Not directly on regional thoroughfares
- Multiple entry ways
- Friendswood Drive & major intersections congested


Beach
Ramirez

Analysis Workshop

VISION 2020

Strategic Vision for Friendswood, Texas

QUALITY OF LIFE SUMMARY

- Excellent School Systems
- Low Crime Rate
- Historical Heritage
- Attractive Neighborhoods
- Family Orientation
- Lack of City center
- No sense of arrival


Beach
Ramirez

2.1.3 Target Markets

From an evaluation of the community, its goals and objectives and its capacity to attract and support businesses and industry, a marketplace assessment was performed. The following businesses and industries were determined to be suitable to play a role in the continued development of Friendswood.

- Selected Community and Neighborhood Retail
- Selected Light Industry
- Selected Professional Service Businesses

For a more detailed summary of Target Markets please see section 3.0 and the appendix.

2.2 Community Development Models

The second step (see 2.1 above) in selecting a strategy for the build out of Friendswood was the development and evaluation of alternate community development scenarios. Based upon the analytical work of the team and input from community stakeholders a total of eight scenarios were developed. Each scenario resulted in a community development model addressing the population at build out, and the impact on major factors contributing to property tax rates. These models were reviewed and discussed at the last two workshops. The following are the most important:

- **Maintain Current Pattern** - Assumes development will follow the existing pattern and proportion of residential, commercial and industrial uses will continue to build out. Only 16 % of developed land is currently devoted to non-residential uses and the probable outcome of this scenario is significant pressure to increase tax rates or to reduce services.
- **Follow Zoning Plan** - Assumes that development will follow the proportion of land uses for undeveloped land that is called for in Friendswood's current zoning plan. This scenario will greatly reduce pressure to increase property taxes or to reduce community services. However our market analysis indicates that current market conditions are not likely to support the absorption of the 27% of undeveloped land that is currently zoned for business and industrial uses. Several Market based modifications to this basic scenario were discussed.
- **City Purchases Vacant Land to Maintain Open Space**- This concept was introduced at the final workshop by a workshop participant. Land acquired and held vacant will reduce the demand on community services (most noticeably in the schools) while imposing the cost of purchase on the City budget and removing property from the tax rolls. The net result of this scenario is upward pressure on taxes. The amount of this pressure will vary significantly with the amount of land purchased.

For a more complete review of the community development models please see section 4.0 and the appendix.

2.3 Vision Summary

The results of the Vision 2020 is a strategy for guiding the future development of Friendswood. The following are the recommended points of that strategy

2.3.1 Land Use

Develop undeveloped land in Friendswood in general conformance to the existing zoning plan with regard to the split between residential and non-residential land.

- 73% Residential
- 27% Commercial and Light Industrial

2.3.2 Residential Density

Maintain the current development patterns and controls in the areas to be developed for residential purposes. This will produce the following:

Average density for single family	2.1 dwelling units per acre
Average density for all housing types	2.4 dwelling units per acre
Build Out Population	57,400

2.3.2 Community Services

Maintain a high level of community services and life style amenities including streets and roads, parks, utilities, drainage, public safety and schools. This will require a significant program of capital improvements and operational expenditures.

2.3.3 Target Markets

The tax base to support these expenses must come from increased retail, office, and light industrial land uses. Such a plan must be market responsive to succeed. It should focus on those businesses and industries that are most likely to do well and to be well accepted in Friendswood.

2.3.4 Zoning Adjustments

The zoning in non-residential categories must to be adjusted to respond to a more realistic market split.

	<i>Current</i> (acres)	<i>Adjusted</i> (acres)
Retail	453	728
Office	113	364
Light Industrial	<u>890</u>	<u>364</u>
Total	1,456	1,456

The zoning plan should also be revisited to provide attractive locations for targeted businesses. Retail uses also should be clustered to concentrate these uses so that they reinforce each other.

2.3.5 Business Recruiting Program

A well organized community and economic development program will be required to increase the non-residential land uses above current levels. Mounting an aggressive community marketing program could result in an increase of up to 100%, in the absorption of land for commercial light industrial uses.

	Estimated Current Demand (acres)	Estimated Demand with Marketing Program (acres)
Retail	337	500
Office	105	200
Light Industrial	<u>9</u>	<u>200</u>
Total	452	900

2.3.6 Delayed Build Out of Commercial and Industrial Land

However, even with a successful economic development program, when all residential land is developed, approximately 500 acres of land zoned commercial and industrial will remain to be developed. This land will ultimately be absorbed as further growth in the region (beyond the borders of Friendswood) supports additional commercial and industrial land use in Friendswood.

Section 3.0

INVENTORY AND ANALYSIS

Friendswood's future depends on several factors that interact with one another. The foundational factor is change. All communities change. People are born, move in and out, buy and sell, age and die. Change cannot be avoided. The second most important factor is the marketplace. Friendswood is growing because it is a highly attractive place to live in a region that is experiencing significant growth. This market pressure supports Friendswood's high housing values and brings new wealth into the community.

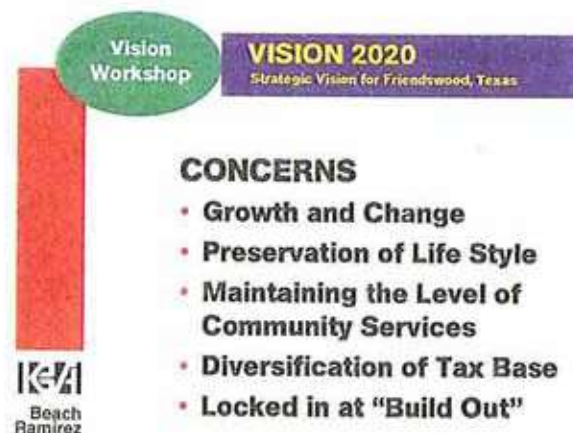
The external marketplace is generally outside the community's control. But the attractiveness of the community as a place to live within this regional market is (to some extent) within our control. Our attraction to the marketplace is, in turn, based upon two important aspects of the community that we will address in this section. They are the characteristics of the community as seen from the marketplace (*how outsiders see us*) and the goals and objectives of the community (*how we see ourselves*).

3.1 Background

Friendswood is a 100 year old community with a strong historic and cultural heritage. Originally founded by the Quakers, the community continues to place faith at the core of its values. The community began as an agricultural community in northern Galveston County. It is today a part of the greater Houston Metropolitan area. It's growth has been impacted at several points by major events. These include the development of the Friendswood oil field and the establishment of NASA in nearby Clear Lake. During the last half of this century its growth has been based upon its outstanding attraction to middle and upper middle income families as a place to live and bring up families.

The 1990's has brought continued growth. The community is now over 30,000. There is no remaining extra-territorial jurisdiction to absorb further expansion. Undeveloped land is therefore limited. While fluctuations in the rate of development are to be expected, it is likely that the community will reach its ultimate capacity in the early part of the new century.

The questions are: What will we be like when we grow up? What are the critical factors that will determine the future of this unique community? These are the concerns that have motivated the City to commission this study.



3.2 Community Perceptions

The study was initiated in an Organizational Workshop (see Appendix). After a general discussion regarding the continued development of Friendswood and the above concerns, Workshop participants were asked to identify the strengths and weaknesses of the community. The following summarizes their input, ranked according to order of importance.



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY STRENGTHS

- 1 - Schools - quality of education, commitment to youth
- 2 - Faith Based Community - traditional values

Community Participation - active and involved citizens
Safe Place to Live - low crime, low sense of threat


Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY STRENGTHS

- Family Orientation
- Affluence (high per capita income)
- Heritage
- Community Services (amenities)
- Natural Environment
- Stability
- Sense of Community


Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY WEAKNESSES

- 1 - Tax Base & Tax Income - predominance of residential uses
- Storm Sewer & Drainage - flood threat and cost of solution
- 3 - Lack of Business Develop - lack of retail services


Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY WEAKNESSES

- Limited Housing Opportunities (cost range)
- Visual Impact of Friendswood Dr.
- Lack of Water Pressure (infrastructure)
- Vacant Retail Buildings
- Multiple Jurisdictions


Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY WEAKNESSES

- Lack of Political Harmony (disaffection?)
- Lack of Involvement (apathy?)
- Lack of Communications (distrust?)


Beach Ramirez

3.3 Community Goals

Based upon the above the workshop, participants were asked to establish goals for the growth and development of Friendswood (ranked in order of preference with score in parenthesis).



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY GOALS

- 1 - Develop Tax Base (40) - *improve tax base mix*
- 2 - Improve Infrastructure (25) - *water, sewer*
- 3 - Retain Values (17) - *quality of life*
- 4 - Maintain Quality of Schools (15)
- 5 - Improve Drainage (13)

K&A
Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY GOALS

- 6 - Maintain High Level of Public Service (11)
- 7 - Be A Whole Life Community (8) - *homes, jobs, amenities*
- 8 - Incorporate Vision 2020 in Master Plan (6)
- 9 - Attract College / University (5) Develop Civic Center (5)

K&A
Beach Ramirez



Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

COMMUNITY GOALS

- 11 Maintain Visual Image (3)
- Prevent Undesirable Land Uses (3)
- 13 Improve Transportation (2) - *vehicles, bikes, pedestrian*
- Develop Additional Parks and Recreational Areas (2)
- 15 Be Sensitive to the Environment (1)

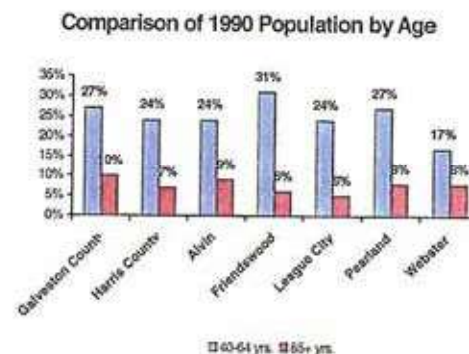
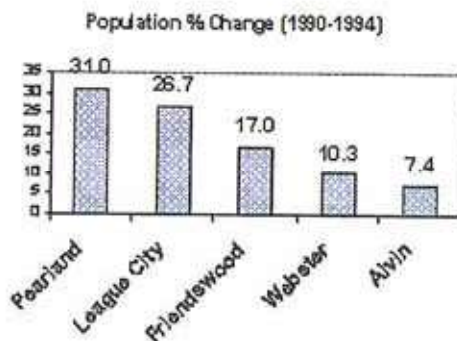
K&A
Beach Ramirez

3.4 Community Inventory and Analysis

The planning team collected data from the City, County Appraisal District, State Comptroller's Office, TXDot, US Census, and a variety of other private and public data sources. From this data an analysis of Friendswood and the factors that typify the community and are important to it's future was completed.

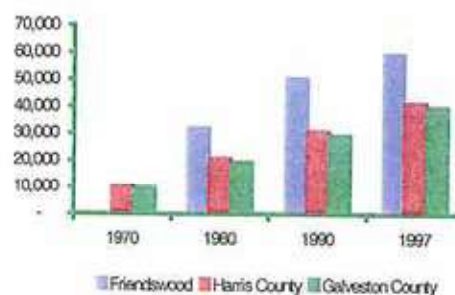
3.4.1 Population

Friendswood is part of a regional community that includes the cities of Pearland, League City, Webster and Alvin. Together these communities are experiencing significant growth as part of a rebounding area economy. Friendswood's growth rate falls in the middle of a range of percent change of population for these cities. From 1990 to 1994 Friendswood grew at an average rate of 17.0% with Pearland and League City having higher growth (31.0% and 26.7% respectively) and Webster and Alvin having slower growth (10.3 and 7.4 respectively).



Friendswood's growth was highly concentrated in the 40 to 64 year old category. Compared to Galveston and Harris Counties, Pearland, League City, Webster and Alvin, Friendswood has the highest percentage growth for this age group (31%) and the lowest for age 65 years and over (6.0%). The percentage of residents in the 40 to 64 age range has grown steadily since 1970 (see appendix). This data suggests that Friendswood is attracting fewer younger families than surrounding communities and is losing a greater proportion of its seniors. This is believed to be due to the relatively high cost of housing in Friendswood (see below).

MEDIAN HOUSEHOLD INCOME



A comparison was made of Friendswood to Galveston and Harris County with regard to Median Household Income for the years 1970, '80, '90 and '97. The city has consistently enjoyed a significantly higher median income than the two counties of which it is a part. In fact, the estimated 1997 median income for Friendswood is approximately 50 percent higher (\$60,000 as compared to around \$40,000) than the two counties.

In summary, from 1990 to 1997, Friendswood has experienced a healthy 4.8% annual average population growth rate, has an affluent population with a \$78,000 average household income (estimated 1997), and has been experiencing a narrowing of the age distribution of its population.

3.4.2 Land Use

Arriving at an estimate of the distribution of existing land uses and of the land area that is available for further developing proved to be a significant challenge. Estimates have changed throughout the study as data was reviewed and refined. The following estimates were derived from a variety of sources and were in some cases modified by additional investigations of the planning team.



Based upon data from the Galveston County Appraisal District, 81% of all improved land in 1997 was attributed to single-family residential while 16% was used for commercial and industrial improvements, 2% for improved farm and ranch, and 1% for multi-family. This clearly demonstrates that Friendswood is a bedroom or lifestyle community that primarily accommodates the single-family dwelling unit.

Based upon data provided by the City of Friendswood, (adjusted by comparison of City, County Appraisal District and recent FEMA maps), the city has approximately 6,759 acres of developed land and 5,473 acres of undeveloped land. When the approximately 1,184 acres of publicly owned land is added the total comes to 13,416 acres. The community is criss-crossed by multiple natural drainage ways and creeks. The floodway and flood plain areas associated with these features are a visual asset but reduce the land available for development and impact the density of development for land that lies adjacent to them. Of the developed land, 5,790 acres has been absorbed for single-family residential, 433 acres for multi-family residential, 527 acres for commercial and 9 acres for industrial.



Of the 5,473 net available acres, 3,600 acres are zoned for additional single-family residential use, 420 acres for multi-family use, 563 acres for commercial and 890 acres for industrial.

Since no zoning category has approached the limit of available land it may be assumed that market forces are the primary factor in producing the existing ratio of residential to commercial/industrial land uses (84% to 16% respectively). The land that remains to be developed assumes a significant shift in this ratio (73% to 27% respectively). While the community is zoned for a future that maintains a primarily single-family residential community the zoning plan anticipates a substantial and aggressive increase in land use for commercial and industrial purposes. The existing patterns of unconstrained development suggest that the market forces to support this increase in non-residential use (particularly industrial) may not exist.

In summary, single-family residential dominates the use of land in Friendswood. Land is still available for future growth, the zoning plan increased non-residential land uses, and the build out capacity will vary based on different development scenarios.

3.4.3 Housing

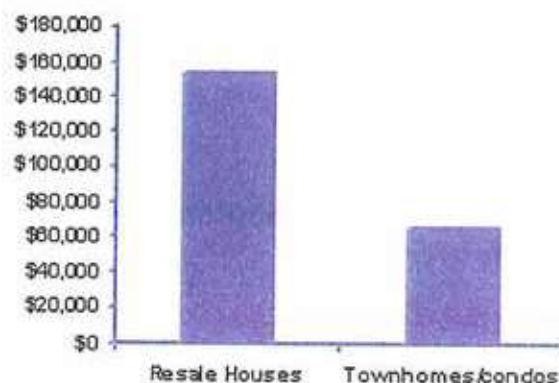
From July 1997 to July 1998, a total of 352 pre-owned homes were sold in Friendswood. Of the total, 341 were for single-family residences and only 11 were for townhomes or condominiums. The average sales price for the single-family unit was \$153,360 while the average price for the townhome or condo was \$66,282.

HOUSING UNITS SOLD 7/97-7/98



According to various data sources, the average new home sales price in 1998 has been around \$180,000. From 1990 to 1997, an annual average of approximately 200 single-family residential permits have been issued by the city. The single-family dwelling units per acre has been and is currently 2.4 which is significantly lower than the more common 3 to 4 units per acre. This indicates that overall, Friendswood is a very low-density single-family community.

AVERAGE SALES PRICE

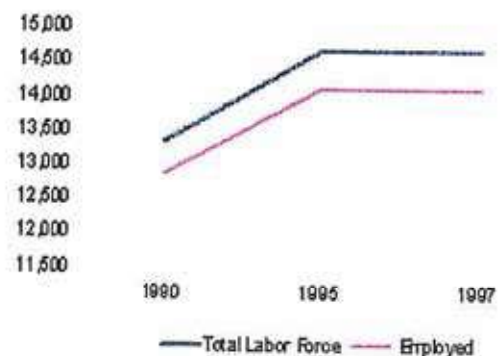


In summary, Friendswood has a high average housing value, a high development rate, is a low density residential community. When this view is combined with the shifts in population age (see population above) a proportionate lack of housing for younger and older households is indicated.

3.4.4 Work Force

Friendswood's civilian labor force grew significantly from 1990 to 1995 and has remained flat from 1995 to 1997. Since 1995, the city has maintained a total labor force of about 14,600 and an employed labor force of 14,400, which translate to an unemployment rate of about 3.8% for the time period.

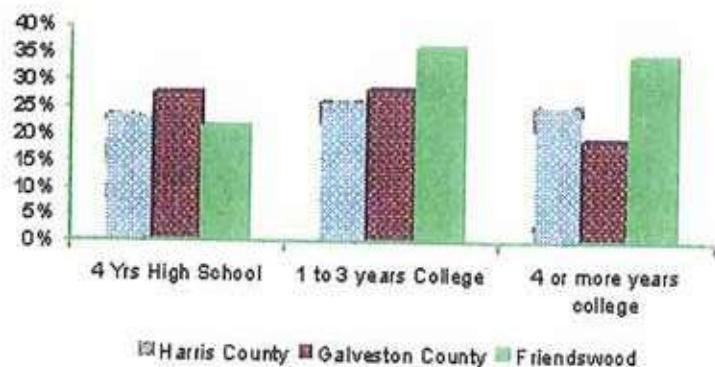
FRIENDSWOOD CIVILIAN LABOR FORCE



Friendswood's population is principally employed in executive, professional, administrative and sales occupations. Comparing employment by occupation from 1980 to 1990 for the city, certain shifts are revealed. These include an increase in the percentage of persons occupied in the executive, administrative & managerial (from 16% to 20%), technician (3% to 6%), services (5% to 8%), and transportation and materials (1% to 2%).

Decreases have occurred in sales (16% to 12%) and precision production (13% to 8%). Areas that have not changed include professional specialty (22%) and administrative support (16%). As indicated by the combined executive and professional categories of 42% (1990), it is apparent that Friendswood has a highly educated and highly skilled workforce.

EDUCATIONAL ATTAINMENT OF PERSONS 25 YEARS AND OVER IN 1990

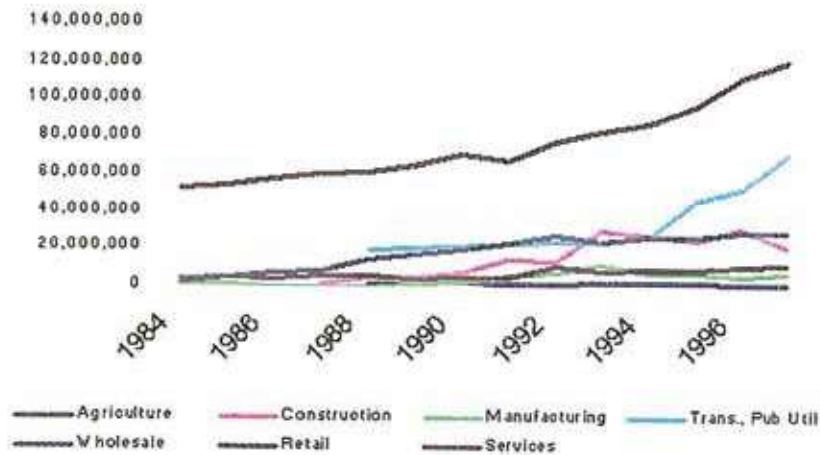


In summary, Friendswood has a fully employed and stable workforce that is highly educated. Its strengths are in the professional, executive and technical occupations and its declines have been in the sales and precision production occupations.

3.4.5 Sales

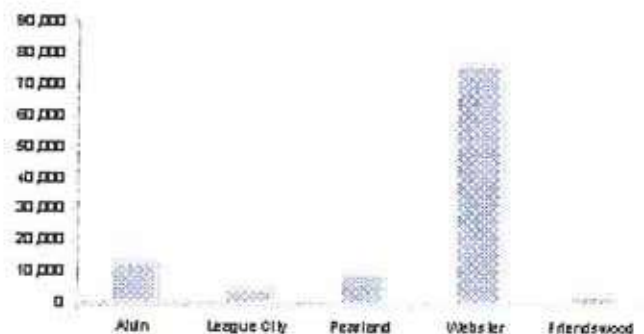
Sales data was gathered from the Office of the Comptroller for the City of Friendswood for the years 1984 to 1997. According to this data sales categories that have had aggressive growth include construction, manufacturing, and services, and those that have had moderate growth include transportation, wholesale and retail trade and service.

FRIENDSWOOD SALES BY INDUSTRY



The 1994 ratio of retail sales to population for the cities of Friendswood, Pearland, League City, Webster and Alvin indicates that Webster has by far the highest ratio (\$77,000 of sale per person) and that Friendswood has the lowest (\$3,288 of sales per person). The retail heart of these combined communities is located in Webster and the City of Houston (Baybrook Mall). However the ratio of retail sales in Friendswood as compared to Alvin, League City, and Pearland suggests that Friendswood loss of retail sales share is greater than it need be.

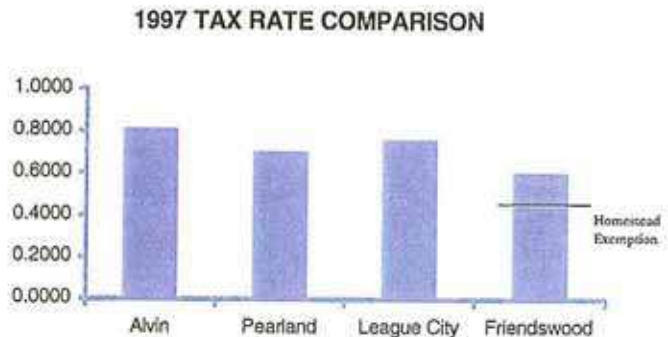
1994 RATIO OF RETAIL SALES TO POPULATION



In summary, Friendswood's retail, transportation, services and construction sales are growing in absolute numbers yet, retail trade is losing market share. This is evident in the vacancy of retail space that can be seen throughout the city.

3.4.6 Services and Taxes

Since 1970, the City of Friendswood has maintained a tax rate of about \$.60 per \$100 valuation. In comparison to the cities surrounding Friendswood, it has the lowest rate. When the homestead exemption adapted by Friendswood is taken into account, the effective tax rate is lowered further.



In summary, the city's challenge will be to maintain the high standard of services and infrastructure while sustaining continued development. Unless there is an increase in non-residential land uses, significant pressure will be felt on the favorable tax rate enjoyed by the community.

3.4.7 Transportation

Friendswood is not directly served by interstate, or major regional arteries. However, it does have multiple entryways from these regional thoroughfares. Each of the entryways off Interstate 45 (FM's 2351, 518, and 528) have between 27,000 and 35,000 vehicles per day and have maintained an average annual growth rate of between 5 and 6.5% from 1990 to 1996.

The section of Friendswood Drive that passes through the heart of the city is congested with significant impact at stop lights and turning lanes, especially at peak hours.

The city is not served by rail or water.

3.4.8 Quality of Life

After all is said and done, quality of life is what Friendswood is all about. It is the reason for its continued growth and prosperity. It is the asset that citizens are concerned will be compromised by continuing development. And it is what must be preserved by plans for the future.

The primary focus is Friendswood's single family residential neighborhoods. They range in age, character, and density. But average densities are low (2.1 units per acre) and values are high (\$150,000 resale in 1997). The combination of open natural environment (drainage ways, parks, and open land), excellent schools, low crime rate and cultural heritage distinguish Friendswood among other local bedroom communities.

Several factors detract from this otherwise attractive picture. Friendswood's distinctive identity is threatened as urban sprawl continues in surrounding communities. It lacks a sense of arrival both at its boundaries and at its heart. The city lacks a strong retail and

business center. The scattered and generally weak retail areas do not reinforce one another. This contributes to the lack of the retail and business services that are appropriate to a community of the size and quality of Friendswood.

3.5 Target Markets

If non-residential land uses are to be increased it is necessary to identify those businesses and industries that are compatible with community goals and objectives that will do well in Friendswood. These are the business enterprises that the community can expect to successfully promote in order to improve its tax base and increase the retail services available to residents. The promoting of these businesses may include retaining and expanding existing, as well as attracting new businesses. Location, facilities, and business conditions required by each business type varies. By identifying those businesses most likely to succeed in Friendswood we can focus our promotional efforts on the factors most likely to produce results.

Target Markets were based on analysis of the community as seen from the marketplace (see 3.4 above). In addition, input gathered from the workshop process has been included in the process of identifying market targets appropriate to Friendswood. The areas include retail and business and light industry. Residential targets were not included. The single family residential market is thriving and needs no further encouragement. Other residential housing types were discussed during the study but discarded as the community desired to retain the housing patterns that are currently being developed. Other target market areas may immerge depending on the build-out direction the community takes. The primary target markets are described below.

3.5.1 Retail Targets

Friendswood's supply of existing retail businesses is significantly behind the ratio typical of bedroom communities. When the buying power of the community is considered, this becomes even more unusual. The concentration of retail around the mall (outside of Friendswood) is the principal factor producing this effect. The vacancy rate (as well as the rate of underutilized) of retail properties indicates that existing retail is struggling. Nevertheless there is room to improve Friendswood's share of the retail marketplace. The following summarizes these recommended target markets.



VISION 2020
Strategic Vision for Friendswood, Texas

TARGET MARKETS

- **RETAIL - Recapture Segment of Retail Tax Base (ad valorem and sales)**
- **Community and Neighborhood Retail (general merchandize, apparel, furniture, building materials)**

Beach Ramirez

It is reasonable to believe that Friendswood can develop a plan to recapture a segment of the retail tax base (both ad valorem and sales) that it is currently losing to its immediate neighbors. This can be accomplished through focusing on community and neighborhood retail. These retail areas have been identified as under serving the community. In addition, we have observed that much of the existing inventory in the retail corridors is scattered, is obsolete, and has access and egress problems. Concentration of retail so that it generates and feeds off a concentration of customer traffic is critical.

3.5.2 Business and Light Industry Targets

The community assessment also indicated an opportunity to capture new business and light industry. Given the available land that has been designated for business and industry, its attractive locations (relative to the regional primary and heavy industries that are nearby), the skill and educational levels of the available workforce (both in Friendswood and in the area), and the role Friendswood can play in the regional economy, we have developed a list of target industries suitable to Friendswood.

Analysis
Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

TARGET MARKETS

- **BUSINESS & LIGHT INDUSTRY -**
*Increase in Community
Employment Opportunities and
Improve Tax Base Mix*
- **Attraction of Light Industry** (trucking,
warehouse & distribution, small metal
and wood fabrications, and precision
fabrication)



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Analysis
Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

TARGET MARKETS

- **BUSINESS & LIGHT INDUSTRY -**
*Increase in Community
Employment Opportunities and
Improve Tax Base Mix*
- **Expand and Attract Professional
Services** (health care, legal, financial,
engineering and construction)



Beach
Ramirez

Attracting these businesses and industries can increase the communities employment opportunities and improve the tax base mix. Light, clean industries, and professional service businesses should find Friendswood an attractive location and should be welcomed in a community sensitive to both life style quality and tax base issues.

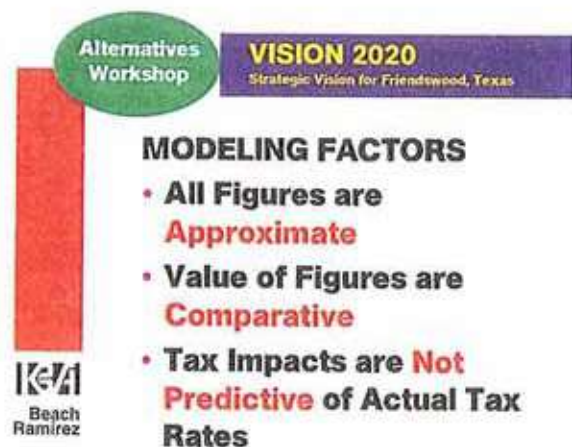
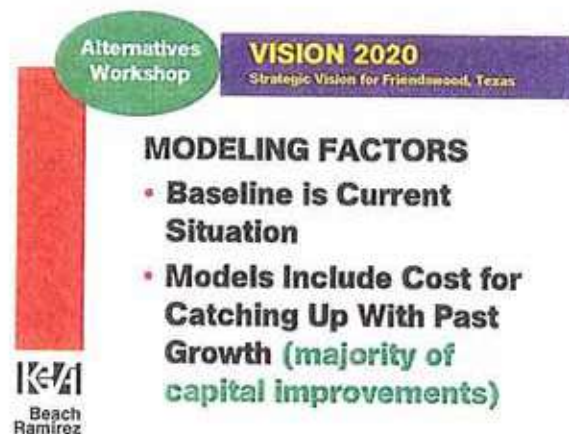
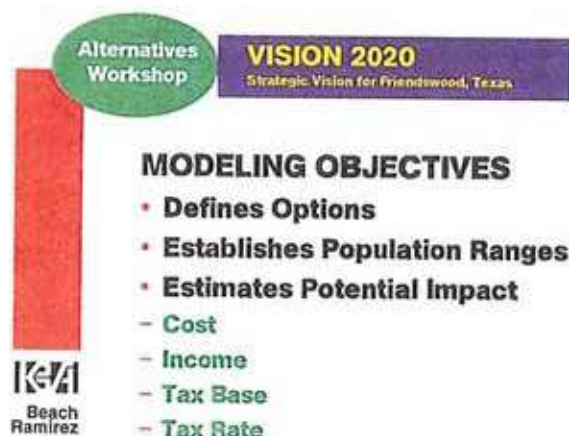
Section 4.0

COMMUNITY DEVELOPMENT ALTERNATIVES

A significant feature of the study was the development and analysis of various build-out scenarios. These models provide an evaluation of alternate assumptions regarding the continued development of Friendswood.

4.1 Community Development Models

The process of developing and evaluating community development models involved three iterations and two workshops. The first set of models were developed and presented at the Alternatives Workshops (See Appendix) based upon the outcome of this workshop, a second set (focusing on the selected alternative) was developed and presented at the Vision Workshop. Here a new concept was injected. A final model set was then prepared for inclusion in this report.



The process of developing a Vision for the ultimate development of Friendswood began in the Analysis Workshop with the participants defining the most important elements to incorporate in Friendswood's continued growth.



The above was used to guide the development of five basic scenarios for the continued development of Friendswood. These alternatives were presented at the Alternatives Workshop (See Appendix). These scenarios compare the probable outcome of developing the remaining land in accordance with a range of assumptions. These assumptions are as follows;

4.1.1 Maintain Current Pattern – This model assumes that the ratio of residential to non-residential land uses (84% / 16%) will remain the same as existing development. (This is what the marketplace has produced).

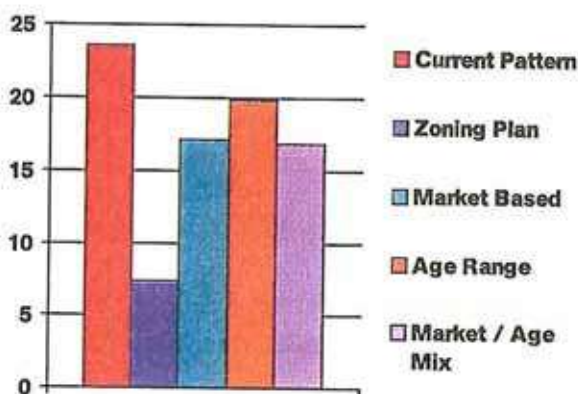
4.1.2 Follow Zoning Plan - This model assumes that remaining land will generally be developed in accordance with the Zoning Plan (which allocates undeveloped land on a 73% / 27% basis).

4.1.3 Market Based – This model responds to concerns that the marketplace will not support the non-residential uses scheduled in the zoning plan and assumes a 80% / 20% split.

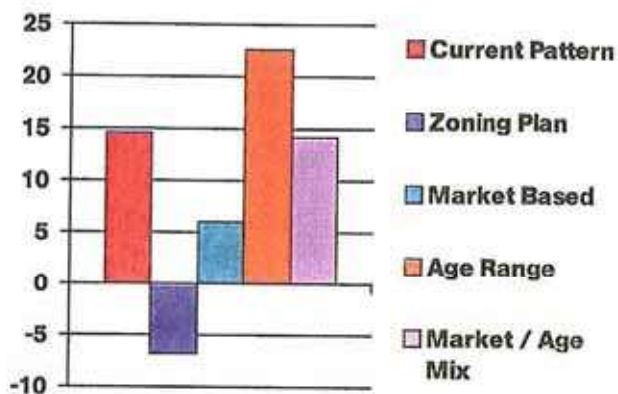
4.1.4 Accommodate Age Range – This model assumes that additional housing aimed at accommodating younger and older residences are to be factored into the mix. It allocates 80% of the residential land included in Maintain Current Pattern (4.1.1) to these higher density residential areas.

4.1.5 Market and Age Range Mix – This model is similar to Accommodate Age Range (4.1.4) except it uses the Market Based (4.1.3) model as it's base.

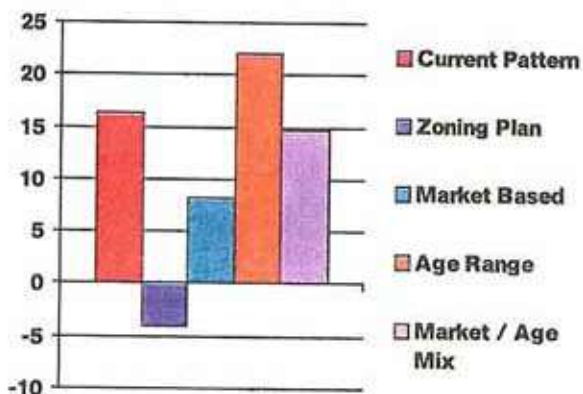
The following summarizes impact of these scenarios on the build out population and upon critical factors that impact property taxes. *These figures are not an estimate of tax increase or decrease but the degree of impact (compared with current conditions) on critical factors that contribute to the tax rate.*



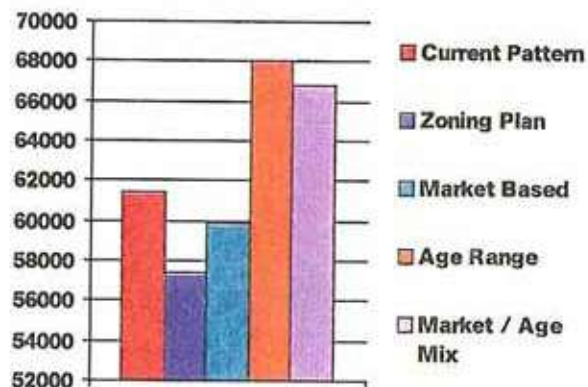
Relative City Tax Impact



Relative School Tax Impact



Relative Aggregate Tax Impact



Population at Build Out

The participants in the Alternatives Workshop selected the Zoning Plan(4.1.2) model over the Market Based (4.1.3) scenario by a three to one majority with only a few votes going to other alternatives.

Based upon the results of the Alternatives Workshop the planning team sought to reconcile the selected model with the realities of the marketplace. The result of adopting a plan that anticipates a significant increase in volume of non residential land uses is that if the marketplace will not support the plan the actual impact will be similar to the Maintain Existing Patterns (4.1.5) scenario.

The chart to the right (Vision Workshop –See Appendix) addresses the feasibility of potential non-residential land development. Increasing the land area committed to commercial purposes will require aggressive action by the community. Without taking some additional action it is likely that approximately 1,000 acres of the 1,456 acres zoned for commercial uses will remain undeveloped at the time the residential land builds out. We estimate that with a well organized economic development program the City may be able to attract up to 900 acres of retail, office, and light industrial development during the time that the land zoned residential is developed. This will leave approximately 556 acres of land vacant at the time that residential land is fully developed.



During the Vision Workshop a new concept was introduced by a participant. The concept involves the City acquiring vacant land to increase the amount of open space that is retained at build out. The participants of the workshop indicated an interest in seeing this concept explored further. The following charts compare the results of this evaluation. The alternatives are as follows:

See **4.1.1** *Maintain Current Pattern* on page 5 - 2

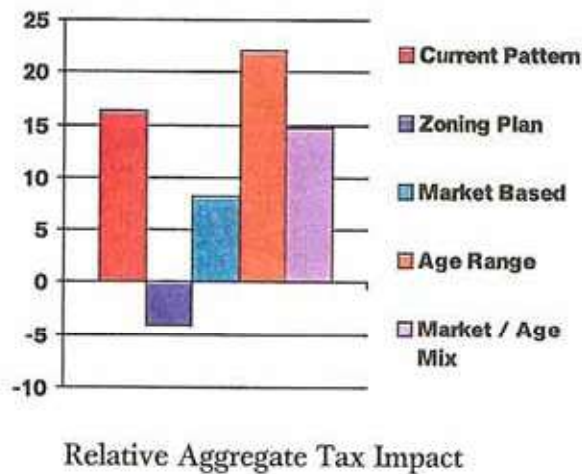
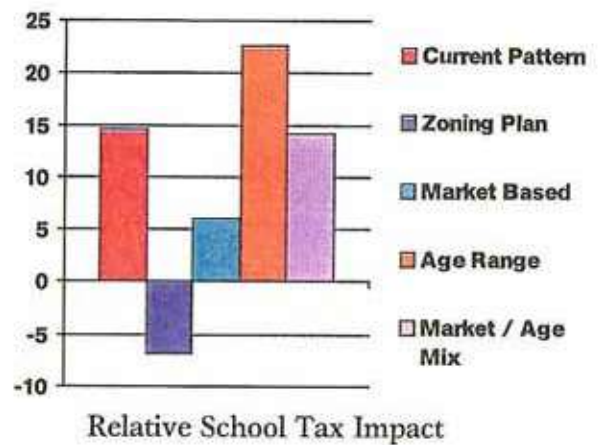
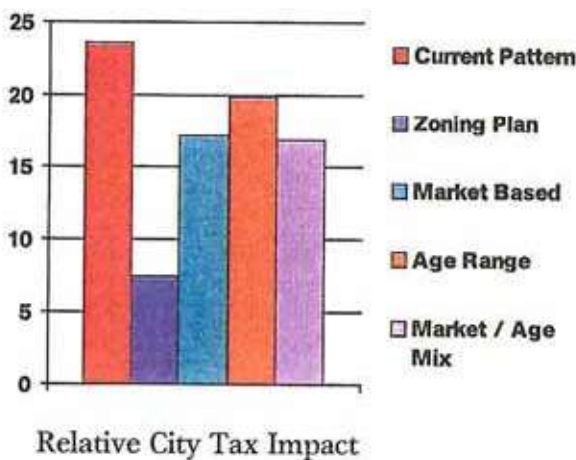
See **4.1.2** *Follow Zoning Plan* on page 5 - 2

4.1.6 Modified Zoning Plan. Following the land use allocation in the zoning plan with an aggressive program to retain, expand and recruit new business and light industry to the community (See Target Markets) and with the understanding that approximately 556 acres zoned for commercial and industrial uses will not be absorbed during the time that the residential land is built out.

4.1.7 Modified Zoning Plan with City Purchase of 556 Acres. This scenario assesses the impact of the City acquiring enough land (taken entirely from the non-residential category) to bring the demand for residential and non residential land into balance.

4.1.8 Modified Zoning Plan with City Purchase of 1000 Acres - This scenario assess the impact of the City acquiring enough land (taken entirely from the non-residential category) to be supported by the current level of demand for commercial and industrial land.

The following charts estimate the relative impact related to these assumptions



4.2 Summary of Development Scenarios

If Friendswood's growth continues with 84% of the land use devoted to residential development, there will be significant upward pressure on taxes or correspondingly pressure to reduce the level of services provided to the community.

The existing zoning calls for approximately 27% of the balance of the undeveloped land to support retail, office and light industrial uses. Achieving this level of non-residential uses would eliminate pressure on tax increases and service reduction. And the ultimate population will be about 57,400 persons. The problem is that the marketplace is not currently demanding land in Friendswood in proportion to the zoning distribution.

Ultimately land zoned for non-residential uses can be absorbed but the rate of development for commercial and industrial land will not keep pace with the continued development of housing. Unless other steps are taken, the residential land in Friendswood will be developed before the non-residential land. If this happens, at most points along the way to ultimate build out the scenario will more closely resemble the *Current Patterns* than the scenario that has been selected as the preferred model. Unless something changes, the build out of commercial and industrial land will be the last phase of Friendswood's development. As build out approaches there will be pressure upon the City to rezone land for residential purposes to meet the market demand. In addition, as land becomes scarce the value of land will rise and place pressure on the City to allow higher density residential development in order to support the higher land prices.

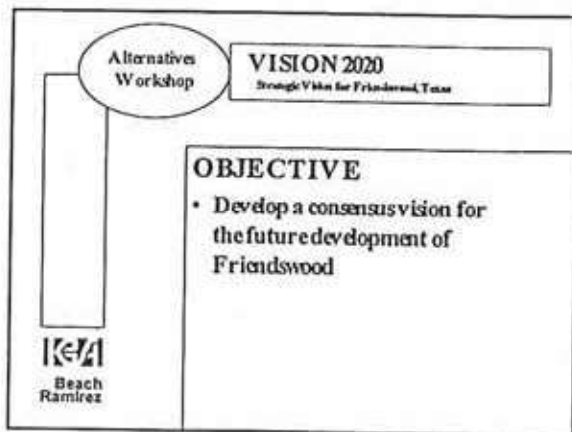
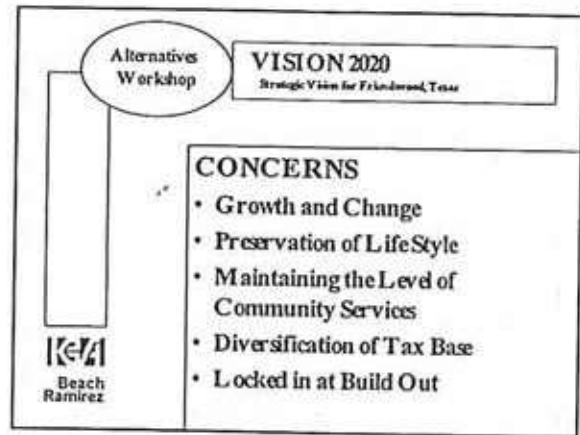
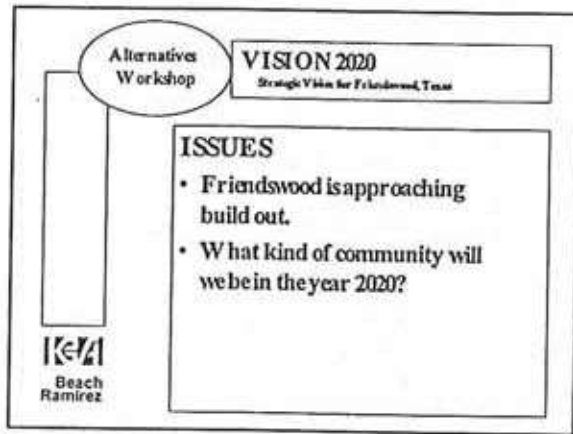
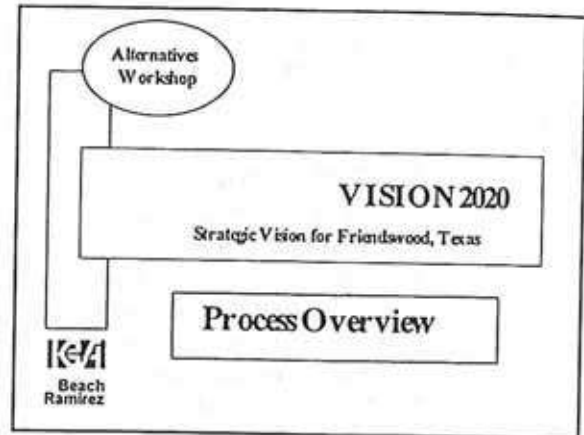
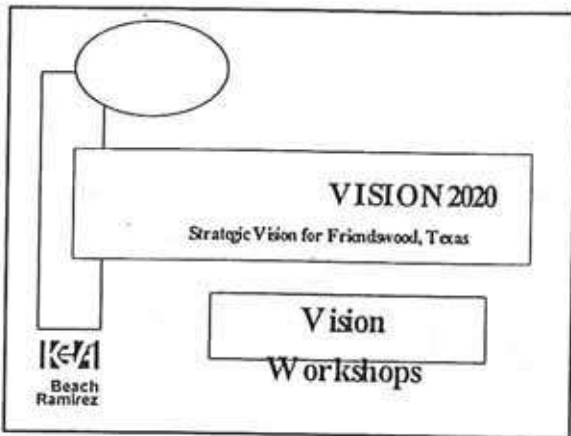
The solution to this dilemma is to aggressively recruit new business and industry to Friendswood. While there are both marketplace and community sensitivity limitations to the types of business enterprises that can be successfully recruited, a well focused but aggressive economic development program is critical to maintaining taxes and services at desirable levels.

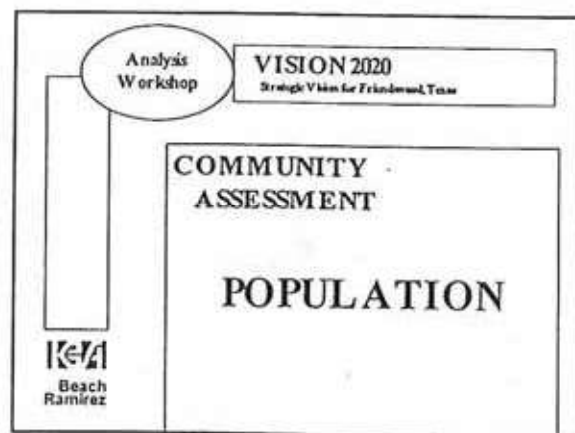
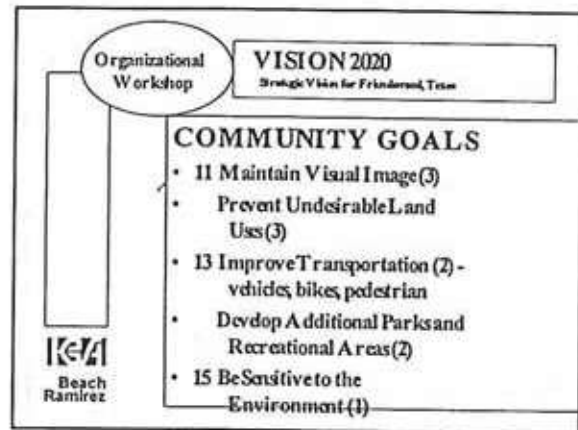
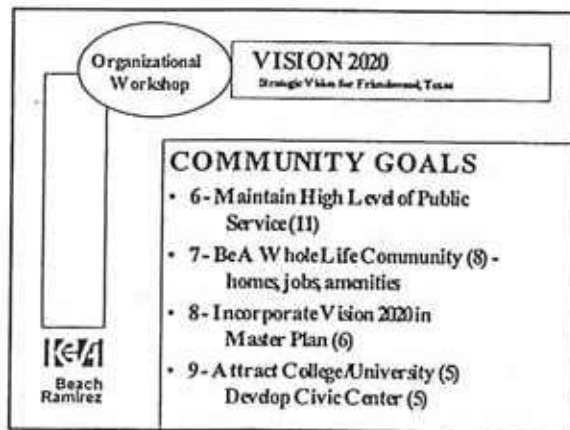
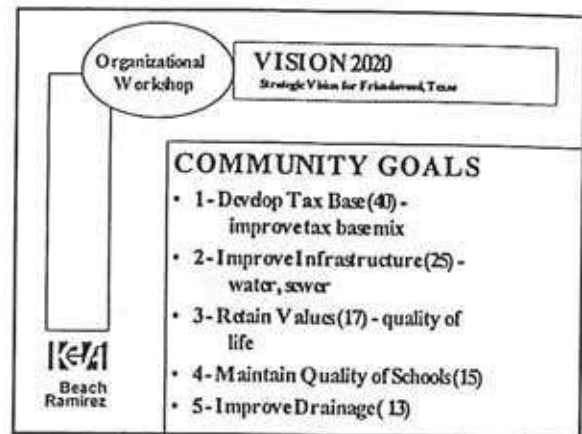
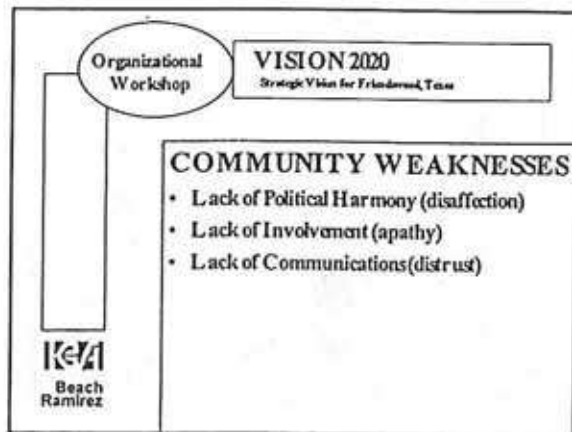
The modified zoning plan assumes such a program and projects modest pressure on taxes and services as the city grows.

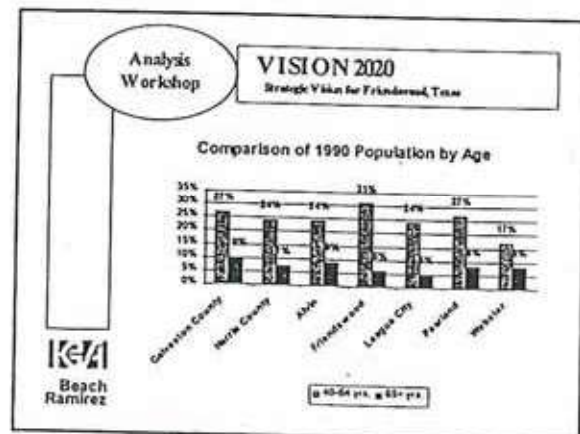
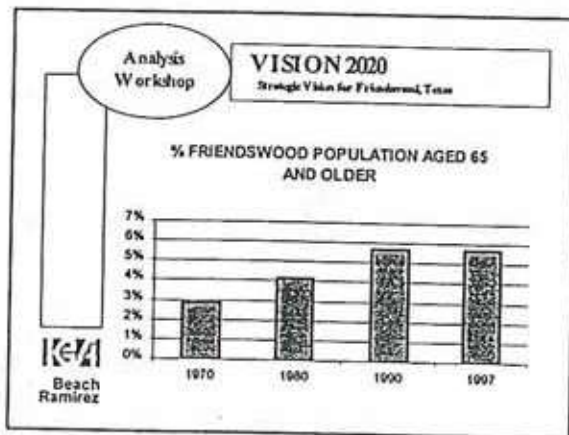
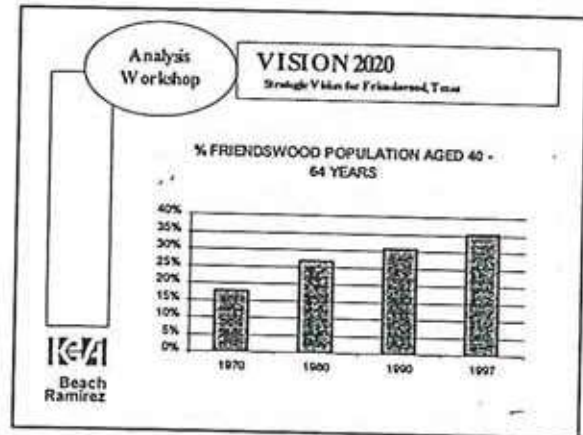
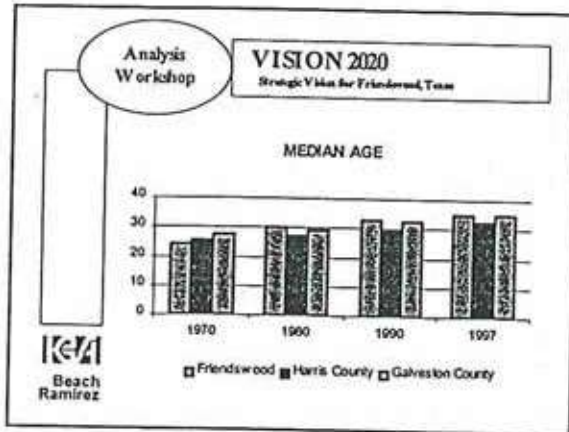
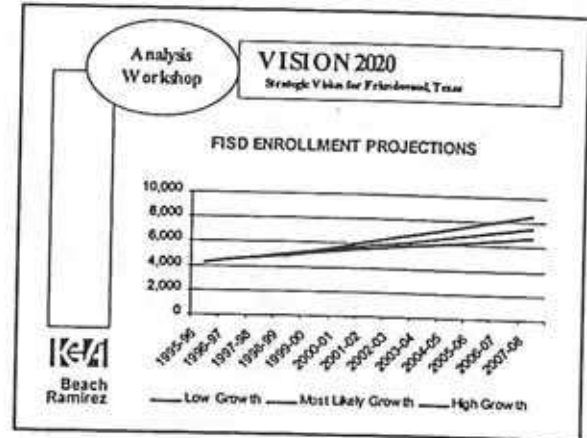
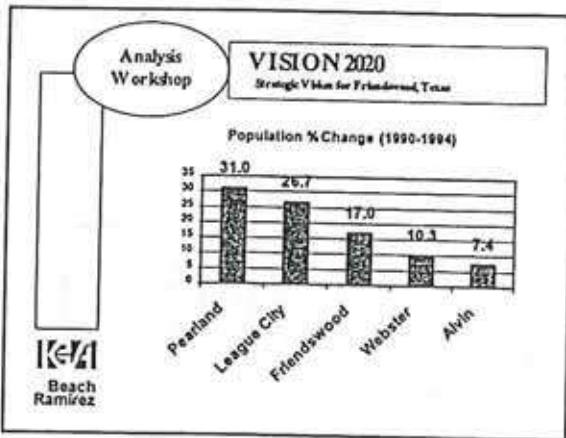
Finally, at the last workshop, a participant suggested that the city acquire vacant land (in addition to the land already committed to passive uses) in order to preserve open land and reduce the ultimate development of the community. This participant suggested that this might reduce costs by avoiding the construction and operation of new schools.

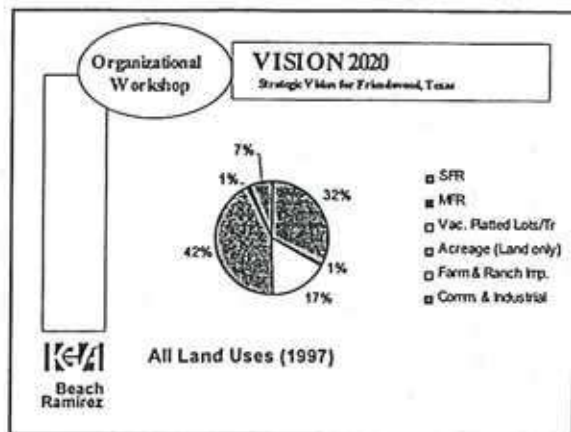
Such a plan has a double impact on city taxes. It adds the cost of land purchase to the cost side of the equation (we assumed an average of approximately \$35,000 per acre) and removes property from the tax rolls. In the case of the schools, it reduces the tax rolls while also reducing the number of students to be served.

After evaluating the marketplace, it would appear the impact of reducing the land available for development will fall disproportionately on the non-residential side of the land use mix. The









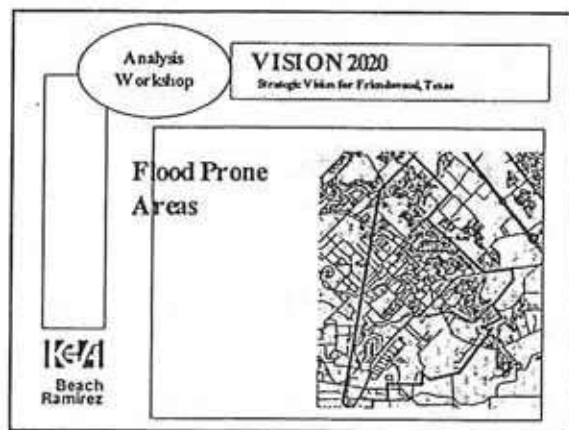
Analysis Workshop

VISION 2020
Strategic Vision for Friendwood, Texas

LAND USE (Adjusted City Data)

	Developed	Net Avail
SFR	5790	3600
MFR	433	420
Comm	527	563
Ind	9	890
Totals	6759	5473

K&A
Beach Ramirez



- Analysis Workshop**
- VISION 2020**
Strategic Vision for Friendwood, Texas
- LAND USE SUMMARY**
- SFR Dominate
 - Land is available
 - Zoning Increases Non-Residential Land Uses
 - Build Out Capacity Will Vary With Development Scenarios
- K&A**
Beach Ramirez

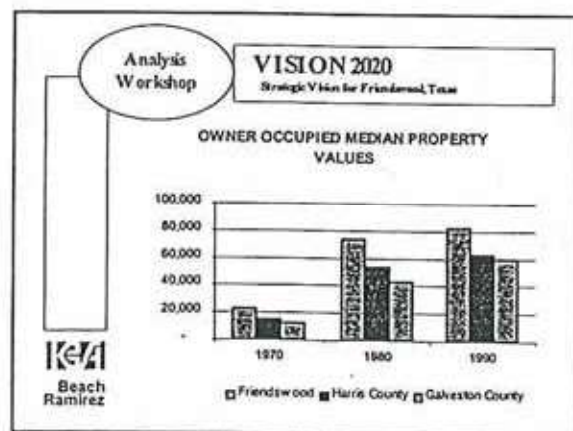
Analysis Workshop

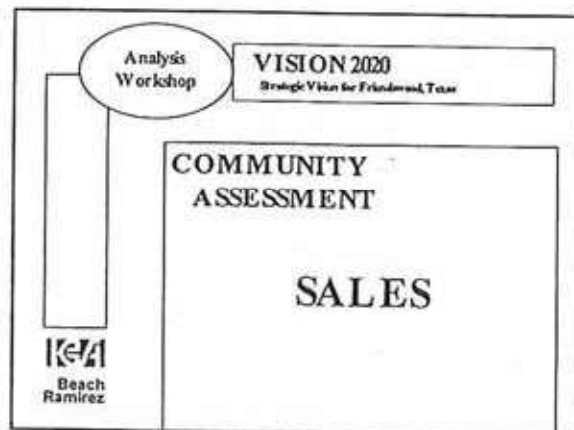
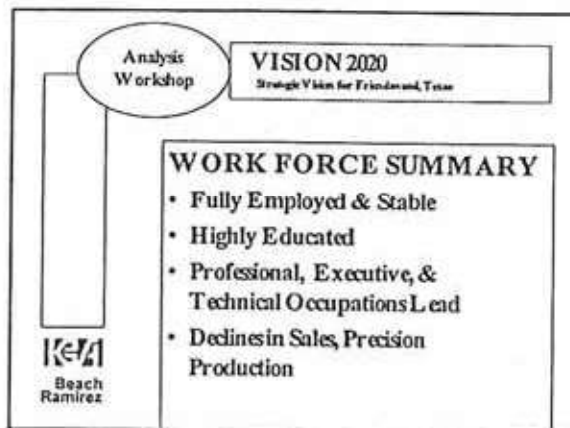
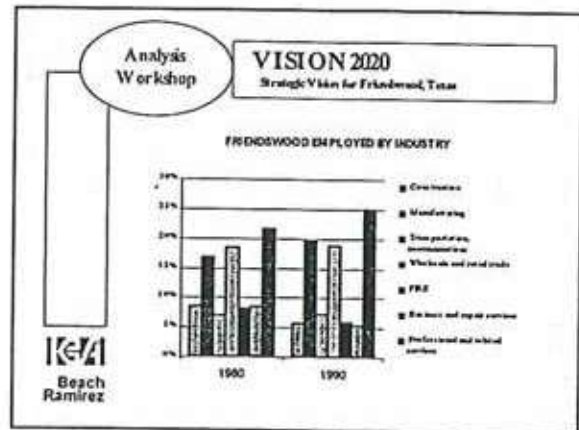
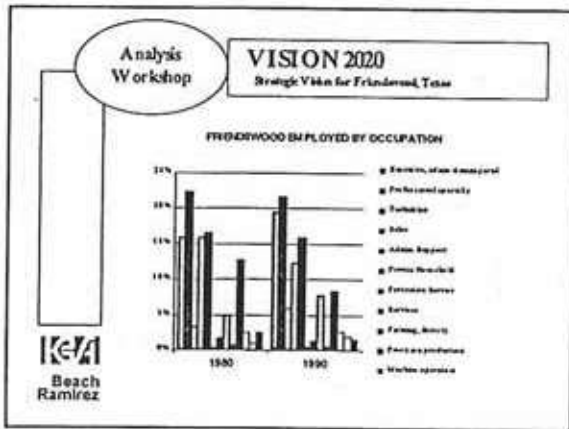
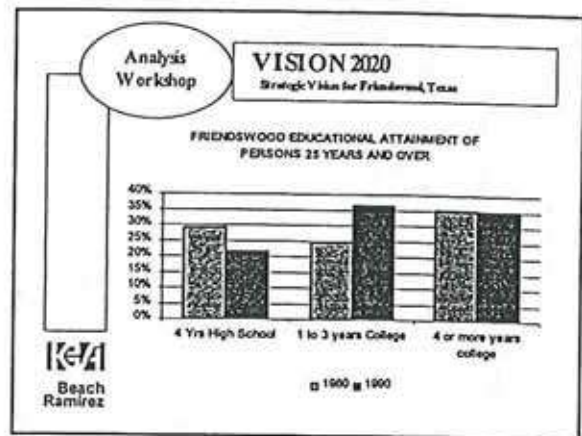
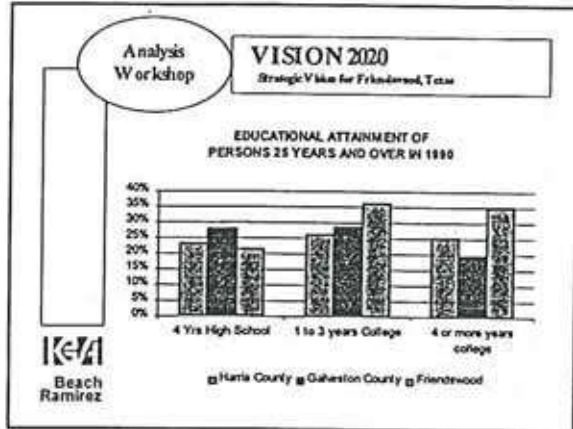
VISION 2020
Strategic Vision for Friendwood, Texas

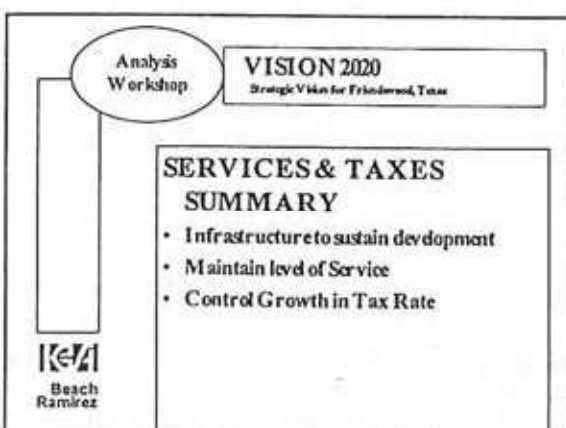
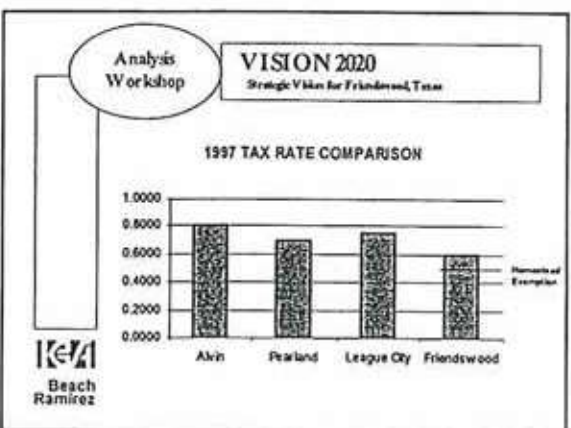
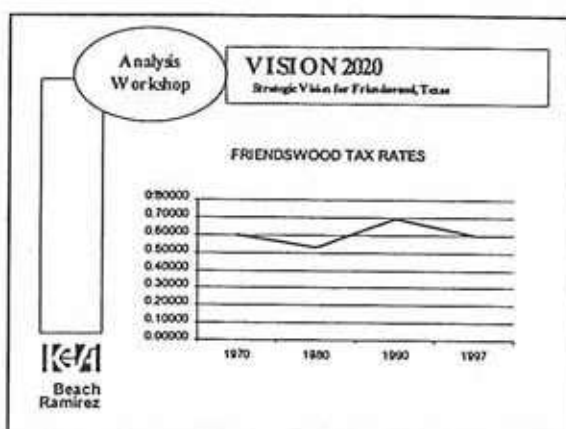
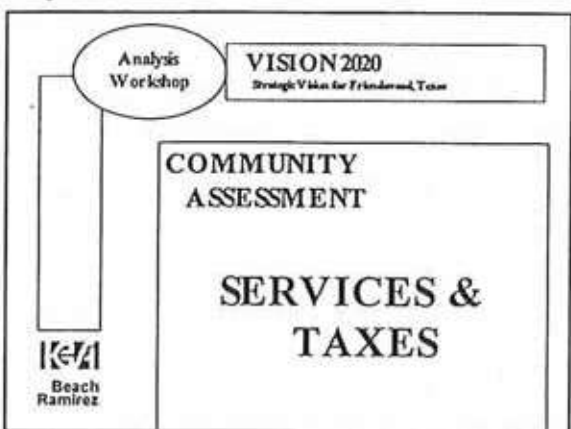
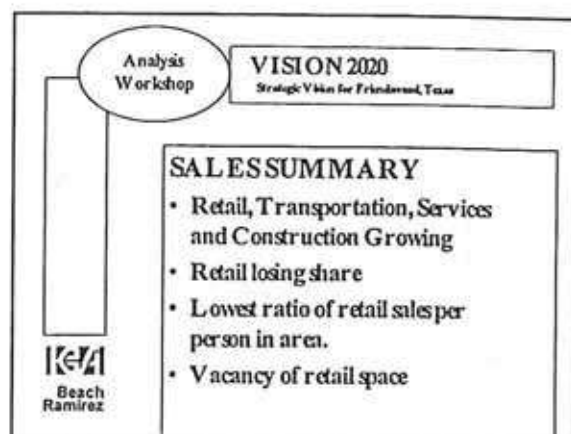
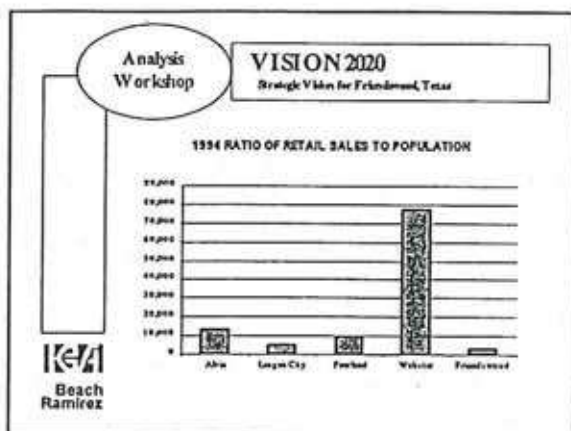
COMMUNITY ASSESSMENT

HOUSING

K&A
Beach Ramirez







Organizational Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

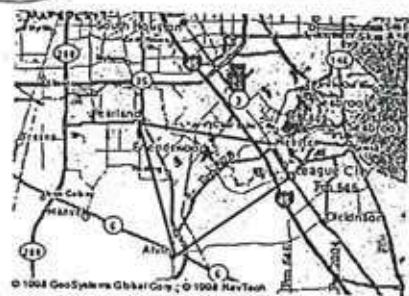
FRIENDSWOOD IN CONTEXT

- Part of 13 County HGAC
- Part of 8 County CMSA
- Located at Junction of 3 Counties
- Part of Harris and Galveston County Economies
- Part of 5 Community Cluster (with Alvin, Pearland, League City, Webster)


 Beach Ramirez

Analysis Workshop

VISION 2020
Strategic Vision for Friendswood, Texas




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Analysis Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

FRIENDSWOOD IN SUMMARY

- Growth Location
- 30,500 Residents (1997)
- Premier Lifestyle Community
- A Affluent Population
- Traditional Heritage
- Conservative Outlook
- 4.8% Annual Growth Rate (90-97)


 Beach Ramirez

Analysis Workshop

VISION 2020
Strategic Vision for Friendswood, Texas

FRIENDSWOOD ISSUES

- Narrowing of Age Distribution
- Ultimate Capacity
- Maintaining Services
- Maintaining Favorable Tax Rate
- Retail Loss
- Tax Base Mix
- Changes to Friendswood Ave
- Community Disharmony


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Analysis Workshop

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Strategic Vision for Friendswood, Texas

Target Markets


 Beach Ramirez

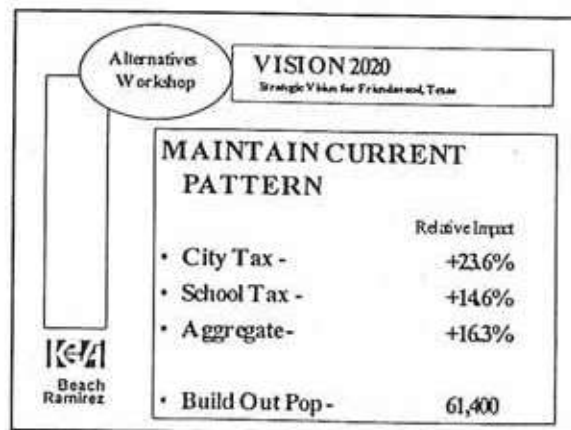
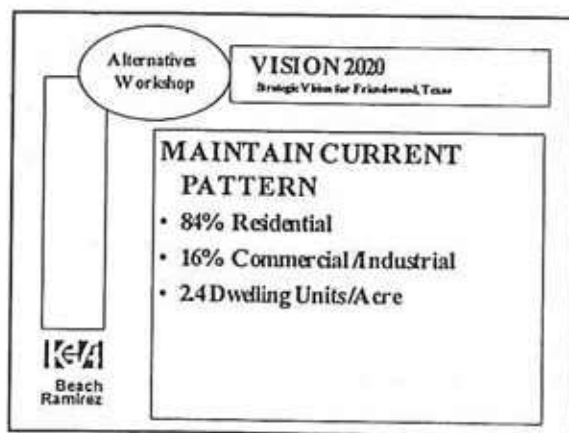
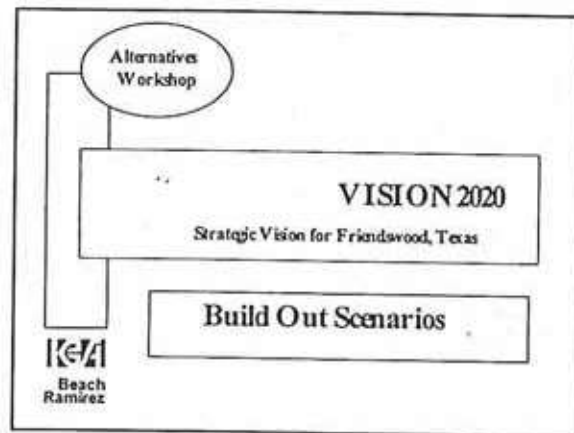
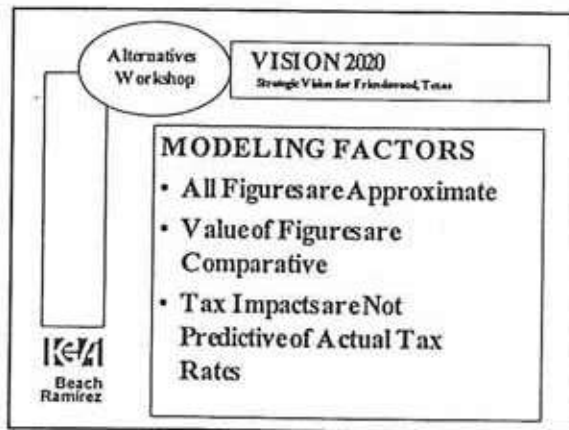
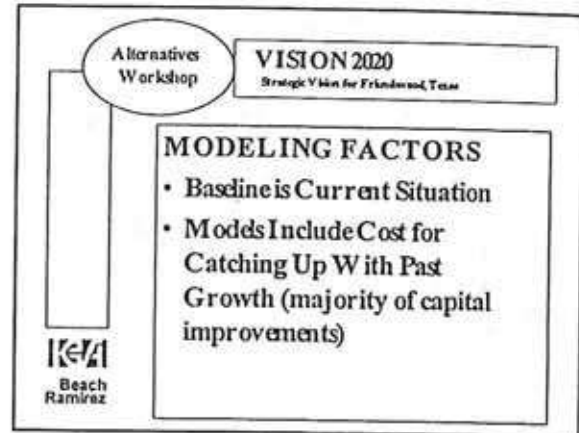
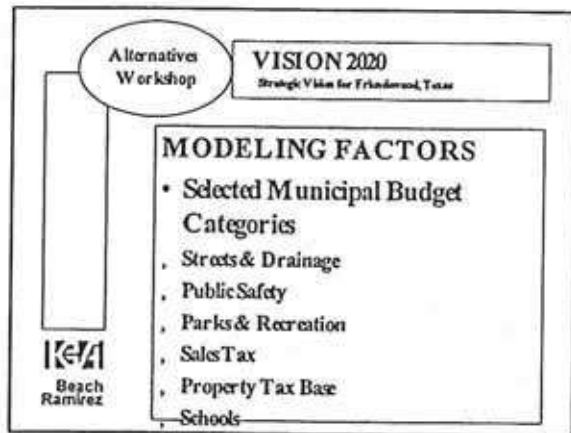
Analysis Workshop

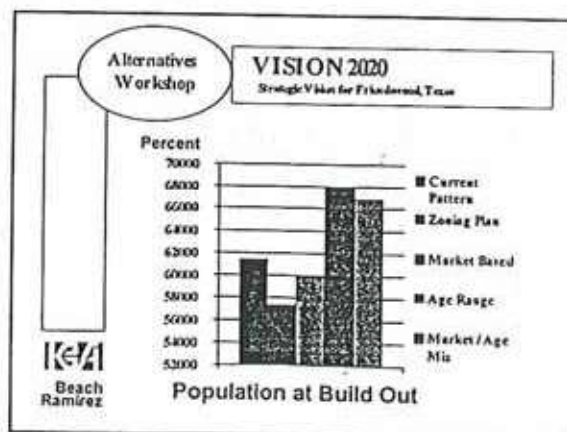
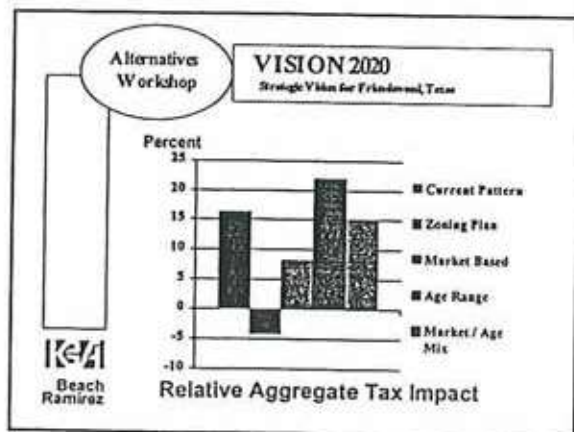
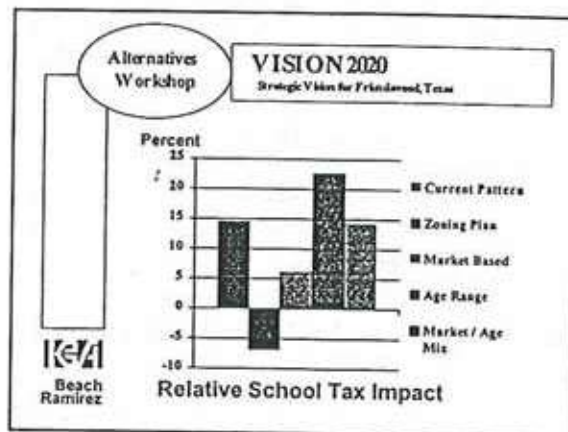
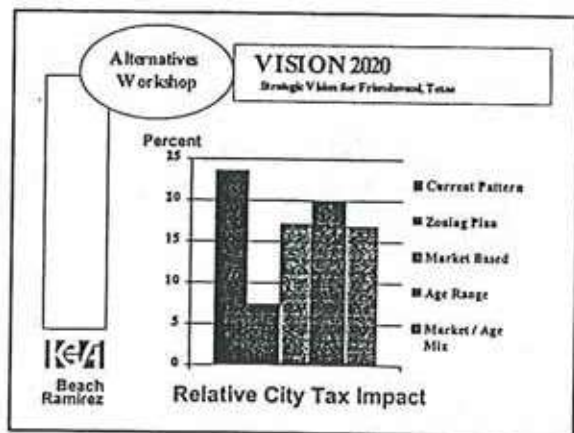
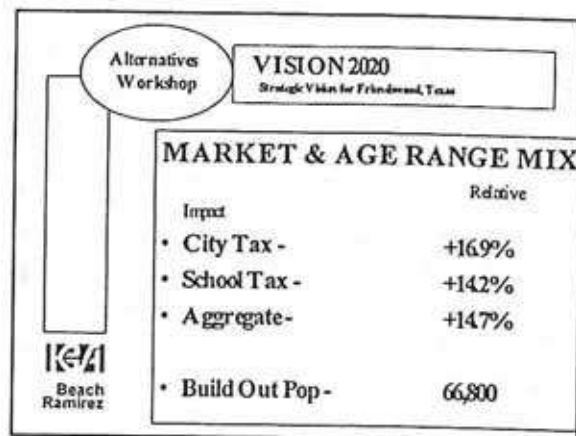
VISION 2020
Strategic Vision for Friendswood, Texas

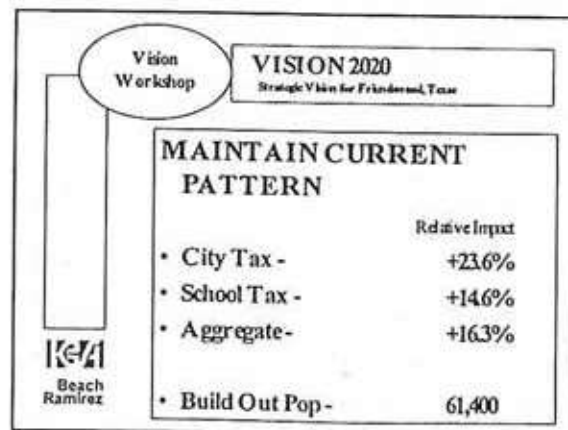
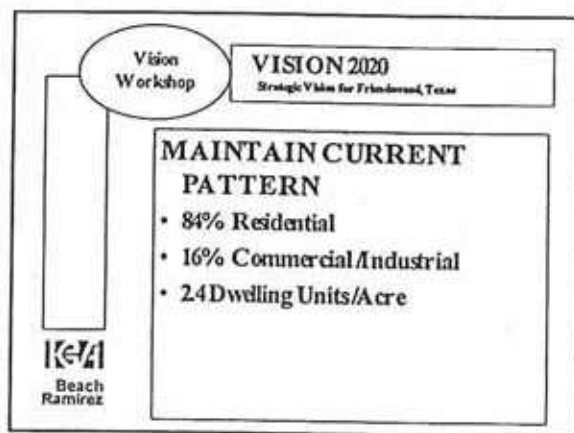
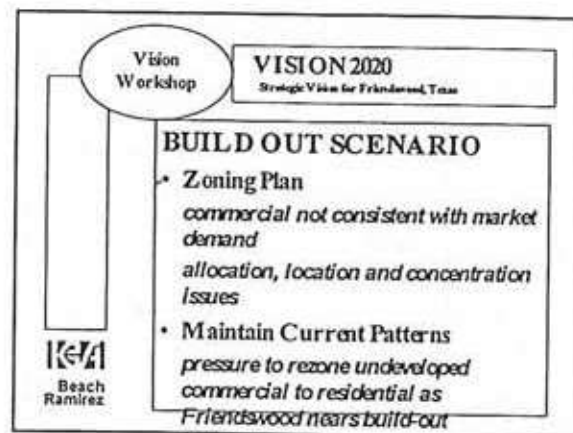
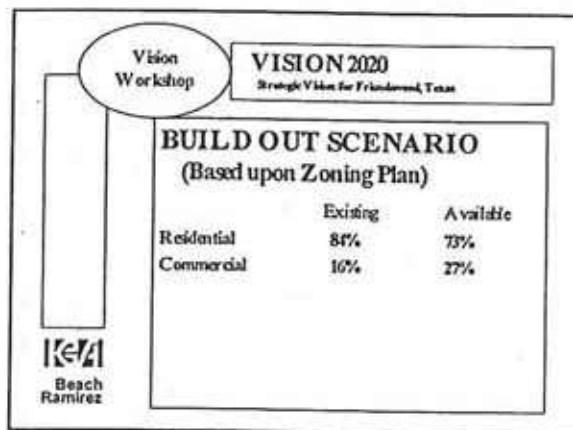
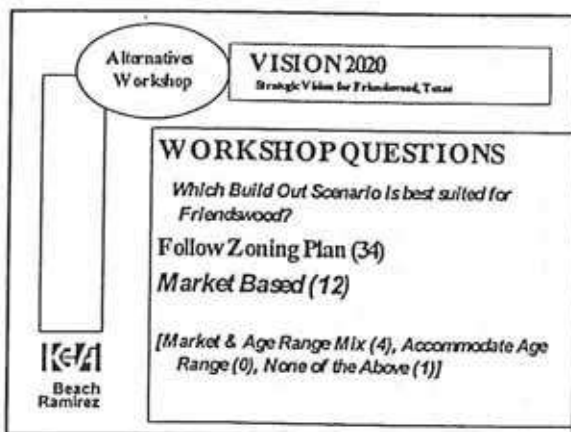
TARGET MARKETS

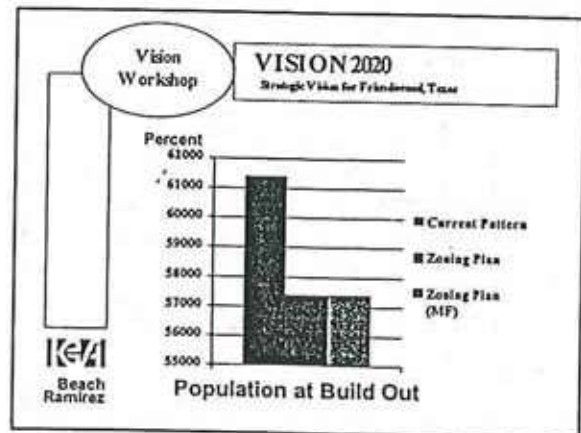
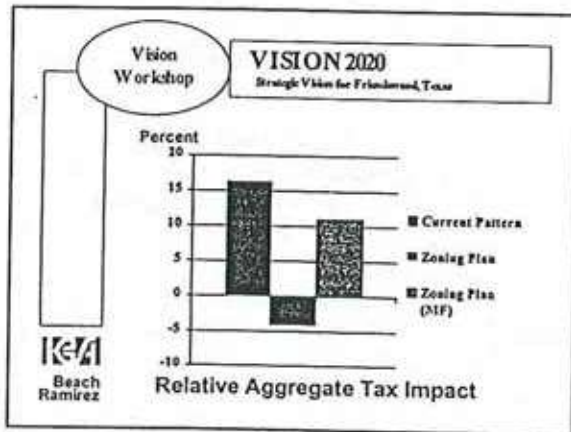
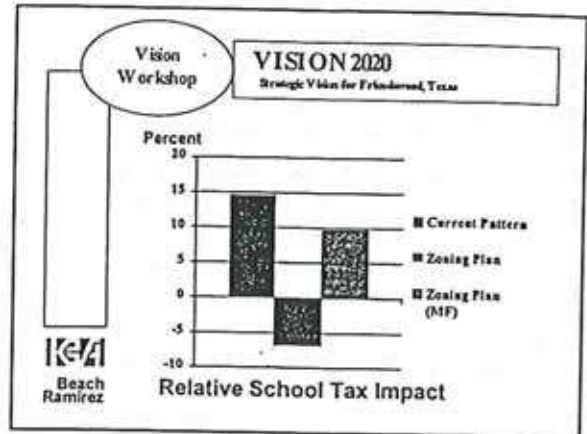
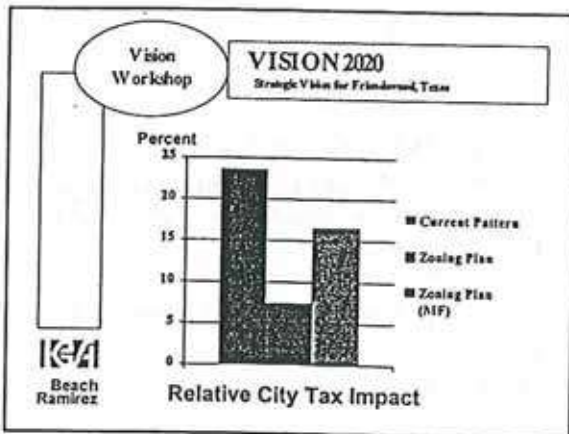
- RESIDENTIAL - Provide for wider age distribution in population
- Additional Higher Density SFR Development (\$100k - \$140k range)
- Additional Upscale Low Density MFR (up to 10 acre)


 Beach Ramirez









Vision Workshop

VISION 2020
Strategic Vision for Frickland, Texas

VISION 2020 (build out)

- *Maintain High Level of Lifestyle Amenities and Services*
- Open Space and Image
- Parks and Recreation Areas
- Thoroughfares
- Infrastructure and Drainage
- Public Safety
- Schools

Beach Ramirez

Vision Workshop

VISION 2020
Strategic Vision for Frickland, Texas

VISION 2020 (build out)

- *Maintain High Level of Lifestyle Amenities and Services*
- **IMPLICATIONS:**
- Capital Improvements and Operational Expenditures (Infrastructure, Parks, Public Safety, Schools)
- Interagency Coordination (Thoroughfares, Drainage)

Beach Ramirez

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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Present an update regarding the Spring Sparkle clean-up event.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Total tonnage 88.84

37,647lbs of shredding
\$759.15 for the garage sale
710 cars drove through

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Present an update regarding the Friendswood Public Library Summer Reading Programs.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Friendswood Library's Summer Reading Program, Tails and Tales, will officially launch on Tuesday, June 1st with a drive-through event from 6-8pm in the library's parking lot.

Several library events will also be held at the Evelyn Newman Amphitheatre in Centennial Park throughout the summer. Patrons can pre-register for the summer reading programs on the library's Beanstack app or website (friendswood.beanstack.org)

Library employee Brenda Feaster was on the Collaborative Summer Library Program committee (CSLP) that developed the nationwide Tails and Tales summer reading program.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/22/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Present an update regarding the Keep Texas Beautiful 2021 Governor's Community Achievement Awards.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Keep Friendswood Beautiful has won the Keep Texas Beautiful 2021 GCAA award for Category 7 (populations 40,001-65,000)!

TXDot will be funding a \$250,000 project for Friendswood along any state right a way within city limits, similar to the median project that was funded by our 2015 award. This will be the second time KFB has won this coveted award.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Present an update regarding Hurricane Harvey.

Originating Department: City Manager

Degree of importance: Critical

SUMMARY / ORIGINATING CAUSE

Hazard Mitigation Grant Program - Buyouts/Acquisitions

- 24 properties included in the initial application
- 4 properties have closed, 1 more scheduled to be closed in early June
- 1 property is still pending
- 18 properties declined offers
- Demolition services are complete for the properties have been closed upon
- Working with property owner at 706 N. Clear Creek Drive about possible buyout

Texas Water Development Board - Flood Mitigation Assistance Grant

- 4 properties included in the initial application
- 3 properties closed
- 1 properties have declined offer
- Demolition services are complete

CDBG-Disaster Recovery (Harris County)

- Blackhawk Facility (old Food Lion) has been closed upon and reimbursement received, soliciting services for emergency shelter renovations; engineering services contract being awarded
- Engineering and environmental services continue for the Forest Bend Detention Project

CDBG-Disaster Recovery (Galveston County)

- Engineering services continue for the utility line burial

- Internal project management acquisition services continue (Deepwood and Frenchman's Creek); appraisals being scheduled

FEMA Disaster Assistance

- Complete, awaiting final reimbursement

CDBG Mitigation Applications

- Awaiting response from the GLO on our application submitted last October

Property Acquisition

- Engineering staff working on the acquisition of property currently along Clear Creek that were not eligible for federal dollars

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Present an update regarding the Coronavirus Disease 2019 (COVID-19).

Originating Department: City Manager

Degree of importance: Critical

SUMMARY / ORIGINATING CAUSE

As a result of the Coronavirus, staff has implemented and continues to follow our *Continuity of Operations* and *Pandemic Plans*:

- Continue to monitor the pandemic;
- City facilities opened to the public;
- No businesses have been closed by the City of Friendswood due to COVID
- No citations have been issued by the City of Friendswood relative to compliance with Governor Abbott's Executive Orders
- Disinfecting workspaces and vehicles continue;
- Extended screening protocols for public meetings, previously applicable only to staff, to all participants
- Received reimbursement of eligible expenditures under the CARES Act
- Received notice of additional COVID fund allocation for Friendswood, but awaiting details; \$8.78M
- Participating in State and County level calls for vaccine distribution

A Public Health Event Declaration has been made in accordance with the *Pandemic Plan*.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 03/01/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive the annual report for the Animal Shelter Advisory Committee.

Originating Department: Police Department

Degree of importance: Choose an Option

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. 2020 Animal Control Annual Report

Friendswood Animal Control

2020 Annual Report

Overview

In 2020, Friendswood Animal Control saved 169 lives through adoption, reunited 146 lost pets with their owners and transferred 13 pets to shelters or breed-specific rescues.

Volunteers continue to provide an animal behavior and enrichment program to ensure the emotional health of all of our animals during their stay in the facility. This increases the likelihood of animals being adopted quickly and reducing their length of stay in the facility. In the months of October and November, there were occasions where there were no animals available for adoption. As a result of the work of staff and volunteers, our animals are both physically and emotionally healthier and our adoption program continues to thrive.

Adoptions	2016	2017	2018	2019	2020
Dogs	143	124	112	103	55
Cats	149	122	153	168	114
Total	292	246	265	271	169

Returned to owner	2016	2017	2018	2019	2020
Dogs	239	196	144	165	125
Cats	11	12	12	17	21
Total	250	208	156	182	146

Intake

In 2020, Friendswood Animal Control staff provided life-saving care to 358 dogs and cats. They worked hard every day of the year, ensuring that each of our animals received the very best care. Intake numbers were much lower than in previous years.

When pets are running at large in the neighborhoods and roadways, Animal Control staff try to immediately return the pets to their owners. This is accomplished only when pet owners tag and microchip their animals. In 2020, 60 pets were captured in the field and immediately taken to their homes and/or released to their owners without ever seeing the inside of the Animal Control Facility.

Each Animal Control officer is equipped with a microchip detection device in their trucks. The purchase of this equipment is, and has been, vital to returning lost pets to their owners. If a pet is not tagged and microchipped it is taken to the Animal Control Facility. Before the animal is released to its owner, the owner is given an opportunity to receive free microchipping at a local veterinarian.

Intake	2016	2017	2018	2019	2020*
Dogs	389	358	275	290	189
Cats	257	201	250	245	169
	646	559	525	535	358

*In 2020, 52 wildlife animals and 2 domestic farm animals were also taken into the facility.

Field Services

Animal Control officers play an important role for people and animals within our community. Their job encompasses public safety, enforcement of animal ordinances, animal care and rescue, nuisance abatement and community outreach along with pet owner support.

Animal Control officers are dispatched through the Friendswood Police Department public safety dispatch center. In 2020, they answered 1,646 calls for service. Animal Control officers prioritize their response according to the safety issues involved for humans and animals.

The Animal Control Facility is located at 3000 W. Parkwood Avenue (next to the water tower). The facility is open to the public Monday through Saturday. The facility is closed on Sundays and some holidays.

	2016	2017	2018	2019	2020
Calls for service	1725	1502	1500	1771	1646

Investigations

In 2020, Animal Control staff investigated 31 animal bite cases. An animal control officer conducts an investigation each time they are notified of an animal biting a human. By State law, the animal must be quarantined for a specific amount of time. This is done in order to safeguard the community from the rabies virus. Depending on the situation and whether the animal has a current rabies vaccination and license tag will decide how the animal is to be quarantined. It is the Animal Control officer who evaluates the situation and makes the final determination of what needs to be done.

Rabies is a preventable viral disease of mammals most often transmitted through the bite of a rabid animal. The vast majority of rabies cases reported each year occur in wild animals like raccoons, skunks, bats and foxes. In 2020, Animal Control reported no positive cases of rabies. Eight specimens were sent for testing – six bats, one raccoon and one cat.

	2016	2017	2018	2019	2020
Animal Bite cases	27	29	29	30	31

Feral Cats and Wildlife

Feral cats are not socialized to people, which means they cannot be adopted. As a result, they are likely to be euthanized if picked up by animal control. Animal control officers allow all of our trapped cats time to relax and show their level of socialization before a determination is made about the cat's adoptability.

Trapped wildlife are picked up by Animal Control officers daily. In most cases, the animals are released away from residential areas. If the wildlife are sick or injured, they are humanely euthanized at the Animal Control Facility. In 2020, Animal Control staff picked up and released 457 raccoons, skunks and opossums. There were 49 sick or injured wildlife that were not able to be released.

Volunteers

We owe an enormous debt of gratitude to our volunteers. They assist staff with nearly every aspect of animal care, they are humane educators, fundraisers and ambassadors. They open their hearts and homes to special needs animals and are experts when it comes to giving care and attention to the animals.

In 2020, our dedicated volunteers logged 496 volunteer hours at the Animal Control Facility. We are extremely fortunate to have a group of talented, passionate volunteers and we are grateful for all they do for the animals. Due to COVID-19, the only event held in 2020 was Clear the Shelter during the month of August.

Statewide Leadership

Animal Control Supervisor Robert Lee has been a member of the Texas Animal Control Association since 1992 and was elected President of the Texas Animal Control Association in November 2019 and served as President until November 2020. The Texas Animal Control Association (TACA) is a non-profit organization, established in 1974, dedicated to the advancement of animal control and animal welfare personnel. Membership in TACA shows the highest degree of commitment to the animal control and welfare field. TACA works to make sure its member's voices are heard at the local, state, and national levels and protects the best interests of the profession.

Animal Shelter Advisory Committee

The Animal Shelter Advisory Committee met three times during 2020 – January 23rd, July 23rd and October 1st. The Committee began the year with: Dr. Donald Stran, DPM, Dr. Donna Coleman, DVM, Margaret Pickell, Amy Castro, Robert Lee, and Lt. Matt Wise. During the year, we had a change in leadership and in committee involvement. We ended the year with Dr. Donald Stran, DPM, Dr. Donna Coleman, DVM, Margaret Pickell, Robert Lee, and Captain Doug Lauersdorf.

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Discuss and take possible action reconfirming the appointment of Ms. Kathy Molinaro to the Library Board.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

On April 5, 2021, the City Council approved the appointment of Ms. Kathy Molinaro to complete the unexpired term of Bryan Corey, expiring in July 2022. However, due to a scrivener's error, the agenda item did not read correctly on who Ms. Molinaro was replacing on the Library Board; therefore, staff is resubmitting said appointment to Council to re-confirm its previous action.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/13/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Discuss and take possible action on the appointment of Derrick Brown and Judy Wiggins to the Community and Economic Development Committee.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The Community and Economic Development Corporation (CEDC) is a seven-member board that encourages commercial and industrial developments compatible with the image of Friendswood; provides recommendations to the City Council regarding codes, ordinances, policies, and procedures that assist economic development; and conducts surveys of citizens and businesses to gain understanding of economic development compatible with the city's interest, needs, and image.

This item allows the City Council to appoint the following individuals to the CEDC:

- Mr. Derrick Brown to complete the unexpired term of Mr. Mike Hickey, and
- Ms. Judy Wiggins to complete the unexpired term of Ms. Meg Crowley.

Both appointments are set to expire on July 2021, where at that time Mr. Brown and Ms. Wiggins will be eligible for re-appointment to a full two-year term if so desired.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Brown, Derrick Volunteer Application 2021
2. Wiggins, Judy Volunteer Application 2021



BE A FRIENDSWOOD VOLUNTEER

It is the desire and intent of City Council to encourage and support citizen participation in an advisory capacity governing the affairs of the City. Service through membership on a board, commission, or committee is a valued, important opportunity for participation in an advisory capacity. To these ends, a policy has been adopted that sets out an orderly process for citizens interested in serving as members of a City board, commission, or committee and for the City Council to oversee appointments.

THIS INFORMATION WILL BECOME PUBLIC RECORD

VOLUNTEER APPLICATION

NAME: Derrick Brown _____

HOME PHONE: _____

HOME ADDRESS: 1402 Cambridge Dr _____

WORK PHONE: _____

CITY, STATE, ZIP: Friendswood, Texas 77546 _____

EMAIL ADDRESS: dbrown@acutx.org _____

CELL PHONE: _____

OCCUPATION: Financial Services _____

SPECIAL INTERESTS AND TALENTS: Strong drive to serve in the community where I live, work, and worship. _____

Are you currently serving as a member of any Friendswood governmental body? No _____

If so, please name the body: _____

AREAS OF INTEREST

Please indicate your primary and secondary interests.

PLANNING & PRESERVATION

- ☐ PLANNING & ZONING COMMISSION
- ☐ ZONING BOARD OF ADJUSTMENT & APPEALS
- ☐ KEEP FRIENDSWOOD BEAUTIFUL COMMITTEE
- ☐ * COMMUNITY & ECONOMIC DEVELOPMENT
- ☐ CONSTRUCTION BOARD OF ADJUSTMENT & APPEALS
- ☐ INVESTMENT COMMITTEE
- ☐ FRIENDSWOOD DOWNTOWN ECONOMIC DEVELOPMENT CORPORATION

I AM AVAILABLE FOR

- ☐ * LONG-TERM PROJECTS
- ☐ * SHORT-TERM PROJECTS
- ☐ * DAYTIME
- ☐ * EVENING
- ☐ * SUMMER

I AM AVAILABLE FOR

- ☐ LONG-TERM PROJECTS
- ☐ SHORT-TERM PROJECTS
- ☐ DAYTIME
- ☐ EVENING
- ☐ SUMMER

RECREATION

- ☐ 4TH OF JULY STEERING COMMITTEE
- ☐ 4TH OF JULY VOLUNTEER
- ☐ SENIOR CITIZENS ADVISORY COMMITTEE

EDUCATION

- ☐ LIBRARY BOARD
- ☐ LIBRARY VOLUNTEER

SPECIAL COMMITTEES AS CALLED

OTHER

- ☐ WEST RANCH MANAGEMENT DISTRICT
- ☐ ANIMAL SHELTER ADVISORY COMMITTEE
- ☐ VOLUNTEER FIRE DEPT/EMS
- ☐ CHARTER REVIEW (AS NEEDED)

Please use the space below for additional comments.

**CITY OF FRIENDSWOOD
BOARDS AND COMMISSIONS
INFORMATION STATEMENT AND APPLICATION**

If you have ever been a member of a Friendswood Board, Committee or Commission before, please indicate the Board, Committee or Commission and appropriate dates of service.

Name of Board, Committee or Commission:

Dates of Service:

PERSONAL REFERENCES:

Please list at least two references.

NAME: David Smith _____

ADDRESS: 1110 Middlecreek St, Friendswood, TX 77546 _____

PHONE: [REDACTED] _____

NAME: Judge Jim Woltz _____

ADDRESS: 907 S. Friendswood Dr, Ste. 219, Friendswood, TX 77546 _____

PHONE: [REDACTED] _____



BE A FRIENDSWOOD VOLUNTEER

It is the desire and intent of City Council to encourage and support citizen participation in an advisory capacity governing the affairs of the City. Service through membership on a board, commission, or committee is a valued, important opportunity for participation in an advisory capacity. To these ends, a policy has been adopted that sets out an orderly process for citizens interested in serving as members of a City board, commission, or committee and for the City Council to oversee appointments.

THIS INFORMATION WILL BECOME PUBLIC RECORD

VOLUNTEER APPLICATION

NAME: Judy Wiggins HOME PHONE: _____
HOME ADDRESS: 1118 Rymers Switch Ln WORK PHONE: 281-992-1926
CITY, STATE, ZIP: Friendswood, TX 77546
EMAIL ADDRESS: judy@judywigginsagency.com CELL PHONE: [REDACTED]
OCCUPATION: Business Owner/Insurance Agent

SPECIAL INTERESTS AND TALENTS: I spend a lot of time working, volunteering, and hanging out with my family. I enjoy running, exercising, and travelling. My family and I especially enjoy being outside in the various Friendswood parks walking/running the trails, searching for snakes, and enjoying the beautiful scenery.

Are you currently serving as a member of any Friendswood governmental body? no

If so, please name the body: n/a

AREAS OF INTEREST

Please indicate your primary and secondary interests.

PLANNING & PRESERVATION

- ☐ PLANNING & ZONING COMMISSION
☐ ZONING BOARD OF ADJUSTMENT & APPEALS
☐ KEEP FRIENDSWOOD BEAUTIFUL COMMITTEE
☒ COMMUNITY & ECONOMIC DEVELOPMENT
☐ CONSTRUCTION BOARD OF ADJUSTMENT & APPEALS
☐ INVESTMENT COMMITTEE
☐ FRIENDSWOOD DOWNTOWN ECONOMIC
☐ DEVELOPMENT CORPORATION

I AM AVAILABLE FOR

- LONG-TERM PROJECTS
SHORT-TERM PROJECTS
DAYTIME
EVENING
SUMMER

I AM AVAILABLE FOR

- ☐ LONG-TERM PROJECTS
☐ SHORT-TERM PROJECTS
☐ DAYTIME
☐ EVENING
☐ SUMMER

RECREATION

- _____ 4TH OF JULY STEERING COMMITTEE
_____ 4TH OF JULY VOLUNTEER
_____ SENIOR CITIZENS ADVISORY COMMITTEE

EDUCATION

- LIBRARY BOARD
LIBRARY VOLUNTEER

SPECIAL COMMITTEES AS CALLED

OTHER

- WEST RANCH MANAGEMENT DISTRICT
ANIMAL SHELTER ADVISORY COMMITTEE
VOLUNTEER FIRE DEPT/EMS
CHARTER REVIEW (AS NEEDED)

Please use the space below for additional comments.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.

These questions are asked because the City Council wants to maintain balance to insure proper representation on boards and commissions.

DATE OF BIRTH:
SEX: F
FRIENDSWOOD RESIDENT FOR 8 YEARS

Have you been convicted of a crime, other than minor traffic violations in the past 10 years? no

What experience do you have that may qualify you for service on a particular board or commission (i.e. license, degrees, and certificates)?

Bachelors and Masters degrees, property and casualty insurance license, life and health insurance license,
series 6 and 63 licenses

Please list any civic or community endeavors in which you have been involved: I'm currently active in the
Friendswood Chamber of Commerce, Friendswood Rotary Club, and Friendswood ISD Education Foundation.

I hereby affirm the information provided herein is true and correct, to the best of my knowledge. I am aware a background check will be required prior to appointment.

I understand that the information provided on this application may be available to the public upon request and will be kept on file for at least three years.


Signature of Applicant

4/14/2021
Date

Thank you for taking the time to complete this application.

Please return the original application to the address below:

MELINDA WELSH
CITY SECRETARY
CITY OF FRIENDSWOOD
910 S. FRIENDSWOOD DRIVE
FRIENDSWOOD, TX 77546-4856
(281) 996-3270
FAX (281) 482-1634

CITY OF FRIENDSWOOD

BOARDS AND COMMISSIONS

INFORMATION STATEMENT AND APPLICATION

If you have ever been a member of a Friendswood Board, Committee or Commission before, please indicate the Board, Committee or Commission and appropriate dates of service.

Name of Board, Committee or Commission:

Dates of Service:

PERSONAL REFERENCES:

Please list at least two references.

NAME: Sally Branson

ADDRESS: 411 Fallow Lane, Friendswood 77546

PHONE: [REDACTED]

NAME: Brett Banfield

ADDRESS: 909 Woodcrest Dr., Friendswood 77546

PHONE: [REDACTED]

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: May 3, 2021

Date submitted: 04/14/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Discuss and take possible action on amending the Appointment Policy for Boards, Committees, and Commissions.

Originating Department: City Secretary

Degree of importance: This item sets the standard by which City appointments will be handled to ensure best practices and compliance with all related laws and regulations.

SUMMARY / ORIGINATING CAUSE

The proposed amendments to the City's Appointment Policy are mainly to clean-up language related to training and forms; specifically to broaden the language in the policy and its related forms, in order to ensure for overarching guidelines and not make them so specific that they are outdated as soon as there is a change in personnel and/or council.

The proposed policy also centralizes many of the duties related to the records retention and management of board/committee/commission forms and information with the City Secretary's Office to allow for a uniform treatment and maintenance of appointment related duties and records.

Lastly, the proposed policy ensures compliance with all related laws and regulations; such as the Texas Open Meetings Act and the Texas Public Information Act.

A copy of the proposed policy is attached for your review and consideration.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Operational excellence through process improvements of a more streamlined appointment process, as well as, enhanced support to our internal (staff liaisons) and external customers (volunteers).

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Clean Proposed Policy for Appointment to City Boards (2021)
2. Red-lined Proposed Appointment Policy to City Boards (2021)

APPOINTMENT TO CITY BOARDS, COMMISSIONS AND COMMITTEES

CITY OF FRIENDSWOOD ADMINISTRATIVE POLICIES AND PROCEDURES

ADOPTED AUGUST 5, 1996
AMENDED JUNE 19, 2000
AMENDED JUNE 26, 2006
AMENDED FEBRUARY 5, 2007
SUSPENDED JULY 12, 2010
RE-ADOPTED & AMENDED JANUARY 5, 2015
AMENDED JULY 10, 2017
AMENDED JULY 02, 2018
AMENDED AUGUST 06, 2018
AMENDED NOVEMBER 04, 2019
AMENDED DECEMBER 07, 2020

CITY OF FRIENDSWOOD
ADMINISTRATIVE POLICIES AND PROCEDURES
Appointments to City Boards, Commissions, and Committees

I. PURPOSE

It is the desire and intent of the Friendswood City Council to encourage and support citizen participation in the governing of the affairs of the City. Service through membership on a City board, commission, or committee is a valued and important opportunity for participation in an advisory capacity. To these ends, this policy sets out an orderly process for citizens interested in serving as members of a City board, commission, or committee and for the City Council to oversee those appointments.

The Friendswood Charter gives the Mayor the authority to appoint special committees as he/she deems advisable and as instructed by the Council (City Charter Section 3.05). Special committees established for specific purposes are usually of limited duration and the Council may apply these policies and procedures to said committees as deemed necessary.

II. POLICY

This policy sets forth the comprehensive process for appointments to the City's boards, commissions, and committees, including advertising for candidates, application forms, and processing information to the City Council; appointment timetable; attendance records; letters of appointment; oaths of office; and letters of appreciation.

III. COUNCIL LIAISONS

The Mayor and City Council may annually appoint a councilmember to serve as a liaison to various boards, commissions, and committees. Liaison appointments will generally be made no later than the second regular meeting of the Council following the May General election. The Council Liaison shall serve as a conduit of information between the City Council and the board, commission, or committee. An information sheet listing all standing boards, commissions, and committees that may have an assigned Council Liaisons) is included as Exhibit A. A synopsis of most of the City's standing boards, commissions, and committees is included as Exhibit B.

IV. PROCEDURES

Sec. 4.01. Uniform Appointment Date

The City of Friendswood shall create or amend orders in such a manner that will allow for appointments to be effective on one of two uniform dates in July or November.

Sec. 4.02. Applicable Laws and Ordinances

All boards, commissions, and committees shall act in accordance with the authority granted to them through applicable state law, charter provision, and/or directives and policies of the City Council.

Some members of boards, commissions, and committees are considered officers because of their special responsibilities and decision-making duties, and as such, will require increased levels of commitment and responsibility. The boards, commissions, and committees whose members are considered officers are:

- Planning and Zoning Commission,
- Zoning Board of Adjustment,
- Construction Board of Adjustment and Appeals, and
- Charter Review Commission.

Sec. 4.03. Terms of Office

Each term of service on a board, commission or committee will be for a three-year period unless otherwise directed by Council or otherwise provided by law, except for the Charter Review Commission, which is a six-month term and Zoning Board of Adjustment, which requires a 2-year term by statute (LGC 54.033 and 211.008). No member/officer shall be elected to serve as Chair or Vice Chair for more than four terms unless otherwise directed by Council. Beginning with the most recent amendment and re-adoption of this policy on July 10, 2017, all existing board, commission or committee member's terms start at year zero.

Sec. 4.04. Oaths of Office

Oaths of Office appropriate to the position held and in accordance with the provisions of Section 6.05 of the City Charter (Every officer of the City, whether elected or appointed, before entering upon the duties of office, shall take and subscribe to the appropriate oath or affirmation to be filed and kept in the office of the City Secretary) will be administered to all newly appointed or reappointed members at their first regular meeting or as soon as possible after appointment. Arrangements to receive oaths of office at another time may also be made at the discretion of the City Secretary or whomever is authorized by law to give the oath such as a notary public. The following boards, commissions or committees are subject to this section:

- Planning & Zoning Commission,
- Zoning Board of Adjustment ,
- Construction Board of Adjustment and Appeals, and
- Charter Review Commission.

Sec. 4.05. Rules and Regulations

All boards, commissions, and committees shall follow procedures of conduct set out in Robert's Rules of Order. All board, commission, and committee meetings shall have an agenda and record the action by keeping minutes. Advisory boards, commissions, and committees shall not be required to comply with the Texas Open Meetings Act. However, the following boards, commissions or committees are subject to Texas Open Meetings Act:

- Planning and Zoning Commission,
- Zoning Board of Adjustment,
- Construction Board of Adjustment and Appeals,
- Friendswood Downtown Economic Development Corporation, and
- Charter Review Commission.

Some boards, commissions, and committees may desire or be directed to adopt rules of procedure, all such rules of procedure and subsequent amendments shall be approved by the City Council.

Sec. 4.06. Appointment of Officers/Members

Officers or members of each of the City's boards, commissions, and committees will be appointed in accordance with any applicable ordinances, state laws, or City Charter. The positions of Chair and Vice Chair may be rotated following the appointment and reappointment time frame, but may not serve more than four consecutive terms, unless otherwise approved by Council. Officers of the Planning and Zoning Commission, Zoning Board of Adjustment, Construction Board of Adjustment and Appeals, Friendswood Downtown Economic Development Corporation, and the Charter Review Commission are required to be a resident of Friendswood. Members of advisory boards, or committees are not required to be a resident of the city; however, a quorum of members from those advisory boards or committees must never be from outside of the city. The City Secretary shall include all newly appointed officers/members in the City's Boards, Commissions, and Committees' rosters.

Sec. 4.07. Providing and Maintaining Records

The City Secretary's office shall keep an up-to-date official record of pertinent information on each board, commission, and committee in an official notebook. City Staff Liaisons to the boards, commissions, and committees will work with the City Secretary's Office to provide up-to-date information of names, addresses, and telephone numbers for their boards, commissions, and committee members. The City Secretary's Office is responsible for maintaining the City's historical list of boards, commission and committee members.

Sec. 4.08. Attendance Policy and Records

Attendance records shall be maintained by all City Staff Liaisons providing support to the various City boards, commissions, and committees and input into the City's centralized meeting, agenda, and minute program; said attendance records can also be made available upon request to the boards, commissions, and committees members at each regular meeting.

Staff liaisons will work with the City Secretary's Office to ensure that attendance records are correct and available for Council review at the time of the appointment / reappointment process.

It shall be the responsibility of each member to attend meetings regularly. Three consecutive unexcused absences or the absence of an advisory board or committee member from more than 50 percent of the meetings in a six-month period shall be cause for Council to consider the removal of said member for excessive absences. Three consecutive unexcused absences or the absence of a member considered to be an officer from more than 20 percent of the meetings in a six-month period shall be cause for Council to consider the removal of said member for excessive absences.

Attendance at all regular meetings, special meetings, and work sessions by each board, commission, and committee member will be recorded, and absences shall be noted as excused or unexcused by the Chair; examples of excused absences include but are not limited to: illness, business reasons, death of family members, etc.

Sec. 4.09. Information Packets

Each applicant shall receive a welcome letter and packet of information about the committee, its purpose, members, meeting schedule and location, and any other information, such as rules of procedure, as requested. Additionally, the City Secretary's Office will provide each newly appointed board, commission, and committee member with a copy of the City's Volunteer Guidebook. Each individual will complete the guidebooks acknowledgement of receipt form and only one form is required for the individual for the duration of his/her time on the board, committee commission.

V. Appointments

Sec. 5.01. Applications

All citizens interested in being appointed or reappointed to a board, commission or committee must have an up-to-date application on file or submit a completed application to the City Secretary via its paper or online application. New applications will be forwarded to the Staff Liaison of the appropriate board, commission or committee. At the established time, applications will be distributed by the City Secretary's Office to the Mayor and City Council.

Upon request, the City Secretary shall provide an application and a background check disclosure and authorization form to citizens, as well as, information sheets on the various boards, commissions, and committees. A background check is required upon initial appointment and for reappointment.

The City Secretary shall advertise an invitation to citizens to submit an application indicating their interest and qualifications to serve on a board, commission, or committee at least once a year, or as needed, in the news media, social media, internet, and/or as otherwise directed by City Council.

The two regularly scheduled appointments cycles are as follows:

JULY:

- Planning and Zoning Commission,
- Zoning Board of Adjustment,
- Construction Board of Adjustment and Appeals,
- Library Board of Trustees,
- Community and Economic
- Development Committee, and
- Charter Review Commission (to be appointed in July every 5 years or as called by Council).

NOVEMBER:

- Fourth of July Steering Committee,
- Keep Friendswood Beautiful,
- Senior Citizen Advisory Committee, and
- Investment Committee.

All applications submitted to the City Secretary will be date stamped, e-mailed to the Staff Liaison to the committee(s) and will be retained by the City Secretary for a period in compliance with the

City's records retention schedule. The applications will be used in making appointments to boards, commissions, and committees for expiring terms of office and as vacancies occur.

The City Secretary will send a letter to each board, commission, and committee member who has an expiring term of office to determine if the member wishes to be considered for reappointment and/or to update the application on file.

Sec. 5.02. Appointment Process

By the end of May and September of each year, the City Secretary will notify the Staff Liaison what members/officers would like to be reappointed and who would not. The Staff Liaison will contact the Council Liaison to discuss the candidates for appointment/reappointment. Council liaisons, chairpersons, vice chairpersons, staff, or other members/officers may interview new candidates to be considered prior to the appointments. The Council Liaison to the board, commission or committee will contact the Mayor on the proposed appointments/reappointments and obtain his concurrence.

The Council Liaison will notify the City Secretary who will then prepare an Agenda Item form for the July or November Council meeting to have the appointments/reappointments approved by Mayor and Council.

Appointments shall be made to boards, commissions, and committees at the regular monthly Council meeting in July and November or as soon thereafter as possible. Appointments will be effective July and November, respectively.

A congratulatory letter and welcome packet with related forms will be prepared by the City Secretary's Office for all newly appointed or reappointed members to the City's boards, commissions, and committees. An example of said welcome packet is hereto included as Exhibit C. Appreciation letters will be sent by the City Secretary to all individuals who were not appointed.

All members/officers of the boards, commission and committees must complete Open Meetings Act (OMA) Training and Public Information Act Training administered by the Texas Attorney General within 90 days as required by law and must provide their certificate of completion to the City Secretary's office. Members/officers may designate the City Secretary as the public information coordinator to satisfy the training requirements of the Texas Public information Act.

Sec. 5.03. Selection Criteria

Members selected should not only be qualified, but also show a desire and commitment to serve in the capacity they are appointed. The selection of members to boards, commissions, and committees shall be made considering the stated interest and desire of the applicant to serve, as well as, other criteria as deemed appropriate by the Council and may include but is not limited to: the applicant's availability, qualifications, personal background, and any special skills he/she may have.

Sec. 5.04. Filling Vacancies

Vacancies on boards, commissions, and committees caused by resignations will be filled throughout the year as they occur in order to complete unexpired terms of office. When a vacancy occurs, the Staff Liaison of the board, commission, or committee shall notify the City Secretary.

Appointments to fill vacancies will be made at a Council meeting by a majority of City Council from the list of applicants provided on the Agenda Item form completed by the City Secretary.

Should there be no current applicants for the vacancy, the City Secretary shall follow the procedures previously described to seek new applicants.

EXHIBIT A
FRIENDSWOOD CITY COUNCIL LIAISONS

COMMITTEE	COUNCIL MEMBER
Clear Creek Watershed Steering Committee	Main Liaison: Alternate:
Community & Economic Development Committee	Main Liaison: Alternate:
4 th of July Steering Committee	Main Liaison: Alternate:
Galveston County Commissioners Court	Main Liaison: Alternate:
Galveston County Consolidated Drainage District	Main Liaison: Alternate:
Galveston County Mayors' & Councils' Association (GCMCA)	All City Council Members
Gulf Coast Authority	Main Liaison: Alternate:
Houston-Galveston Area Council (H-GAC)	Main Liaison: Alternate:
Harris County Commissioners Court	Main Liaison: Alternate:
Harris County Mayors' and Councils' Association (HCMCA)	All City Council Members
Homeowner's Associations	City Manager's Office/Staff
Keep Friendswood Beautiful (KFB)	Main Liaison: Alternate:
Library Board	Main Liaison: Alternate:
Planning and Zoning Commissions	Main Liaison: Alternate:
Senior Citizens Advisory Committee	Main Liaison: Alternate:
Zoning Board of Adjustment	Main Liaison: Alternate:
Investments Committee	No Liaison Required
Construction Board of Adjustment & Appeals	No Liaison Required
Charter Review Commission	No Liaison Required

EXHIBIT B

SYNOPSIS OF STANDING BOARDS, COMMISSIONS, AND COMMITTEES

PLANNING AND ZONING COMMISSION			
Number of Members:	7 regular	Term of Office:	3-years, overlapping terms
Established by:	City Code, Chapter 2 “Administration”, Article II “Boards, Committees and Commissions”, Division 3 “Planning and Zoning Commission, Section 2-69; LGC Chapters 211 & 212		
Appointed by:	City Council		
Regular Meetings:	2 nd and 4 th Thursday of the month		
Time:	7:00 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair & Vice Chair selected every 3 years by Commission members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Community Development - Department Head and staff.		
Council Liaison:	Yes, appointed by City Council		
<u>Duties of the Commissions:</u> The Commission shall submit recommendations to the City Council, after holding public hearings, on any change or amendment to any of the provisions of the Zoning Ordinance or the Zoning Districts Map: any request for a specific use permit or planned unit development any change or amendment to the subdivision ordinance: and any related request by Council. In public meeting, the commission also reviews and approves commercial site plans, preliminary and final plats, and subdivision developments. The commission also acts in the capacity of the Capital Improvements Advisory Committee created by Section 395.058 of the Texas Local Government Code.			

ZONING BOARD OF ADJUSTMENT			
Number of Members:	5 regular & 4 alternates	Term of Office:	2-years, overlapping terms
Established by:	City Code, Appendix C, Sections 10-13; LGC Sections 211.008 – 211.011		
Appointed by:	City Council		
Regular Meetings:	As needed		
Time:	4 th Tuesday of the month, as needed, unless a holiday falls during the week of the meeting date, and date is moved to the 3 rd Tuesday of the month.		
Location:	Friendswood City Hall		
Officers:	Chair& Vice Chair elected every 2 years by members. Officers will be appointed for two-year terms as required by statute (LGC 54.033 and 211.008). Chair and Vice Chair may not serve more than four terms, unless otherwise approved by Council.		
Compensation:	None		
Staff Support:	Building Official, City Planner and Development Coordinator		
Council Liaison:	No		
Duties of the Commissions:	This board hears and rules on requests for appeals, special exceptions and variances to the Zoning Ordinance and authorizes variances from the zoning ordinance when not contrary to the public interest. This board also serves as the appeals board for Fire and Life Safety Codes, Flood Damage Prevention Code (City Code, Section 34-41), and Building and Standards Commission (BASC) (City Code, Section 14-319).		

CONSTRUCTION BOARD OF ADJUSTMENT AND APPEALS			
Number of Members:	7 regular & 2 alternates (if desired)	Term of Office:	3-years
Established by:	City Code, Chapter 14 "Buildings and Building Regulations", Article II "Standard Building Code", Section 105.1		
Appointed by:	City Council		
Regular Meetings:	As needed		
Time:	7:00 P.M.		
Location:	Friendswood City Hall		
Officers:	Chair& Vice Chair are selected every two years by members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Compensation:	None		
Staff Support:	Building Official		
Council Liaison:	No		
<u>Duties of the Commissions:</u> The Construction Board of Adjustments and Appeals shall have the power to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes. Membership of the board should be composed of individuals with knowledge and experience in the technical codes, such as design professionals, contractors, or building industry representatives. Alternate members, if appointed, should consist of a member at-large front the building industry and one member at-large from the public.			

FRIENDSWOOD PUBLIC LIBRARY ADVISORY BOARD			
Number of Members:	7 regular & 3 alternates	Term of Office:	3-years, overlapping terms
Established by:	Ordinance No. 173; effective November 22, 1972		
Appointed by:	City Council		
Regular Meetings:	3 rd Tuesday of the month, as needed		
Time:	7:00 P.M.		
Location:	Friendswood Public Library		
Officers:	Chair and Vice Chair are selected by members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Compensation:	None		
Staff Support:	Library Director and designated Library staff		
Council Liaison:	Yes; appointed by City Council		
<u>Duties of the Commissions:</u> To establish general library policy, represent the public and its interest in the operation of the library, secure from the people of Friendswood support for the Library, and to interpret the needs of the people to the City Council.			

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE			
Number of Members:	7 regular	Term of Office:	3-years, overlapping terms
Established by:	Council Action on February 15, 1993		
Appointed by:	City Council		
Regular Meetings:	1 st Wednesday of the month		
Time:	3:30 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Officers will be appointed for a three-year term following the appointment and		

	reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.
Ex Officios:	Chamber of Commerce Representative and Planning and Zoning Commission Representative
Staff Support:	Assistant City Manager and/or his/her designee
Council Liaison:	Yes, appointed by City Council
Duties of the Commissions: To encourage commercial and industrial developments which are compatible with the image of Friendswood: provide recommendations to the City Council regarding codes, ordinances, policies, and procedures that assist economic development and conduct surveys of citizens and businesses to gain understanding of economic development which is compatible with the city's interest, needs, and image.	

CHARTER REVIEW COMMISSION			
Number of Members:	7 regular	Term of Office:	6-months
Established by:	City Charter, Section 11.09 "Charter Review Commission"		
Appointed by:	City Council, every five years		
Regular Meetings:	3 rd Tuesday of the month, as needed		
Time:	7:00 P.M.		
Location:	Friendswood City Hall		
Officers:	Chair and Vice Chair are selected by members.		
Compensation:	None		
Staff Support:	City Manager, City Attorney and City Secretary		
Council Liaison:	No		
<u>Duties of the Commissions:</u> To (1) inquire into the operation of the City government under the Charter provisions and determine whether any such provisions require revision, to include public hearings as needed; (2) propose, if it deems desirable, amendments to this Charter to improve the effective application of the Charter to current conditions; and (3) report its findings and present its proposed amendments, if any, to the Council.			

FOURTH OF JULY STEERING COMMITTEE			
Number of Members:	20 regular	Term of Office:	3-years, overlapping terms
Established by:	Council Action		
Appointed by:	City Council		
Regular Meetings:	3 rd Wednesday of the month		
Time:	6:00 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Director of Parks and Recreation and/or his/her designee		
Council Liaison:	Yes, appointed by City Council		
<u>Duties of the Commissions:</u> To assist staff in organizing, planning, coordinating, and overseeing the annual City of Friendswood Fourth of July activities and any other related functions requested by the City Council.			

KEEP FRIENDSWOOD BEAUTIFUL			
Number of Members:	20 regular & 2 alternates	Term of Office:	3-years, overlapping terms
Established by:	City Council January 15, 1973, as Civic Beautification Committee City Council, January 25, 2010, from Community Appearance Board to Keep Friendswood Beautiful Committee		
Appointed by:	City Council		
Regular Meetings:	4 th Tuesday of the month		
Time:	6:30 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Director of Parks and Recreation and/or his/her designee		
Council Liaison:	Yes, appointed by City Council		
<u>Duties of the Commissions:</u>	To enhance the aesthetic appearance of the city and to encourage residents to take an active role in maintaining its image. The KFB directs and coordinates management and planning of its projects and education of the community: recommends budget and project priorities to City Council: seeks grants for funding opportunities: makes suggestions for conserving and protecting natural resources: and performs such other duties as the City Council may reasonably request. Keep Friendswood Beautiful also serves as the advisory committee for the City's Storm Water Management Program (last updated 2014) per TCEQ.		

SENIOR CITIZEN ADVISORY COMMITTEE			
Number of Members:	8 regular & 1 alternate	Term of Office:	3-years, overlapping terms
Established by:	Council Action (1993)		
Appointed by:	City Council		
Regular Meetings:	2 nd Tuesday of the month		
Time:	9:00 A.M.		
Location:	Activities Building, 416 Morningside		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Director of Parks and Recreation and/or his/her designee		
Council Liaison:	Yes, appointed by City Council		
<u>Duties of the Commissions:</u> To advise the City Council in all matters pertaining to Friendswood's Senior Citizens Program: acquaints itself with and makes a continuous study and review of the program: recommends the adoption of policies for the program: recommends to the City Council rules and regulations governing the program: makes recommendations to the City Council and City Manager and reasons therefore: and performs other duties as the City Council may reasonably request			

INVESTMENT COMMITTEE			
Number of Members:	3 regular & No alternates	Term of Office:	3-years
Established by:	Council Action (January 1997)		
Appointed by:	City Council		
Regular Meetings:	Quarterly		
Time:	4:00 P.M. or at the Request of the Chair		

Location:	Friendswood City Hall / Administrative Services Department
Compensation:	None
Officers:	Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.
Staff Support:	Director of Administrative Services and/or his/her designee
Liaison/Deputy	City Manager
Council Liaison:	No
<u>Duties of the Commissions:</u> To assist staff in organizing, planning, coordinating, and overseeing the annual City of Friendswood Fourth of July activities and any other related functions requested by the City Council.	

EXHIBIT C

DATE

NAME

ADDRESS

BLOCK

DEAR (NAME):

On behalf of the Mayor and City Council, congratulations, on your recent appointment to the _____. Your term commences _____, and will expire on _____. It is at that time that you will be eligible for reappointment to another full ____-year term, should you and the City Council desire to do so. Your attendance is very important, so an attendance record is kept at each meeting; therefore, it is your responsibility to attend the meetings regularly and notify the staff liaison of your absence as soon as possible.

Please note that your appointment requires the completion and filing of the documents/trainings noted below, and they are:

1. Oath of Office and Statement of Elected/Appointed Officer;
2. Public Information Act Training and/or the Appointment of Public Information Coordinator;
3. Public Access Option;
4. Open Meeting Act Training; and
5. Volunteer Guidebook Acknowledgement Page.

If you require assistance with these documents or processes, please visit our City Secretary's Office located at 910 S. Friendswood Drive, where staff will be happy to assist you. Should you have any questions, please do not hesitate in contacting the Friendswood City Secretary, at 281-996-3270 or via email at **citysecretary@friendswood.com**.

Thank you for your time and service.

Sincerely yours,

City Secretary

In the name and by the authority of
The State of Texas
OATH OF OFFICE

I, _____, do solemnly swear (or affirm), that I will faithfully execute the duties of the office of _____ of the _____ for the City of Friendswood, of the State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and laws of the United States and of this State, and the charter and ordinances of this city, so help me God.

Officer's Signature

Printed Name

SWORN TO and subscribed before me by on this _____ day of _____, _____.

Signature of Person Administering Oath

(Seal)

Printed Name

Title

STATEMENT OF ELECTED/APPOINTED OFFICER

(Pursuant to Tex. Const. art. XVI, §1(b), amended 2001)

I, _____, do solemnly swear (or affirm), that I have not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised any public office or employment for the giving or withholding of a vote at the election at which I was elected or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING STATEMENT AND THAT THE FACTS STATED THEREIN ARE TRUE.

Date

Officer's Signature

Position to Which Elected/Appointed

Friendswood, Galveston/Harris
City and/or County

TEXAS GOVERNMENT CODE SECTION 552.024
PUBLIC ACCESS OPTION FORM

[Note: This form should be completed and signed by the public official no later than the 14th day after the public official is elected or appointed.]

(Name of Appointed/Elected Official)

Title

Board/ Commission to Which Elected / Appointed

The Public Information Act allows employees, public officials and former employees and officials to elect whether to keep certain information about them confidential. Unless you choose to keep it confidential, the following information about you may be subject to public release if requested under the Texas Public Information Act. Therefore, please indicate whether you wish to allow public release of the following information:

	PUBLIC ACCESS?	
	NO	YES
Home Address		
Home Telephone Number		
Personal Cell Phone Numbers		
Emergency Contact Information		
Social Security Number		
Family Member Information		

Officer's Signature

(Date)

**APPOINTMENT OF THE PUBLIC INFORMATION COORDINATOR
PURSUANT TO THE TEXAS PUBLIC INFORMATION ACT**

THE STATE OF TEXAS §
COUNTIES OF §
GALVESTON/HARRIS §

The City Secretary of the City of Friendswood, Texas, is primarily responsible for administering the responsibilities of the public official or governmental body of the City under the Texas Public Information Act. As such, pursuant to Section 552.012(c) of the Texas Government Code, I _____ as a member of the _____ of the City of Friendswood, Texas, hereby appoint the City Secretary as the public information coordinator to satisfy my training requirements of the Texas Public Information Act.

Signed this _____ day of _____, _____

(Name of Appointed/Elected Official)

Title

THE STATE OF TEXAS §
COUNTIES OF §
GALVESTON/HARRIS §

BEFORE ME, the undersigned authority, this day personally appeared _____, a member of the _____ of the City of Friendswood, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER my hand and seal of this office this _____ day of _____,
_____.

(SEAL)

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

TO: Board, Commission or Committee Member
FROM: _____, City Secretary
SUBJECT: Texas Open Meetings Act

During the Regular Session of the 79th Legislature, the Legislature enacted legislation which, among other actions, amended the Texas Open Meetings Act (TOMA). Effective January 1, 2006, the new law requires public elected/appointed officials who are members of a governmental body to receive training concerning its responsibilities with regard to the Texas Open Meetings Act. The Act stipulates that training must be completed within 90 days from the date the oath of office is taken.

To fulfill the training requirement, you will need to do the following:

1) Watch the training video

To access the training video, please follow this link to the OAG's website:

<https://www.texasattorneygeneral.gov/open-government/open-meetings-act-training>

At the conclusion of the training video, you will be presented with an identification code/number. Please record this code/number as it will be used to obtain your course certificate.

If you do not have access to the internet, please contact the City Secretary's Office at 281-996-3270, to request a DVD copy of the video.

2) Print the course certificate

To obtain your course certificate, please follow this link:

https://www2.texasattorneygeneral.gov/forms/openrec/og_certificates.php

3) Mail, fax, email, or deliver the certificate to the City of Friendswood City Secretary's Office

Mail/Deliver: 910 S. Friendswood Drive, Friendswood, Texas 77546-4856

Fax: 281-482-1634

Email: citysecretary@friendswood.com

Thank you for taking the time to be in compliance with the Texas Open Meetings Act. Should you have any questions in regards to this process, the training or your board member paperwork, please contact our offices, at (281) 996-3270.

ACKNOWLEDGEMENT OF RECEIPT
OF THE
CITY OF FRIENDSWOOD
VOLUNTEER GUIDEBOOK

I hereby acknowledge receipt of the City of Friendswood Volunteer Guidebook, and that I am responsible for knowing and following the policies and procedures contained therein. I, also, understand the City of Friendswood Volunteer Guidebook may be modified at any time and I will be responsible staying abreast of those updates when notified.

Date Received

Volunteer Signature

Printed Name

APPOINTMENT TO CITY BOARDS, COMMISSIONS AND COMMITTEES

CITY OF FRIENDSWOOD ADMINISTRATIVE POLICIES AND PROCEDURES

ADOPTED AUGUST 5, 1996
AMENDED JUNE 19, 2000
AMENDED JUNE 26, 2006
AMENDED FEBRUARY 5, 2007
SUSPENDED JULY 12, 2010
RE-ADOPTED & AMENDED JANUARY 5, 2015
AMENDED JULY 10, 2017
AMENDED JULY 02, 2018
AMENDED AUGUST 06, 2018
AMENDED NOVEMBER 04, 2019
AMENDED DECEMBER 07, 2020

CITY OF FRIENDSWOOD
ADMINISTRATIVE POLICIES AND PROCEDURES
Appointments to City Boards, Commissions, and Committees

I. PURPOSE

It is the desire and intent of the Friendswood City Council to encourage and support citizen participation in ~~an advisory capacity~~ the governing of the affairs of the City. Service through membership on a City board, commission, or committee is a valued and ~~important~~ opportunity for participation in an advisory capacity. ~~To these ends, this policy sets out an orderly process for citizens interested in serving as members of a City board, commission, or committee and for the City Council to oversee those appointments.~~

The Friendswood Charter gives the Mayor ~~of the City of Friendswood has the~~ the authority under the City Charter to appoint special committees as he/she deems advisable and as instructed by the Council (City Charter Section 3.05). Special committees established for ~~these~~ specific purposes are usually of limited duration and the ~~The~~ Council may apply these policies and procedures to said special committees as deemed necessary.

II. POLICY

This policy sets forth the comprehensive process for appointments to the City's boards, commissions, and committees, including advertising for candidates, application forms, and processing information to the City Council; appointment timetable; attendance records; letters of appointment; oaths of office; and letters of appreciation.

III. COUNCIL LIAISONS

The Mayor and City Council may annually appoint a A-C councilmember ~~will be appointed annually by Mayor and Council to serve as~~ as liaison to various boards, commissions, and committees. Liaison appointments will generally be made no later than the second regular meeting of the Council following the May General election. The Council Liaison shall serve as a conduit of information between the City Council and the board, commission, or committee and shall provide information.

An information sheet listing all standing boards, commissions, and ~~committees~~ committees that may have an assigned and Council Liaisons ~~(at the time this policy is approved)~~ is included as Exhibit A. A synopsis of most of the City's standing boards, commissions, and committees is included as Exhibit B.

IV. PROCEDURES

Sec. 4.01. Uniform Appointment Date

~~All ordinances, resolutions, and laws governing appointments to boards, commissions, and committees of~~ the City of Friendswood shall create or amend orders in such a manner that will allow for ~~be written in such a manner that the~~ appointments to be ~~shall be~~ effective on one of two uniform dates in ~~each year in~~ July or ~~and~~ November.

Sec. 4.02. Applicable Laws and Ordinances

All boards, commissions, and committees shall act in accordance with the authority granted to them through applicable state law, charter provision, and/or directives an policies of the City Council.

~~Because of their special responsibilities, s~~Some members of boards, commissions, and committees are considered officers ~~because of their special responsibilities and .—Officers hold special~~ decision-making duties, ~~and a—As such result, certain sections of these policies will require different-increased~~ levels of commitment and responsibility. ~~—The B~~boards, commissions, and committees whose members are considered officers are:

- ~~the~~ Planning and Zoning Commission,
- Zoning Board of Adjustment ~~and Appeals,~~
- Construction Board of Adjustment and Appeals, and
- Charter ~~—~~ Review Commission.

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Sec. 4.03. Terms of Office

Each term of service on a board, commission or committee will be for a three-year period unless otherwise directed by Council or otherwise provided by law, except for the Charter Review Commission, which is a six-month term and Zoning Board of Adjustment ~~t and Appeals~~ which requires a 2-year term by statute (LGC 54.033 and 211-.008). No member/officer shall be elected to serve as Chair or Vice Chair for more than four terms unless otherwise directed by Council. ~~—~~ Beginning with the most recent amendment and re-adoption of this policy on July 10, 2017, all existing board, commission or committee member's terms start at year zero.

Sec. 4.04. Oaths of Office

Oaths of Office appropriate to the position held and in accordance with the provisions of Section 6.05 of the City Charter (Every officer of the City, whether elected or appointed, before entering upon the duties of office, shall take and subscribe to the appropriate oath or affirmation to be filed and kept in the office of the City Secretary) will be administered to all newly appointed or reappointed members at their first regular meeting or as soon as possible after appointment. Arrangements to receive oaths of office at another time may also be made at the discretion of the City Secretary or whomever is authorized by law to give the oath such as a notary public. The following boards, commissions or committees are subject to this section:

- ~~to the~~ Planning & Zoning Commission,
 - ~~Zoning Board~~ Zoning ~~—of Board of Adjustment and~~ Adjustment ~~—Appeals,~~
 - ~~Construction Board~~ Construction ~~—of Board of Adjustment and~~ Adjustment and Appeals, and, and
 - Charter Review Commission ~~at the first regular meeting of the board, commission, or committee or as soon as possible after appointment.~~
- ~~Oaths of office for appointed officers are included as~~ Exhibit C.

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~~Arrangements to receive oaths of office at another time may also be made at the discretion of the City Secretary or whomever is authorized by law to give the oath such as a notary public.~~

Sec. 4.05. Rules and Regulations

All boards, commissions, and committees shall follow procedures of conduct set out in Robert's Rules of Order. All board, commission, and committee meetings shall have an agenda and record the action by keeping minutes. Advisory boards, commissions, and committees shall not be required to comply with the Texas Open Meetings Act. However, the following boards, commissions or committees are subject to Texas Open Meetings Act:

- ~~> the Planning and Planning Zoning and Commission~~ Zoning Commission,
- ~~> Zoning Board~~ Zoning Board of Adjustment and Adjustment Appeals,
- ~~> Construction Board~~ Construction Board Adjustment and Adjustment Appeals and Appeals,
- ~~> Friendswood Downtown~~ Friendswood Downtown Economic Development Corporation,
- ~~> Charter Review Commission~~ shall comply with the Texas Open Meetings Act.

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Some boards, commissions, and committees may ~~find it desirable~~ or be directed to adopt rules of procedure. ~~All~~ such rules of procedure and subsequent amendments shall be approved by the City Council. ~~Any amendments shall also be approved by City Council.~~

Sec. 4.06. Appointment of Officers/Members

Officers or members of each of the City's boards, commissions, and committees will be appointed in accordance with any applicable ordinances, state laws, or City Charter. The positions of Chair and Vice Chair may be rotated following the appointment and reappointment time frame, but may not serve more than four consecutive terms, unless otherwise approved by Council. Officers of the Planning and Zoning Commission, Zoning Board of Adjustment ~~and Appeals~~, Construction Board of Adjustment and Appeals, Friendswood Downtown Economic Development Corporation, and the Charter Review Commission are required to be a resident of Friendswood. Members of advisory boards, or committees are not required to be a resident of the city; however, a quorum of members from those advisory boards or committees must never be from outside of the city. The City Secretary shall include ~~All~~ newly appointed officers/members ~~shall be reported to the City Secretary for inclusion in the City's~~ Boards, Commissions, and Committees' rosters.

Sec. 4.07. Providing and Maintaining Records

The City Secretary's office shall keep an up-to-date official record of pertinent information on each board, commission, and committee in an official notebook. City Staff Liaisons to the boards, commissions, and committees will ~~work with~~ be responsible for providing to the City Secretary's ~~Office to provide~~ up-to-date information of names, addresses, and telephone numbers for their boards, commissions, and committee members. ~~Each Staff Liaison will maintain a~~ The City Secretary's Office is responsible for maintaining the City's historical list of boards, commission and committee members ~~which their department supports.~~

Sec. 4.08. Attendance Policy and Records

Attendance records shall be maintained by all City Staff Liaisons providing support to the various City boards, commissions, and committees and input into the City's centralized meeting, agenda, and minute program; —said attendance records can also be made available upon request to the boards, commissions, and committees members at each regular meeting.

Staff liaisons will work with the City Secretary's Office to ensure that attendance records are correct and available for Council review at the time of the appointment / reappointment process.
The records will be available by request to the boards, commissions, and committees members at each regular meeting.

The attendance record will be provided to the City Secretary's office when the appointment / reappointment process takes place for that committee. It shall be the responsibility of each member to attend meetings regularly. — Three consecutive unexcused absences or the absence of an advisory board or committee member from more than 50 percent of the meetings in a six-month period shall be cause for Council to consider the removal of said member for excessive absences, review the attendance record and make a recommendation on the continued service of that member. — Three consecutive unexcused absences or the absence of a member considered to be an officer from more than 20 percent of the meetings in a six-month period shall be cause for Council to consider the removal of said member for excessive absences, shall be cause for Council to review the attendance record and make a recommendation on the continued service of that officer. Examples of excused absences include illness, business reasons, death of family members, etc.

Attendance at all regular meetings, special meetings, and work sessions by each board, commission, and committee member will be recorded on an attendance record form (Exhibit No. D), and absences shall be noted as excused or unexcused by the Chair. Examples of excused absences include but are not limited to: illness, business reasons, death of family members, etc.

Sec. 4.09. Information Packets

Each applicant shall receive a welcome letter and packet of information about the committee, its purpose, members, meeting schedule and location, and any other information, such as rules of procedure, as requested. Additionally, the City Secretary's Office will provide each newly appointed board, commission, and committee member with a copy of the City's Volunteer Guidebook. Each individual will complete the guidebooks acknowledgement of receipt form and only one form is required for the individual for the duration of his/her time on the board, committee commission.

V. Appointments

Sec. 5.01. Applications

All citizens interested in being appointed or reappointed to a board, commission or committee must have an up-to-date application on file or submit a completed application (Exhibit No. E) to the City Secretary via its paper or online application. New applications will be forwarded to the Staff Liaison of the appropriate board, commission or committee. At the established time, applications will be distributed by the City Secretary's eOffice to the Mayor and City Council.

Upon request, ~~The~~ City Secretary shall provide an application and a background check disclosure and authorization form to citizens ~~upon request~~, as well as, information sheets on the various boards, commissions, and committees. A background check is required upon initial appointment and for reappointment.

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The City Secretary shall advertise an invitation to citizens to submit an application indicating their interest and qualifications to serve on a board, commission, or committee at least once a year, or as needed, in the news media, social media, internet, and/or as otherwise directed by City Council, ~~an invitation to citizens to submit an application indicating their interest and qualifications to serve on a board, commission, or committee.~~

The two regularly scheduled appointments cycles are as follows:

JULY: The members of boards, commissions, and committees to be appointed in July are the

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- Planning and Zoning Commission,
- Zoning Board of Adjustment ~~and Appeals,~~
- Construction Board of Adjustment and Appeals,
- Library Board of Trustees,
- Community and Economic
- Development Committee, and
- Charter Review Commission (to be appointed in July every 5 years or as called by Council).

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NOVEMBER:

- Members of boards, commissions, and committees to be appointed in November are
- Fourth of July Steering Committee,
- Keep Friendswood Beautiful,
- Senior Citizen Advisory Committee, and
- Investment Committee.

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All applications submitted to the City Secretary will be date stamped RECEIVED, e-mailed to the Staff Liaison to the committee(s) and will be retained by the City Secretary for a period ~~of three~~ (3) years, in compliance with according to the City's records retention applicable rules in the adopted records retention schedule. The applications will be used in making appointments to boards, commissions, and committees for expiring terms of office and as vacancies occur.

The City Secretary will send a letter to each board, commission, and committee member who has an expiring term of office to determine if the member wishes to be considered for reappointment and/or to update the application on file.

Sec. 5.02. Appointment Process

By the end of May and September of each year, the City Secretary will notify the Staff Liaison what members/officers would like to be reappointed and who would not. The Staff Liaison ~~will~~ will contact ~~the~~ the ~~C~~Council ~~Liaison~~ Liaison ~~to~~ to ~~discuss~~ discuss ~~the~~ the ~~candidates~~ candidates ~~for~~ for appointment/reappointment. Council liaisons, chairpersons, vice chairpersons, staff, or other members/officers may interview new candidates to be considered prior to the appointments. ~~The~~ The Council Liaison to the board, commission or committee will contact the Mayor on the proposed appointments/reappointments and obtain his concurrence.

The Council Liaison will notify the City Secretary who will then prepare an Agenda Item form for the July or November Council meeting to have the appointments/reappointments approved by Mayor and Council.

Appointments shall be made to boards, commissions, and committees at the regular monthly Council meeting in July and November or as soon thereafter as possible. Appointments will be effective July and November, respectively.

A congratulatory letter ~~(Exhibit No. F) and welcome packet with related forms~~ will be prepared by the City Secretary's eOffice for all newly appointed or reappointed members to the City's boards, commissions, and committees. An example of said welcome packet is hereto included as Exhibit C. Appreciation letters will be sent by the City Secretary to all individuals who were not appointed.

All members/officers of the boards, commission and committees must complete Open Meetings Act (OMA) Training and Public Information Act Training administered by the Texas Attorney General within 90 days as required by law and must provide their certificate of completion to the City Secretary's office. Members/officers may designate the City Secretary as the public information coordinator to satisfy the training requirements of the Texas Public information Act.

Sec. 5.03. Selection Criteria

Members selected should not only be qualified, but also show a desire and commitment to serve in the capacity they are appointed. The

Selection of members to boards, commissions, and committees shall be made considering the stated interest and desire of the applicant to serve, as well as, —Other criteria as deemed appropriate by the Council and may include but is not limited to: will be the applicant's availability, qualifications, personal background, and any special skills he/she may have.

~~Members selected should not only be qualified, but also show a desire and commitment to serve in the capacity they are appointed.~~

~~Appreciation letters will be sent by the City Secretary to all individuals who were not appointed. They will be advised that their application will be retained for three years.~~

Sec. 5.04. Filling Vacancies

Vacancies on boards, commissions, and committees caused by resignations will be filled throughout the year as they occur in order to complete unexpired terms of office. When a vacancy occurs, the Staff Liaison of the board, commission, or committee shall notify the City Secretary.

Appointments to fill vacancies will be made at a Council meeting by a majority of City Council from the list of applicants provided on the Agenda Item form completed by the City Secretary.

Should there be no current applicants for the vacancy, the City Secretary shall follow the procedures previously described to seek new applicants.

EXHIBIT A
FRIENDSWOOD CITY COUNCIL LIAISONS

COMMITTEE	COUNCIL MEMBER
Clear Creek Watershed Steering Committee	Main Liaison: Alternate:
Community & Economic Development Committee	Main Liaison: Alternate:
4 th of July Steering Committee	Main Liaison: Alternate:
Galveston County Commissioners Court	Main Liaison: Alternate:
Galveston County Consolidated Drainage District	Main Liaison: Alternate:
Galveston County Mayors' & Councils' Association (GCMCA)	All City Council Members
Gulf Coast Authority	Main Liaison: Alternate:
Houston-Galveston Area Council (H-GAC)	Main Liaison: Alternate:
Harris County Commissioners Court	Main Liaison: Alternate:
Harris County Mayors' and Councils' Association (HCMCA)	All City Council Members
Homeowner's Associations	City Manager's Office/Staff
Keep Friendswood Beautiful (KFB)	Main Liaison: Alternate:
Library Board	Main Liaison: Alternate:
Planning and Zoning Commissions	Main Liaison: Alternate:
Senior Citizens Advisory Committee	Main Liaison: Alternate:
Zoning Board of Adjustment	Main Liaison: Alternate:
Investments Committee	No Liaison Required
Construction Board of Adjustment & Appeals	No Liaison Required
Charter Review Commission	No Liaison Required

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EXHIBIT B

SYNOPSIS OF STANDING BOARDS, COMMISSIONS, AND COMMITTEES

PLANNING AND ZONING COMMISSION			
Number of Members:	7, regular	Term of Office:	3-years, overlapping terms
Established by:	City Code, Chapter 2 "Administration", Article II "Boards, Committees and Commissions", Division 3 "Planning and Zoning Commission, Section 2-69; LGC Chapters 211 & 212		
Appointed by:	City Council		
Regular Meetings:	2 nd and 4 th Thursday of the month		
Time:	7:00 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair & Vice Chair selected every 3 years by Commission members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Community Development - Department Head and staff.		
Council Liaison:	Yes, appointed by City Council		
Duties of the Commissions:	The Commission shall submit recommendations to the City Council, after holding public hearings, on any change or amendment to any of the provisions of the Zoning Ordinance or the Zoning Districts Map: any request for a specific use permit or planned unit development any change or amendment to the subdivision ordinance; and any related request by Council. In public meeting, the commission also reviews and approves commercial site plans, preliminary and final plats, and subdivision developments. The commission also acts in the capacity of the Capital Improvements Advisory Committee created by Section 395.058 of the Texas Local Government Code.		

ZONING BOARD OF ADJUSTMENT			
Number of Members:	5, regular & 4 alternates	Term of Office:	2-years, overlapping terms
Established by:	City Code, Appendix C, Sections 10-13; LGC Sections 211.008 – 211.011		
Appointed by:	City Council		
Regular Meetings:	As needed		
Time:	4 th Tuesday of the month, as needed, unless a holiday falls during the week of the meeting date, and date is moved to the 3 rd Tuesday of the month.		
Location:	Friendswood City Hall		
Officers:	Chair & Vice Chair elected every 2 years by members. Officers will be appointed for two-year terms as required by statute (LGC 54.033 and 211.008). Chair and Vice Chair may not serve more than four terms, unless otherwise approved by Council.		
Compensation:	None		
Staff Support:	Building Official, City Planner and Development Coordinator		
Council Liaison:	No		
Duties of the Commissions:	This board hears and rules on requests for appeals, special exceptions and variances to the Zoning Ordinance and authorizes variances from the zoning ordinance when not contrary to the public interest. This board also serves as the appeals board for Fire and Life Safety Codes, Flood Damage Prevention Code (City Code, Section 34-41), and Building and Standards Commission (BASC) (City Code, Section 14-319).		

CONSTRUCTION BOARD OF ADJUSTMENT AND APPEALS			
<u>Number of Members:</u>	<u>7 regular & 2 alternates (if desired)</u>	<u>Term of Office:</u>	<u>3-years</u>
<u>Established by:</u>	<u>City Code, Chapter 14 "Buildings and Building Regulations", Article II "Standard Building Code", Section 105.1</u>		
<u>Appointed by:</u>	<u>City Council</u>		
<u>Regular Meetings:</u>	<u>As needed</u>		
<u>Time:</u>	<u>7:00 P.M.</u>		
<u>Location:</u>	<u>Friendswood City Hall</u>		
<u>Officers:</u>	<u>Chair& Vice Chair are selected every two years by members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.</u>		
<u>Compensation:</u>	<u>None</u>		
<u>Staff Support:</u>	<u>Building Official</u>		
<u>Council Liaison:</u>	<u>No</u>		
<u>Duties of the Commissions:</u> <u>The Construction Board of Adjustments and Appeals shall have the power to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes. Membership of the board should be composed of individuals with knowledge and experience in the technical codes, such as design professionals, contractors, or building industry representatives. Alternate members, if appointed, should consist of a member at-large front the building industry and one member at-large from the public.</u>			

Commented [LB1]: This section is not listed under Chapter 14 – is this a typo or does it belong to another code?

<u>FRIENDSWOOD PUBLIC LIBRARY ADVISORY BOARD</u>			
<u>Number of Members:</u>	7 regular & 3 alternates	<u>Term of Office:</u>	3-years, overlapping terms
<u>Established by:</u>	Ordinance No. 173; effective November 22, 1972		
<u>Appointed by:</u>	City Council		
<u>Regular Meetings:</u>	3 rd Tuesday of the month, as needed		
<u>Time:</u>	7:00 P.M.		
<u>Location:</u>	Friendswood Public Library		
<u>Officers:</u>	Chair and Vice Chair are selected by members. Officers will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
<u>Compensation:</u>	None		
<u>Staff Support:</u>	Library Director and designated Library staff		
<u>Council Liaison:</u>	Yes; appointed by City Council		
<u>Duties of the Commissions:</u> To establish general library policy, represent the public and its interest in the operation of the library, secure from the people of Friendswood support for the Library, and to interpret the needs of the people to the City Council.			

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COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE			
Number of Members:	7 regular	Term of Office:	3-years, overlapping terms
Established by:	Council Action on February 15, 1993		
Appointed by:	City Council		
Regular Meetings:	1 st Wednesday of the month		
Time:	3:30 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Officers will be appointed for a three-year term following the appointment and		

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	<u>reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.</u>
Ex Officios:	<u>Chamber of Commerce Representative and Planning and Zoning Commission Representative</u>
Staff Support:	<u>Assistant City Manager and/or his/her designee</u>
Council Liaison:	<u>Yes, appointed by City Council</u>
Duties of the Commissions:	<u>To encourage commercial and industrial developments which are compatible with the image of Friendswood; provide recommendations to the City Council regarding codes, ordinances, policies, and procedures that assist economic development and conduct surveys of citizens and businesses to gain understanding of economic development which is compatible with the city's interest, needs, and image.</u>

CHARTER REVIEW COMMISSION			
Number of Members:	<u>7 regular</u>	Term of Office:	<u>6-months</u>
Established by:	<u>City Charter, Section 11.09 "Charter Review Commission"</u>		
Appointed by:	<u>City Council, every five years</u>		
Regular Meetings:	<u>3rd Tuesday of the month, as needed</u>		
Time:	<u>7:00 P.M.</u>		
Location:	<u>Friendswood City Hall</u>		
Officers:	<u>Chair and Vice Chair are selected by members.</u>		
Compensation:	<u>None</u>		
Staff Support:	<u>City Manager, City Attorney and City Secretary</u>		
Council Liaison:	<u>No</u>		
Duties of the Commissions:	<u>To (1) inquire into the operation of the City government under the Charter provisions and determine whether any such provisions require revision, to include public hearings as needed; (2) propose, if it deems desirable, amendments to this Charter to improve the effective application of the Charter to current conditions; and (3) report its findings and present its proposed amendments, if any, to the Council.</u>		

FOURTH OF JULY STEERING COMMITTEE			
Number of Members:	<u>20 regular</u>	Term of Office:	<u>3-years, overlapping terms</u>
Established by:	<u>Council Action</u>		
Appointed by:	<u>City Council</u>		
Regular Meetings:	<u>3rd Wednesday of the month</u>		
Time:	<u>6:00 P.M.</u>		
Location:	<u>Friendswood City Hall</u>		
Compensation:	<u>None</u>		
Officers:	<u>Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.</u>		
Staff Support:	<u>Director of Parks and Recreation and/or his/her designee</u>		
Council Liaison:	<u>Yes, appointed by City Council</u>		
Duties of the Commissions:	<u>To assist staff in organizing, planning, coordinating, and overseeing the annual City of Friendswood Fourth of July activities and any other related functions requested by the City Council.</u>		

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KEEP FRIENDSWOOD BEAUTIFUL			
Number of Members:	20 regular & 2 alternates	Term of Office:	3-years, overlapping terms
Established by:	City Council January 15, 1973, as Civic Beautification Committee City Council, January 25, 2010, from Community Appearance Board to Keep Friendswood Beautiful Committee		
Appointed by:	City Council		
Regular Meetings:	4 th Tuesday of the month		
Time:	6:30 P.M.		
Location:	Friendswood City Hall		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Director of Parks and Recreation and/or his/her designee		
Council Liaison:	Yes, appointed by City Council		
Duties of the Commissions:	To enhance the aesthetic appearance of the city and to encourage residents to take an active role in maintaining its image. The KFB directs and coordinates management and planning of its projects and education of the community; recommends budget and project priorities to City Council; seeks grants for funding opportunities; makes suggestions for conserving and protecting natural resources; and performs such other duties as the City Council may reasonably request. Keep Friendswood Beautiful also serves as the advisory committee for the City's Storm Water Management Program (last updated 2014) per TCEQ.		

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SENIOR CITIZEN ADVISORY COMMITTEE			
Number of Members:	8 regular & 1 alternate	Term of Office:	3-years, overlapping terms
Established by:	Council Action (1993)		
Appointed by:	City Council		
Regular Meetings:	2 nd Tuesday of the month		
Time:	9:00 A.M.		
Location:	Activities Building, 416 Morningside		
Compensation:	None		
Officers:	Chair and Vice Chair are selected by members. Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.		
Staff Support:	Director of Parks and Recreation and/or his/her designee		
Council Liaison:	Yes, appointed by City Council		
Duties of the Commissions:	To advise the City Council in all matters pertaining to Friendswood's Senior Citizens Program; acquaints itself with and makes a continuous study and review of the program; recommends the adoption of policies for the program; recommends to the City Council rules and regulations governing the program; makes recommendations to the City Council and City Manager and reasons therefore; and performs other duties as the City Council may reasonably request		

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INVESTMENT COMMITTEE			
Number of Members:	3 regular & No alternates	Term of Office:	3-years
Established by:	Council Action (January 1997)		
Appointed by:	City Council		
Regular Meetings:	Quarterly		
Time:	4:00 P.M. or at the Request of the Chair		

<u>Location:</u>	Friendswood City Hall / Administrative Services Department
<u>Compensation:</u>	None
<u>Officers:</u>	Members will be appointed for three-year terms following the appointment and reappointment time frame. Chair and Vice Chair may not serve more than four three-year terms, unless otherwise approved by Council.
<u>Staff Support:</u>	Director of Administrative Services and/or his/her designee
<u>Liaison/Deputy</u>	City Manager
<u>Council Liaison:</u>	No
<u>Duties of the Commissions:</u> To assist staff in organizing, planning, coordinating, and overseeing the annual City of Friendswood Fourth of July activities and any other related functions requested by the City Council.	

EXHIBIT C

DATE

NAME
ADDRESS
BLOCK

DEAR (NAME):

On behalf of the Mayor and City Council, congratulations, on your recent appointment to the _____ . Your term commences _____ , and will expire on _____ . It is at that time that you will be eligible for reappointment to another full _____ -year term, should you and the City Council desire to do so. Your attendance is very important, so an attendance record is kept at each meeting; therefore, it is your responsibility to attend the meetings regularly and notify the staff liaison of your absence as soon as possible.

Please note that your appointment requires the completion and filing of the documents/trainings noted below, and they are:

1. Oath of Office and Statement of Elected/Appointed Officer;
2. Public Information Act Training and/or the Appointment of Public Information Coordinator;
3. Public Access Option;
4. Open Meeting Act Training; and
5. Volunteer Guidebook Acknowledgement Page.

If you require assistance with these documents or processes, please visit our City Secretary's Office located at 910 S. Friendswood Drive, where staff will be happy to assist you. Should you have any questions, please do not hesitate in contacting the Friendswood City Secretary, at 281-996-3270 or via email at citysecretary@friendswood.com.

Thank you for your time and service.

Sincerely yours,

City Secretary

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In the name and by the authority of
The State of Texas
OATH OF OFFICE

I, _____, do solemnly swear (or affirm), that I will faithfully execute the
duties of the office of _____ of the _____
for the City of Friendswood, of the State of Texas, and will to the best of my ability preserve, protect, and
defend the Constitution and laws of the United States and of this State, and the charter and ordinances of
this city, so help me God.

Officer's Signature

Printed Name

SWORN TO and subscribed before me by on this _____ day of _____, _____.

Signature of Person Administering Oath

(Seal)

Printed Name

Title

STATEMENT OF ELECTED/APPOINTED OFFICER

(Pursuant to Tex. Const. art. XVI, §1(b), amended 2001)

I, _____, do solemnly swear (or affirm), that I have not directly or indirectly
paid, offered, promised to pay, contributed, or promised to contribute any money or thing of value, or promised
any public office or employment for the giving or withholding of a vote at the election at which I was elected
or as a reward to secure my appointment or confirmation, whichever the case may be, so help me God.

**UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING STATEMENT AND THAT THE
FACTS STATED THEREIN ARE TRUE.**

Date

Officer's Signature

Position to Which Elected/Appointed

Friendswood, Galveston/Harris
City and/or County

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TEXAS GOVERNMENT CODE SECTION 552.024
PUBLIC ACCESS OPTION FORM

[Note: This form should be completed and signed by the public official no later than the 14th day after the public official is elected or appointed.]

(Name of Appointed/Elected Official)

Title

Board/ Commission to Which Elected / Appointed

The Public Information Act allows employees, public officials and former employees and officials to elect whether to keep certain information about them confidential. Unless you choose to keep it confidential, the following information about you may be subject to public release if requested under the Texas Public Information Act. Therefore, please indicate whether you wish to allow public release of the following information:

	PUBLIC ACCESS?	
	<u>NO</u>	<u>YES</u>
<u>Home Address</u>		
<u>Home Telephone Number</u>		
<u>Personal Cell Phone Numbers</u>		
<u>Emergency Contact Information</u>		
<u>Social Security Number</u>		
<u>Family Member Information</u>		

Officer's Signature

(Date)

**APPOINTMENT OF THE PUBLIC INFORMATION COORDINATOR
PURSUANT TO THE TEXAS PUBLIC INFORMATION ACT**

THE STATE OF TEXAS §
COUNTIES OF §
GALVESTON/HARRIS §

The City Secretary of the City of Friendswood, Texas, is primarily responsible for administering the responsibilities of the public official or governmental body of the City under the Texas Public Information Act. As such, pursuant to Section 552.012(c) of the Texas Government Code, I _____ as a member of the _____ of the City of Friendswood, Texas, hereby appoint the City Secretary as the public information coordinator to satisfy my training requirements of the Texas Public Information Act.

Signed this _____ day of _____, _____

(Name of Appointed/Elected Official)

Title

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THE STATE OF TEXAS §
COUNTIES OF §
GALVESTON/HARRIS §

BEFORE ME, the undersigned authority, this day personally appeared _____, a member of the _____ of the City of Friendswood, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.

GIVEN UNDER my hand and seal of this office this _____ day of _____, _____.

(SEAL)

NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

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TO: Board, Commission or Committee Member
FROM: , City Secretary
SUBJECT: Texas Open Meetings Act

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During the Regular Session of the 79th Legislature, the Legislature enacted legislation which, among other actions, amended the Texas Open Meetings Act (TOMA). Effective January 1, 2006, the new law requires public elected/appointed officials who are members of a governmental body to receive training concerning its responsibilities with regard to the Texas Open Meetings Act. The Act stipulates that training must be completed within 90 days from the date the oath of office is taken.

To fulfill the training requirement, you will need to do the following:

1) Watch the training video

To access the training video, please follow this link to the OAG's website:
<https://www.texasattorneygeneral.gov/open-government/open-meetings-act-training>

At the conclusion of the training video, you will be presented with an identification code/number. Please record this code/number as it will be used to obtain your course certificate.

If you do not have access to the internet, please contact the City Secretary's Office at 281-996-3270, to request a DVD copy of the video.

2) Print the course certificate

To obtain your course certificate, please follow this link:
https://www2.texasattorneygeneral.gov/forms/openrec/og_certificates.php

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3) Mail, fax, email, or deliver the certificate to the City of Friendswood City Secretary's Office

Mail/Deliver: 910 S. Friendswood Drive, Friendswood, Texas 77546-4856
Fax: 281-482-1634
Email: citysecretary@friendswood.com

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Thank you for taking the time to be in compliance with the Texas Open Meetings Act. Should you have any questions in regards to this process, the training or your board member paperwork, please contact our offices, at (281) 996-3270.

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ACKNOWLEDGEMENT OF RECEIPT
OF THE
CITY OF FRIENDSWOOD
VOLUNTEER GUIDEBOOK

I hereby acknowledge receipt of the City of Friendswood Volunteer Guidebook, and that I am responsible for knowing and following the policies and procedures contained therein. I, also, understand the City of Friendswood Volunteer Guidebook may be modified at any time and I will be responsible staying abreast of those updates when notified.

Date Received

Volunteer Signature

Printed Name

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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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Discuss and take possible action regarding Resolution No. 2021-11: a Resolution of the City Council of the City of Friendswood, Texas Galveston/Harris Counties, opposing 87- Senate Bill (SB) 1661 requiring a governmental body to hold a general election of the city on the November uniform election date in an even number year.

Originating Department: City Attorney

Degree of importance: Extremely important to oppose SB 1661

SUMMARY / ORIGINATING CAUSE

The passage of Senate Bill (SB) 1661 will change all voter approved City Charter provisions relating to elections of the City's governing body. Our City Charter mandates that general city elections be held on the May uniform election date, the Mayor and six City Councilmembers shall be elected to serve for three-year terms, and said three-year terms of the Mayor and six City Councilmembers shall be staggered.

If SB 1661 is passed by the Texas Legislature, it would take away the voice and will of our citizens who approved our City Charter. SB 1661 would mandate that the City change its general city election date from the May uniform election date to the November uniform election date in even-numbered years, it would reduce the term of Office of the Mayor and six City Councilmembers from three years to two years and it would eliminate staggered terms by requiring the Mayor and six City Councilmembers to all run for office at the same time.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Imminent consequences are very severe if the Texas Legislature passes SB 1661. SB 1661 would mandate that the City change its general election date from May to November, no later than November 1, 2022, it would reduce the Mayor and six City Councilmembers terms of Office from three years to two years and it would force the Mayor and six City Councilmembers to all run for office and the same election.

RECOMMENDATIONS

Approve Resolution opposing 87 - SB 1661.

ATTACHMENTS

1. R2021-11 Proposed Resolution SB1661 - final

RESOLUTION NO. R2021-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, OPPOSING 87 - SB 1661 THAT MANDATES THAT ALL CITIES HOLD GENERAL ELECTIONS ON THE NOVEMBER UNIFORM ELECTION DATE IN EVEN-NUMBERED YEARS; REDUCES TERMS OF OFFICE FROM THREE YEARS TO TWO YEARS; REQUIRES THE MAYOR AND CITY COUNCILMEMBERS TO ALL RUN FOR OFFICE AT THE SAME ELECTION, ELIMINATING STAGGERED TERMS.

* * * * *

WHEREAS, the citizens of the City of Friendswood voted to approve its City Charter which provides that general city elections shall be held on the May uniform election day, a Mayor and six Councilmembers shall be elected to serve for three-year terms, and said three-year terms of the Mayor and six Councilmembers shall be staggered; and

WHEREAS, SB1661 will change the City Charter and take away the voice and will of the citizens of the City of Friendswood by reducing the term of Office of the Mayor and City Councilmembers from three years to two years, eliminating staggered terms by requiring the Mayor and six City Councilmembers to all run for office at the same time and change the general election date from May to November; and

WHEREAS, SB1661 mandates that the City of Friendswood change its general election date from May to November, no later than November 1, 2022, and conduct its general elections by providing for the election of all members of City Council at the same election every two years, destroying the will of the citizens of the City of Friendswood who approved the City Charter provisions relating to the elections of its governing body.

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

Section 1. That the Mayor and City Councilmembers strongly oppose SB1661 and any attempt to silence the voices and will of the citizens they represent by mandating a change to its current City Charter provisions relating to the election of the Mayor and City Councilmembers.

Section 2. That the Mayor and City Councilmembers strongly oppose any mandate to change the general city election date from May to November, strongly oppose reducing the terms of office from three years to two years and strongly oppose the election of all members of the City Council at the same election.

Section 3. That the City Secretary is hereby directed to send a copy of this resolution to the members of the Friendswood state legislative delegation.

Section 4. That it is hereby found and determined that the meeting at which this resolution was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law.

Section 5. That this resolution is effective upon adoption by the City Council of the City of Friendswood, Texas.

PASSED, APPROVED AND RESOLVED on this 3rd day of May, 2021.

Mike Foreman
Mayor

ATTEST:

Leticia Brysch
City Secretary

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: May 3, 2021

Date submitted: 04/08/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Discuss and take possible action regarding Resolution No. 2021-12: a Resolution of the City Council of the City of Friendswood, Texas finding that Texas-New Mexico Power Company's application for approval to amend its distribution cost recovery factor to increase distribution rates within the City should be denied; authorizing the hiring of legal counsel and consulting services; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of the resolution to the company and legal counsel.

Originating Department: City Attorney

Degree of importance: Very important

SUMMARY / ORIGINATING CAUSE

On April 5, 2021, Texas-New Mexico Power Company ("TNMP") filed an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") to Increase Distribution Rates with each of the cities in their service area. In their filing, TNMP asserts that it is seeking an increase in distribution revenues of \$13,959,505.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

This Resolution denies the DCRF application proposed by TNMP and authorizes the City to join and participate as a Party with the Cities served by TNMP to evaluate the filing, determine whether the filing complies with the law, to determine what further strategy, including settlement, to pursue. It further authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with TNMP, and make recommendations to the City regarding reasonable rates and it authorized TNMP Cities to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the Public Utility Commission.

RECOMMENDATIONS

Approval of Resolution

ATTACHMENTS

1. Denial Resolution - 2021 TNMPmkf

RESOLUTION NO. 2021-12

A RESOLUTION OF THE CITY OF FRIENDSWOOD, TEXAS FINDING THAT TEXAS-NEW MEXICO POWER COMPANY'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH TNMP CITIES; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

* * * * *

WHEREAS, the City of Friendswood, Texas ("City") is an electric utility customer of Texas-New Mexico Power Company ("TNMP" or "Company") with an interest in the rates and charges of TNMP; and

WHEREAS, the Cities Served by Texas-New Mexico Power Company ("TNMP Cities") is a coalition of similarly situated cities served by TNMP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in TNMP's service area in matters before the Public Utility Commission ("Commission") and the courts; and

WHEREAS, on or about April 5, 2021, TNMP filed with the Commission an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF"), Commission Docket No. 51959, seeking to increase distribution rates by \$13,959,505 million annually; and

WHEREAS, the City of Friendswood will cooperate with TNMP Cities in coordinating their review of TNMP's DCRF filing with designated attorneys and

consultants, prepare a common response, negotiate with the Company, and direct any necessary litigation, to resolve issues in the Company's filing; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if TNMP's Application is granted; and

WHEREAS, working with the TNMP Cities to review the rates charged by TNMP allows members to accomplish more collectively than each city could do acting alone; and

WHEREAS, TNMP Cities' members and attorneys recommend that members who have retained original jurisdiction over electric utility rates deny TNMP's DCRF.

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

Section 1. That the City is authorized to participate with TNMP Cities in Commission Docket No. 51959.

Section 2. That, subject to the right to terminate employment at any time, the City of Friendswood hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal TNMP's DCRF application.

Section 3. That the rates proposed by TNMP to be recovered through its DCRF charged to customers located within the City limits should be denied.

Section 4. That the Company should continue to charge its existing rates to customers within the City.

Section 5. That the City's reasonable rate case expenses shall be reimbursed in full by TNMP within 30 days of the adoption of this Resolution, and within 30 days of presenting monthly bills to TNMP thereafter.

Section 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

Section 7. That a copy of this Resolution shall be sent to Scott Seamster, Associate General Counsel, Texas-New Mexico Power Company, 577 N. Garden Ridge Blvd., Lewisville, Texas 75067, and to Thomas Brocato, General Counsel to TNMP Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, TX 78767-1725, or tbrocato@lglawfirm.com.

PASSED, APPROVED AND ADOPTED on this 3rd day of May, 2021.

Mike Foreman
Mayor

ATTEST:

Leticia Brysch
City Secretary

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consideration and possible action regarding Ordinance No. T2021-12: the second and final reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.

Originating Department: Community Development

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The future Avalon at Friendswood development currently straddles the corporate limits of the City of Friendswood and the City of League, with approximately 59.521 acres being in the corporate limits of the City of Friendswood, Texas, and approximately 26.921 acres within the corporate limits of the City of League City. League City is agreeable to amend the city boundaries to allow Friendswood to incorporate the 26.921 acres into the City of Friendswood, provided that League City is reimbursed 50 percent of the ad valorem taxes for a period of 20 years. The 20 year timeframe is taking into account the plausible fact that homes will not be built on the lots within that section for a number of years. In some cases, as Friendswood and League City have done in the past, cities exchange land, sometimes called a land swap, but in this case, Friendswood does not have any land to offer in exchange. City services such as water, sewer, and drainage will be provided by the City of Friendswood. Taylor Morrison has also started discussions with the school districts to get the land exchanged between Friendswood ISD and Clear Creek ISD.

First and final reading of an ordinance was considered and approved by League City City Council on April 13.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Incorporating the land into Friendswood would allow the City to serve the property with additional City services such as garbage and police, fire and EMS services. At this time, League City does not have water, sewer or drainage services to provide to the acreage.

RECOMMENDATIONS

Staff recommends incorporating the land.

ATTACHMENTS

1. Ord 2021-12 with Interlocal Agreement Adjusting Corporate Boundary Lines Avalon
2. Ord 2021-12 Exhibit A
3. Ord 2021-12 Exhibit B
4. 2021 Friendswood Interlocal Agreement Adjusting Corporate Boundary Lines Avalon

ORDINANCE NO. T2021-12

AN ORDINANCE APPROVING AN INTERLOCAL AGREEMENT ADJUSTING THE CORPORATE BOUNDARY LINES BETWEEN THE CITY OF FRIENDSWOOD, TEXAS, AND THE CITY OF LEAGUE CITY, TEXAS, INCLUDING 26.921 ACRES FROM THE AVALON DEVELOPMENT; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND THE CITY SECRETARY TO ATTEST; AND PROVIDING AN EFFECTIVE DATE.

* * * * *

WHEREAS, the Avalon development currently straddles the corporate limits of the City of Friendswood and the City of League, with approximately 59.521 acres being in the corporate limits of the City of Friendswood, Texas and approximately 26.921 acres within the corporate limits of the City of League City; and

WHEREAS, the 26.921 acre tract located in the corporate limits of the City of League City is less than 1,000 feet in width, and pursuant to Texas Local Government Code Section 43.015, adjacent municipalities may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width; and

WHEREAS, the City of Friendswood, Texas seeks to enter into an interlocal agreement with the City of League City, Texas in order to adjust their respective corporate boundaries, whereby League City will release 26.921 acres of land from the Avalon Development, (the "Property"), from its corporate limits to be relinquished to and become a part of the corporate limits of Friendswood and Friendswood will accept this land from League City to become part of the corporate limits of Friendswood; and

WHEREAS, the City Council of the City of Friendswood, Texas, finds and determines that the exchange of boundaries is in the best interest of the health, safety, morals and welfare of the citizens of the City of Friendswood, and does, by this ordinance, approve such interlocal agreement, a true and correct copy of which is attached hereto and incorporated as Exhibit "A."

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD,
STATE OF TEXAS:**

Section 1. That the City Manager and City Secretary are hereby authorized and directed to execute and attest, respectively, the Boundary Agreement by and between the City of Friendswood, Texas, and the City of League City, Texas, a true and correct copy of which is attached hereto and incorporated as Exhibit "A."

Section 2. That the City Secretary is hereby directed to effectuate an amendment of the City's Official Map to incorporate the changes effected by the Boundary Agreement and to file copies thereof, along with a certified copy of this Ordinance, Agreement and Exhibits, with the County Clerks of Galveston and Harris Counties, Texas.

Section 3. That this ordinance shall become effective upon its passage and approval.

PASSED AND APPROVED on first reading this 5th day of April, 2021.

PASSED, APPROVED, and ADOPTED on second and final reading this 3rd day of May, 2021.

MIKE FOREMAN
MAYOR

ATTEST:

LETICIA BRYSCH
CITY SECRETARY

"Exhibit A"
Description of Property -
Tract 2 Only

CURVE TABLE					
CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	CHORD BEARING	CHORD LENGTH
C1	25.00'	90°11'52"	39.36'	N 04°42'28" W	35.42'
C2	25.00'	89°54'23"	39.23'	S 85°54'55" W	35.33'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 48°08'53" W	194.41'
L2	S 48°14'56" E	60.26'
L3	N 49°08'24" W	59.96'
L4	S 03°06'17" E	88.75'
L5	S 03°06'17" E	188.46'
L6	N 56°50'16" E	18.49'
L7	N 03°06'17" W	112.75'

0' 200' 400' 600'
SCALE: 1"=200'

LEGEND

- OPEN CABLE TELEVISION PEDESTAL
- FH FIRE HYDRANT
- MH MANHOLE
- PLM PIPELINE MARKER
- PP POWER POLE
- UT UNDERGROUND TELEPHONE CABLE MARKER
- UV UTILITY VAULT
- WV WATER VALVE
- AC ACRES
- EOW EDGE OF WATER
- ESMT EASEMENT
- FND FOUND
- G.C.C.F. GALVESTON COUNTY CLERK'S FILE
- G.C.D.R. GALVESTON COUNTY DEED RECORDS
- G.C.M.R. GALVESTON COUNTY MAP RECORDS
- I.P. IRON PIPE
- I.R. IRON ROD
- PG. PAGE
- PLAT REC. PLAT RECORD
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCING
- SQ. FT. SQUARE FEET
- VOL. VOLUME
- W/ WITH
- BARBED WIRE FENCE
- WOODEN FENCE
- WROUGHT IRON FENCE, UNLESS OTHERWISE NOTED

DAVID FAHEY SUBDIVISION
OF THE
MARY FABREAU SURVEY
(VOL. 118, PG. 415, G.C.D.R.)

TRACT A
(CALLED 194.21 AC.)
ESTATE OF GEORGE A. BOFYSIL, JR.
TO
YELLOWSTONE HILL COUNTRY RANCHING, LLC
(G.C.C.F. #2010059686)

P.O.B. - TR. 1
FND. 5/8" I.R.

P.O.B. - TR. 2
SET 5/8" I.R. W/ CAP,
STAMPED "GEOSURV"

TRACT 1
59,521 Acres
(2,592,729 Sq. Ft.)

TRACT 2
26,921 Acres
(1,172,660 Sq. Ft.)

I.&G.N.R.R. COMPANY SURVEY
NUMBER 5, ABSTRACT NO. 622

Subject Property

Dale L. Hardy
GeoSurv
Registered Professional
Land Surveyors

P.O. Box 246, League City, Texas 77574
281-554-7739 409-765-6030 Fax: 281-554-6928
Firm No.: 10040100

To Taylor Morrison of Texas, Inc; Yellowstone Hill Country Ranching, LLC; and First American Title Guaranty Company.

This is to attest that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 7(a), 8, 13, and 14 of Table A thereof. The fieldwork was completed on September 12, 2019.

Date of Plat or Map: October 30, 2019

GeoSurv, LLC

Dale L. Hardy
Registered Professional
Land Surveyor 4847

NOTES:

- 1.) A separate exhibit containing the metes and bounds descriptions of the herein surveyed tracts is attached hereto and made a part hereof for all purposes.
- 2.) This property lies in Zone X, defined by FEMA as areas of minimal flood hazard, as scaled from Flood Insurance Rate Map (FIRM) Number 48167020202, effective date August 15, 2019.
- 3.) This survey has been prepared based on Title Commitment provided by First American Title Guaranty Company, G.F. #TMH-TX-1978187LA, issued October 10, 2019.
- 4.) Bearings shown hereon are based on Texas State Plane Coordinates, South Central Zone.
- 5.) At the time of this survey, the herein surveyed tracts have no access to dedicated public right-of-way.
- 6.) Tracts 1 lies within the incorporated limits of the City of Friendswood. Tract 2 lies within the incorporated limits of the City of League City.

TRACT 1

All of that certain 59.521 acres (2,592,729 square feet) tract or parcel of land situated in the **MARY FABREAU SURVEY, Abstract Number 69**, Galveston County, Texas, said 59.521 acres tract being out of and a part of a called 194.21 acres tract, called Tract "A", described in that certain Special Warranty Deed from the Estate of George A. Bofysil, Jr. to Yellowstone Hill Country Ranching, LLC recorded in Clerk's File Number 2010059686 of the Official Public Records of Galveston County, Texas, said 59.521 acres tract being more particularly described by metes and bounds as follows, with all bearings based on the Texas State Plane Coordinate System, South Central Zone:

COMMENCING at an iron rod with cap stamped "Wilson" found for the most Northerly corner of that same tract, called 97.00 acres, described in that certain Special Warranty Deed from Janet Cleaves Acord, Trustee, to Cypress Creek Holdings, Ltd. recorded in Clerk's File Number 2011019071 of the Official Public Records of Galveston County, Texas, said point being the most Easterly corner of Reserve "B" of EAGLE LAKES, SECTION 5, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 554-555, and being at the Southwest line of FALCON RIDGE, SECTION THREE, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 282, both recorded in the Office of the County Clerk of Galveston County, Texas, and being at the Northeasterly line of said **MARY FABREAU SURVEY**, the same being the Southwesterly line of the SARAH McKISSICK SURVEY, Abstract Number 151, Galveston County, Texas;

THENCE, S 41°53'32" W, along the Northwesterly line of said 97.00 acres tract and the Southeasterly line of said EAGLE LAKES SECTION 5; of EAGLE LAKES SECTION 6, a Subdivision in Galveston County, Texas, according to the map of plat thereof recorded in Volume 18, Page 770; and of DOMINION AT FRIENDSWOOD LAKES, a Subdivision in Galveston County, Texas, according to the map of plat thereof recorded in Plat Record 2011A, Map Number 53-54, both in the Office of the County Clerk of Galveston County, Texas, a distance of 2991.68 feet to a 5/8 inch iron rod found for the **POINT OF BEGINNING** and most Northerly corner of the herein described tract, said point being a reentrant corner of said 194.21 acres tract and the most Westerly corner of said 97.00 acres tract;

THENCE, S 48°07'44" E, a distance of 2122.93 feet to a 5/8 inch iron rod found for the most Easterly corner of both the herein described tract and of said 194.21 acres tract, said point also being the most Southerly corner of said 97.00 acres tract, being at the Southeasterly line of said **MARY FABREAU SURVEY**, being at Northwesterly line of both the I.&G.N.R.R. COMPANY SURVEY NUMBER 4, Abstract Number 608, Galveston County, Texas, and of a called 941.89 acres tract described in that certain Correction Deed from Neva Watkins West to Wesley West Cattle Company recorded in Clerk's File Number 9222784 of the Official Public Records of Real Property of Galveston County, Texas;

THENCE, S 41°51'19" W, a distance of 1220.64 feet to an 1/2-inch iron rod found for the most Southerly corner of the herein described tract, of said 194.21 acres tract, and of said **MARY FABREAU SURVEY**, said point also being a reentrant corner of both said I.&G.N.R.R. COMPANY SURVEY NUMBER 4 and of said 941.89 acres tract;

THENCE, N 48°08'53" W, along the Southwesterly line of both said 194.21 acres tract and of said **MARY FABREAU SURVEY**, a distance of 194.41 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set for angle point to the right, said point also being the Northeast corner of a called 26.92 acres tract, called Tract "B", described in the aforementioned Yellowstone Hill Country Ranching, LLC Special Warranty Deed, and being a North corner of both said I.&G.N.R.R. COMPANY SURVEY NUMBER 4 and of said 941.89 acres tract;

THENCE, N 48°08'48" W, along the Southwesterly line of said 194.21 acres tract, a distance of 1389.92 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set for angle point to the left, said point also being the Northwest corner of said 26.92 acres tract and being the Northeast corner of THE LAKES AT SAN

JOAQUIN SECTION ONE, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 1302 in the Office of the County Clerk of Galveston County, Texas; **THENCE**, N 48°13'48" W, along the Southwesterly line of said 194.21 acres tract and the Northeasterly line of said THE LAKES AT SAN JOAQUIN SECTION ONE, a distance of 539.38 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking the most Westerly corner of the herein described tract; **THENCE**, N 41°53'32" E, a distance of 1222.09 feet to the **POINT OF BEGINNING** and containing within said boundaries a calculated area of 59.521 acres (2,592,729 square feet) of land.

TRACT 2

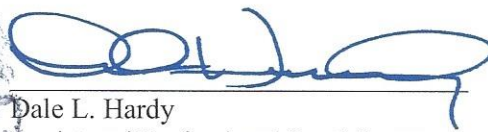
All of that certain 26.921 acres, (1,172,660 square feet) tract or parcel of land situated in the **I.&G.N.R.R. COMPANY SURVEY NUMBER 5, Abstract Number 622**, Galveston County, Texas, said 26.921 acres tract being all of that same certain tract, called 26.92 acres tract, called Tract "B", described in that certain Special Warranty Deed from the Estate of George A. Bofysil, Jr. to Yellowstone Hill Country Ranching, LLC recorded in Clerk's File Number 2010059686 of the Official Public Records of Galveston County, Texas, said 26.921 acres tract being more particularly described by metes and bounds as follows, with all bearings based on the Texas State Plane Coordinate System, South Central Zone:

COMMENCING at an iron rod with cap stamped "Wilson" found for the most Northerly corner of that same tract, called 97.00 acres, described in that certain Special Warranty Deed from Janet Cleaves Acord, Trustee, to Cypress Creek Holdings, Ltd. recorded in Clerk's File Number 2011019071 of the Official Public Records of Galveston County, Texas, said point being the most Easterly corner of Reserve "B" of EAGLE LAKES, SECTION 5, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 554-555, and being at the Southwest line of FALCON RIDGE, SECTION THREE, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 282, both recorded in the Office of the County Clerk of Galveston County, Texas, and being at the Northeasterly line of said **MARY FABREAU SURVEY**, the same being the Southwesterly line of the SARAH McKISSICK SURVEY, Abstract Number 151, Galveston County, Texas;

THENCE, S 41°53'32" W, along the Northwesterly line of said 97.00 acres tract and the Southeasterly line of said EAGLE LAKES SECTION 5; of EAGLE LAKES SECTION 6, a Subdivision in Galveston County, Texas, according to the map of plat thereof recorded in Volume 18, Page 770; and of DOMINION AT FRIENDSWOOD LAKES, a Subdivision in Galveston County, Texas, according to the map of plat thereof recorded in Plat Record 2011A, Map Number 53-54, both in the Office of the County Clerk of Galveston County, Texas, at 2991.68 feet passing a 5/8 inch iron rod found for the most Westerly corner of said 97.00 acres tract and for a reentrant corner of a called 194.21 acres tract, called Tract "A", described in the aforementioned Yellowstone Hill Country Ranching, LLC Special Warranty Deed, and continuing for a total distance of 4213.77 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking a corner, said point being at the Southwesterly line of said 194.21 acres tract; **THENCE**, S 48°13'48" E, along the Southwesterly line of said 194.21 acres tract and the Northeasterly line of THE LAKES AT SAN JOAQUIN SECTION ONE, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Volume 18, Page 1302 in the Office of the County Clerk of Galveston County, Texas, a distance of 539.38 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking the **POINT OF BEGINNING**, said point also being the most Northerly corner of said 26.92 acres tract and being the Northeast corner of said THE LAKES AT SAN JOAQUIN SECTION ONE; **THENCE**, S 48°08'48" E, along the Southwesterly line of said 194.21 acres tract, a distance of 1389.92 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking the Northeast corner of said 26.92 acres tract, said point also being a Northeast corner of said the **I.&G.N.R.R. COMPANY SURVEY NUMBER 5** and being a North corner of both the I.&G.N.R.R. COMPANY SURVEY NUMBER 4,

Abstract Number 608, Galveston County, Texas, and of a called 941.89 acres tract described in that certain Correction Deed from Neva Watkins West to Wesley West Cattle Company recorded in Clerk's File Number 9222784 of the Official Public Records of Real Property of Galveston County, Texas; **THENCE**, S 02°24'41" E, along the East line of said **I.&G.N.R.R. COMPANY SURVEY NUMBER 5** and a West line of both said **I.&G.N.R.R. COMPANY SURVEY NUMBER 4** and of said 941.89 acres tract, a distance of 740.89 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking the Southeast corner of said 26.92 acres tract;
THENCE, S 86°15'05" W, a distance of 927.38 feet to a 5/8-inch iron rod with cap stamped "GeoSurv" set marking the Southwest corner of said 26.92 acres tract, said point also being at the Southeast corner of the **FINAL AMENDED PLAT OF THE LAKE AT SAN JOAQUIN SECTION 2**, a Subdivision in Galveston County, Texas, according to the map or plat thereof recorded in Plat Record 2009A, Map Numbers 66-67 in the Office of the County Clerk of Galveston County, Texas, and from which point a found iron rod with cap stamped "RPLS #5007" bears N 47°28' E, 0.48 feet;
THENCE, N 04°39'59" W, along the West line of said 26.92 acres tract and the East line of said **FINAL AMENDED PLAT OF THE LAKE AT SAN JOAQUIN SECTION 2** and of said **THE LAKES AT SAN JOAQUIN SECTION ONE**, a distance of 1734.00 feet to the **POINT OF BEGINNING** and containing within said boundaries a calculated area of 26.921 acres, (1,172,660 square feet) of land.




Dale L. Hardy
Registered Professional Land Surveyor
Texas Registration Number 4847

PREPARED
OCTOBER 30, 2019
BY

DALE L. HARDY / GEOSURV, LLC
REGISTERED PROFESSIONAL LAND SURVEYORS
P.O. BOX 246, LEAGUE CITY, TEXAS 77574

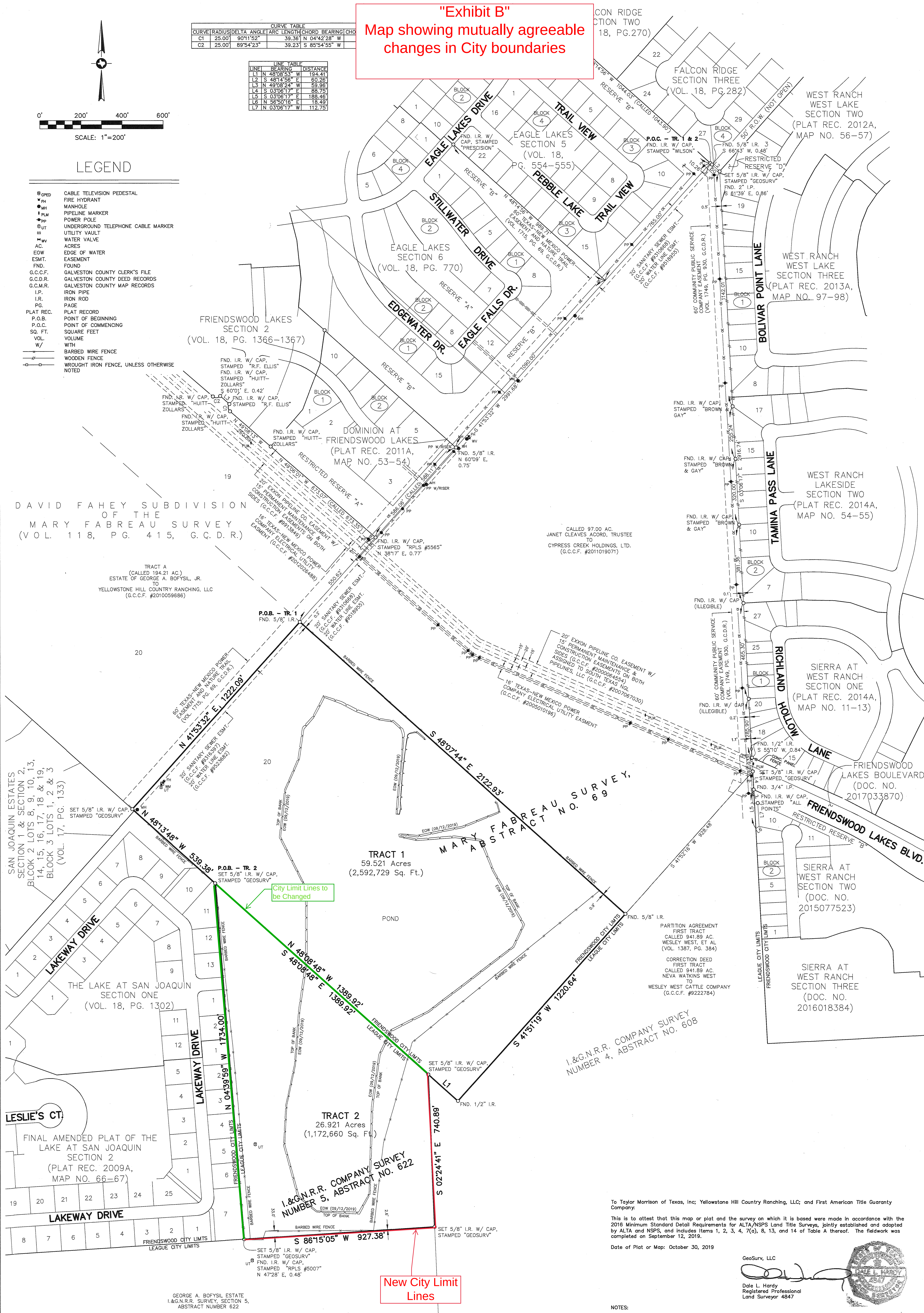
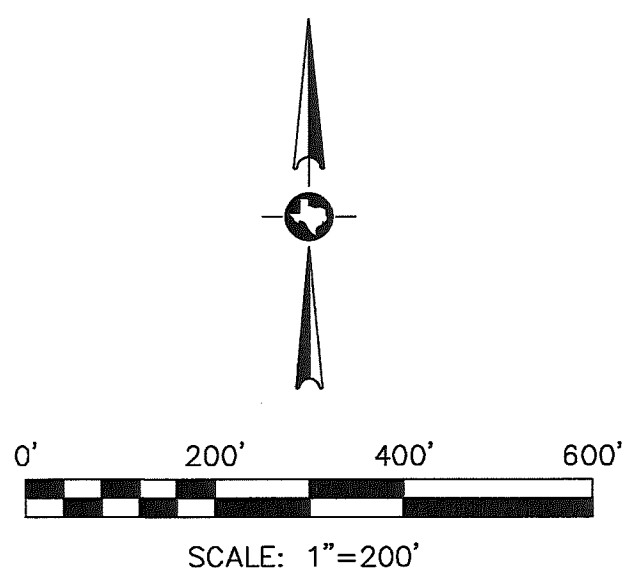
PH 281-554-7739 FAX 281-554-6928 E-MAIL: dhardy@geosurvllc.com
FIRM NO. 10040100

F:\FN\AVALON AT FRIENDSWOOD\19-0131\19-0131.DOCX

"Exhibit B"
Map showing mutually agreeable
changes in City boundaries

CURVE TABLE					
CURVE	RADIUS	DELTA ANGLE	ARC LENGTH	CHORD BEARING	CHORD
C1	25.00'	90°11'52"	39.36'	N 04°42'28" W	
C2	25.00'	89°54'23"	39.23'	S 85°54'55" W	

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N 48°08'53" W	194.41'
L2	S 48°14'56" E	60.26'
L3	N 49°08'24" W	59.96'
L4	S 03°06'17" E	88.75'
L5	S 03°06'17" E	188.46'
L6	N 56°50'16" E	18.49'
L7	N 03°06'17" W	112.75'



To Taylor Morrison of Texas, Inc.; Yellowstone Hill Country Ranching, LLC; and First American Title Guaranty Company.

This is to attest that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1, 2, 3, 4, 7(a), 8, 13, and 14 of Table A thereof. The fieldwork was completed on September 12, 2019.

Date of Plat or Map: October 30, 2019

A circular seal of a professional surveyor. The outer ring contains the text "JAMES L. HARRIS" at the top and "Surveyor" at the bottom. The center of the seal features a graphic of a surveying instrument, specifically a theodolite or transit, mounted on a tripod.

GeoSurv, LLC



Dale L. Hardy
Registered Professional
Land Surveyor 4847



NOTES:

- 1) A separate exhibit containing the metes and bounds descriptions of the herein surveyed tracts is attached hereto and made a part hereof for all purposes.
- 2) This property lies in Zone X, defined by FEMA as areas of minimal flood hazard, as scaled from Flood Insurance Rate Map (FIRM) Number 48167C02020, effective date August 15, 2019.
- 3) This survey has been prepared based on Title Commitment provided by First American Title Guaranty Company, G.F. #TMH-TX-1978187LA, issued October 10, 2019.
- 4) Bearings shown herein are based on Texas State Plane Coordinates, South Central Zone.
- 5) At the time of this survey, the herein surveyed tracts have no access to dedicated public right-of-way.
- 6) Tracts 1 lies within the incorporated limits of the City of Friendswood. Tract 2 lies within the incorporated limits of the City of League City.

GeoSurv, LLC

Dale L. Hardy
Registered Professional
Land Surveyor 4847



Dale L. Hardy
GeoSurv
Registered Professional
Land Surveyors

P.O. Box 246, League City, Texas 77574
281-554-7739 409-765-6030 Fax: 281-554-6992
Firm No.: 10040100

INTERLOCAL AGREEMENT FOR BOUNDARY ADJUSTMENT
BETWEEN LEAGUE CITY AND FRIENDSWOOD

§
§
§
§

This Interlocal Agreement (the “Agreement”) is entered on the date indicated below between the City of League City, Texas (the “League City”) and the City of Friendswood (“Friendswood”), collectively known together as the “Parties”.

RECITALS

WHEREAS, the Parties intend this Agreement to follow Chapter 791 of the Government Code, cited as the Interlocal Cooperation Act; and

WHEREAS, the Parties are neighboring municipalities that currently share common boundaries; and

WHEREAS, the Avalon Development currently straddles the corporate limits of the Parties, with 59.521 acres being in the corporate limits of Friendswood and 26.921 acres being in the corporate limits of League City; and

WHEREAS, the 26.921 acres tract of land from the Avalon Development (the “Property”) in League City which is subject to this Boundary Adjustment Agreement and fully described in **Exhibit “A”** attached hereto and incorporated herein for all purposes, is less than 1,000 feet in width; and

WHEREAS, Texas Local Government Code Section 43.015 authorizes adjacent municipalities to make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width; and

WHEREAS, the Parties have determined that it is not feasible for the League City to provide services to the Property given its unique geographical layout; and

WHEREAS, pursuant to Texas, Local Government Code Section 43.015, Friendswood and League City desire to adjust their corporate boundaries lines, whereby League City will release 26.921 acres of land from the Avalon Development, (the “Property”), from its corporate limits to be relinquished to and become a part of the corporate limits of Friendswood and Friendswood will accept this land from League City to become part of the corporate limits of Friendswood;

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree to the following terms:

TERMS

1. Incorporation of Recitals. The recitals set forth above are true and correct and are hereby incorporated into this Agreement.
2. Term of Agreement. The effective date of this Agreement shall be on the date of execution by all Parties and shall continue until March 1, 2041.

3. Adoption by Ordinance. It is hereby agreed that the respective governing bodies of Friendswood and League City shall adopt by Ordinance this Agreement and its Exhibits on or before May 15, 2021, making mutually agreeable changes in their corporate boundaries, in which League City shall release 26.921 acres of land from the Avalon Development, (the “Property”), from its corporate limits to be relinquished to and become a part of the corporate limits of Friendswood and Friendswood will accept this land from League City to become part of the corporate limits of Friendswood who will provide the required municipal services.
4. Changes in Boundaries. Pursuant to Texas Local Government Code Sections 43.003 and 43.015, Friendswood and League City hereby agree that the boundaries between the cities will be adjusted as depicted in Exhibit “B”, which is attached hereto and incorporated herein for all purposes. The Parties agree to protect, preserve and defend the mutually agreeable changes in their boundaries as depicted above.
5. Official Map. The respective governing bodies of Friendswood and League City shall take appropriate action to effectuate the terms of this Boundary Agreement through the adoption of an official map (“Official Map”) showing their respective boundaries as required by Texas Local Government Code Section 41.001.
6. Notice of Official Boundary Change. The Parties shall send to the clerk of each county in which the municipality is located a certified copy of this Agreement and Exhibits with the Ordinance adopting and authorizing the execution of this Agreement, and Parties shall file these documents in the deed records of Galveston and Harris Counties within thirty (30) days of adoption
7. Payment by Friendswood. The Parties agree that Friendswood shall pay to League City on or before March 1 of each year, an annual amount equal to fifty percent (50%) of the property taxes generated from the Property, with the first payment being due on or before March 1, 2022, and the final payment being due on or March 1, 2041.
8. Assignment. No assignment of this Agreement, in whole or in part, for any purpose shall be made by either party without the written consent of the other party. Subject to this limitation, this Agreement shall bind and inure to the benefit of the successors and assigns of the Parties.
9. Interpretation of Agreement. This Agreement or any portion thereof shall not be interpreted by a court of law to the detriment of a party based solely upon that party’s authorship of the Agreement or any portion thereof.
10. Severability. If for any reason, any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect, impair or invalidate the remaining paragraphs of this Agreement as a whole.
11. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto and supersedes all prior agreements, understandings and arrangements, oral or written, between the parties thereto with respect to the subject thereof.
12. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Texas and the venue for any cause of action shall be brought in

Galveston County, Texas.

13. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to one and the same instrument.
14. No Joint Venture. This Agreement is not intended to create, nor should it be construed as creating a partnership, association, joint venture, or trust.
15. No Waivers. The waiver by any party hereto of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.
16. Current Revenues Available. All parties agree that any payments that are made under this Agreement for government functions or services will be made from current revenues available to the paying party.
17. No Third-Party Beneficiary. Nothing in this Agreement shall entitle any third party to any claim, cause of action, remedy or right of any kind, it being the intent of the parties that this Agreement shall not be construed as a third-party beneficiary contract.
18. Force Majeure. If by reason of Force Majeure, the City shall be unable in whole or in part to carry out its obligations under this Agreement in accordance with the terms and conditions of this Agreement, it shall not be considered a breach by this Agreement. The term "Force Majeure" as used in this Agreement shall mean acts of God, strikes, lock-outs, or other industrial disturbances, acts of public enemy, orders of any kind of the federal or state government, or any civil or military authority, insurrection, riots, epidemics, landslides, lighting, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, the partial or entire failure of the City, or any other causes not reasonably within the control of the City.
19. Immunity. It is expressly understood and agreed that, in the execution of this Agreement, the Parties do not waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.
20. Authority to Bind.
 - a. Each Party represents and warrants for itself that this Agreement, in accordance with the requirements of the Interlocal Cooperation Act and that it has been authorized by its' respective governing body.
 - b. Each Party represents and warrants for itself that the individual executing this Agreement on its behalf has the full power and authority to do so and to legally bind the Party to all the terms and provisions of this Agreement and that this Agreement constitutes the legal, valid, and binding agreement of each Party hereto.

Executed this _____ day of _____ 2021.

THE CITY OF LEAGUE CITY

John Baumgartner, ICMA-CM, P.E. City Manager

Attest:

Diana Stapp, City Secretary

Approved as to Form:

Nghiem V. Doan, City Attorney

THE CITY OF FRIENDSWOOD

Morad Kabiri, City Manager

Attest:

Leticia Brysch, City Secretary

Approved as to Form:

Mary Kay Fischer, City Attorney

Exhibit A

Description of Property

Exhibit B

Map showing mutually agreeable changes in Citys' boundaries

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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consideration and possible action regarding Ordinance No. T2021-13: the second and final reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.

Originating Department: Community Development

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The developer of West Ranch built a portion of Friendswood Lakes Boulevard. Additionally, a Galveston County bond project is funding the connection of the boulevard between FM 528 and West Ranch. A small triangle of land where the road is being constructed is outside the city limits. The property owner deeded the .0576 acres to the City of Friendswood, but the small triangle is in League City city limits. Since the City of Friendswood will be maintaining Friendswood Lakes Boulevard once it is constructed, it would be beneficial to incorporate the .0576 acres into Friendswood city limits.

First and final reading of an ordinance was considered and approved by League City City Council on April 13.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Since the City of Friendswood will be maintaining Friendswood Lakes Boulevard once it is constructed, it would be beneficial to incorporate the .0576 acres into Friendswood city limits.

RECOMMENDATIONS

Staff recommends incorporating the land.

ATTACHMENTS

1. Ord 2021-13 with Interlocal Agreement Adjusting Corporate Boundary Lines Boulevard
2. Ord 2021-13 Exhibit A
3. Ord 2021-13 Exhibit B
4. 2021 Friendswood Interlocal Agreement Adjusting Corporate Boundary Friendswood Lakes Blvd.

ORDINANCE NO. T2021-13

AN ORDINANCE APPROVING AN INTERLOCAL AGREEMENT ADJUSTING THE CORPORATE BOUNDARY LINES BETWEEN THE CITY OF FRIENDSWOOD, TEXAS, AND THE CITY OF LEAGUE CITY, TEXAS, INCLUDING 0.0576 ACRES FOR FRIENDSWOOD LAKES BOULEVARD; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND THE CITY SECRETARY TO ATTEST; AND PROVIDING AN EFFECTIVE DATE.

* * * * *

WHEREAS, the City of Friendswood and the City of League City are neighboring municipalities that currently share common boundaries; and

WHEREAS, the City of Friendswood, Texas, owns a 0.0576 parcel of land that is less than 1,000 in width upon which a portion of Friendswood Lakes Boulevard will be constructed that is located within the corporate limits of the City of League City; and

WHEREAS, pursuant to Texas Local Government Code Section 43.015, adjacent municipalities may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width; and

WHEREAS, the City of Friendswood, Texas seeks to enter into an interlocal agreement with the City of League City, Texas in order to adjust their respective corporate boundaries, whereby League City will release 0.0576 acres of land from its corporate limits to be relinquished to and become a part of the corporate limits of the City of Friendswood and the City of Friendswood will accept this land from the City of League City to become part of the corporate limits of Friendswood; and

WHEREAS, the City Council of the City of Friendswood, Texas, finds and determines that the exchange of boundaries is in the best interest of the health, safety, morals and welfare of the citizens of the City of Friendswood, and does, by this ordinance, approve such interlocal agreement, a true and correct copy of which is attached hereto and incorporated as Exhibit "A."

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD,
STATE OF TEXAS:**

Section 1. That the City Manager and City Secretary are hereby authorized and directed to execute and attest, respectively, the Boundary Agreement by and between the City of Friendswood, Texas, and the City of League City, Texas, a true and correct copy of which is attached hereto and incorporated as Exhibit "A."

Section 2. That the City Secretary is hereby directed to effectuate an amendment of the City's Official Map to incorporate the changes effected by the Boundary Agreement and to file copies thereof, along with a certified copy of this Ordinance, Agreement and Exhibits, with the County Clerks of Galveston and Harris Counties, Texas.

Section 3. That this ordinance shall become effective upon its passage and approval.

PASSED AND APPROVED on first reading this 5th day of April, 2021.

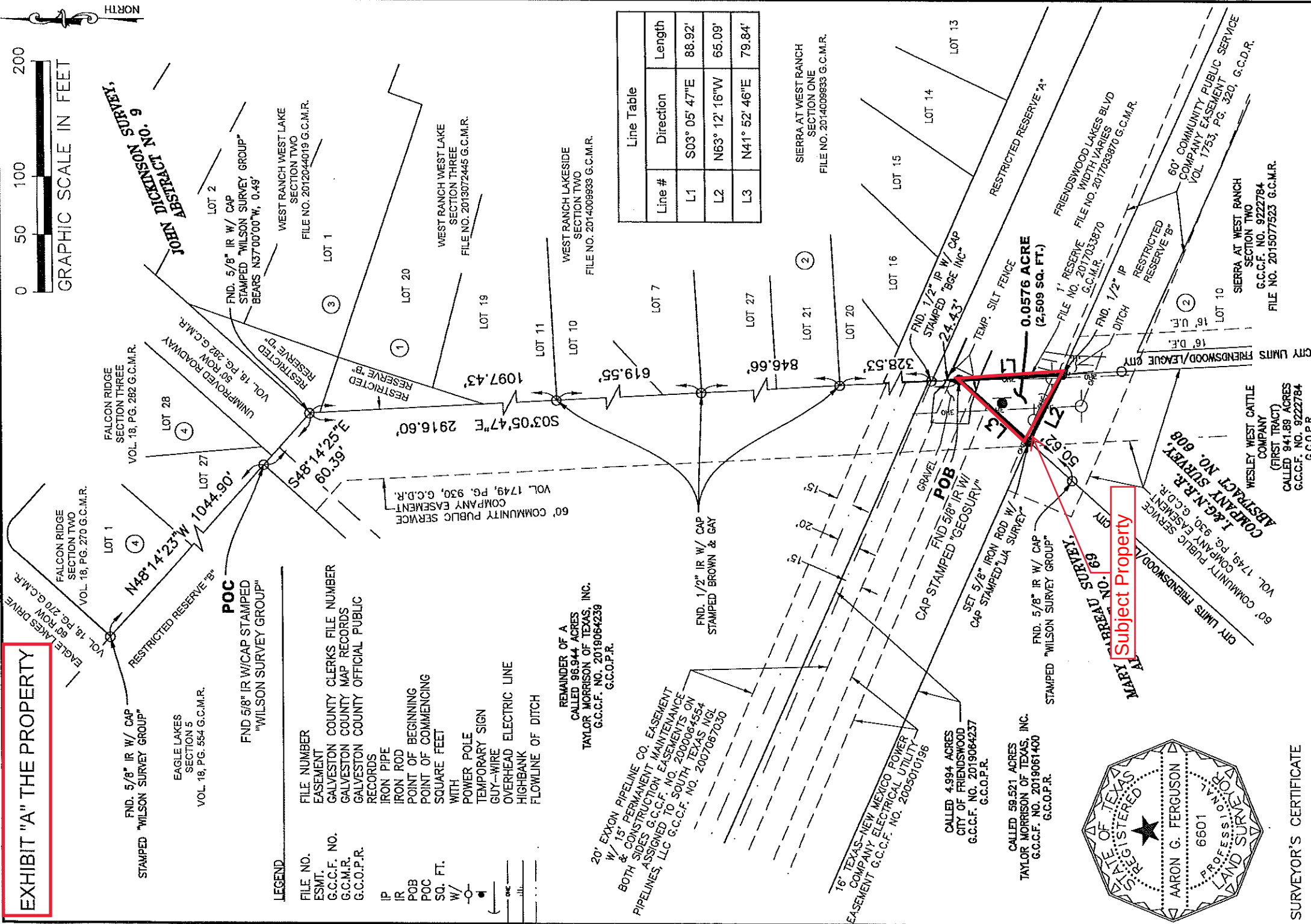
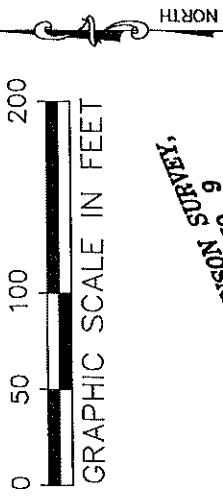
PASSED, APPROVED, and ADOPTED on second and final reading this 3rd day of May, 2021.

Mike Foreman
Mayor

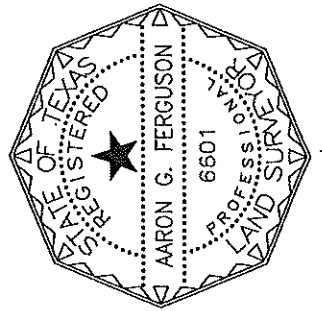
ATTEST:

Leticia Brysch
City Secretary

EXHIBIT "A" THE PROPERTY



Line Table		
Line #	Direction	Length
L1	S03° 05' 47"E	88.92'
L2	N63° 12' 16"W	65.09'
L3	N41° 52' 46"E	79.84'



SURVEYOR'S CERTIFICATE

I, Aaron G. Ferguson, Registered Professional Land Surveyor, hereby certify to Chicago Title Insurance Company, City of Friendswood, Texas and Betty Ann West Stedman, Stuart West Stedman and W. Hodges as trustees of the Wesley West Descendants Trust and Wesley West Cattle, L.P., a Texas, limited partnership (fka Wesley West Land and Cattle Company, L.P., successor by merger with Wesley West Cattle Company, a Texas Corporation) that this survey substantially complies with the current Texas Society of Professional Surveyors Manual of Practice requirements for a Category 1A, Condition 2, TSPS Land Title Survey.

Aaron G. Ferguson
9/18/2020

Aaron G. Ferguson, RPLS, PLS
Registered Professional Land Surveyor
Texas Registration No. 6601

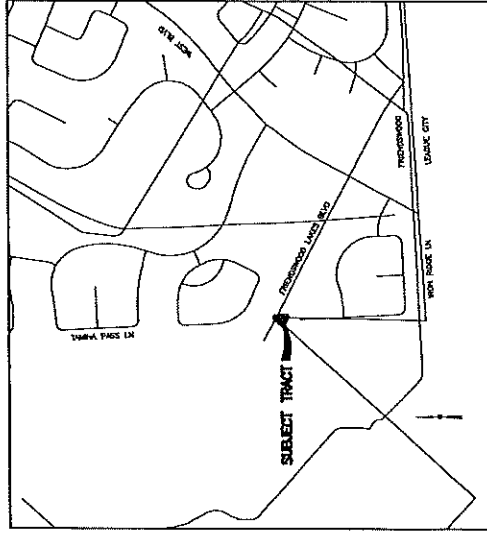
0.0576 ACRE (2,509 SQ. FT.)
LAND TITLE SURVEY
IN THE
I. & G. N. RR. CO. SURVEY
ABSTRACT NO. 608
GALVESTON COUNTY, TEXAS

SEPTEMBER 2020 JOB NO. 0074-0410B

LJA Surveying, Inc.
3600 W Sam Houston Parkway S
Suite 175
Houston, Texas 77042
Phone 713.953.5200
Fax 713.953.5026
T.B.P.E.L.S. Firm No. 10194382

NOTES:

- 1) ALL BEARINGS REFERENCED TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83, NA2011 (EPOCH 2010.00).
- 2) THIS SURVEY IS ISSUED IN CONJUNCTION WITH THE METES AND BOUNDS DESCRIPTION BY LJA SURVEYING, INC. OF THE SAME CERTIFICATION DATE SHOWN HEREON, HEREBY REFERENCED AS PART 2 OF 2. THIS SURVEY IS PART 1 OF 2.
- 3) THIS SURVEY WAS PREPARED FROM INFORMATION PROVIDED BY CHICAGO TITLE INSURANCE COMPANY, GF NO. CTH-FRW-CIT20727477SQM, HAVING AN EFFECTIVE DATE OF JULY 28, 2020, AND AN ISSUED DATE AUGUST 5, 2020. THE SURVEYOR DID NOT ABSTRACT THE SUBJECT TRACT.
- THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION)
- c. PIPELINE EASEMENT 20 FEET WIDE GRANTED TO EXXON PIPELINE COMPANY BY INSTRUMENT RECORDED IN VOLUME 1283, PAGE 429 OF THE DEED RECORDS OF GALVESTON COUNTY, TEXAS, AS AMENDED BY INSTRUMENT RECORDED IN VOLUME 3275, PAGE 501 (80222262) OF THE DEED RECORDS OF GALVESTON COUNTY, TEXAS.
(DOES NOT AFFECT SUBJECT TRACT)
- d. COMMUNITY PUBLIC SERVICE COMPANY EASEMENT AS SET FORTH IN INSTRUMENTS RECORDED IN VOLUME 1753, PAGE 312 AND VOLUME 1749, PAGE 930, DEED RECORDS, GALVESTON COUNTY, TEXAS.
(DOES AFFECT SUBJECT TRACT AND IS SHOWN HEREON)
- e. PIPELINE EASEMENT GRANTED TO DENBURY GREEN PIPELINE-TEXAS, LLC BY INSTRUMENT RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO. 2010017200
(DOES NOT AFFECT SUBJECT TRACT)
- f. PIPELINE EASEMENT GRANTED TO HSC PIPELINE PARTNERSHIP, LLC BY INSTRUMENT RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO. 2012026793.
(DOES NOT AFFECT SUBJECT TRACT)
- g. A ONE-FOOT RESERVE DEDICATED TO THE PUBLIC IN FEE AS A BUFFER SEPARATION BETWEEN THE SIDE OR END OF STREETS IN SUBDIVISION PLATS WHERE SUCH STREETS ADJUT ADJACENT ACREAGE TRACTS. THE CONDITION OF SUCH DEDICATION BEING THAT WHEN ADJACENT PROPERTY IS SUBDIVIDED OR RE-SUBDIVIDED IN A RECORDED PLAT, THE ONE-FOOT RESERVE SHALL THEREUPON BECOME VESTED IN THE PUBLIC FOR STREET RIGHT-OF-WAY PURPOSES AND THE FEE TITLE THERETO SHALL REVERT TO AND REVEST IN THE DEDICATOR, HIS HEIRS, ASSIGNS, OR SUCCESSORS, AS SET FORTH ON THE PLAT OF FRIENDSWOOD LAKES BOULEVARD, RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO(S). 2017/33870, MAP RECORDS, GALVESTON COUNTY, TEXAS
(DOES NOT AFFECT SUBJECT TRACT)
- i. INTEREST IN AND TO OIL, GAS AND OTHER MINERALS AND/OR ROYALTIES, BONUSES, RENTALS AND ALL OTHER RIGHTS RELATING THERETO AS SET FORTH IN THE DOCUMENT
RECORDING NO.: UNDER GALVESTON COUNTY CLERK'S FILE NO(S). 880574 AND 9800157
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RECORDING NO.: UNDER GALVESTON COUNTY CLERK'S FILE NO(S).9222784
SAID MINERAL INTEREST NOT TRACED SUBSEQUENT TO THE DATE OF THE ABOVE-CITED INSTRUMENT.
(NOT A SURVEY ITEM)
- 4) BY GRAPHICAL PLOTTING AND AS SHOWN ON FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD INSURANCE RATE MAP, MAP NO. 48167C0202G, WITH A REVISED DATE OF AUGUST 15, 2019, THE SUBJECT TRACTS LIES WITHIN THE FOLLOWING:
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- 5) MINERAL INTERESTS WERE NOT INVESTIGATED AS A PART OF THIS SURVEY.
- 6) THIS SURVEY DOES NOT DETERMINE THE LOCATION OF WETLANDS, FAULT LINES, OR OTHER ENVIRONMENTAL ISSUES SHOULD THEY EXIST.
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- 9) THE SURVEYOR HAS NOT BEEN PROVIDED WITH CONSTRUCTION PLANS SHOWING THE LOCATION OF UNDERGROUND UTILITIES. UNDERGROUND UTILITIES MAY EXIST WHICH ARE NOT SHOWN HEREON.



VICINITY MAP
N.T.S.

**0.0576 ACRE (2,509 SQ. FT.)
LAND TITLE SURVEY**

IN THE

**I. & G. N. RR. CO. SURVEY
ABSTRACT NO. 608**

GALVESTON COUNTY, TEXAS

SEPTEMBER 2020 JOB NO. 0074-0410B

LJA Surveying, Inc.

3600 W Sam Houston Parkway S

Suite 175

Houston, Texas 77042

Phone 713.953.5200

Fax 713.953.5026

T.B.P.E.L.S. Firm No. 10194382

DESCRIPTION OF
0.0576 ACRE (2,509 SQUARE FEET)

Being 0.0576 acre (2,509 square feet) of land located in the I. & G. N. RR. Co. Survey, Abstract Number 608, Galveston County, Texas, out of the called 941.89 acre tract described in the deed to Wesley West Cattle Company (First Tract) by an instrument of record in File Number 9222784 of the Official Public Records of said Galveston County, Texas (G.C.O.P.R.), said 0.0576 acre tract being more particularly described by metes and bounds as follows (all bearings referenced to the Texas Coordinate System, South Central Zone, NAD83 {NA2011} EPOCH 2010.00);

COMMENCING for reference at a 5/8-inch iron rod with cap stamped "WILSON SURVEY GROUP" found for the northwest corner of the remainder of a called 96.944 acre tract described in the deed to Taylor Morrison of Texas, Inc. by instrument of record in File Number 2019064239, G.C.O.P.R., the northeast corner of Eagle Lakes, Section 5, a subdivision of record in Volume 18, Page 554 of the Map Records of said Galveston County, Texas (G.C.M.R.), and in the south line of Falcon Ridge, Section Three, a subdivision of record in Volume 18, Page 282, G.C.M.R., from which a 5/8-inch iron rod found in the common line of said Eagle Lakes, Section 5 and Falcon Ridge, Section Two, a subdivision of record in Volume 18, Page 270, G.C.M.R. bears, North 48° 14' 23" West, 1,044.90 feet;

Thence, South 48° 14' 25" East along the north line of said 96.944 acre tract and the south line of said Falcon Ridge, Section Three, 60.39 feet to the southeast corner of said Falcon Ridge, Section Three, the northeast corner of said 96.944 acre tract, and a southwest corner of West Ranch West Lake, Section Two, a subdivision of record in File Number 2012044019, G.C.M.R. from which a 5/8-inch iron rod with cap stamped "WILSON SURVEY GROUP" bears, North 37° 00' 00" West, 0.49 feet;

Thence, South 03° 05' 47" East, along the east line of said 96.944 acre tract, passing at 1,097.43 feet a found 1/2-inch iron rod with cap stamped "BROWN & GAY", at 1,716.98 feet passing a found 1/2-inch iron rod with cap stamped "BROWN & GAY", at 2,563.64 feet passing a found 1/2-inch iron rod with cap stamped "BROWN & GAY", at 2,892.17 feet passing a found 1/2-inch iron pipe with cap stamped "BGE INC", continuing in all a total distance of 2,916.60 feet to a 5/8-inch iron rod with cap stamped "GEOSURV" found for a north corner of the aforementioned 941.89 acre tract, the east corner of a called 4.994 acre tract described in the deed to the City of Friendswood by an instrument of record in File Number 2019064237, G.C.O.P.R., in the west line of Friendswood Lake Boulevard, a subdivision of record in File Number 2017033870, G.C.M.R., a corner of the City of Friendswood city limits and League City limits, said point also being the POINT OF BEGINNING of the herein described tract;

Thence, South 03° 05' 47" East, along the west line of said Friendswood Lake Boulevard, and an east line of said 941.89 acre tract, same being the common line of said City of Friendswood city limits and League City city limits, 88.92 feet to a 1/2-inch iron pipe found for a westerly corner of said Friendswood Lake Boulevard, the northwest corner of Sierra at West Ranch, Section Two, a subdivision of record in File Number 2015077523, G.C.M.R.;

0.0576 Acre

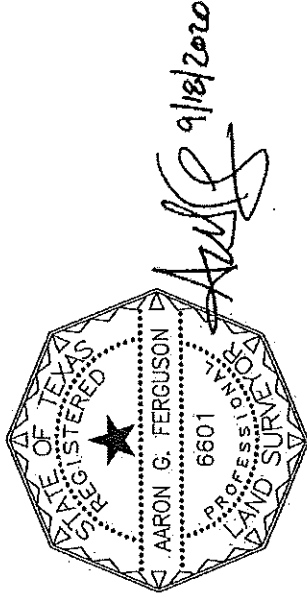
September 18, 2020
Job No. 0074-0410B

Thence, North 63° 12' 16" West, departing said common lines, 65.09 feet to a 5/8-inch iron rod with cap stamped "LJA SURVEY" set in a west line of said 941.89 acre tract, the east line of said 96.944 acre tract, and said city limit lines for the southeast corner of the aforementioned 4.944 acre tract, from which a 5/8-inch iron rod with cap stamped "WILSON SURVEY GROUP" bears, South 41° 52' 46" West, 50.62 feet;

Thence, North 41° 52' 46" East, along said common lines, 79.84 feet to the POINT OF BEGINNING and containing 0.0576 acre (2,509 square feet) of land.

This Metes and Bounds is issued in conjunction with the Survey by LJA Surveying, Inc. of the same certification date shown hereon, hereby referenced as Part 1 of 2. This Metes and Bounds is Part 2 of 2.

LJA Surveying, Inc.

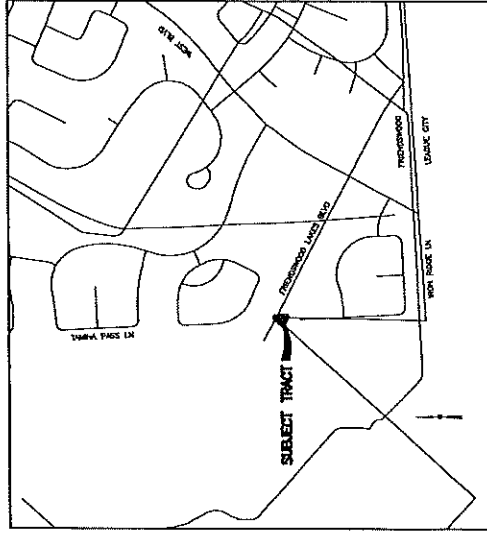


Page 2 of 2

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NOTES:

- 1) ALL BEARINGS REFERENCED TO THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD83, NA2011 (EPOCH 2010.00).
- 2) THIS SURVEY IS ISSUED IN CONJUNCTION WITH THE METES AND BOUNDS DESCRIPTION BY LJA SURVEYING, INC. OF THE SAME CERTIFICATION DATE SHOWN HEREON, HEREBY REFERENCED AS PART 2 OF 2. THIS SURVEY IS PART 1 OF 2.
- 3) THIS SURVEY WAS PREPARED FROM INFORMATION PROVIDED BY CHICAGO TITLE INSURANCE COMPANY, GF NO. CTH-FRW-CIT20727475QM, HAVING AN EFFECTIVE DATE OF JULY 28, 2020, AND AN ISSUED DATE AUGUST 5, 2020. THE SURVEYOR DID NOT ABSTRACT THE SUBJECT TRACT.
- THE FOLLOWING MATTERS AND ALL TERMS OF THE DOCUMENTS CREATING OR OFFERING EVIDENCE OF THE MATTERS (WE MUST INSERT MATTERS OR DELETE THIS EXCEPTION)
- c. PIPELINE EASEMENT 20 FEET WIDE GRANTED TO EXXON PIPELINE COMPANY BY INSTRUMENT RECORDED IN VOLUME 1283, PAGE 429 OF THE DEED RECORDS OF GALVESTON COUNTY, TEXAS, AS AMENDED BY INSTRUMENT RECORDED IN VOLUME 3275, PAGE 501 (8022262) OF THE DEED RECORDS OF GALVESTON COUNTY, TEXAS.
(DOES NOT AFFECT SUBJECT TRACT)
- d. COMMUNITY PUBLIC SERVICE COMPANY EASEMENT AS SET FORTH IN INSTRUMENTS RECORDED IN VOLUME 1753, PAGE 312 AND VOLUME 1749, PAGE 930, DEED RECORDS, GALVESTON COUNTY, TEXAS.
(DOES AFFECT SUBJECT TRACT AND IS SHOWN HEREON)
- e. PIPELINE EASEMENT GRANTED TO DENBURY GREEN PIPELINE-TEXAS, LLC BY INSTRUMENT RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO. 2010017200
(DOES NOT AFFECT SUBJECT TRACT)
- f. PIPELINE EASEMENT GRANTED TO HSC PIPELINE PARTNERSHIP, LLC BY INSTRUMENT RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO. 2012026793.
(DOES NOT AFFECT SUBJECT TRACT)
- g. A ONE-FOOT RESERVE DEDICATED TO THE PUBLIC IN FEE AS A BUFFER SEPARATION BETWEEN THE SIDE OR END OF STREETS IN SUBDIVISION PLATS WHERE SUCH STREETS ABUT ADJACENT ACREAGE TRACTS. THE CONDITION OF SUCH DEDICATION BEING THAT WHEN ADJACENT PROPERTY IS SUBDIVIDED OR RE-SUBDIVIDED IN A RECORDED PLAT, THE ONE-FOOT RESERVE SHALL THEREUPON BECOME VESTED IN THE PUBLIC FOR STREET RIGHT-OF-WAY PURPOSES AND THE FEE TITLE THERETO SHALL REVERT TO AND REVEST IN THE DEDICATOR, HIS HEIRS, ASSIGNS, OR SUCCESSORS, AS SET FORTH ON THE PLAT OF FRIENDSWOOD LAKES BOULEVARD, RECORDED UNDER GALVESTON COUNTY CLERK'S FILE NO(S). 2017/33870, MAP RECORDS, GALVESTON COUNTY, TEXAS
(DOES NOT AFFECT SUBJECT TRACT)
- j. INTEREST IN AND TO OIL, GAS AND OTHER MINERALS AND/OR ROYALTIES, BONUSES, RENTALS AND ALL OTHER RIGHTS RELATING THERETO AS SET FORTH IN THE DOCUMENT
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0.0576 ACRE (2,509 SQ. FT.)
LAND TITLE SURVEY

IN THE

I. & G. N. RR. CO. SURVEY
ABSTRACT NO. 608

GALVESTON COUNTY, TEXAS

SEPTEMBER 2020 JOB NO. 0074-0410B

LJA Surveying, Inc.

3600 W Sam Houston Parkway S

Suite 175

Houston, Texas 77042

Phone 713.953.5200

Fax 713.953.5026

T.B.P.E.L.S. Firm No. 10194382

INTERLOCAL AGREEMENT FOR BOUNDARY ADJUSTMENT
BETWEEN LEAGUE CITY AND FRIENDSWOOD

§
§
§
§

This Interlocal Agreement (the “Agreement”) is entered on the date indicated below between the City of League City, Texas (the “League City”) and the City of Friendswood (“Friendswood”), collectively known together as the “Parties”.

RECITALS

WHEREAS, the Parties intend this Agreement to follow Chapter 791 of the Government Code, cited as the Interlocal Cooperation Act; and

WHEREAS, the Parties are neighboring municipalities that currently share common boundaries; and

WHEREAS, the City of Friendswood, Texas owns a 0.0576 parcel of land that is less than 1,000 in width, upon which a portion of Friendswood Lakes Boulevard will be constructed; and

WHEREAS, pursuant to Texas Local Government Code Section 43.015, adjacent municipalities may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width; and

WHEREAS, pursuant to Texas Local Government Code Section 43.015, Friendswood and League City desire to adjust their corporate boundaries lines, whereby League City will release 0.0576 acres of land, (the “Property”), from its corporate limits to be relinquished to and become a part of the corporate limits of Friendswood and Friendswood will accept this land from League City to become part of the corporate limits of Friendswood;

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is acknowledged, the Parties agree to the following terms:

TERMS

1. Incorporation of Recitals. The recitals set forth above are true and correct and are hereby incorporated into this Agreement.

2. Adoption by Ordinance. It is hereby agreed that the respective governing bodies of Friendswood and League City shall adopt by Ordinance this Agreement and its Exhibits on or before May 15, 2021, making mutually agreeable changes in their corporate boundaries, in which League City shall release 0.0576 acres of land, (the “Property”), from its corporate limits to be relinquished to and become a part of the corporate limits of Friendswood and Friendswood will accept this land from League City to become part of the corporate limits of Friendswood who will provide the required municipal services.
3. Changes in Boundaries. Pursuant to Texas Local Government Code Sections 43.003 and 43.015, Friendswood and League City hereby agree that the boundaries between the cities will be adjusted as depicted in Exhibit “B”, which is attached hereto and incorporated herein for all purposes. The Parties agree to protect, preserve and defend the mutually agreeable changes in their boundaries as depicted above.
4. Official Map. The respective governing bodies of Friendswood and League City shall take appropriate action to effectuate the terms of this Boundary Agreement through the adoption of an official map (“Official Map”) showing their respective boundaries as required by Texas Local Government Code Section 41.001.
5. Notice of Official Boundary Change. The Parties shall send to the clerk of each county in which the municipality is located a certified copy of this Agreement and Exhibits with the Ordinance adopting and authorizing the execution of this Agreement, and Parties shall file these documents in the deed records of Galveston and Harris Counties within thirty (30) days of adoption
6. Assignment. No assignment of this Agreement, in whole or in part, for any purpose shall be made by either party without the written consent of the other party. Subject to this limitation, this Agreement shall bind and inure to the benefit of the successors and assigns of the Parties.
7. Interpretation of Agreement. This Agreement or any portion thereof shall not be interpreted by a court of law to the detriment of a party based solely upon that party’s authorship of the Agreement or any portion thereof.
8. Severability. If for any reason, any one or more paragraphs of this Agreement are held legally invalid, such judgment shall not prejudice, affect, impair or invalidate the remaining paragraphs of this Agreement as a whole.
9. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto and supersedes all prior agreements, understandings and arrangements, oral or written, between the parties thereto with respect to the subject thereof.

10. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with and governed by the laws of the State of Texas and the venue for any cause of action shall be brought in Galveston County, Texas.
11. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to one and the same instrument.
12. No Joint Venture. This Agreement is not intended to create, nor should it be construed as creating a partnership, association, joint venture, or trust.
13. No Waivers. The waiver by any party hereto of a breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.
14. Current Revenues Available. All parties agree that any payments that are made under this Agreement for government functions or services will be made from current revenues available to the paying party.
15. No Third-Party Beneficiary. Nothing in this Agreement shall entitle any third party to any claim, cause of action, remedy or right of any kind, it being the intent of the parties that this Agreement shall not be construed as a third-party beneficiary contract.
16. Force Majeure. If by reason of Force Majeure, the City shall be unable in whole or in part to carry out its obligations under this Agreement in accordance with the terms and conditions of this Agreement, it shall not be considered a breach by this Agreement. The term “Force Majeure” as used in this Agreement shall mean acts of God, strikes, lock-outs, or other industrial disturbances, acts of public enemy, orders of any kind of the federal or state government, or any civil or military authority, insurrection, riots, epidemics, landslides, lighting, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, the partial or entire failure of the City, or any other causes not reasonably within the control of the City.
17. Immunity. It is expressly understood and agreed that, in the execution of this Agreement, the Parties do not waive any immunity or defense that would otherwise be available to it against claims arising in the exercise of governmental powers and functions.
18. Authority to Bind.
- a. Each Party represents and warrants for itself that this Agreement, in accordance with the requirements of the Interlocal Cooperation Act and that it has been authorized by its' respective governing body.

- b. Each Party represents and warrants for itself that the individual executing this Agreement on its behalf has the full power and authority to do so and to legally bind the Party to all the terms and provisions of this Agreement and that this Agreement constitutes the legal, valid, and binding agreement of each Party hereto.

19. Effective Date. This Agreement shall be in full force and effect from and after its approval by each City's City Council.

Executed this _____ day of _____ 2021.

THE CITY OF LEAGUE CITY

John Baumgartner, ICMA-CM, P.E. City Manager

Attest:

Diana Stapp, City Secretary

Approved as to Form:

Nghiem V. Doan, City Attorney

THE CITY OF FRIENDSWOOD

Morad Kabiri, City Manager

Attest:

Leticia Brysch, City Secretary

Approved as to Form:

Mary Kay Fischer, City Attorney

Exhibit A

Description of Property

Exhibit B

Map showing mutually agreeable changes in Citys' boundaries

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consideration and possible action regarding Ordinance No. T2021-15: the first and final reading of an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VII" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

Originating Department: Administrative Services

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

By its nature, our budget is an estimate of the revenues and expenditures needed to accomplish the City Council and Staff goals for the year. Throughout the year events occur that require adjustments to the budget. These adjustments may be needed for various reasons, such as the recognition of extraordinary revenues or expenditures, new projects that are authorized by Council or providing funding for expenditures resulting from extraordinary events like natural disasters. As the need arises, items for budget appropriations are accumulated and then submitted for approval at the City Council meeting each month. The budget adjustments covered by this ordinance comprise the seventh set for fiscal year 2020-2021.

We have attempted to provide as much explanation of the adjustments as possible through two sets of exhibits. Exhibit A provides a narrative explanation of each budget amendment. Exhibit B provides the detail of each accounting transaction.

Ordinance and exhibits are reviewed and approved by the City Attorney prior to inclusion on a City Council meeting agenda.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Approval of this budget amendment will allow for timely procurement of program supplies and limit delays in the progress of capital improvement projects.

RECOMMENDATIONS

Recommend approval of the ordinance and exhibits covering Budget Amendment VII 2020–2021.

ATTACHMENTS

1. Ord 2021-15 BA VII
2. FY21 BA VII Exhibit A 05-03-2021 v3
3. FY21 BA VII Exhibit B 05-03-2021 v3

ORDINANCE NO. T2021-15

AN ORDINANCE AMENDING CITY OF FRIENDSWOOD, TEXAS, ORDINANCE NO. 2020-35, PASSED AND APPROVED SEPTEMBER 14, 2020, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2020-2021 BY APPROVING "BUDGET AMENDMENT VII" TO THE "ORIGINAL GENERAL BUDGET OF THE CITY OF FRIENDSWOOD, TEXAS, FOR THE FISCAL YEAR 2020-2021"; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT.

* * * * *

WHEREAS, by Ordinance No. 2020-35, the City Council of the City of Friendswood, Texas, adopted its "Original General Budget for Fiscal Year 2020-2021"; and

WHEREAS, the City Council has determined that revenues and/or reserves are available for supplemental appropriation, and/or that the transfer of certain funds interdepartmentally is economically feasible and in the best interest of prudent budgeting and for municipal purposes; and

WHEREAS, Section 8.04 of The City Charter provides for amendments after adoption of the budget; and

WHEREAS, the City Council desires to amend said Original General Budget to reflect such supplemental appropriation and/or transfer in the fiscal year 2020-2021;

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

Section 1. The facts and matters set forth in the preamble of this Ordinance are hereby found to be true and correct.

Section 2. The “Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021,” is hereby amended for municipal purposes as shown on “Budget Amendment VII” to the “Original Budget of the City of Friendswood, Texas, for the Fiscal year 2020-2021” attached hereto. Said Budget Amendment VII shall be attached to and made a part of such Original General Budget by the City Secretary and shall be filed as required by state law, a true and correct copy of which is attached hereto as Exhibits “A” and “B” and made a part hereof for all purposes.

Section 3. In the event any clause, phrase, provision, sentence, or part of this ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Friendswood, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED this 3rd day of May, 2021.

Mike Foreman
Mayor

ATTEST:

Leticia Brysch
City Secretary

**City of Friendswood
Budget Amendment Summary
Fiscal Year 2020 – 2021
Budget Amendment VII
May 3, 2021**

1. **Public Safety Building Phase 2 and Fire Station #2 Pre-Construction, \$770,349.** Appropriate funding in advance for engineering and design services related to Public Safety Building Phase 2 and Fire Station #2. The funding source has been identified as assigned general fund balance in the amount of \$700,000 and unassigned general fund balance in the amount of \$70,349. The general fund will be reimbursed when Round 2 of the bonds authorized in 2019 are issued.
2. **2017 CDBG-DR (Harris County) Grant Reimbursement, \$107,386.** Appropriate grant funds received from the 2017 CDBG-DR Harris County grant program for Forest Bend Detention Pond. The City received \$107,386 for engineering expenditures. Advance funding for engineering services was originally approved at the September 14, 2020 City Council meeting. Therefore, the funds will be appropriated back to unassigned general fund balance.
3. **Parks & Recreation Donation – Field Drag Machine, \$10,000.** Appropriate donation received from Friendswood Girls Softball Association. The donation will go towards a field drag machine. The appropriation will be recorded in the Recreation division capital equipment budget.
4. **HMGP Buyout Grant Reimbursement, \$182,660.** Appropriate grant funds received from the Hazard Mitigation Grant Program for Hurricane Harvey buyout properties. The City received \$182,660 for 807 Penn Dr. Advance funding to purchase this property was originally approved at the March 2, 2020 City Council meeting. Therefore, the funds will be appropriated back to unassigned general fund balance.
5. **Park Land Dedication Fund – Portable Pool Waterslide, \$7,768.** Appropriate funds to purchase a portable waterslide for Stevenson Park Pool. The new pool water slide will provide a fun attraction to the public swimming pool with the goal of generating more revenue. The slide is portable, so it can easily be moved for events and programs. The funding source will be from the Park Land Dedication Fund.
6. **Park Land Dedication Fund – Field Drag Machine, \$24,000.** Appropriate funds to purchase a field drag machine. The machine will service ballfields within the City of Friendswood. This new field drag machine has many capabilities that could not be accomplished with the current machine, which was over 13 years old. With the laser grading feature, it will save the City \$3500 a year on outsourced laser grading costs. With the efficiency of the machine, we will also be able to cut down on the amount of labor it will take to prepare the softball fields for games. The funding source will be from the Park Land Dedication Fund.
7. **Library Book Sales Revenue Appropriation, \$820.** Appropriate Library book sale revenue received to the Library department's operating equipment budget. The funds will be used to purchase equipment in fiscal year 2021.
8. **Park Land Dedication Fund – Disc Golf Course, \$15,657.** Appropriate funds for improvements to the recently relocated disc golf course. The funding source will be from the Park Land Dedication Fund.
9. **Park Land Dedication Fund – Monument Sign Engineering Plans, \$750.** Appropriate funds for stamped structural engineering plans related to the Monument Sign located at the Friendswood PetSafe® Dog Park. The funding source will be from the Park Land Dedication Fund.

10. **Relocate Utility Pipes at Clear Creek Utility Bridge, \$30,500.** Advance funding for additional engineering services related to the relocation of utility pipes at Clear Creek Utility Bridge. The City applied for and was awarded a grant through the 2017 Community Development Block Grant – Disaster Recovery with Galveston County. The funding source will be unassigned general fund balance and will be reimbursed once grant funding has been received from the State agency.
11. **Engineering Street Maintenance Program, \$352,864.** Appropriate funds for the 2019-2020 Street Maintenance Program. Council awarded the construction contract to Angel Brothers Enterprises on December 2, 2019. City staff and the contractor agreed to some additional work that will close out the 2019-2020 program. This appropriation will cover the change order necessary to complete the contract. Funding in the amount of \$352,864 will come from unassigned Street Improvements Fund balance.
12. **Police Department Vehicle Insurance Reimbursement, \$7,931.** Appropriate insurance reimbursements received from TML-IRP. Funding will be appropriated to the Police Department Patrol division vehicle maintenance account for repairs made to unit P422.
13. **HMGP Buyout Grant, \$235,806.** Appropriate funding in advance to purchase 1204 Myrtlewood Dr. through the Hazard Mitigation Grant Program (HMGP). The City was awarded a federal grant through the Texas Division of Emergency Management for the buyout and demolition of homes flooded during Hurricane Harvey. The funding source will be unassigned general fund balance and will be reimbursed once grant funding has been received from the State agency.
14. **Appraisal Services for 152 Moss Point, \$485.** Appropriate funding in advance for appraisal services on 152 Moss Point. This property is one of eight Frenchman's Creek townhomes currently being acquired by the City through various grants and acquisition methods. The City will use drainage bond funds to purchase this property. The funding source has been identified as unassigned general fund balance in the amount of \$485. The general fund will be reimbursed when Round 2 of the bonds authorized in 2019 are issued.
15. **Acquisition of 0 Clearview Avenue, \$12,974.** Appropriate funding in advance for additional funds needed to purchase 0 Clearview Avenue. The estimated purchase price of the property is \$423,038. The City plans to use Round 1 of drainage bonds to purchase this property. The funding source for the additional funds needed has been identified as unassigned general fund balance in the amount of \$12,974. The general fund will be reimbursed when Round 2 of the bonds authorized in 2019 are issued.
16. **Friendswood Lakes Boulevard, \$29,390.** Appropriate funds for change orders #1 and #2 needed at the Friendswood Lake Boulevard project. The change orders include city waterline offsetting, well pointing, and a sanitary sewer encasement. In September 2020, Council approved an interlocal contract between the City of Friendswood and Galveston County for the engineering and construction of Friendswood Lakes Boulevard from Sterling Creek to West Ranch. The City is contractually obligated to jointly fund necessary change orders to complete the project. Funds for the appropriation will be a portion of the proceeds from the sale of Waterworks and Sewer System Revenue Bonds, Series 2016.
17. **Public Notice Board, \$5,400.** Appropriate funds to purchase a public notice board for the City Secretary's office. The notice board will serve as a casing to display all public notices and required communications to visitors at City Hall. The funding source will be from unassigned general fund balance.

City of Friendswood				
May 3, 2021				
2020-2021 Budget Amendment VII - Exhibit B				
BA Number	Account Number	Project Number	Description	Amount
1	001-10199		Due from 2021 G.O. Improvement & Refunding Bonds for PGAL design services contracts for PSB expansion and FS2 reconstruction	(770,349)
1	001-14021		Due from 2021 G.O. Improvement & Refunding Bonds for PGAL design services contracts for PSB expansion and FS2 reconstruction	770,349
1	257-26010		Due to General Fund for PGAL design services contracts for PSB expansion and FS2 reconstruction	(770,349)
1	257-10199		Due to General Fund for PGAL design services contracts for PSB expansion and FS2 reconstruction	770,349
2	123-0000-33100		Appropriate 2017 CDBG-DR Harris County grant proceeds and reimburse unassigned general fund balance for advanced funding on Forest Bend Detention Pond	(107,386)
2	123-7001-431.7130	FBDPOND	Appropriate 2017 CDBG-DR Harris County grant proceeds and reimburse unassigned general fund balance for advanced funding on Forest Bend Detention Pond	107,386
2	123-10199		Reimburse unassigned general fund balance for advanced funding related to 2017 CDBG-DR (Harris County) grant for Forest Bend Detention Pond	(107,386)
2	123-26010		Reimburse unassigned general fund balance for advanced funding related to 2017 CDBG-DR (Harris County) grant for Forest Bend Detention Pond	107,386
2	001-14028		Reimburse unassigned general fund balance for advanced funding related to 2017 CDBG-DR (Harris County) grant for Forest Bend Detention Pond	(107,386)
2	001-10199		Reimburse unassigned general fund balance for advanced funding related to 2017 CDBG-DR (Harris County) grant for Forest Bend Detention Pond	107,386
3	001-0000-38000		Appropriate donation from Friendswood Girls Softball Association for the purchase of a field drag machine	(10,000)
3	001-6420-452.8400	PR108	Appropriate donation from Friendswood Girls Softball Association for the purchase of a field drag machine	10,000
4	120-0000-33100		Appropriate HMGP grant proceeds and reimburse unassigned general fund balance for advanced funding to acquisition 807 Penn	(182,660)
4	120-7001-419.8120		Appropriate HMGP grant proceeds and reimburse unassigned general fund balance for advanced funding to acquisition 807 Penn	182,660
4	120-10199		Reimburse unassigned general fund balance for advanced funding related to HMGP grant for 807 Penn	(182,660)
4	120-26010		Reimburse unassigned general fund balance for advanced funding related to HMGP grant for 807 Penn	182,660
4	001-14018		Reimburse unassigned general fund balance for advanced funding related to HMGP grant for 807 Penn	(182,660)
4	001-10199		Reimburse unassigned general fund balance for advanced funding related to HMGP grant for 807 Penn	182,660
5	164-0000-30100		Appropriate unassigned fund balance for purchase of a portable waterslide for Stevenson Park Pool	(7,768)
5	164-7001-456.8800		Appropriate unassigned fund balance for purchase of a portable waterslide for Stevenson Park Pool	7,768
6	164-0000-30100		Appropriate unassigned fund balance for purchase of a field drag machine	(24,000)
6	164-7001-456.8800	PR108	Appropriate unassigned fund balance for purchase of a field drag machine	24,000
7	001-0000-38600	DNBOOKREV	Appropriate library book sale revenue to the Library department's operating equipment budget	(820)
7	001-6310-459.5800	DNBOOKEXP	Appropriate library book sale revenue to the Library department's operating equipment budget	820
8	164-0000-30100		Appropriate unassigned fund balance for improvements related to the Disc Golf Course relocation	(15,657)
8	164-7001-456.8560	DISCGOLFREL	Appropriate unassigned fund balance for improvements related to the Disc Golf Course relocation	12,928
8	164-7001-456.8560	DISCGOLFREL	Appropriate unassigned fund balance for improvements related to the Disc Golf Course relocation	2,729
9	164-0000-30100		Appropriate unassigned fund balance for improvements related to monument sign and bronze plaque	(750)
9	164-7001-456.8240		Appropriate unassigned fund balance for improvements related to monument sign and bronze plaque	750
10	001-10199		Due from 2017 CDBG-DR (Galveston Cnty) for additional engineering services related to relocating utility pipes at Clear Creek Utility Bridge	(30,500)
10	001-14029	G00082EXP	Due from 2017 CDBG-DR (Galveston Cnty) for additional engineering services related to relocating utility pipes at Clear Creek Utility Bridge	30,500
10	124-26010		Due to General Fund for engineering services related to relocating utility pipes at Clear Creek Utility Bridge	(30,500)
10	124-10199	G00082EXP	Due to General Fund for engineering services related to relocating utility pipes at Clear Creek Utility Bridge	30,500
11	170-0000-30100		Appropriate fund balance from Street Improvement Fund for change order #1 to the 2019-2020 Street Maintenance Project	(352,864)
11	170-7001-431.8512	ST2020	Appropriate fund balance from Street Improvement Fund for change order #1 to the 2019-2020 Street Maintenance Project	352,864
12	001-0000-38310		Appropriate insurance reimbursement from TML-IRP for Police Department Patrol Vehicle Unit P422	(7,931)
12	001-2120-421.6300	P422	Appropriate insurance reimbursement from TML-IRP for Police Department Patrol Vehicle Unit P422	7,931
13	001-10199		Due from HMPG for advanced funding to purchase 1204 Myrtlewood in the HMGP buyout grant program	(235,806)
13	001-14018		Due from HMPG for advanced funding to purchase 1204 Myrtlewood in the HMGP buyout grant program	235,806
13	120-26010		Due to General Fund for advanced funding to purchase 1204 Myrtlewood in the HMGP buyout grant program	(235,806)
13	120-10199		Due to General Fund for advanced funding to purchase 1204 Myrtlewood in the HMGP buyout grant program	235,806

City of Friendswood				
May 3, 2021				
2020-2021 Budget Amendment VII - Exhibit B				
BA Number	Account Number	Project Number	Description	Amount
14	001-10199		Due from 2021 G.O. Improvement & Refunding Bonds for appraisal services on 152 Moss Point	(485)
14	001-14021		Due from 2021 G.O. Improvement & Refunding Bonds for appraisal services on 152 Moss Point	485
14	257-26010		Due to General Fund for advanced funding on appraisal services on 152 Moss Point	(485)
14	257-10199		Due to General Fund for advanced funding on appraisal services on 152 Moss Point	485
15	001-10199		Due from 2021 G.O. Improvement & Refunding Bonds for additional funding needed to purchase 0 Clearview Avenue	(12,974)
15	001-14021		Due from 2021 G.O. Improvement & Refunding Bonds for additional funding needed to purchase 0 Clearview Avenue	12,974
15	257-26010		Due to General Fund for additional funding needed to purchase 0 Clearview Avenue	(12,974)
15	257-10199		Due to General Fund for additional funding needed to purchase 0 Clearview Avenue	12,974
16	420-0000-30600	FLB2020	Appropriate Working Capital for change order #1 and #2 at Fwd Lakes Blvd project including city waterline offsetting, well pointing, and a sanitary sewer encasement	(29,390)
16	420-7001-433.8591	FLB2020	Appropriate Working Capital for change order #1 and #2 at Fwd Lakes Blvd project including city waterline offsetting, well pointing, and a sanitary sewer encasement	10,000
16	420-7001-434.8591	FLB2020	Appropriate Working Capital for change order #1 and #2 at Fwd Lakes Blvd project including city waterline offsetting, well pointing, and a sanitary sewer encasement	19,390
17	001-0000-30100		Appropriate unassigned fund balance for the purchase of a public notice board.	(5,400)
17	001-0201-411.8800		Appropriate unassigned fund balance for the purchase of a public notice board.	5,400

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: May 3, 2021

Date submitted: 04/20/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consideration and possible action regarding Ordinance No. T2021-16: first and final reading of an ordinance authorizing the issuance and sale of City of Friendswood, Texas, General Obligation Improvement and Refunding Bonds, Series 2021; approving the official statement, paying agent/registrars agreement and a deposit agreement and engaging bond counsel; calling certain outstanding bonds for redemption prior to maturity; providing for the pledge of tax receipts for the payment of the Bonds and agreeing to levy taxes to pay Bonds; and enacting other provisions relating to the issuance and sale of the Bonds.

Originating Department: Administrative Services

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

In November 2019, the voters approved \$52,100,000 in general obligation bonds. In order to effectively manage the bond projects, City Staff discussed with Council in February 2020 how the projects would be divided into multiple proposed issuances:

Round 1 (\$8,000,000) – Drainage (Imperial Estates) and Facility (Blackhawk - - old Food Lion)

Round 2 (\$9,100,000) – Public Safety Building Improvements & new Fire Station #2

Round 3 (\$5,000,000) – Drainage Improvements (Lower Clear Creek Study Project, Property Acquisitions, and other Drainage Efforts)

Rounds 4 – 9 (\$5,000,000 each) – Future Drainage Improvements

GENERAL OBLIGATION IMPROVEMENT & REFUNDING BONDS, SERIES 2021

On April 5, 2021, Council approved the Schedule of Events for the issuance of the City of Friendswood General Obligation Improvements & Refunding Bonds, Series 2021. These bonds will fund Rounds 2 and 3 of the proposed bond program (\$14,100,000) and also refund the City's General Obligation Refunding Bonds, Series 2012 (\$3,290,000).

The posted ordinance, prepared by Bond Counsel and reviewed by our City Attorney, is in draft form. On May 3rd, the bonds will be priced in the market. At that time, the terms of the bonds will be added to the ordinance. Bond Counsel will deliver the final ordinance prior to the May 3rd City Council Meeting. Several of the documents included as attachments are in draft form and will be completed prior to the Council Meeting. The bonds will be secured by a pledge of ad valorem tax levied for this purpose.

Standard and Poor's (S&P) conducted a bonds rating call with the City on April 13, 2021 and we anticipate the City's current AA+ rating to be re-affirmed for this General Obligation bonds issuance. This

rating will indicate the City's strong capacity to meet its financial commitments.

John Robuck, our Financial Advisor, (Managing Director – Texas Public Finance, BOK Financial Securities) will be in attendance to share the result of the bond pricing.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Issuance of the General Obligation Improvements & Refunding Bonds, Series 2021 will enable completion of projects approved by voters in 2019.

RECOMMENDATIONS

Based on the City's Financial Advisor's assessment of bond pricing on during the week of May 3, 2021, staff recommends approval of the ordinance and related documents.

ATTACHMENTS

1. Preliminary Bond Ordinance T2021-16
2. Bond Counsel Engagement Letter
3. Preliminary Friendswood - Bond Purchase Agreement (Series 2021)
4. City of Friendswood TX_GO Improvement & Rfdg Bonds Series 2021_POS 4-12-21
5. Schedule of Events Presentation - Series 2021 GO Bonds (3-31-21)

ORDINANCE NO. 2021- 16

**AUTHORIZING THE ISSUANCE AND SALE OF CITY OF FRIENDSWOOD, TEXAS
GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2021;
LEVYING AN ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS;
APPROVING AN OFFICIAL STATEMENT; CALLING CERTAIN OUTSTANDING
OBLIGATIONS FOR REDEMPTION PRIOR TO MATURITY; APPROVING
ENGAGEMENT OF BOND COUNSEL; AND ENACTING OTHER PROVISIONS
RELATING TO THE SUBJECT**

* * * * *

**THE STATE OF TEXAS §
COUNTIES OF GALVESTON AND HARRIS §
CITY OF FRIENDSWOOD §**

WHEREAS, at an election in the City of Friendswood, Texas (the "Issuer") held on November 5, 2019 (the "Election"), the voters of the Issuer approved the issuance of tax bonds by the Issuer in four propositions totaling \$52,100,000; and

WHEREAS, in the issuance of the Issuer's General Obligation Improvement and Refunding Bonds, Series 2020, the Issuer used \$8,000,000 of the voted authorization from the Election, as shown in the table below, leaving an unissued balance of \$44,100,000 from the Election following the issuance of the Series 2020 Bonds; and

WHEREAS, the City Council of the Issuer (the "City Council") deems it necessary and advisable to authorize, issue and deliver a portion of the bonds authorized hereby (the "Bonds"), using the amounts shown below from each of the approved Propositions, aggregating \$14,100,000 in principal amount of voted authorization, and leaving an unissued balance from the Election of \$30,000,000 following the issuance of the Bonds, all as set forth below:

<u>Election Prop.</u>	<u>Purpose</u>	<u>Bonds Approved</u>	<u>Bonds Previously Issued⁽¹⁾</u>	<u>Bonds Being Issued⁽¹⁾)</u>	<u>Remaining Bond Authorization</u>
A	Purpose of designing, constructing, improving, and expanding the Municipal Public Works Facility located off of Blackhawk Boulevard in the City.	\$2,000,000	\$2,000,000	\$-0-	\$-0-
B	Purpose of constructing, improving, renovating and equipping public safety facilities for the fire and police departments, consisting of the municipal public safety building and a new fire station and training field to replace fire station number 2 in the City.	\$9,100,000	\$-0-	\$9,100,000	\$-0-

F	Purpose of constructing, acquiring and installing stormwater drainage and flood control improvements along Clear Creek throughout the corporate limits of the City, including dredging, channel improvements and related infrastructure and utility relocation and the acquisition of land and interests in land necessary for said improvements.	\$41,000,000	\$6,000,000	\$5,000,000	\$30,000,000
	Totals	\$52,100,000	\$8,000,000	\$14,100,000	\$30,000,000

⁽¹⁾ Includes premium being deposited to the construction fund in connection with prior and current issues, thereby using the amounts of voted authorization shown.

WHEREAS, Chapter 1207, Texas Government Code, as amended ("Chapter 1207") authorizes the Issuer to authorize, issue and deliver the aforesaid voted bonds in conjunction with the issuance of the refunding bonds hereinafter authorized;

WHEREAS, certain previously issued and outstanding obligations of the Issuer described in Schedule I attached hereto and incorporated herein (collectively, the "Refunded Bonds") are intended to be and shall be refunded pursuant to this Ordinance;

WHEREAS, Chapter 1207 authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, together with any other available funds or resources, directly with a paying agent for the Refunded Bonds or a trust company or commercial bank that does not act as a depository for the Issuer and is named in these proceedings, and such deposit, if made before the payment dates of the Refunded Bonds, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the refunded Bonds;

WHEREAS, Chapter 1207 further authorizes the Issuer to enter into an escrow or similar agreement with such paying agent for the Refunded Bonds or trust company or commercial bank with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the Issuer and such paying agent or trust company or commercial bank may agree;

WHEREAS, The Bank of New York Mellon Trust Company, N.A., is the paying agent for the Refunded Bonds, and the Paying Agent Deposit Agreement, between the Issuer and The Bank of New York Mellon Trust Company, N.A., hereinafter authorized constitutes an agreement of the kind authorized and permitted by Chapter 1207;

WHEREAS, the City Council hereby finds and declares a public purpose and it is in the best interests of the Issuer to refund the Refunded Bonds in order to achieve a debt service savings, and that such refunding will result in a present value debt service savings of approximately \$_____ and an actual debt service savings _____ to the Issuer;

WHEREAS, all the Refunded Bonds mature or are subject to redemption prior to maturity within 20 years of the date of the Bonds hereinafter authorized;

WHEREAS, the Bonds hereinafter authorized to be issued and are to be issued, sold and delivered pursuant to the general laws of the State of Texas, including Chapter 1207, and Chapter 1331, Texas Government Code, as amended; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Ordinance, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended;

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

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS. The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Bonds of the Issuer are hereby authorized to be issued and delivered in the aggregate principal amount of [\$15,390,000], with \$_____in principal amount of the Bonds to be issued for the purpose of refunding certain outstanding obligations of the Issuer referenced in the preamble hereto and described in Schedule I hereto and with \$_____in principal amount to be issued to construct and acquire the public improvements described in the preambles hereto, and to pay the costs incurred in connection with the issuance of the Bonds.

Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES AND INTEREST RATES OF BONDS. Each Bond issued pursuant to this Ordinance shall be designated: "CITY OF FRIENDSWOOD, TEXAS, GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BOND, SERIES 2021," and initially there shall be issued, sold, and delivered hereunder one fully registered bond, without interest coupons, dated June 1, 2021, in the principal amount stated above and in the denominations hereinafter stated, numbered T-1, with bonds issued in replacement thereof being in the denominations and principal amounts hereinafter stated and numbered consecutively from R-1 upward, payable to the respective Registered Owners thereof (with the initial bond being made payable to the initial purchaser as described in Section 10 hereof), or to the registered assignee or assignees of said bonds or any portion or portions thereof (in each case, the "Registered Owner"), and said bonds shall mature and be payable serially on March 1 in each of the years and in the principal amounts, respectively, and shall bear interest from the dates set forth in the FORM OF BOND set forth in Section 4 of this Ordinance to their respective dates of maturity or redemption prior to maturity at the rates per annum, as set forth in the following schedule:

Years of Maturity	Principal Amount	Interest Rates	Years of Maturity	Principal Amount	Interest Rates
2022			2037		
2023			2038		
2024			2039		
2025			2040		
2026			2041		

2027	2042
2028	2043
2029	2044
2030	2045
2031	2046
2032	2047
2033	2048
2034	2049
2035	2050
2036	2051

Section 3. CHARACTERISTICS OF THE BONDS.

(a) Registration, Transfer, Conversion and Exchange. The Issuer shall keep or cause to be kept at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., in Dallas, Texas (the "Paying Agent/Registrar"), books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 3(c) of this Ordinance, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the

foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be printed or typed on paper of customary weight and strength. Pursuant to Chapter 1201, Government Code, as amended, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the past due interest shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each registered owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the Issuer at least 50 days prior to any such redemption date), (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bond initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(d) Paying Agent/Registrar for the Bonds. The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Bonds under this Ordinance, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 50 days written notice to the Paying Agent/Registrar,

to be effective not later than 45 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other entity to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Authentication. Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered on the closing date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Issuer, and has been registered by the Comptroller.

(f) Book-Entry Only System. The Bonds issued in exchange for the Bond initially issued to the initial purchaser specified herein shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), and except as provided in subsection (f) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("DTC Participant") to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person,

other than a Registered Owner of Bonds, as shown on the Registration Books, of any notice with respect to the Bonds, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner of Bonds, as shown in the Registration Books of any amount with respect to principal of or interest on the Bonds. Notwithstanding any other provision of this Ordinance to the contrary, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the Registered Owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the Issuer to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Registered Owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

The previous execution and delivery of the Blanket Letter of Representations with respect to obligations of the Issuer is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Bonds.

(g) Successor Securities Depository; Transfers Outside Book-Entry Only System. In the event that the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the representations letter of the Issuer to DTC or that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Bonds and transfer one or more separate certificated Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

(h) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the representations letter of the Issuer to DTC.

(i) Cancellation of Initial Bond. On the closing date, one initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the purchaser designated in the Section 10 hereof or its designee, executed by manual or facsimile signature of the Mayor (or in the absence thereof, by the Mayor Pro-tem) and City Secretary of the Issuer, approved by the Attorney General of Texas, and registered and signed manually, by facsimile, electronically or otherwise by the Comptroller of Public Accounts of the State of Texas, will be delivered to such purchaser or its designee. Upon payment for the initial Bond, the Comptroller or the Paying Agent/Registrar (whichever entity has custody of the initial Bond) shall cancel the initial Bond. Thereupon, the Paying Agent/Registrar shall deliver to DTC on behalf of such purchaser one registered definitive Bond for each year of maturity of the Bonds, in the aggregate principal amount of all of the Bonds for such maturity.

(j) Conditional Notice of Redemption. With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by this Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 4. FORM OF BONDS. The form of the Bonds, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bonds initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions or insertions as are permitted or required by this Ordinance.

(a) Form of Bond.

NO. R-	UNITED STATES OF AMERICA STATE OF TEXAS CITY OF FRIENDSWOOD, TEXAS GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BOND SERIES 2021	PRINCIPAL AMOUNT \$ _____
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Interest Rate	Date of Initial Delivery of Bonds	Maturity Date	CUSIP No.
_____	_____	_____	_____

June 3, 2021

March 1, ____

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

ON THE MATURITY DATE specified above, the City of Friendswood, in Galveston and Harris Counties, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on the Maturity Date specified above, the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Initial Delivery of Bonds set forth above at the Interest Rate per annum specified above. Interest is payable on September 1, 2021 and semiannually on each March 1 and September 1 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except, if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the registered owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., in Dallas, Texas, which is the "Paying Agent/Registrar" for this Bond. The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the registered owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the ordinance authorizing the issuance of this Bond (the "Bond Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the registered owner hereof, at its address as it appeared on the fifteenth day of the month preceding each such date (the "Record Date") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15

days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

ANY ACCRUED INTEREST due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the registered owner upon presentation and surrender of this Bond for redemption and payment at the designated corporate trust office of the Paying Agent/Registrar. The Issuer covenants with the registered owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Bond Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bonds, when due.

IF THE DATE for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday or a day on which banking institutions in the city where the designated corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day that is not such a Saturday, Sunday, legal holiday or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND is one of a series of Bonds dated June 1, 2021, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of [\$15,390,000], to wit: \$_____ for the public purpose of refunding certain outstanding obligations of the Issuer and \$_____ to fund the construction and acquisition of permanent improvements approved by the voters of the Issuer.

THE BONDS MATURING ON MARCH 1 in each of the years _____ are subject to mandatory redemption prior to maturity in part at random, by lot or other customary method selected by the Paying Agent/Registrar, at par plus accrued interest to the redemption date, in amounts sufficient to redeem said Bonds on March 1 in the years and principal amounts shown on the following schedule. Such Bonds shall be redeemed with funds from the "Interest and Sinking Fund" created by the Bond Order and shall be redeemed by the Paying Agent/Registrar in part prior to maturity with funds from the Interest and Sinking Fund, for the principal amount thereof and accrued interest to the date of redemption, and without premium, on each of the aforesaid dates, in the principal amounts, respectively, as set forth in the following schedule:

Bonds Maturing 3/1/20		Bonds Maturing 3/1/20	
Principal		Principal	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2032		2034	
2033 ⁽¹⁾		2035 ⁽¹⁾	

Bonds Maturing 3/1/20		Bonds Maturing 3/1/20		Bonds Maturing 3/1/20	
Principal		Principal		Principal	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2036		2041		2046	
2037		2042		2047	
2038		2043		2048	
2039		2044		2049	
2040 ⁽¹⁾		2045 ⁽¹⁾		2050 ⁽¹⁾	

⁽¹⁾Final maturity of Bond.

The principal amount of the Bonds required to be redeemed pursuant to the operation of such mandatory sinking fund shall be reduced by the principal amount of any Bonds that, at least 45 days prior to the mandatory sinking fund redemption date, shall have been (1) purchased by the Issuer and delivered to the Paying Agent/Registrar for redemption or (2) redeemed pursuant to the optional redemption provision described below and delivered to the Paying Agent/Registrar for cancellation.

IN ADDITION TO THE MANDATORY REDEMPTION PROVISIONS described above, on March 1, 2031, and on any date thereafter, the outstanding Bonds of this series that mature on and after March 1, 2032 may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

AT LEAST 30 days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid to the registered owner of each Bond to be redeemed at its address as it appeared on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice; provided, however, that the failure of the registered owner to receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion

thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Ordinance.

ALL BONDS OF THIS SERIES are issuable solely as fully registered bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Ordinance, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate registered owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the registered owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

IN THE EVENT any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owners of the Bonds.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in said Issuer, and have been pledged for such payment, within the limit prescribed by law.

THE ISSUER HAS RESERVED THE RIGHT to amend the Bond Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Bonds.

BY BECOMING the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Bond Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Ordinance constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Issuer (or in the Mayor's absence, by the Mayor Pro-Tem) and countersigned with the manual or facsimile signature of the City Secretary of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

(signature)
City Secretary

(signature)
Mayor

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Ordinance described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:_____.

The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas
Paying Agent/Registrar

By:_____
Authorized Representative

(c) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer Identification Number of Transferee:

Please print or typewrite name and address, including zip code of Transferee:

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____, attorney, to register the transfer of the
within Bond on the books kept for registration thereof, with full power of substitution in the
premises.

Dated:_____.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by
an eligible guarantor institution participating in
a securities transfer association recognized
signature guarantee program.

NOTICE: The signature above must correspond
with the name of the Registered Owner as it
appears upon the front of this Bond in every
particular, without alteration or enlargement or
any change whatsoever.

(d) Form of Registration Certificate of the Comptroller of Public Accounts.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity and approved by
the Attorney General of the State of Texas, and that this Bond has been registered by the
Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this_____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(e) Initial Bond Insertions.

(i) The initial Bond shall be in the form set forth is paragraph (a) of this Section, except that:

A. immediately under the name of the Bond, the headings "Interest Rate" and "Maturity Date" shall both be completed with the words "As shown below" and "CUSIP No. " shall be deleted.

B. the first paragraph shall be deleted and the following will be inserted:

"THE CITY OF FRIENDSWOOD, TEXAS, in Galveston and Harris Counties, Texas (the "Issuer"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on March 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>	<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
2022			2037		
2023			2038		
2024			2039		
2025			2040		
2026			2041		
2027			2042		
2028			2043		
2029			2044		
2030			2045		
2031			2046		
2032			2047		
2033			2048		
2034			2049		
2035			2050		
2036			2051		

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Initial Delivery of Bonds shown above

at the respective Interest Rate per annum specified above. Interest is payable on September 1, 2021, and semiannually on each March 1 and September 1 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

C. The Initial Bond shall be numbered "T-1."

Section 5. INTEREST AND SINKING FUND.

(a) A special "Interest and Sinking Fund" is hereby created and shall be established and maintained by the Issuer at an official depository bank of said Issuer. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of said Issuer, and shall be used only for paying the interest on and principal of said Bonds. All amounts received from the sale of the Bonds as accrued interest shall be deposited upon receipt to the Interest and Sinking Fund, and all ad valorem taxes levied and collected for and on account of said Bonds shall be deposited, as collected, to the credit of said Interest and Sinking Fund. During each year while any of said Bonds are outstanding and unpaid, the governing body of said Issuer shall compute and ascertain a rate and amount of ad valorem tax that will be sufficient to raise and produce the money required to pay the interest on said Bonds as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of said Bonds as such principal matures (but never less than 2% of the original amount of said Bonds as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of said Issuer, with full allowances being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in said Issuer, for each year while any of said Bonds are outstanding and unpaid, and said tax shall be assessed and collected each such year and deposited to the credit of the aforesaid Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of said Bonds, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law. Notwithstanding the requirements of this subsection, if lawfully available moneys of the Issuer are actually on deposit in the Interest and Sinking Fund in advance of the time when ad valorem taxes are scheduled to be levied for any year, then the amount of taxes that otherwise would have been required to be levied pursuant to this Section may be reduced to the extent and by the amount of the lawfully available funds then on deposit in the Interest and Sinking Fund.

(b) Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the Issuer under this Section, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result

of such amendment being that the pledge of the taxes granted by the Issuer under this Section is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds a security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing of a security interest in said pledge to occur.

Section 6. DEFEASANCE OF BONDS.

(a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable, and thereafter the Issuer will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such defeased bonds, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in Subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the Issuer expressly reserves the right to call the Defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which the money

and/or Defeasance Securities are held for the payment of Defeased Bonds may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in Subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bonds, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Bonds.

(d) Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) In the event that the Issuer elects to defease less than all of the principal amount of Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) Replacement Bonds. In the event any outstanding Bond is damaged, mutilated, lost, stolen or destroyed, the Paying Agent/Registrar shall cause to be printed, executed and delivered, a new Bond of the same principal amount, maturity and interest rate, as the damaged, mutilated, lost, stolen or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen or destroyed Bonds shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft or destruction of a Bond, the registered owner applying for a replacement Bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft or destruction of a Bond, the registered owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or

mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bonds. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the registered owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Bonds duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bonds. In accordance with Sec. 1206.022, Government Code, this Section 7 of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 3(a) of this Ordinance for Bonds issued in conversion and exchange for other Bonds.

Section 8. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND CONTINGENT INSURANCE PROVISION, IF OBTAINED; ENGAGEMENT OF BOND COUNSEL; ATTORNEY GENERAL REVIEW FEE.

(a) The Mayor of the Issuer is hereby authorized to have control of the Bonds initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Bond. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Bonds. In addition, if bond insurance is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

(b) The obligation of the initial purchaser to accept delivery of the Bonds is subject to the initial purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the initial purchaser. The engagement of such firm as bond counsel to the Issuer in connection with issuance, sale and delivery of the Bonds and in the calling and administration of the Election is hereby approved and confirmed. The execution and delivery of an engagement letter between the Issuer and such firm, with respect to such services as bond counsel,

is hereby authorized in such form as may be approved by the Mayor or the City Manager, and the Mayor or the City Manager is hereby authorized to execute such engagement letter.

(c) In accordance with the provisions of Section 1202.004, Tex. Gov't Code Ann., in connection with the submission of the Bonds by the Attorney General of Texas for review and approval, a statutory fee (an amount equal to 0.1% principal amount of the Bond, subject to a minimum of \$750 and a maximum of \$9,500) is required to be paid to the Attorney General upon the submission of the transcript of proceedings for the Bonds. The Issuer hereby authorizes and directs that a check, wire transfer or other form of payment acceptable to the Attorney General, and in the amount of the Attorney General filing fee for the Bonds, be promptly provided for payment to the Attorney General in connection with his review of the Bonds.

Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS.

(a) Covenants. The Issuer covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with –

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding Bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior Bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the Bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred

proceeds (if any) and proceeds of the refunded Bonds or bonds expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Mayor or City Manager to execute any documents, Bonds or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

(d) Allocation of, and Limitation on, Expenditures for the Project. The Issuer covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Internal Revenue Code. The Issuer recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bond, or (2) the date the Bond is retired. The Issuer agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bond. For purposes hereof, the issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The Issuer covenants that the property financed with the proceeds of the Bonds in accordance with the Election, as described in the recitals to this Ordinance will not be sold or otherwise disposed of in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Bonds. For purpose of the foregoing, the Issuer may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the Issuer shall not be obligated to comply with this covenant if it obtains an

opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

Section 10. SALE OF BONDS AND APPROVAL OF OFFICIAL STATEMENT; INTEREST EARNINGS ON BOND PROCEEDS; USE OF ACCRUED INTEREST AND PREMIUM RECEIVED FROM SALE OF BONDS; FURTHER PROCEDURES.

(a) The Bonds are hereby sold and shall be delivered to SAMCO Capital Markets, Inc. and Frost Bank (collectively, the "Underwriter") for the purchase price of \$_____ (representing the par amount of the Bonds of [\$15,390,000.00], plus a net aggregate original issue premium of \$_____ (which is allocated \$_____ for the public improvement portion of the Bonds and \$_____ for the refunding portion of the Bonds) and less an Underwriter's discount on the Bonds of \$_____) pursuant to the terms and provisions of a Purchase Agreement with the Underwriter, which the Mayor or the City Manager is hereby authorized to sign on behalf of the Issuer. It is hereby officially found, determined, and declared that the Bonds have been sold pursuant to the terms and provisions of a Purchase Agreement in substantially the form presented at this meeting, which the Mayor of the Issuer is hereby authorized and directed to execute. It is hereby officially found, determined, and declared that the terms of this sale are the most advantageous reasonably obtainable. The Initial Bond shall be registered in the name of SAMCO Capital Markets, Inc. or its designee.

(b) The Issuer hereby approves the form and content of the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Bonds by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement posted and disseminated April 27, 2021, prior to the date hereof is hereby ratified and confirmed.

(c) Interest earnings derived from the proceeds deposited to the Issuer's construction fund shall be retained therein and used for the purpose of constructing the Project, provided that after the completion of the Project, any amounts remaining therein shall be deposited to the Interest and Sinking Fund for the Bonds. It is further provided, however, that any interest earnings on bond proceeds that are required to be rebated to the United States of America pursuant to Section 9 hereof in order to prevent the Bonds from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

(d) The net premium received from the sale of the Bonds issued to fund costs of projects approved at the Election, being the sum of \$_____, shall be applied as follows: the sum of \$_____ shall be applied to pay a portion of the Underwriter's discount for the Bonds; the sum of \$_____ shall be applied to pay a portion of the costs of issuance for the Bonds; the sum of

\$ _____ shall be deposited to the Interest and Sinking Fund as a capitalized interest deposit and used to pay a portion of the interest coming due on the Bonds on September 1, 2021; and the sum of \$ _____, together with principal amount of \$ _____ (for a total of \$14,100,000.00), shall be deposited to a construction account and used for the purposes approved by the voters at the Election, as provided in the preambles hereof.

(e) The Mayor and Mayor Pro-Tem, the City Manager, the Director of Administrative Services and the City Secretary and all other officers, employees and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the Issuer a Paying Agent/Registrar Agreement with the Paying Agent/Registrar and all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Bonds, the sale of the Bonds and the Official Statement. In case any officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 11. DEFAULT AND REMEDIES

(a) Events of Default. Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an Event of Default:

(i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or

(ii) default in the performance or observance of any other covenant, agreement or obligation of the Issuer, the failure to perform which materially, adversely affects the rights of the registered owners of the Bonds, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the Issuer.

(b) Remedies for Default.

(i) Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor, may proceed against the Issuer for the purpose of protecting and enforcing the rights of the Registered Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies.

(ii) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then outstanding.

(c) Remedies Not Exclusive.

(i) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Ordinance.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Ordinance, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or councilmembers of the Issuer.

Section 12. COMPLIANCE WITH RULE 15c2-12.

(i) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"MSRB" means the Municipal Securities Rulemaking Council.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

(ii) Annual Reports. (A) The Issuer shall provide annually to the MSRB, in the electronic format prescribed by the MSRB, financial information and operating data with respect to the Issuer of the general type of included in the final Official Statement under the headings "INVESTMENT AUTHORITY AND INVESTMENT OBJECTIVES OF THE CITY – Current Investments," "CITY TAX DEBT," "TAX DATA" (except under the subheading "Estimated Overlapping Taxes") and

"SELECTED FINANCIAL DATA" (the "Annual Operating Report"). The Issuer will additionally provide financial statements of the Issuer (the "Financial Statements"), that will be (A) prepared in accordance with the accounting principles described in the notes to the financial statements that are attached to the Official Statement as Appendix B, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and shall be in substantially the form included in the final Official Statement and (B) audited, if the Issuer commissions an audit of such Financial Statements and the audit is completed within the period during which they must be provided. The Issuer will update and provide the Annual Operating Report within six months after the end of each fiscal year and the Financial Statements within 12 months of the end of each fiscal year, in each case beginning with the fiscal year ending in and after 2021. The Issuer may provide the Financial Statements earlier, including at the time it provides its Annual Operating Report, but if the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the Issuer shall file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such Financial Statements becomes available.

(B) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any documents available to the public on the MSRB's internet website or filed with the SEC.

(iii) Event Notices. The Issuer shall notify the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of the event, of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For these purposes, any event described in the immediately preceding paragraph (iii)¹² is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide the Annual Operating Report or Financial Statements in accordance with subsection (ii) of this Section by the time required by subsection (ii).

(iv) Limitations, Disclaimers, and Amendments. (A) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit made in accordance with this Ordinance or applicable law that causes the Bonds no longer to be outstanding.

(B) The provisions of this Section are for the sole benefit of the registered owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided

herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(C) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(D) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under the Ordinance for purposes of any other provision of this Ordinance. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(E) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the registered owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the registered owners and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 13. METHOD OF AMENDMENT. The Issuer hereby reserves the right to amend this Ordinance subject to the following terms and conditions, to-wit:

(a) The Issuer may from time to time, without the consent of any holder, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance in order to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events

of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the holders, (iv) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (v) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be inconsistent with the provisions of this Ordinance and that shall not in the opinion of the Issuer's Bond Counsel materially adversely affect the interests of the holders.

(b) Except as provided in paragraph (a) above, the holders of Bonds aggregating in principal amount 51% of the aggregate principal amount of then outstanding Bonds that are the subject of a proposed amendment shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the Issuer; provided, however, that without the consent of 100% of the holders in aggregate principal amount of the then outstanding Bonds, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bonds so as to:

- (1) Make any change in the maturity of any of the outstanding Bonds;
- (2) Reduce the rate of interest borne by any of the outstanding Bonds;
- (3) Reduce the amount of the principal of, or redemption premium, if any, payable on any outstanding Bonds;
- (4) Modify the terms of payment of principal or of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or
- (5) Change the minimum percentage of the principal amount of any series of Bonds necessary for consent to such amendment.

(c) If at any time the Issuer shall desire to amend this Ordinance under this Section, the Issuer shall deliver or cause to be delivered to each Registered Owner of the affected Bonds a copy of the proposed amendment.

(d) Whenever at any time within one year from the date of giving of such notice the Issuer shall receive an instrument or instruments executed by the holders of at least 51% in aggregate principal amount of all of the Bonds then outstanding that are required for the amendment, which instrument or instruments shall refer to the proposed amendment and that shall specifically consent to and approve such amendment, the Issuer may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the Issuer and all holders

of such affected Bonds shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the holder of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the publication of the notice provided for in this Section, and shall be conclusive and binding upon all future holders of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the publication of said notice by the holder who gave such consent, or by a successor in title, by filing notice with the Issuer, but such revocation shall not be effective if the holders of 51% in aggregate principal amount of the affected Bonds then outstanding, have, prior to the attempted revocation, consented to and approved the amendment.

For the purposes of establishing ownership of the Bonds, the Issuer shall rely solely upon the registration of the ownership of such Bonds on the registration books kept by the Paying Agent/Registrar.

Section 14. APPROVAL OF DEPOSIT AGREEMENT AND TRANSFER OF FUNDS.
The Mayor or the City Manager of the Issuer is hereby authorized and directed to execute and deliver the Paying Agent Deposit Agreement with The Bank of New York Mellon Trust Company, N.A., in substantially the form presented at this meeting. In addition, the Mayor, the City Manager or the Director of Administrative Services of the Issuer is authorized to transfer and deposit cash from available funds, in the amount of \$_____ to fund the account described in the Paying Agent Deposit Agreement as the Issuer's contribution to the refunding of the Refunded Bonds.

Section 15. REDEMPTION OF REFUNDED BONDS.

(a) The Issuer hereby directs that certain of the Refunded Bonds be called for redemption on the date and as set forth on Schedule I. Each of such Refunded Bonds shall be redeemed at the redemption price of par plus accrued interest. The Issuer's Bond Counsel is hereby authorized and directed to direct the paying agent/registrar for the Refunded Bonds to issue a Notice of Defeasance and Redemption for the Refunded Bonds in the form required by the ordinance authorizing the issuance of the Refunded Bonds.

(b) Upon receipt of such direction by the Issuer's Bond Counsel, the paying agent/registrar for the Refunded Bonds is hereby directed to provide the appropriate notice of redemption and defeasance as specified by the ordinance authorizing the issuance of the Refunded Bonds and is hereby directed to make appropriate arrangements so that the Refunded Bonds may be redeemed on their redemption date. The Refunded Bonds shall be presented for redemption at the paying agent/registrar therefore, and shall not bear interest after the date fixed for redemption.

(c) The source of funds for payment of the principal of and interest on the Refunded Bonds on their redemption date shall be from the funds deposited with the paying agent for the Refunded Bonds, pursuant to the Paying Agent Deposit Agreement approved in Section 14 of this Ordinance.

Section 16. APPROPRIATION. To pay the debt service coming due on the Bonds on September 1, 2021, prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, together with proceeds of the Bonds directed by the Ordinance to be deposited to the Interest and Sinking Fund, and such amount shall be used for no other purpose.

Section 17. SEVERABILITY. If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

Section 18. EFFECTIVE DATE. In accordance with the provisions of Texas Government Code, Section 1201.028, this Ordinance shall be effective immediately upon its adoption by the City Council.

SCHEDULE I

SCHEDULE OF REFUNDED BONDS

<u>Description</u>	<u>Maturities</u>	<u>Principal Amount Outstanding</u>	<u>Principal Amount Refunded</u>
General Obligation Refunding Bonds, Series 2012	03/01/2022	\$910,000	\$910,000
	03/01/2023	555,000	555,000
	03/01/2024	580,000	580,000
	03/01/2025	610,000	610,000
	03/01/2026	635,000	635,000
Totals		<u>\$3,290,000</u>	<u>\$3,290,000</u>

The Series 2012 Bonds shown above are called for redemption on June 9, 2021, at par plus accrued interest.

PASSED AND APPROVED this 3rd day of May, 2021.

Mike Foreman
Mayor

ATTEST:

Leticia Brysch
City Secretary

May 3, 2021

Mayor and Members of the City Council
City of Friendswood
910 S. Friendswood Drive
Friendswood, Texas 77546

Re: Proposed City of Friendswood, Texas, General Obligation Improvement and
Refunding Bonds, Series 2021

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to the City of Friendswood, Texas (the "Issuer") in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds are being issued to provide funds to refund approximately \$3,290,000 of the outstanding tax-supported bonds of the Issuer (the "Refunded Bonds") and to fund approximately \$14,100,000 of public improvements within the Issuer, which were approved by Issuer voters on November 5, 2019 (the "Election"). We also understand that the Bonds will be secured by a pledge of an ad valorem tax levied by the Issuer, within the limits prescribed by law. We further understand that the Bonds will be authorized to be sold by the City Council of the Issuer (the "City Council") pursuant to an ordinance (the "Ordinance") adopted on the date hereof (the "Sale Date"), and that the Bonds will be sold by negotiated sale to SAMCO Capital Markets, Inc. and Frost Bank (collectively, the "Underwriter").

A. THE FINANCING

As Bond Counsel to the Issuer, we would like for the City Council to understand how the issuance of the Bonds will be effected and the ramifications of the financing. I will briefly describe the procedures and certain applicable law that pertains to the issuance of the Bonds, below. However, you should feel free to call me at any time to discuss any questions that you or your staff may have.

- (1) The Bonds will be "authorized to be issued" when and if the City Council approves the Ordinance. The Ordinance provides for the terms of the Bonds. Among the matters approved in the Ordinance are: (i) the terms of the Bonds, including the principal amortization schedule and interest rates; (ii) the Issuer's commitment to levy its debt service tax each year in an amount sufficient to pay the debt service on the Bonds; (iii) the sale of the Bonds to the Underwriter; (iv) the redemption and refunding of the Refunded Bonds; (v) the approval of this engagement letter; (vi) approval of a paying agent agreement to whom you will make semiannual payments sufficient to pay the debt service on the Bonds; (vii) approval of an old paying agent deposit agreement to provide for the redemption and refunding of the Refunded Bonds; (viii) covenants obligating the Issuer to make periodic

filings of operating and financial data in accordance with Rule 15c2-12 of the Securities and Exchange Commission; and (ix) certain other covenants of the Issuer that are designed to allow the Issuer to issue the Bonds as tax-exempt obligations. As you can see from the foregoing description, the Ordinance is an omnibus undertaking of the Issuer that is intended to provide for all actions and undertakings that are required for the issuance of the Bonds. There will be other certificates and letters that will be required to be executed by officers of the Issuer on the Sale Date, but they all spring from, and are authorized by, the Ordinance.

- (2) As noted above, the Bonds will be sold to the Underwriter in accordance with the provisions of the Ordinance and, in addition, the Underwriter will want the Issuer to sign bond purchase contracts (collectively, the "Bond Purchase Contract") on the Sale Date that will set forth the terms of the sale of the Bonds. We have reviewed the Bond Purchase Contract, which was drafted by counsel to the Underwriters, and you should know that while it is a fairly routine form of document for this type of transaction, it does commit the Issuer to sell the Bonds to the Underwriter at the price set forth therein. In addition, the Bond Purchase Contract contains representations of the Issuer to the Underwriter to the effect that the Issuer is authorized to issue the Bonds and that it has made full disclosure to the Underwriter and the bond investors of all material information. As a condition to the Underwriter's payment for the Bonds, the Underwriter will require this firm to deliver our Bond Counsel opinion to them, in which we will opine that the Bonds are valid obligations of the Issuer and that, assuming ongoing compliance by the Issuer with the provisions of the Ordinance, the interest on the Bonds will be exempt from federal income taxation. The Bond Purchase Contract will also require the delivery of an opinion of the Texas Attorney General approving the Bonds, as is required by State law. Therefore, if there are any unusual financial or legal circumstances affecting the Issuer that would make the covenants, representations or statements made by the Issuer in the Bond Purchase Contract untrue, you should let your financial advisor or the undersigned know about them as soon as possible.
- (3) The Underwriter will offer the Bonds into the public debt markets prior to the time that the City Council meets to accept the Underwriter's offer for the Bonds. Through this process, the Bonds will be "priced" – i.e., interest rates and premiums or discounts, if any, for the Bonds will be established. On the Sale Date, the City Council will consider the terms offered to the Issuer by the Underwriter based upon the market conditions and other factors that determine interest rates and pricing information. In connection with the offering of the Bonds, the City Council will approve an offering document called an "Official Statement" that contains financial and operating data concerning the Issuer, and information that describes the Bonds. The Issuer is responsible for the information that is contained in the Official Statement to the extent that it describes the Bonds and the Issuer. As your Bond Counsel, we have reviewed the Official Statement to ensure that the information describing the Bonds and the Ordinance are correct. As Bond Counsel we do not review other areas of the Official Statement. If you know of any information that an investor would consider to be material in order to make an investment decision, and that information is omitted from,

or incorrect in, the Official Statement, the Underwriter needs to know, and the Official Statement should be corrected in that regard.

B. SCOPE OF ENGAGEMENT

In this engagement, we have performed, or expect to perform, the following duties:

- (1) Research legal questions regarding financing drainage improvements in the Issuer and prepare election proceedings, and assist the Issuer in administering the Election with the appropriate county election officials.
- (2) Subject to the completion of proceedings to our satisfaction, render our legal opinions (collectively, the "Bond Opinion"), regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal income tax purposes.
- (3) Prepare and review documents necessary or appropriate for the authorization, issuance and delivery of the Bonds, coordinate the authorization and execution of such documents, and review enabling legislation.
- (4) Assist the Issuer in seeking from other governmental authorities such approvals, permissions and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance and delivery of the Bonds, except that we will not be responsible for any required federal or state securities law filings. In this connection, we particularly undertake to assist the Issuer in having the Bonds approved by the Public Finance Division of the Office of the Texas Attorney General, and, following such approval, registered by the Texas Comptroller of Public Accounts.
- (5) Review legal issues relating to the structure of the Bond issue.
- (6) Review those sections of the Official Statement to be disseminated in connection with the sale of the Bonds which describe the Bonds, the Ordinance pursuant to which they will be issued and the tax-exempt treatment of the interest on the Bonds for purposes of federal income taxation.
- (7) If requested, assist the Issuer in presenting information to bond rating organizations and bond insurers relating to legal issues affecting the issuance of the Bonds.
- (8) Draft the continuing disclosure undertaking of the Issuer.

Our Bond Opinion will be delivered by us on the date the Bonds are exchanged for their purchase price (the "Closing"). The Issuer will be entitled to rely on our Bond Opinion.

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will direct members of your staff and other employees of the Issuer to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above. Unless we are separately engaged in writing to perform other services, our duties do not include any other services, including the following:

- (1) Except as described in sections A and B above, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds, assisting in the preparation of, or opining on, a continuing disclosure undertaking pertaining to the Bonds or, after Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking, or, in connection with the issuance of the Bonds, performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- (2) Preparing requests for tax rulings from the Internal Revenue Service, or no action letters from the Securities and Exchange Commission.
- (3) Preparing state securities law memoranda or investment surveys with respect to the Bonds.
- (4) Drafting state constitutional or legislative amendments.
- (5) Pursuing test cases or other litigation.
- (6) Making an investigation or expressing any view as to the creditworthiness of the Issuer or the Bonds.
- (7) Representing the Issuer in Internal Revenue Service examinations or inquiries, or Securities and Exchange Commission investigations.
- (8) After Closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Bonds will

continue to be excludable from gross income for federal income tax purposes (e.g., our engagement does not include rebate calculations for the Bonds).

- (9) Negotiating the terms of, or opining as to, any investment contract.
- (10) Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We further assume that all other parties in this transaction understand that we represent only the Issuer in this transaction, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Issuer will not affect, however, our responsibility to render an objective Bond Opinion.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Form 8038G, prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

CONFLICTS

As you are aware, our firm represents many political subdivisions and investment banking firms, among others, who do business with political subdivisions. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds, including the Underwriter and the Issuer's financial advisor. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Execution of this letter will signify the Issuer's consent to our representation of others consistent with the circumstances described in this paragraph.

FIRM NOT A MUNICIPAL ADVISOR

As a consequence of the adoption of Rule 15Ba1-1 pursuant to the Securities Exchange Act of 1934 (the "Municipal Advisor Rule"), which has been promulgated by the Securities and Exchange Commission as a result of the enactment of the Dodd-Frank Wall Street Reform and

Consumer Protection Act (the "Dodd-Frank Act"), we hereby inform the Issuer that we are not a "Municipal Advisor" within the meaning of the Municipal Advisor Rule or the Dodd-Frank Act (collectively, the "MA Rule"). In the course of performing our services as Bond Counsel in this transaction, we may engage in analysis, discussion, negotiation, and advice to the Issuer regarding the legal ramifications of the structure, timing, terms, and other provisions of the financial transaction that culminates with the planned issuance of the Bonds, and such services and advice may be essential to the development of the plan of finance for the issuance of the Bonds. In turn, these services become, among other things, the basis for the transaction's basic legal documents, the preparation and delivery of the official statement or any other disclosure document that describes the material terms and provisions of the transaction, if an offering document is used in the offering of the Bonds, the preparation of the various closing certificates that embody the terms and provisions of this transaction and the preparation and delivery of our Bond Opinion. Moreover, legal advice and services of a traditional legal nature in the area of municipal finance inherently involve a financial advice component; but we hereby advise the Issuer that while we have expertise with respect to the legal aspects relating to the issuance of municipal securities, we are not "financial advisors" or "financial experts" in a manner that would subject us to the provisions of the MA Rule. As Bond Counsel, we provide only legal advice, not purely financial advice that is not inherent in our legal advice to the Issuer. The Issuer should seek the advice of its financial advisor with respect to the financial aspects of the issuance of the Bonds. By signing this engagement letter, the Issuer acknowledges receipt of this information, and evidences its understanding of the limitations of our role to the Issuer as Bond Counsel with respect to the MA Rule, as discussed in this paragraph.

NO ISRAEL BOYCOTT

We hereby represent that during the term of this agreement we do not, nor will we, boycott Israel, in compliance with and within the meaning of 50 U.S.C. Section 4607 and Section 2270.002, of the Texas Government Code.

FEES

Based upon: (i) the terms, structure, size and schedule of the financing represented by the Bonds; (ii) the duties we will undertake pursuant to this engagement letter, including, specifically, with the time we anticipate devoting to the financing, (A) our fee in connection with the Bonds will be \$7,500 for the first \$1,000,000 in net proceeds of the Bonds, plus \$1 per \$1,000 of net proceeds of each series of the Bonds for all such amounts above \$1,000,000. Net proceeds include any net original issue premium, less the amount of the Underwriter's discount, plus the principal amount of the Bonds (accrued interest is excluded from net proceeds). The fee includes our services rendered as Bond Counsel, but does not include client charges made or incurred on your behalf, such as travel costs, photocopying, deliveries, long distance telephone charges, telecopier charges, computer-assisted research and other expenses. Our fee will be billed after the Closing. If we advance the filing fee of the Texas General on behalf of the Issuer, we will also be reimbursed for that payment.

RECORDS

After the transaction has closed, you will receive a transcript of proceedings that contains the primary financing and closing documents related to the transaction. At your request, papers and

property furnished by you, and work product belonging to you and to which you are entitled, will be returned promptly. We may have copies of any and all documents made for our files at our sole cost and expense, to be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the closing of each transaction.

ELECTRONIC COMMUNICATION AND STORAGE

In the interest of facilitating our services to you, we may send documents, information or data electronically or via the Internet or store electronic documents or data via computer software applications hosted remotely or utilize cloud-based storage. Your confidential electronic documents or data may be transmitted or stored using these methods. We may use third party service providers to store or transmit these documents or data. In using these electronic communication and storage methods, we employ reasonable efforts to keep such communications, documents and data secure in accordance with our obligations under applicable laws, regulations, and professional standards; however, you recognize and accept that we have no control over the unauthorized interception or breach of any communications, documents or data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us or by our third party vendors. By your acceptance of this letter, you consent to our use of these electronic devices and applications and submission of confidential client information to or through third party service providers during this engagement.

ACCEPTANCE OF TERMS OF ENGAGEMENT

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you.

Respectfully yours,

McCall, Parkhurst & Horton L.L.P.

By 
Dan S. Culver

Accepted and Approved

City of Friendswood, Texas

By: _____
Its: Mayor
Date: May 3, 2021

CITY OF FRIENDSWOOD, TEXAS

\$____,000

GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2021

PURCHASE AGREEMENT

November 18, 2021

Mayor and Members of City Council
City of Friendswood, Texas
910 S. Friendswood Dr.
Friendswood, TX 77546

Ladies and Gentlemen:

The undersigned, Samco Capital Markets, Inc. (the “*Representative*”), acting on its own behalf and on behalf of Frost Bank (collectively, the “*Underwriters*”), and not acting as a fiduciary or agent for the City of Friendswood, Texas (the “*Issuer*”), offers to enter into the following agreement (the “*Agreement*”) with the Issuer which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriters. This offer is made subject to the Issuer’s written acceptance hereof on or before 10:00 p.m., Central Time, on May 3, 2021 and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice delivered by the Representative to the Issuer at any time prior to the acceptance hereof by the Issuer. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Ordinance (as defined herein).

1. Purchase and Sale of the Bonds.

(a) Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree, jointly and severally, to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriters, all, but not less than all, of the Issuer’s General Obligation Improvement and Refunding Bonds, Series 2021 (the “Bonds”).

The Issuer acknowledges and agrees that (i) the Underwriters are not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of each Underwriter, as underwriter, is to purchase securities, for resale to investors, in an arm’s-length commercial transaction between the Issuer and the Underwriters and the Underwriters have financial and other interests that differ from those of the Issuer; (iii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisor or fiduciaries to the Issuer and have not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings

and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters); (iv) the only obligations the Underwriters have to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Agreement; and (v) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate. The Representative has been duly authorized to execute this Agreement and to act hereunder.

The principal amount of the Bonds to be issued, the dated date therefor, and the maturities, redemption provisions and interest rates per annum are set forth in Schedule I hereto. Interest on the Bonds will accrue from the date of initial delivery of the Bonds to the Underwriters and will be payable on each March 1 and September 1, commencing on September 1, 2021, and thereafter until maturity.

The Bonds shall be as described in, and shall be issued and secured under and pursuant to, the provisions of the Ordinance adopted by the Issuer's City Council on May 3, 2021 (the "**Ordinance**")

The purchase price for the Series Bonds shall be \$_____ (representing the par amount of the Bonds, plus an original issue reoffering premium of \$_____, and less an underwriting discount of \$_____).

(b) **Certificate of Interested Parties** Frost Bank represents and warrants that it is exempt from the requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof. Accordingly, they are not required to file a Certificate of Interested Parties Form 1295. The Representative represents and warrants that it has met the requirements of Section 2252.908 of the Texas Government Code, as amended.

(c) **Representations and Warranties of Underwriters.**

(1) Each of the Underwriters hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. Each of the Underwriters understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with each Underwriter and exists to make a profit.

(2) Each of the Underwriters represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts

under Section 2252.153 or Section 2271.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes each Underwriter and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. Each of the Underwriters understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with each Underwriter and exists to make a profit.

(3) Each Underwriter, on its own behalf, represents that it is registered with the Financial Industry Regulatory Authority as a broker-dealer.

(d) **Public Offering.** The Underwriters agree to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices (or yields not less than the reoffering yields) set forth on the cover of the Official Statement and may subsequently change such offering prices or yields without any requirement of prior notice. Subject to the provisions of Section 2 hereof, the Underwriters also reserve the right to: (i) over-allot or effect transactions that stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without notice; provided, however that no such actions shall affect the certification of the original issue price of the Bonds as provided below. Subject to the provisions of **Section 2** hereof, after the initial public offering, the Underwriters may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower (or yields greater) than the public offering prices or yields stated on page ii of the Official Statement.

2. Establishment of Issue Price of Certificates. Notwithstanding any provision of this Agreement to the contrary, the following provisions related to the establishment of the issue price of the Bonds apply:

(a) **Definitions.** For purposes of this Section 2, the following definitions apply

(1) **"Public"** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Tax Law Underwriter or a Related Party to a Tax Law Underwriter.

(2) **"Related Party"** means any two or more persons who are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the

outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(3) “***Sale Date***” means the date of execution of this Agreement by the Issuer and the Representative.

(4) “***Tax Law Underwriter***” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the Representative to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(b) ***Issue Price Certificate.*** The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Bonds and agrees to execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit A, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and McCall Parkhurst & Horton L.L.P. (“***Bond Counsel***”), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the Public of the Bonds (the “***Issue Price Certificate***”). All actions to be taken by the Issuer under this ***Section 2*** to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal advisor.

(c) ***Public Offering.*** The Representative confirms that, on the Sale Date, the Underwriters offered the Bonds to the Public at the offering price or prices (each, an “***Initial Offering Price***”), or at the corresponding yield or yields, set forth in Schedule I attached hereto.

(d) ***10% Test.*** Except as otherwise set forth in Schedule I, the Issuer will determine the issue price of the Bonds based on the first price at which 10% of each maturity of the Bonds is sold to the Public (the “***10% Test***”) (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). Schedule I will set forth the maturities, if any, of the Bonds for which the issue price will be the applicable Initial Offering Price because the 10% Test was satisfied as of the Sale Date.

(e) ***Hold-The-Offering-Price Rule.*** Schedule I will set forth, the maturities, if any, of the Bonds for which the 10% Test was not satisfied as of the Sale Date and for which the Issuer and the Representative, on behalf of the Underwriters, agree that the restrictions in the next sentence will apply (each such maturity of the Bonds being referred to as a “***Held Maturity***”), which will allow the Issuer to treat the Initial Offering Price to the Public of each such Held Maturity as the issue price of that Held Maturity (the “***Hold-the-Offering-Price Rule***”). For any maturity identified as a Held Maturity, the Underwriters will neither offer nor sell unsold Bonds of such Held Maturity to any person at a price that is higher than the applicable Initial Offering

Price of such Held Maturity during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Tax Law Underwriters have sold at least 10% of such Held Maturity to the Public at a price that is no higher than the Initial Offering Price of such Held Maturity.

The Representative will promptly advise the Issuer when the Tax Law Underwriters have sold 10% of each such Held Maturity to the Public at a price that is no higher than the applicable Initial Offering Price of such Held Maturity, if that occurs prior to the close of the fifth business day after the Sale Date. On or after the sixth business day after the Sale Date, if requested by the Issuer or Bond Counsel, the Representative also will promptly confirm that the Tax Law Underwriters have complied with the Hold-the-Offering-Price Rule. If at any time the Representative becomes aware of any noncompliance by a Tax Law Underwriter with respect to the Hold-the-Offering Price Rule, the Representative will promptly report such noncompliance to the Issuer.

The Issuer acknowledges that, in making the representation that each Underwriter will comply with the Hold-the-Offering Price Rule with respect to any Held Maturity, the Representative is relying on (A) the agreement of each Underwriter to comply with the Hold-the-Offering-Price Rule, as set forth in an agreement among underwriters and the related pricing wires, (B) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the Hold-the-Offering-Price Rule, as set forth in a selling group agreement and the related pricing wires, and (C) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the Hold-the-Offering-Price Rule, as set forth in the retail distribution agreement and the related pricing wires. The Issuer further acknowledges that each Tax Law Underwriter will be solely liable for its failure to comply with its agreement regarding the Hold-the-Offering Price Rule and that no Tax Law Underwriter will be liable for the failure of any other Tax Law Underwriter to comply with its corresponding agreement regarding the Hold-the-Offering-Price Rule as applicable to the Bonds.

(f) **Matters Relating to Certain Agreements.** The Representative confirms that:

- (1) any agreement among underwriters, any selling group agreement and each retail distribution agreement to which the Representative is a party relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of any selling group, and each broker-dealer that is a party to any such retail distribution agreement, as applicable, to (A)(i) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (ii) comply with the Hold-the-Offering Price Rule, if applicable, in

each case if and for so long as directed by the Representative and as set forth in the related pricing wires; (B) promptly notify the Representative of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public; and

(2) any agreement among underwriters relating to the initial sale of the Bonds to the Public, together with related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the Representative or the applicable Underwriter that either the 10% Test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public and (B) comply with the Hold-the-Offering Price Rule, if applicable, in each case if and for so long as directed by the Representative or the applicable Underwriter and as set forth in the related pricing wires.

(g) **Sale to Related Party not a Sale to the Public.** The Underwriters acknowledge that sales of any Bonds to any person that is a Related Party to a Tax Law Underwriter do not constitute sales to the Public for purposes of this **Section 2**.

3. The Official Statement.

(a) The Issuer previously has delivered, or caused to be delivered, to the Underwriters the Preliminary Official Statement dated April 26, 2021 (the “**Preliminary Official Statement**”) in a “designated electronic format,” as defined in Rule G-32 (“**Rule G-32**”) of the Municipal Securities Rulemaking Board (the “**MSRB**”). The Issuer will prepare, or cause to be prepared, a final Official Statement relating to the Bonds, which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (the “**Rule**”), (iii) in a “designated electronic format” and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriters before the execution hereof. Such final Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds, is herein referred to as the “**Official Statement**.” Until the Official Statement has been prepared and is available for distribution, the Issuer shall provide to the Underwriters sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Representative deems reasonably necessary to satisfy the obligation of the Underwriters under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) The Preliminary Official Statement has been prepared for use by the Underwriters in connection with the public offering, sale and distribution of the Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement has been “deemed final” by the

Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriters in connection with the public offering and the sale of the Bonds. The Issuer consents to the use by the Underwriters of the Preliminary Official Statement in connection with the public offering of the Bonds. The Issuer shall provide, or cause to be provided, to the Underwriters as soon as practicable after the date of the Issuer's acceptance of this Agreement (but, in any event, not later than within seven (7) business days after the Issuer's acceptance of this Agreement and in sufficient time to accompany any confirmation that requests payment from any customer) the Official Statement which is complete as of the date of its delivery to the Underwriters. The Issuer shall provide the Official Statement, or cause the Official Statement and the Escrow Agreement to be provided, (i) in a word searchable "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Representative shall request in order for the Underwriters to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(d) If, after the date of this Agreement to and including the date the Underwriters are no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than twenty-five (25) days after the "end of the underwriting period" for the Bonds), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Representative (and for the purposes of this clause provide the Underwriters with such information as the Representative may from time to time reasonably request), and if, in the reasonable opinion of the Representative, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, at the Issuer's own expense (in a form and manner approved by the Representative), either an amendment or a supplement to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement (including any representation, warranty or covenant made herein) and any certificate delivered by the Issuer in accordance herewith, the Issuer makes no representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York ("**DTC**"). If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The Issuer shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, in a "designated electronic format" consistent with the requirements of Rule G-32.

(e) The Representative hereby agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access (“**EMMA**”) system on or before the date of the Closing. Unless otherwise notified in writing by the Representative, the Issuer can assume that the “end of the underwriting period” for purposes of the Rule is the date of the Closing.

4. **Representations, Warranties, and Covenants of the Issuer.** The Issuer hereby represents and warrants to and covenants with the Underwriters that:

(a) The Issuer is a political subdivision of the State of Texas (the “**State**”), duly created, organized and existing under the laws of the State and the Issuer’s home rule charter (the “**Charter**”), and has full legal right, power and authority pursuant to the Constitution and general laws of the State, including Chapters 1207 and 1331, Texas Government Code, as amended (the “**Act**”), and at the date of the Closing will have full legal right, power and authority under the Charter and the Act (i) to adopt the Ordinance and to make the delegations set forth therein and take the actions authorized thereby, (ii) to enter into, execute and deliver this Agreement and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Ordinance, the Escrow Agreement (as defined in the Ordinance), and the Continuing Disclosure Undertaking (as defined in **Section 6(j)(3)**) are hereinafter referred to as the “**Issuer Documents**”), (ii) to sell, issue and deliver the Bonds to the Underwriters as provided herein, and (iii) to carry out and consummate the transactions described in the Issuer Documents and the Official Statement; and the Issuer has complied, and will at the Closing be in compliance in all material respects, with the terms of the Act and the Issuer Documents as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the adoption of the Ordinance and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Bonds and the Issuer Documents, and (iii) the consummation by it of all other transactions described in the Official Statement and the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect to, and consummate the transactions described herein and in the Official Statement;

(c) The Bonds and the Issuer Documents constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms, subject to principles of governmental immunity and subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights; the Bonds when issued, delivered and paid for, in accordance with the Ordinance and this Agreement, will constitute legal, valid and binding obligations of the Issuer entitled to the benefits of the Ordinance and enforceable in accordance with their terms, subject to the principles of governmental immunity and subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors’ rights; upon the issuance, authentication and delivery of the Bonds as aforesaid, the Ordinance will provide for the Bonds to be payable from and secured by a first lien on and pledge of the receipts of an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the taxing jurisdiction of the Issuer;

(d) The Issuer is not in material breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject that would have a material and adverse effect on the business or financial condition of the Issuer, and no event that would have a material and adverse effect on the business or financial condition of the Issuer has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Bonds and/or the Issuer Documents and the adoption of the Ordinance and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a material breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or to which any of its property or assets are otherwise subject nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the Issuer's ad valorem taxes pledged, or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Ordinance;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Bonds have been duly obtained or will be obtained prior to Closing except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(f) The Bonds and the Ordinance conform to the descriptions thereof contained in the Official Statement, including the description provided under the caption "THE BONDS"; the proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the subcaption "THE BONDS – USE OF PROCEEDS" and "– SOURCES AND USES OF FUNDS"; and the Continuing Disclosure Undertaking conforms to the description thereof contained in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION;"

(g) Except as may otherwise be described in the Official Statement, during the last five (5) years the Issuer has not failed to comply in any in any material respect with its previous continuing disclosure undertakings made by it in accordance with the Rule;

(h) Except as may otherwise be described in the Official Statement, to the best knowledge of the Issuer, there is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the best knowledge of the Issuer, threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the levy and collection of taxes pledged to the payment of principal of and interest on the Bonds in accordance with the Ordinance or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents, or

contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes (except with respect to any interest that the Preliminary Official Statement explicitly discloses is not excluded from gross income for federal income tax purposes), or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Bonds, the adoption of the Ordinance or the execution and delivery of the Issuer Documents, nor, to the best knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents;

(i) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(j) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of **Section 3** of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the Issuer notifies the Representative of any fact or event as required by Section 3(d) hereof, and the Representative determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects and the Issuer shall have no further obligation under this section or **Section 3(d)** with respect to such event;

(k) If the Official Statement is supplemented or amended pursuant to paragraph (d) of **Section 3** of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period", the Official Statement, as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the Issuer notifies the Representative of any fact or event as required by **Section 3(d)** hereof, and the Representative determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects and the Issuer shall have no further obligation under this section or **Section 3(d)** with respect to such event;

(l) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Ordinance and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds (except with respect to

any interest that the Preliminary Official Statement explicitly discloses is not excluded from gross income for federal income tax purposes);

(m) The Issuer will furnish such information and execute such instruments and take such action in cooperation with the Underwriters, at the sole expense of the Underwriters, as the Representative may reasonably request (1) to (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (2) to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Representative promptly of receipt by the Issuer of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(n) The financial statements of, and other financial information regarding, the Issuer in the Official Statement fairly present the financial position, results of operations and condition of the Issuer as of the dates and for the periods therein set forth; and there has been no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, since the dates of such statements and information;

(o) Except as disclosed in the Official Statement, the Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer, would have a materially adverse effect on the financial condition or operations of the Issuer;

(p) Prior to the Closing, other than in the ordinary course of business, the Issuer will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the Issuer's ad valorem taxes without the prior approval of the Representative;

(q) The Issuer, to the extent heretofore requested by the Representative in writing, has delivered to the Representative true, correct, complete, and legible copies of all information, applications, reports, or other documents of any nature whatsoever submitted to any rating agency for the purpose of obtaining a rating for the Bonds and, in each instance, true, correct, complete, and legible copies of all correspondence or other communications relating thereto;

(r) Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions described in this Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriters as to the statements made therein; and

(s) The Issuer covenants that between the date hereof and the date of the Closing it will take no action which will cause the representations and warranties made in this Section to be untrue as of the date of the Closing.

By delivering the Official Statement to the Underwriters, the Issuer shall be deemed to have reaffirmed, with respect to such Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

5. Closing.

(a) At 10:00 a.m., Central Time, on June 3, 2021, or at such other time and date as shall have been mutually agreed upon by the Issuer and the Representative (the “**Closing**”), the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the “**Paying Agent/Registrar**”), as the entity appointed by the Issuer to take delivery of the Bonds, duly executed and authenticated, together with the other documents hereinafter mentioned, and the Paying Agent/Registrar, as the entity appointed by the Issuer to take delivery of the Bonds, will, subject to the terms and conditions hereof, accept such delivery and the Underwriters will pay the purchase price of the Bonds as set forth in **Section 1** of this Agreement by wire transfer payable in immediately available funds to the order of the Issuer. Payment for the Bonds as aforesaid shall be made at the offices of the Paying Agent/Registrar, or such other place as shall have been mutually agreed upon by the Issuer and the Representative. The Initial Bonds shall be registered in the name of the Representative.

(b) Delivery of the Bonds in definitive form shall be made through DTC, utilizing the book-entry only form of issuance, and the Issuer, if it has not done so previously, agrees to enter into such agreements, including a “Letter of Representations,” as may be required to allow for the use of such book-entry only system. The definitive Bonds shall be delivered in fully registered form bearing CUSIP numbers without coupons with one certificate for each maturity of each series of the Bonds, registered in the name of Cede & Co. and shall be made available at the offices of DTC (or, if the Bonds are to be held in safekeeping for DTC by the Paying Agent/Registrar pursuant to DTC’s FAST system, at the office of the Paying Agent/Registrar) to the Representative at least one (1) business day before the Closing for purposes of inspection.

6. Closing Conditions. The Underwriters have entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters’ obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Representative:

(a) The representations and warranties of the Issuer contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The Issuer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;

(c) At the time of the Closing, (i) the Issuer Documents and the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may be required by the Attorney General of Texas, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Representative; (ii) the net proceeds of the sale of the Bonds and any funds to be provided by the Issuer shall be deposited and applied as described in the Official Statement and the Ordinance and (iii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel and counsel to the Underwriters to deliver their respective opinions referred to hereafter;

(d) At the time of the Closing, all official action of the Issuer relating to the Bonds and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented;

(e) At or prior to the Closing, the Ordinance shall have been duly adopted by the governing body of the Issuer; and the Issuer shall have duly executed and delivered, and the Paying Agent/Registrar shall have duly authenticated the definitive Bonds;

(f) At or prior to the Closing, the municipal bond insurance policy, if any, shall have been duly executed, issued and delivered by the Insurer;

(g) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of the Issuer, from that set forth in the Official Statement that, in the reasonable judgment of the Representative, is material and adverse and that makes it, in the reasonable judgment of the Representative, impracticable to market the Bonds on the terms and in the manner described in the Official Statement;

(h) The Issuer shall not currently be in default with respect to the payment of principal or interest when due on any of its outstanding obligations for borrowed money;

(i) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions described in this Agreement shall be reasonably satisfactory in legal form and effect to the Representative;

(j) At or prior to the Closing, the Representative shall have received a copy of each of the following documents:

(1) the Official Statement, and each supplement or amendment thereto, if any, as may have been agreed to by the Representative;

(2) a certified copy of the Ordinance, each of which shall be in full force and effect and shall not have been amended or supplemented except as may have been agreed to in writing by the Representative;

(3) the undertaking of the Issuer in the Ordinance that satisfies the requirements of section (b)(5)(i) of the Rule (the “*Continuing Disclosure Undertaking*”);

(4) the approving opinion of Bond Counsel with respect to the Bonds, in substantially the form attached to the Official Statement;

(5) a supplemental opinion of Bond Counsel addressed to the Issuer and the Underwriters, substantially to the effect that:

(i) the Ordinance have been duly adopted by the Issuer and each of the foregoing is in full force and effect;

(ii) the Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended (the “**1933 Act**”), and the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Ordinance under the Trust Indenture Act; and

(iii) such firm was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, has reviewed the statements and information appearing in the Official Statement under the captions “SALE AND DISTRIBUTION OF THE BONDS – Securities Laws” (first paragraph only), “THE BONDS” (except the subcaptions “Book-Entry-Only System,” “Use of Proceeds,” “Sources and Uses of Funds,” “Future Debt,” and “Remedies in the Event of Default”), “TAX MATTERS,” “LEGAL MATTERS – Legal Opinions,” and “CONTINUING DISCLOSURE OF INFORMATION” (except the subcaption “Compliance With Prior Undertakings”) fairly summarizes the procedures and documents referred to therein and is correct as to matters of law. Bond Counsel and such firm is of the opinion that the statements and information contained therein are correct as to matters of law;

(6) an opinion, dated the date of the Closing and addressed to the Underwriters, of counsel to the Underwriters, to the effect that:

(i) the Bonds are exempted securities under the 1933 Act and the Trust Indenture Act and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act and the Ordinance need not be qualified under the Trust Indenture Act;

(ii) the Continuing Disclosure Undertaking complies with the specific requirements of Rule 15c2-12(b)(5); and

(iii) based upon their participation in the preparation of the Official Statement as counsel for the Underwriters and their participation at conferences at which the Official Statement was discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Official Statement, such counsel has no reason to believe that the Official Statement contains any untrue statement of a material fact or omits to state

a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement and the information regarding DTC and its book-entry system, as to which no view is expressed);

(7) a certificate, dated the date of Closing, of an appropriate official of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) except as may otherwise be disclosed in the Official Statement, no litigation or proceeding against the Issuer is pending or, to the best of his or her knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the commissioners, officers or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Bonds or the Issuer Documents, (d) prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the levy and collection of taxes pledged to the payment of principal of and interest on the Bonds pursuant to the Ordinance, or (e) attempt to limit, enjoin or otherwise prevent the Issuer from functioning and collecting taxes or any other income or levying and collecting the taxes pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof; (iii) all official action of the Issuer relating to the Official Statement, the Bonds and the Issuer Documents have been duly taken by the Issuer, are in full force and effect and have not been modified, amended, supplemented or repealed; (iv) to the best of his or her knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in the light of the circumstances under which they were made, not misleading in any material respect as of the time of Closing, and the information contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of Closing, does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (v) there has not been any material adverse change in the financial condition of the Issuer since September 30, 2019, the latest date as of which audited financial information is available;

(8) a certificate of the Issuer, dated the date of the Closing, of an appropriate official of the Issuer in form and substance satisfactory to Bond Counsel and counsel to the Underwriters setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “*Code*”), and any applicable regulations (whether final, temporary or proposed) issued pursuant to the Code;

(9) an Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038), in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Issuer;

(10) the approving opinion of the Attorney General of the State and the registration certificate of the Comptroller of Public Accounts of the State in respect of the Bonds;

(11) any other certificates and opinions required by the Ordinance for the issuance thereunder of the Bonds;

(12) evidence satisfactory to the Representative that the Bonds have been assigned an underlying rating of “___” by S&P Global Ratings, and that such ratings are in effect as of the date of Closing;

(13) such additional legal opinions, certificates, instruments and other documents as the Representative, the Bond Counsel, or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Issuer’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Issuer.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Representative.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters nor the Issuer shall be under any further obligation hereunder, except that the respective obligations of the Issuer and the Underwriters set forth in **Sections 4 and 8** hereof shall continue in full force and effect.

7. Termination. The Representative shall have the right to cancel the Underwriters’ obligation to purchase the Bonds and terminate this Agreement if (as evidenced by a written notice to the Issuer terminating the obligation of the Underwriters to accept delivery of and pay for the Bonds), between the time of the Underwriters’ submission of their offer to enter into this Agreement and the Closing, in the reasonable judgment of the Representative, the market price or marketability of the Bonds (or the market price of obligations of the general character of the Bonds) shall be materially adversely affected, by the occurrence of any of the following events:

(a) legislation shall be enacted by the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), press release, statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect

of any or all of which would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds, or the interest on the Bonds as described in the Official Statement (except with respect to any interest that the Preliminary Official Statement explicitly discloses is not excluded from gross income for federal income tax purposes), or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences of any of the transactions described herein;

(b) legislation enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or that the Ordinance are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as described herein or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) a stop order, ruling, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, including any or all underlying arrangements, as described herein or by the Official Statement or otherwise, is or would be in violation of any provisions of the federal securities laws, including the Securities Exchange Act of 1934, as amended and as then in effect or the Trust Indenture Act of 1939, as amended and as then in effect;

(d) any state blue sky or securities commission or other governmental agency or body in which more than fifteen percent (15%) of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; provided such withholdings is not due to the malfeasance, misfeasance or nonfeasance of the Underwriters;

(e) payment for and delivery of any of the Bonds is rendered impracticable or inadvisable because (i) there shall be in force a general suspension of trading in securities on the New York Stock Exchange, the effect of which on the financial markets of the United States is such as would materially adversely affect the market for or market price of any of the Bonds; (ii) a general banking moratorium shall have been declared by federal, State of New York, or State officials authorized to do so, or a material disruption in commercial banking or securities settlement or clearance services shall have occurred; or (iii) there shall have occurred, since the date hereof, any outbreak or material escalation of hostilities involving the United States (including, without limitation, an act of terrorism), declaration by the United States, of a national emergency or war or other national or international calamity or crisis or any change in the financial or economic conditions in the United States or elsewhere;

(f) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters, which change occurs subsequent to the date hereof and is not due to the malfeasance, misfeasance or nonfeasance of the Underwriters;

(g) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body or other authority materially adversely affecting: (1) the tax status of the Issuer, its property, income, securities (or interest thereon), (2) the validity or enforceability of the levy of ad valorem taxes by the Issuer, (3) the levy and collection of taxes pledged to the payment of principal of and interest on the Bonds pursuant to the Ordinance.

(h) any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for sale of the Bonds;

(i) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(j) any fact or event shall exist or have existed that, in the Representative's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement;

(k) there shall have occurred any downgrading or published negative credit watch or similar published information from a rating agency that at the date of this Agreement has published a rating (or has been asked to furnish a rating on the Bonds) on any of the Issuer's debt obligations, which action reflects a negative change or possible negative change, in the ratings accorded any such obligations of the Issuer (including the ratings to be accorded the Bonds); and

(l) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; provided, however, that such prohibition occurs after the date of this Agreement and is not caused by the action, or failure to act, of the Underwriters.

With respect to the conditions described in subparagraphs (f) and (l) above, the Underwriters are not aware of any current law, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Representative to invoke the Underwriters' termination rights hereunder.

8. Expenses.

(a) The Underwriters shall be under no obligation to pay, and the Issuer shall pay, any expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, (ii) the fees and disbursements of Bond Counsel; (iii) the fees and disbursements of the Financial Advisor to the Issuer; (iv) the fees and disbursements of any other engineers, accountants, and other experts, consultants or advisers retained by the Issuer; (v) the fees for bond ratings and bond insurance premium, if any; (vi) the costs of preparing, printing and mailing the Preliminary Official Statement and the Official Statement; (vii) the fees and expenses of the Paying Agent/Registrar; (viii) advertising expenses (except any advertising expenses of the Underwriters as set forth below); (ix) the out-of-pocket, miscellaneous and closing expenses; and (xi) any other expenses mutually agreed to by the Issuer and the Representative to be reasonably considered expenses of the Issuer which are incident to the transactions described herein.

(b) The Underwriters shall pay (i) the cost of preparation and printing of this Agreement, the Blue Sky Survey and Legal Investment Memorandum, if any; (ii) all advertising expenses in connection with the public offering of the Bonds; (iii) all other expenses incurred by them in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by the Underwriters; and (iv) other expenses incurred at the Underwriters' discretion (including, but not limited to, travel, lodging, meals, deal mementos and similar expenses).

(c) The Issuer has agreed to pay the Underwriters' discount set forth in **Section 1** of this Agreement, and inclusive in the expense component of the Underwriters' discount are actual expenses incurred or paid for by the Underwriters on behalf of the Issuer in connection with the marketing, issuance, and delivery of the Bonds, which such expenses are described in **Section 8(b)** above.

9. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to City of Friendswood, Texas, 910 S. Friendswood Dr., Friendswood, TX 77546, Attention: Director of Administrative Services; and, any notice or other communication to be given to the Underwriters under this Agreement may be given by delivering the same in writing to Samco Capital Markets, Inc., 1700 Pacific Avenue, Suite 2000, Dallas, Texas 75201, Attention: Heath Barber.

10. Parties in Interest. This Agreement as heretofore specified shall constitute the entire agreement between the Issuer and the Underwriters, and is made solely for the benefit of the Issuer and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Issuer. All of the Issuer's representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of any of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Agreement; and (iii) any termination of this Agreement.

11. **Effectiveness.** This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance, and unless terminated for any reason permitted herein, shall continue to be effective through and including the last date that the Underwriters are required to provide an Official Statement as described in **Section 3(d)** above. Notwithstanding the immediately preceding sentence, all warranties and representations of the Issuer shall survive any termination of this Agreement.

12. **Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State.

13. **Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision or provisions of any constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

14. **Business Day.** For purposes of this Agreement, “business day” means any day on which the New York Stock Exchange is open for trading.

15. **Section Headings.** Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

16. **Counterparts.** This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

17. **No Personal Liability.** None of the members of the City Council, nor any officer, agent, or employee of the Issuer, shall be charged personally by the Underwriters with any liability, or be held liable to the Underwriters under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

18. **Entire Agreement.** This Agreement represents the entire agreement between the Issuer and the Underwriters with respect to the preparation of the Preliminary Official Statement and the Official Statement, the conduct of the offering, and the purchase and sale of the Bonds.

[Signature page follows]

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Representative. This Agreement shall become a binding agreement between the Issuer and the Underwriters when at least the counterpart of this Agreement shall have been signed by or on behalf of each of the parties hereto.

Respectfully submitted,

SAMCO CAPITAL MARKETS, INC.,
as Representative and for each Underwriter

By: _____

Name: _____

Title: _____

ACCEPTED at _____ [a.m./p.m.] central time this _____ day of _____, 2021.

CITY OF FRIENDSWOOD, TEXAS

By: _____

Name: _____

Title: _____

Schedule I – Schedule of Terms
Exhibit A – Form of Issue Price Certificate

Signature Page to Purchase Agreement
City of Friendswood, Texas

SCHEDULE I

\$_____,000

City of Friendswood, Texas

General Obligation Improvement and Refunding Bonds, Series 2021

Dated Date: June 1, 2021

Interest Accrues From: June 3, 2021

I. INITIAL OFFERING PRICES

Maturity (March 1)	Principal Amount	Interest Rate	Initial Yield ^(a)
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031 ^(b)			
2032 ^(b)			
2033 ^(b)			
2034 ^(b)			
2035 ^(b)			
2036 ^(b)			

I. MATURITIES FOR WHICH THE 10% TEST WAS SATISFIED ON THE SALE DATE

All

II. MATURITIES SUBJECT TO THE HOLD-THE-OFFERING-PRICE RULE

None

^(a) The initial offering yields of the Bonds are furnished by the Underwriters and represent the initial offering prices or yields to the public, which may be changed by the Underwriters at any time; subject, however, to the provisions of the Agreement to which this Schedule is attached. Represents the lower of yield to maturity and yield to the first optional redemption date.

^(b) The Bonds stated to mature on and after March 1, 2032 are subject to optional redemption, in whole or in part, prior to maturity on March 1, 2031 or any date thereafter at the par value thereof plus accrued interest to the date fixed for redemption.

EXHIBIT A

FORM OF ISSUE PRICE CERTIFICATE

ISSUE PRICE CERTIFICATE

The undersigned, based on its records and information and such other information as it deemed necessary, on behalf of Samco Capital Markets, Inc. (the “Representative”) hereby certifies with respect to the sale of the City of Friendswood, Texas General Obligation Improvement and Refunding Bonds, Series 2021 (the “Bonds”), as follows:

1. The undersigned is a duly authorized representative of the Representative, which acted as the lead underwriter of the underwriting group that purchased the Bonds from the City of Friendswood, Texas (the “Issuer”), pursuant to that Purchase Agreement, dated May 3, 2021, and entered into by the Issuer and the Representative on behalf of the underwriting group. In this capacity, I am familiar with the facts stated herein and am duly authorized to execute and deliver this certificate on behalf of the Underwriters.
2. The Underwriters have made a bona fide offering to the public of all the Bonds of each maturity at the respective initial offering prices (the “Initial Offering Prices”) set forth in the pricing wire attached hereto as Schedule I. The Initial Offering Prices are the first prices at which at least 10% of the Bonds of each maturity was sold to the public, [except for the Bonds maturing in the years _____ (the “Undersold Maturities”)].
3. As of the date hereof, other than the undersold maturities, the first price or yield at which at least 10% of each Maturity of the Bonds was sold by the Underwriters to the Public was the respective Initial Offering Price set forth on Schedule I hereto. Attached hereto as Schedule I is also a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Representative in the Purchase Agreement between the Issuer and the Representative, dated May 3, 2021, the Underwriters have not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriter[s] or (b) the close of the fifth business day following the Sale Date.
4. The sum of the Initial Offering Prices is \$_____, [plus pre-issuance accrued interest in the amount of \$_____. OR The Bonds were issued without pre-issuance accrued interest.]
5. For purposes of this Certificate, the following definitions apply.

“Maturity” means bonds with the same credit and payment terms. Certificates with different maturity dates, or bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

“Public” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Tax Law Underwriter or a Related Party to a Tax Law Underwriter.

“Related Party” means any entity if a Tax Law Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

“Tax Law Underwriter” means (i) any person that agrees pursuant to a written contract with the issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

[EXECUTION PAGE FOLLOWS]

Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose. The Issuer may rely on the statements made herein in connection with making certain representations set forth in the Tax Certificate to which this Certificate is attached and in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, regarding the exclusion from gross income interest on the Bonds. Further, McCall Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel, may also rely on this Certificate of Underwriters for purposes of its opinion that interest on the Bonds is excludable from gross income for federal income tax purposes and the preparation of the Internal Revenue Service Form 8038-G. Notwithstanding anything set forth herein, the Representative is not engaged in the practice of law. Accordingly, the Representative makes no representation as to the legal sufficiency of the factual matters set forth herein.

EXECUTED as of this _____ day of _____, 2021.

SAMCO CAPITAL MARKETS, INC.

By:_____

Name:_____

Title:_____

ATTACHMENT I TO ISSUE PRICE CERTIFICATE
FINAL PRICING WIRE

[See Attached]

PRELIMINARY OFFICIAL STATEMENT DATED APRIL __, 2021

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under "TAX MATTERS" herein.

The Bonds will **NOT** be designated as "Qualified Tax-Exempt Obligations for Financial Institutions."

NEW ISSUE: BOOK-ENTRY-ONLY

RATINGS: S&P Global Ratings. "___"

See "SALE AND DISTRIBUTION OF THE BONDS – Municipal Bond Ratings"

\$15,390,000*

CITY OF FRIENDSWOOD, TEXAS

(A home rule city of the State of Texas located within Galveston and Harris Counties)

GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2021

Dated: June 1, 2021

Due: March 1, as shown below

Interest Accrual Date: Delivery Date

Principal of and interest on the \$15,390,000* City of Friendswood, Texas, General Obligation Improvement and Refunding Bonds, Series 2021 (the "Bonds") are payable by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the initial paying agent/registrar (the "Paying Agent/Registrar"). The definitive Bonds are initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the beneficial owners of the Bonds. See "THE BONDS - Book-Entry-Only System" herein.

Interest on the Bonds will accrue from the date of their initial delivery to the initial purchaser thereof named below (the "Underwriters"), and is payable on September 1 and March 1 of each year, commencing September 1, 2021, to the registered owners (initially Cede & Co.) appearing on the registration books of the Paying Agent/Registrar on the 15th day of the month preceding each interest payment date. Interest accruing on the Bonds will be calculated on the basis of a 360-day year of twelve 30-day months. See "THE BONDS - Description."

The Bonds, when issued, will constitute valid and binding obligations of the City of Friendswood, Texas (the "City") and will be payable from the proceeds of a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, against all taxable property within the City. See "THE BONDS - Source of Payment."

The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, particularly Chapters 1207 and 1331, Texas Government Code, as amended, and, with respect to the Bonds issued for drainage and public safety facility improvements, an election held within the City on November 5, 2019. In addition, the Bonds will be issued pursuant to an ordinance to be approved by the City Council of the City on May 3, 2021. See "THE BONDS – Authorization of the Bonds."

PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES AND PRICES (Due March 1)

Maturity March 1	Principal Amount*	Interest Rate	Initial Reoffering Yield (a)	CUSIP Nos. 358568 (b)	Maturity March 1	Principal Amount*	Interest Rate	Initial Reoffering Yield (a)	CUSIP Nos. 358568 (b)
2022	\$920,000	%	%		2037(c)	\$590,000	%	%	
2023	580,000				2038(c)	610,000			
2024	620,000				2039(c)	635,000			
2025	660,000				2040(c)	665,000			
2026	695,000				2041(c)	480,000			
2027	110,000				2042(c)	500,000			
2028	115,000				2043(c)	520,000			
2029	120,000				2044(c)	540,000			
2030	130,000				2045(c)	560,000			
2031	135,000				2046(c)	585,000			
2032(c)	410,000				2047(c)	610,000			
2033(c)	430,000				2048(c)	635,000			
2034(c)	445,000				2049(c)	660,000			
2035(c)	465,000				2050(c)	685,000			
2036(c)	565,000				2051(c)	715,000			

* Preliminary, subject to change.

(a) The initial yields will be established by and are the sole responsibility of the Underwriters.

(b) CUSIP numbers have been assigned to the Bonds by CUSIP Global Services, managed by S&P Global Market Intelligence on behalf of the American Bankers Association, and are included solely for the convenience of the registered owners of the Bonds. Neither the City, the Financial Advisor, nor the Underwriters are responsible for the selection or correctness of the CUSIP numbers set forth herein.

(c) The Bonds maturing on March 1, 2032* and thereafter are subject to redemption on March 1, 2031* or any date thereafter, at the option of the City, at the par value thereof plus accrued interest from the most recent interest payment date to the date of redemption. See "THE BONDS - Redemption Provisions."

Proceeds of the sale of the Bonds will be used for (i) drainage improvement projects within the City; (ii) constructing, improving, renovating and equipping public safety facilities for the fire and police departments; (iii) refunding certain outstanding obligations of the City as more specifically described in "SCHEDULE D – SCHEDULE OF REFUNDED OBLIGATIONS" herein (the "Refunded Obligations"); and (iv) payment of the costs of issuance of the Bonds. See "THE BONDS - Use of Proceeds" and "- Sources and Uses of Funds."

The Bonds are offered when, as and if issued, subject to the approving opinion of the Attorney General of the State of Texas and the opinion of McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel for the City, as to the validity of the issuance of the Bonds under the Constitution and laws of the State of Texas. See "LEGAL MATTERS." Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Houston, Texas, as counsel to the Underwriters. Initial delivery of the Bonds through DTC is expected to be on or about June 3, 2021.

SAMCO CAPITAL

FROST BANK

* Preliminary, subject to change.

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, as amended ("Rule 15c2-12"), and in effect on the date of this Official Statement, this document constitutes an Official Statement of the City with respect to the Bonds that has been "deemed final" by the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

This document, when further supplemented by adding information specifying the interest rates and certain other information relating to the Bonds, shall constitute a "final official statement" of the City with respect to the Bonds, as such term is defined in Rule 15c2-12.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representation other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City.

This Official Statement is not to be used in an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the condition of the City or other matters described herein since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of its responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

NEITHER THE CITY, THE FINANCIAL ADVISOR NOR THE UNDERWRITERS MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING DTC OR ITS BOOK-ENTRY-ONLY SYSTEM.

THE COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY AND IS NOT INTENDED AS A SUMMARY OF THIS OFFERING. INVESTORS SHOULD READ THIS ENTIRE OFFICIAL STATEMENT, INCLUDING THE ATTACHED APPENDICES, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THE BONDS HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

All information contained in this Official Statement is subject, in all respects, to the complete body of information contained in the original sources thereof and no guaranty, warranty, or other representation is made concerning the accuracy or completeness of the information herein. In particular, no opinion or representation is rendered as to whether any projection will approximate actual results, and all opinions, estimates and assumptions, whether or not expressly identified as such, should not be considered statements of fact.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this official statement for purposes of, and as that term is defined in, Rule 15c2-12.

TABLE OF CONTENTS

INTRODUCTORY STATEMENT.....	4	Analysis of Tax Base.....	24
SALE AND DISTRIBUTION OF THE BONDS.....	4	Sales Tax.....	25
Underwriting.....	4	SELECTED FINANCIAL DATA.....	26
Prices and Marketability.....	4	Historical Operations of the City's General	
Securities Laws.....	4	Fund	26
Municipal Bond Ratings	5	General Fund and Debt Service Fund Balance	
OFFICIAL STATEMENT SUMMARY.....	6	for the Past Five Fiscal Years.....	26
INTRODUCTION.....	8	Pension Fund	26
THE BONDS.....	8	Financial Statements.....	27
Description.....	8	ADMINISTRATION OF THE CITY.....	27
Redemption Provisions	8	Mayor and City Council.....	27
Mandatory Redemption.....	9	Administration.....	27
Notice of Redemption	9	Consultants	28
Book-Entry-Only System.....	9	LEGAL MATTERS.....	28
Successor Paying Agent/Registrar	11	Legal Opinion.....	28
Source of Payment.....	11	No-Litigation Certificate	29
Tax Rate Limitations	11	No Material Adverse Change.....	29
Use of Proceeds	11	TAX MATTERS.....	29
Refunded Obligations.....	11	Opinion	29
Authorization of the Bonds	12	Federal Income Tax Accounting Treatment of	
Sources and Uses of Funds	12	Original Issue Discount.....	29
Amendments.....	12	Collateral Federal Income Tax Consequences	30
Defeasance.....	13	Information Reporting and Backup	
Future Debt.....	13	Withholding.....	31
Other Obligations	14	Future and Proposed Legislation.....	31
Legal Investments in Texas.....	14	State, Local and Foreign Taxes	31
Remedies in the Event of Default	14	CONTINUING DISCLOSURE OF	
INVESTMENT AUTHORITY AND		INFORMATION.....	31
INVESTMENT OBJECTIVES OF THE		Annual Reports	31
CITY	15	Notice of Certain Events	32
Legal Investments.....	15	Availability of Information	32
Investment Policies.....	16	Limitations and Amendments	32
Current Investments	17	Compliance With Prior Undertakings.....	33
Additional Provisions	17	SEVERE WEATHER EVENTS	33
CITY TAX DEBT	17	INFECTIOUS DISEASE OUTBREAK –	
Tax Supported Debt Statement	17	COVID-19	33
Bonded Indebtedness Payable from Ad		EXPOSURE TO OIL AND GAS INDUSTRY	34
Valorem Taxes	17	VERIFICATION OF ARITHMETICAL	
Pro-Forma Tax Supported Debt Service		COMPUTATIONS.....	34
Schedule.....	18	FINANCIAL ADVISOR	34
Estimated Overlapping Debt.....	19	GENERAL CONSIDERATIONS.....	34
Debt Ratios	19	Sources and Compilation of Information.....	34
TAX DATA	19	Forward Looking Statements	34
Ad Valorem Property Taxation.....	19		
Public Hearing and Maintenance and		APPENDIX A – Economic and Demographic Characteristics	
Operation Tax Rate Limitations.....	21	APPENDIX B – Audited Financial Statements of the City	
Debt Tax Rate Limitations	22	APPENDIX C – Form of Bond Counsel Opinion	
Levy and Collection of Taxes	22	APPENDIX D – Schedule of Refunded Obligations	
City's Rights in the Event of Tax			
Delinquencies	23		
Historical Analysis of Tax Collection.....	23		

\$15,390,000*

CITY OF FRIENDSWOOD, TEXAS

(A home rule city of the State of Texas located within Galveston and Harris Counties)

GENERAL OBLIGATION IMPROVEMENT AND REFUNDING BONDS, SERIES 2021

INTRODUCTORY STATEMENT

Information contained in this Official Statement, including Appendices A and B, has been obtained from the City of Friendswood, Texas (the "City") in connection with the offering by the City of its \$15,390,000* General Obligation Improvement and Refunding Bonds, Series 2021 (the "Bonds") identified on the cover page hereof.

All financial and other information presented in this Official Statement has been provided by the City from its records, except for information expressly attributed to other sources. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information, and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

SALE AND DISTRIBUTION OF THE BONDS

Underwriting

SAMCO Capital Markets, Inc. and Frost Bank Capital Markets, Inc. (the "Underwriters") have agreed to purchase the Bonds from the City for \$ _____ (being the principal amount of the Bonds, plus a premium on the Bonds of \$ _____ and less an Underwriters' discount of \$ _____). The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all of the Bonds if any Bonds are purchased. The Bonds may be offered and sold to certain dealers and others at prices lower than such public offering prices, and the public prices of some Bonds may be changed, from time to time, by the Underwriters.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement pursuant to its responsibilities to investors under federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

Prices and Marketability

The delivery of the Bonds is conditioned upon the receipt by the City of a certificate executed and delivered by the Underwriters on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity have been, or were expected to be, sold to the public. For this purpose, the term "public" shall not include any person who is a bondhouse, broker or similar person acting in the capacity of underwriter or wholesaler. The City has no control over trading of the Bonds after a bona fide public offering of the Bonds is made by the Underwriters at the yields specified on the cover page. Information concerning reoffering yields or prices is the responsibility of the Underwriters.

The prices and other terms respecting the offering and sale of certain of the Bonds may be changed from time to time by the Underwriters after the Bonds are released for sale, and such Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities acts of any jurisdiction. The City assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or

* Preliminary, subject to change.

qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such jurisdictions.

Municipal Bond Ratings

In connection with the sale of the Bonds, the City has made application to S&P Global Ratings, a division of Standard & Poor's Financial Services LLC ("S&P"), for a rating on the Bonds, and a rating of "___" has been assigned. An explanation of the significance of such rating may be obtained from S&P. The rating reflects only the view of S&P, and the City makes no representation as to the appropriateness of such rating.

There is no assurance that such rating will continue for any period of time or that such rating will not be revised downward or withdrawn entirely by S&P, if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

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OFFICIAL STATEMENT SUMMARY

The following material is a summary of certain information contained herein and is qualified in its entirety by the detailed information and financial statements appearing elsewhere in this Official Statement. The reader should refer particularly to sections that are indicated for more complete information.

The Issuer	The City of Friendswood, Texas (the "City") is a political subdivision and home rule city of the State of Texas located primarily within Galveston County with a small portion in Harris County, Texas. See "ADMINISTRATION OF THE CITY" and "APPENDIX A – Economic and Demographic Characteristics of the City" herein.
The Bonds.....	The Bonds shall mature on the dates and in the amounts set forth on the cover page of this Official Statement. Interest on the Bonds will accrue from the date of their initial delivery to the Underwriters of the Bonds and will be payable on September 1, 2021 and semiannually thereafter on each succeeding March 1 and September 1 of each year until the earlier of stated maturity or prior redemption (see "THE BONDS – Description").
Other Characteristics	The Bonds are issued in fully registered form in integral multiples of \$5,000. The Bonds maturing on and after March 1, 2032* are subject to redemption on March 1, 2031* or any date thereafter, in whole or in part, at the option of the City, at a price of the par value thereof plus accrued interest from the most recent interest payment date to the date of redemption. See "THE BONDS - Redemption Provisions."
Authority.....	The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, particularly Chapters 1207 and 1331, Texas Government Code, as amended, and, with respect to the Bonds issued for drainage and public safety facility improvements, an election held within the City on November 5, 2019. In addition, the Bonds will be issued pursuant to an ordinance to be approved by the City Council of the City on May 3, 2021. See "THE BONDS – Authorization of the Bonds."
Paying Agent/Registrar.....	The initial paying agent/registrar is The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"). The City intends to use the book-entry-only system of The Depository Trust Company ("DTC"), but reserves the right on its behalf or on behalf of the DTC to discontinue use of such system. (See "THE BONDS - Book-Entry-Only System.")
Source of Payment.....	The Bonds, when issued, will constitute valid and binding obligations of the City and will be payable from the proceeds of a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, against all taxable property within the City. See "THE BONDS - Source of Payment."
Use of Proceeds	Proceeds of the sale of the Bonds will be used for (i) drainage improvement projects within the City; (ii) constructing, improving, renovating and equipping public safety facilities for the fire and police departments; (iii) refunding certain outstanding obligations of the City as more specifically described in "SCHEDULE D – SCHEDULE OF REFUNDED OBLIGATIONS" herein (the "Refunded Obligations"); and (iv) payment of the costs of issuance of the Bonds. See "THE BONDS - Use of Proceeds" and "- Sources and Uses of Funds."
Ratings.....	S&P Global Ratings....." ____"
Tax Exemption	In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under "TAX MATTERS" herein. See "APPENDIX C." The Bonds will <u>NOT</u> be designated as "Qualified Tax-Exempt Obligations for Financial Institutions."

* Preliminary, subject to change.

- Selected Financial Information -
(Unaudited)

2020 Certified Taxable Assessed Valuation \$ 3,918,863,732 (a)
(100% of market value as of January 1, 2020)

Direct Debt:

Outstanding Tax Supported Debt (as of April 1, 2021).....	\$ 53,620,000
Plus: The Bonds.....	15,390,000 *
Less: The Refunded Obligations	(3,290,000)*
Less: Self-Supporting General Obligation Debt.....	(20,300,000)(b)
Total Tax Supported Debt	<u>\$ 45,420,000</u>

Estimated Overlapping Debt..... \$ 272,843,816

Direct and Estimated Overlapping Debt..... \$ 318,263,816

Debt Service Fund Balance (unaudited, as of April 1, 2021) \$ 802,075

	<u>% of 2020 Certified Taxable Assessed Valuation</u>	<u>2020 Estimated Population (41,637)</u>
Debt Ratios:		
Direct Tax Supported Debt.....	1.16%	\$1,091
Direct Tax Supported and Estimated Overlapping Debt.....	8.12%	\$7,644

2020 Tax Rate (per \$100 of Assessed Valuation)

Maintenance and Operation.....	\$ 0.392152
Debt Service	<u>0.095161</u>
Total	<u>\$ 0.487313</u>

Estimated Annual Debt Service Requirements: (c)

Average (Fiscal Years 2021-2051).....	\$ 2,204,601
Maximum (2030).....	\$ 3,999,300

Tax Collections:

Arithmetic Average, Tax Years (2015-2019) - Current Year Collections	99.30%
- Total Collections.....	99.72%

* Preliminary, subject to change.

(a) Provided by the Galveston County Appraisal District and Harris County Appraisal District (the "Appraisal Districts") and net of exemptions.

(b) Debt supported by funds provided by the City's Waterworks and Sewer System.

(c) Includes the Bonds and excludes the Refunded Obligations and the debt supported by the Waterworks and Sewer System revenues.

INTRODUCTION

This Official Statement and the Appendices hereto provide certain information with respect to the issuance by the City of Friendswood, Texas (the "City") in connection with the offering by the City of its \$15,390,000* General Obligation Improvement and Refunding Bonds, Series 2021 (the "Bonds").

The Bonds, when issued, will constitute valid and binding obligations of the City and will be payable from the proceeds of a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, against all taxable property within the City. See "THE BONDS - Source of Payment."

There follows in this Official Statement descriptions of the Bonds, the plan of financing, and certain information about the City and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City upon request. Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the ordinance authorizing the Bonds (the "Ordinance"), except as otherwise indicated herein.

THE BONDS

Description

The Bonds are dated June 1, 2021 and interest on the Bonds will accrue from the date of initial delivery to the Underwriters. Interest is payable initially on September 1, 2021, and each March 1 and September 1 thereafter until the earlier of maturity or prior redemption. Interest accruing on the Bonds will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds are issued in fully registered form in denominations of \$5,000 each or any multiple thereof. Principal of the Bonds is payable at the principal payment office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas (the "Paying Agent/Registrar"). Interest on the Bonds will be payable by check, dated as of the interest payment date, and mailed by the Paying Agent/Registrar to registered owners as shown on the records of the Paying Agent/Registrar. The Bonds initially will be registered only to Cede & Co., the nominee of The Depository Trust Company ("DTC") pursuant to the Book-Entry-Only System described below.

In the event the Book-Entry-Only-System is discontinued, the Bonds will be printed and delivered to the registered owners thereof, and thereafter the Bonds may be transferred and exchanged on the bond register kept by the Paying Agent/Registrar upon surrender and reissuance. The Bonds are exchangeable for an equal principal amount of Bonds of the same maturity in any authorized denomination upon surrender of the Bonds to be exchanged at the principal payment office of the Paying Agent/Registrar. No service charge will be made for any transfer, but the City may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith. The Paying Agent/Registrar shall not be required to make any transfer or exchange of any Bonds during the period commencing with the close of business on any Record Date (defined below) and ending with the opening of business on the next following principal or interest payment date or, with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date.

The record date (the "Record Date") for the interest payable on any interest payment date means the 15th day of the month next preceding such interest payment date.

It will be required that all transfers be made within three business days after request and presentation.

The City has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds, or receipt of satisfactory evidence of such destruction, loss or theft, and receipt by the City and the Paying Agent/Registrar of security or indemnity to keep them harmless. The City may require payment of taxes, governmental charges and other expenses in connection with any such replacement.

Redemption Provisions

The Bonds maturing on March 1, 2032* and thereafter are subject to optional redemption prior to maturity, in whole or in part, on March 1, 2031*, or any date thereafter, at the option of the City at a price equal to the principal amount thereof plus accrued interest from the most recent interest payment date to the date of redemption. If less than all of the Bonds are redeemed at any time, the maturities of such Bonds to be redeemed shall be selected by the City. If less than all of a maturity of the Bonds is to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot or other random selection method the Bonds, or portions thereof, within such maturity to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

* Preliminary, subject to change.

Mandatory Redemption

If principal amounts designated in the serial maturity schedule herein are combined to create Term Bonds, each such Term Bond shall be subject to mandatory sinking fund redemption commencing on March 1 of the first year which has been combined to form such Term Bond and continuing on March 1 in each year thereafter until the stated maturity date of that Term Bond. Term Bonds to be redeemed in any year by mandatory redemption shall be redeemed at par and shall be selected by lot, or other customary random selection method, from and among the Term Bonds then subject to redemption. The City, at its option, may credit against any mandatory redemption requirement Term Bonds of the maturity then subject to redemption which have been purchased and canceled by the City or have been redeemed and not theretofore applied as a credit against any mandatory redemption requirement.

Notice of Redemption

Not less than 30 days prior to a redemption date for the Bonds, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar. **ANY NOTICE OF REDEMPTION SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN IRRESPECTIVE OF WHETHER RECEIVED BY THE BONDHOLDER, AND, SUBJECT TO PROVISION FOR PAYMENT OF THE REDEMPTION PRICE HAVING BEEN MADE AND THE SATISFACTION OF ANY OTHER CONDITION SPECIFIED IN THE NOTICE, INTEREST ON THE REDEEMED BONDS SHALL CEASE TO ACCRUE FROM AND AFTER SUCH REDEMPTION DATE NOTWITHSTANDING THAT A BOND HAS NOT BEEN PRESENTED FOR PAYMENT.**

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Ordinance have been met and money sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed has been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such money by the Paying Agent/Registrar on or prior to the date fixed for such redemption or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not fulfilled, such notice will be of no force and effect, the City will not redeem such Bonds, and the Paying Agent/Registrar will give notice in the manner in which the notice of redemption was given, to the effect that such Bonds have not been redeemed.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company ("DTC"), New York, New York, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City, the Financial Advisor and the Underwriters believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The City, the Financial Advisor and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of each such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-

entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar, on payable dates in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as in the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and, (ii) except as described above, notices that are to be given to registered owners under the Ordinance will be given only to DTC.

Successor Paying Agent/Registrar

Provision is made in the Ordinance for replacing the Paying Agent/Registrar. If the City replaces the Paying Agent/Registrar, such Paying Agent/Registrar shall, promptly upon the appointment of a successor, deliver the Paying Agent/Registrar's records to the successor paying agent/registrar (the "Successor Paying Agent/Registrar"), and the Successor Paying Agent/Registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any Successor Paying Agent/Registrar selected by the City shall be a commercial bank or trust company organized under the laws of the United States or any state and duly qualified and legally authorized to serve and perform the duties of the Paying Agent/Registrar for the Bonds.

Source of Payment

The Bonds, when issued, will constitute valid and binding obligations of the City and will be payable from the proceeds of a continuing, direct annual ad valorem tax levied, within the limits prescribed by law, against all taxable property within the City.

Tax Rate Limitations

Article XI, Section 5 of the Texas Constitution, provides for an overall limitation for Home Rule Cities, including the City, of \$2.50 per \$100 assessed valuation for all purposes, including the payment of debt service. The Attorney General of Texas follows a policy, with respect to Home Rule Cities which have such a \$2.50 limitation, of approving ad valorem tax bonds only to the extent that all of such city's ad valorem tax debt can be serviced by a debt service tax rate of \$1.50 at 90% collection.

Use of Proceeds

Proceeds of the sale of the Bonds will be used for (i) drainage improvement projects within the City; (ii) constructing, improving, renovating and equipping public safety facilities for the fire and police departments; (iii) refunding certain outstanding obligations of the City as more specifically described in "SCHEDULE D – SCHEDULE OF REFUNDED OBLIGATIONS" herein (the "Refunded Obligations"); and (iv) payment of the costs of issuance of the Bonds.

Refunded Obligations

The principal of, premium, if any, and interest on the Refunded Obligations are to be paid on the scheduled payment dates as described in "SCHEDULE D – SCHEDULE OF REFUNDED OBLIGATIONS" attached hereto from funds to be deposited with The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the paying agent for the Refunded Obligations. The Ordinance provides that the City will deposit certain proceeds of the sale of the Bonds along with other lawfully available funds of the City, if any are required, with the paying agent for the Refunded Obligations in the amount necessary to accomplish the discharge and final payment of the Refunded Obligations. Such funds will be held by the paying agent for the Refunded Obligations and will be irrevocably pledged to the payment of principal of, premium, if any, and interest on the Refunded Obligations.

Robert Thomas CPA, LLC, certified public accountants, will verify at the time of delivery of the Bonds that the funds deposited with the paying agent for the Refunded Obligations will be sufficient to pay, when due, the principal of, premium, if any, and interest on the Refunded Obligations on their scheduled redemption date. The funds deposited with the paying agent for the Refunded Obligations for the purpose of paying the Refunded Obligations will not be available to pay debt service on the Bonds. See "VERIFICATION OF ARITHMETICAL AND MATHEMATICAL COMPUTATIONS."

By the deposit of the proceeds of the Bonds and other lawfully available funds of the City, if any, with the paying agent for the Refunded Obligations, the City will have effected the defeasance of the Refunded Obligations pursuant to the terms of Chapter 1207, and the ordinances authorizing the issuance of the Refunded Obligations. As a result of such defeasance, the Refunded Obligations will be outstanding only for the purpose of receiving payments from the funds held for such purpose by the paying agent for the Refunded Obligations, and the Refunded Obligations will no longer be deemed outstanding obligations of the City payable from the sources and secured in the manner provided in the ordinance authorizing their issuance or for any other purpose.

Authorization of the Bonds

The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, particularly Chapters 1207 and 1331, Texas Government Code, as amended, and, with respect to the Bonds issued for drainage and public safety facility improvements, an election held within the City on November 5, 2019 (the "Election"). In addition, the Bonds will be issued pursuant to an ordinance to be approved by the City Council of the City on May 3, 2021, which will specifically authorize the sale and issuance of the Bonds. The Bonds constitute the second installment of the total authorization of \$52,100,000 of tax bonds approved at the Election.

The following table illustrates the tax bonds authorized, issued, and remaining authorized after the sale of the Bonds.

Purpose	Amount Authorized	Issued to Date	The Bonds (a)	Authorized But Unissued
Public Works Facilities	\$ 2,000,000	\$2,000,000	\$ 0	\$ 0
Public Safety	9,100,000	0	9,100,000	0
Drainage	41,000,000	6,000,000	5,000,000	30,000,000
	<u>\$52,100,000</u>	<u>\$8,000,000</u>	<u>\$14,100,000</u>	<u>\$30,000,000</u>

(a) Preliminary, subject to change. Includes an estimated \$15,390,000 par amount of the Bonds and a portion of the estimated premium in the amount of \$1,720,000 generated on the sale of the Bonds and applied against voter authorization.

Sources and Uses of Funds

The proceeds from the sale of the Bonds will be applied approximately as follows:

SOURCES OF FUNDS:

Principal Amount of Bonds	\$
[Net] Premium on the Bonds	
Issuer Contribution	
Total Sources of Funds	<u>\$</u>

USES OF FUNDS

Deposit to Construction Fund	\$
Defeasance Deposit for the Refunded Obligations	
Deposit of Capitalized Interest to Interest and Sinking Fund	
Expenses:	
Underwriters' Discount	\$
Other Issuance Expenses	
Total Uses of Funds	<u>\$</u>

Amendments

In the Ordinance, the City has reserved the right to amend the Ordinance without the consent of any holder of the Bonds for the purpose of amending or supplementing the Ordinance to (i) cure any ambiguity, defect or omission therein that does not materially adversely affect the interests of the holders, (ii) grant additional rights or security for the benefit of the holders, (iii) add events of default as shall not be inconsistent with the provisions of the Ordinance that do not materially adversely affect the interests of the holders, (iv) qualify the Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect or (v) make such other provisions in regard to matters or questions arising under the Ordinance that are not inconsistent with the provisions thereof and which, in the opinion of Bond Counsel for the City, do not materially adversely affect the interests of the holders.

The Ordinance further provides that the majority of owners of the Bonds shall have the right from time to time to approve any amendment not described above to the Ordinance if it is deemed necessary or desirable by the City; provided, however, that without the consent of 100% of the holders in principal amount of the then outstanding Bonds so affected, no amendment may be made for the purpose of: (i) making any change in the maturity of any of the outstanding Bonds; (ii) reducing the rate of interest borne by any of the outstanding Bonds; (iii) reducing the amount of the principal payable on any outstanding Bonds; (iv) modifying the terms of payment of principal or interest on outstanding Bonds or imposing any condition with respect to such payment; or (v) changing the minimum percentage of the principal amount of the Bonds necessary for consent to such amendment. Reference is made to the Ordinance for further provisions relating to the amendment thereof.

Defeasance

The Ordinance provides for the defeasance of the Bonds when payment of the principal amount of the Bonds plus interest accrued on the Bonds to their due date (whether such due date be by reason of stated maturity, redemption or otherwise), is provided by irrevocably depositing with a paying agent, or other authorized escrow agent, in trust (1) money in an amount sufficient to make such payment and/or (2) Defeasance Securities, that will mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Bonds, and thereafter the City will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such defeased Bonds, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Defeasance Securities. The City has additionally reserved the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Defeasance Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance. The Ordinance provides that "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds. Current State law permits defeasance with the following types of securities: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the City authorizes the defeasance, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Ordinance does not contractually limit such investments, registered owners will be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used for defeasance purposes or that for any other Defeasance Security will be maintained at any particular rating category.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the City to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the City: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

Future Debt

After the sale of the Bonds, the City will have \$30,000,000* voter authorized but unissued general obligation bonds. Depending on the rate of development within the City, changes in assessed valuation, and the amounts, interest rates, maturities and time of issuance of additional bonds or certificates of obligation, increases in the City's annual ad valorem tax rate may be required to provide for the payment of the principal of and interest on the City's outstanding bonds, the Bonds, and such future tax-supported debt of the City.

* Preliminary, subject to change.

Other Obligations

The following obligations, among others, may be issued by the City:

- Ad valorem tax-supported debt may be issued to finance capital improvements and to refund obligations previously issued for such purpose. A majority vote of the qualified voters is ordinarily required to authorize the issuance of ad valorem tax-supported debt, other than refunding bonds, certificates of obligation, tax anticipation notes, and public property finance contractual obligations.
- Certificates of obligation may be issued for the purpose of paying contractual obligations incurred in the construction of public works or the purchase of land, materials, and other supplies or services for the City's needs and for professional services without an election except under certain circumstances. The certificates of obligation may be refunded by ad valorem tax-supported bonds without an election. In addition, the City may issue certificates of obligation with a pledge of both tax and revenues derived from the operation of the facility to be acquired, or from any other lawful source, provided that the City otherwise has the right to pledge the revenues involved. Authority for the issuance of certificates of obligation is subject to notice by publication and right of referendum by the voters.
- Contractual obligations, generally to finance personal property, and tax anticipation notes payable from ad valorem taxes; may be issued for capital improvements. The contractual obligations and tax anticipation notes may be refunded by ad valorem tax-supported bonds without an election. The issuance of contractual obligations and tax anticipation notes does not require publication of notice or voter approval. Tax anticipation notes are limited to seven years' amortization or less.
- Revenue bonds may be issued for certain purposes which include the financing of the water, municipal drainage and sanitary sewer system, electric and gas systems, convention centers, airports and parking systems, and other economic development projects. The revenue bond indebtedness is not considered in determining the legal debt margin on ad valorem tax-supported obligations. Revenue bond indebtedness, in certain cases, can be refunded by ad valorem tax-supported bonds without an election.
- In addition to voted tax debt, the City has the legal authority to issue other debt obligations which could include certificates of obligation, public property finance contractual obligations, limited tax notes, revenue bonds, lease purchase agreements, tax anticipation notes, bond anticipation notes, certificates of participation, or traditional bank loans, all without an election.

Legal Investments in Texas

Pursuant to the Texas Public Securities Procedures Act, Chapter 1201, Texas Government Code, as amended, the Bonds, whether rated or unrated, are (a) legal investments for insurance companies, fiduciaries and trustees and (b) legal investments for the sinking funds of political subdivisions or public agencies of the State. Most political subdivisions in the State of Texas are required to adopt investment guidelines under the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, and such political subdivisions may impose a requirement consistent with such act that the Bonds have a rating of not less than "A" or its equivalent to be legal investments for such entity's funds. The Bonds are eligible under the Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended, to secure deposits of public funds of the State or any political subdivision or public agency of the State and are lawful and sufficient security for those deposits to the extent of their market value. Again, political subdivisions in the State of Texas may impose a requirement that the Bonds have a rating of not less than "A" or its equivalent to be eligible to serve as collateral for their funds.

The City has not made any investigations of any other laws, rules, regulations or investment criteria that might affect the suitability of the Bonds for any of the above purposes or limit the authority of any of the above entities or persons to purchase or invest in the Bonds.

Remedies in the Event of Default

The Ordinance establishes specific events of default with respect to the Bonds, and provides that if the City defaults in the payment of principal or interest on the Bonds when due, or if it fails to make payments into any fund or funds created in the Ordinance, or defaults in the observation or performance of any other covenants, conditions, or Bonds set forth in the Ordinance and the continuation thereof for a period of 60 days after notice of default is given by the City by any owner, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Bonds, if there is no other available remedy at law to compel performance of the Bonds or the Ordinance covenants and the City's Bonds are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the

remedy of mandamus may have to be relied upon from year to year. The Ordinance does not provide for the appointment of a trustee to represent the interest of the bondholders upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition and accordingly all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. The Texas Supreme Court has ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the City's sovereign immunity from a suit for money damages, owners of the Bonds may not be able to bring such a suit against the City for breach of the Bonds or Ordinance covenants. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City's property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or bondholders of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Ordinance and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors, by general principles of equity which permit the exercise of judicial discretion and by governmental immunity.

INVESTMENT AUTHORITY AND INVESTMENT OBJECTIVES OF THE CITY

The City invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the Mayor and Council of the City. Both state law and the City's investment policies are subject to change.

Legal Investments

Under State law, the City is authorized to invest in: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (the "FDIC") or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund (the "NCUSIF") or their respective successors; (8) interest-bearing banking deposits, other than those described in clause (7), that (i) are invested through a broker or institution with a main office or branch office in this state and selected by the City in compliance with the PFIA, (ii) the broker or institution arranges for the deposit of the funds in one or more federally insured depository institutions, wherever located, for the City's account, (iii) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States, and (iv) the City appoints as its custodian of the banking deposits, in compliance with the PFIA, the institution in clause (8)(i) above, a bank, or a broker-dealer; (9) certificates of deposit and share certificates meeting the requirements of the PFIA (i) that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the FDIC or the NCUSIF, or their respective successors, or are secured as to principal by obligations described in clauses (1) through (8), above, or secured in accordance with Chapter 2257, Texas Government Code, or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through a broker or institution that has a main office or branch office in the State and selected by the City in compliance with the PFIA, (b) the broker or institution arranges for the deposit of the funds in one or more federally insured depository institutions, wherever located, for the account of the City, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and (d) the City appoints, in compliance with the PFIA, the institution in clause (9)(ii)(a) above, a bank, or broker-dealer as custodian for the City with respect to the certificates of deposit; (10) fully collateralized repurchase agreements that have a defined termination

date, are secured by a combination of cash and obligations described by clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) certain bankers' acceptances with a stated maturity of 270 days or less, if the short-term obligations of the accepting bank, or of the holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency; (12) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or an equivalent by either (i) two nationally recognized credit rating agencies, or (ii) one nationally recognized credit rating agency if the commercial paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (13) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission and complies with Securities and Exchange Commission Rule 2a-7; (14) no-load mutual funds that are registered and regulated by the Securities and Exchange Commission that have a weighted maturity of less than two years and either (i) have a duration of one year or more and are invested exclusively in obligations approved in this paragraph, or (ii) have a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset backed securities; (15) guaranteed investment contracts that have a defined termination date and are secured by obligations described in clause (1), excluding obligations which the City is explicitly prohibited from investing in, and in an amount at least equal to the amount of bond proceeds invested under such contract; and (16) securities lending programs if (i) the securities loaned under the program are 100% collateralized, including accrued income, (ii) a loan made under the program allows for termination at any time, (iii) a loan made under the program is either secured by (a) obligations described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent, or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (12) through (14) above, or an authorized investment pool, (iv) the terms of a loan made under the program require that the securities being held as collateral be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party designated by the City, (v) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State, and (vi) the agreement to lend securities has a term of one year or less.

Investment Policies

Under Texas law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups. All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each funds' investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under Texas law, City investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly, the investment officers of the City shall submit an investment report detailing: (1) the investment position of the City; (2) that all investment officers jointly prepared and signed the report, (3) the beginning and the ending market value for each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it related to: (a) adopted investment strategy statements and (b) state law. No person may invest City funds without express written authority from the Mayor and Council of the City.

The City's policies require investments in accordance with applicable state law. The City's Statement of Investment Policy does not exclude any investments allowable under State law described above under "Legal Investments." The City generally invests in certificates of deposit, money market accounts and obligations of the United States or its agencies and instrumentalities.

Current Investments

The City's investment balances on April 1, 2021 were as follows:

	Principal Invested	Market Value	Book Value
Government Securities	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000
Investment Pool	53,523,189	53,523,189	53,523,189
Total Portfolio	<u>\$62,023,189</u>	<u>\$62,023,189</u>	<u>\$62,023,189</u>

Additional Provisions

Under Texas law, the City is additionally required to: (1) annually review its adopted policies and strategies; (2) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the City to disclose the relationship and file a statement with the Texas Ethics Commission and the Mayor and Council; (3) require the registered principal of firms seeking to sell securities to the City to: (a) receive and review the City's investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude imprudent investment activities, and (c) deliver a written statement attesting to these requirements; (4) perform an annual audit of the management controls on investments and adherence to the City's investment policy; (5) provide specific investment training for the Treasurer, Chief Financial Officer and investment officers; (6) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse repurchase agreement; (7) restrict the investment in mutual funds in the aggregate to no more than 80% of the City's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service and further restrict the investment in non-money market mutual funds of any portion of bond proceeds, reserves and funds held for debt service and to not more than 15% of the entity's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; and (8) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements.

CITY TAX DEBT

Tax Supported Debt Statement

The following tables and calculations relate to the Bonds and to all other tax-supported debt of the City. In addition to outstanding certificates and bonds, the City also has issued revenue bonds and has incurred contractual and other indebtedness and liabilities which are not included below. The City and various other political subdivisions of government which overlap all or a portion of the City are empowered to incur debt to be paid from revenues raised or to be raised by taxation against all or a portion of property within the City.

Bonded Indebtedness Payable from Ad Valorem Taxes

2020 Certified Taxable Assessed Valuation.....	\$ 3,918,863,732 (a)
(100% of market value as of January 1, 2020)	
Direct Debt:	
Outstanding Tax Supported Debt (as of April 1, 2021).....	\$ 53,620,000
Plus: The Bonds.....	15,390,000 *
Less: The Refunded Obligations	(3,290,000)*
Less: Self-Supporting General Obligation Debt.....	(20,300,000)(b)
Total Tax Supported Debt	<u>\$ 45,420,000</u>
Debt Service Fund Balance (Unaudited, as of April 1, 2021)	<u>\$ 802,075</u>

* Preliminary, subject to change.

(a) Provided by the Galveston County Appraisal District and Harris County Appraisal District (the "Appraisal Districts") and net of exemptions.

(b) Debt supported by funds provided by the Waterworks and Sewer System.

Pro-Forma Tax Supported Debt Service Schedule

The following sets forth the principal and interest on the City's Outstanding Tax Supported Debt, plus the principal and estimated interest on the Bonds.

FY Ending 9/30	Current Total Debt Service (a)	Less: Debt Service on the Refunded Bonds*	Plus: The Bonds*		Total Debt Service Requirements
			Principal*	Interest (b)	
2021	\$ 3,330,431	\$ 57,575		\$ 160,466	\$ 3,433,322
2022	3,406,881	1,009,225	\$ 920,000	633,450	3,951,106
2023	3,409,669	628,588	580,000	595,950	3,957,031
2024	3,407,406	633,725	620,000	565,950	3,959,631
2025	3,409,544	642,900	660,000	533,950	3,960,594
2026	3,409,056	646,113	695,000	500,075	3,958,019
2027	3,409,178		110,000	479,950	3,999,128
2028	3,408,919		115,000	474,325	3,998,244
2029	3,408,544		120,000	468,450	3,996,994
2030	3,407,100		130,000	462,200	3,999,300
2031	3,407,450		135,000	455,575	3,998,025
2032	742,600		410,000	444,000	1,596,600
2033	741,600		430,000	427,200	1,598,800
2034	744,700		445,000	409,700	1,599,400
2035	741,900		465,000	391,500	1,598,400
2036	564,000		565,000	370,900	1,499,900
2037	561,250		590,000	347,800	1,499,050
2038	563,125		610,000	323,800	1,496,925
2039	564,550		635,000	298,900	1,498,450
2040	560,600		665,000	272,900	1,498,500
2041	319,950		480,000	250,000	1,049,950
2042	322,600		500,000	230,400	1,053,000
2043	320,025		520,000	210,000	1,050,025
2044	322,225		540,000	188,800	1,051,025
2045	324,125		560,000	166,800	1,050,925
2046	320,800		585,000	143,900	1,049,700
2047	322,250		610,000	120,000	1,052,250
2048	323,400		635,000	95,100	1,053,500
2049	324,250		660,000	69,200	1,053,450
2050	324,800		685,000	42,300	1,052,100
2051			715,000	14,300	729,300
Totals	<u>\$46,422,928</u>	<u>\$3,618,125</u>	<u>\$15,390,000</u>	<u>\$10,147,841</u>	<u>\$68,342,644</u>

Estimated Average Annual Requirements (2021-2051).....	\$2,204,601 (c)
Estimated Maximum Annual Requirement (2030).....	\$3,999,300 (c)

* Preliminary, subject to change.

(a) Excludes debt supported by Waterworks and Sewer System revenues.

(b) Interest estimated at market rates for illustration purposes only. Preliminary, subject to change.

(c) Includes the Bonds and excludes the Refunded Obligations and the debt supported by the Waterworks and Sewer System revenues. Preliminary, subject to change.

Estimated Overlapping Debt

The following table indicates the indebtedness, defined as outstanding obligations payable from ad valorem taxes, of governmental entities overlapping the City and the estimated percentages and amounts of such indebtedness attributable to property within the City. This information is based upon data secured from the individual jurisdictions and/or the Texas Municipal Reports. Such figures do not indicate the tax burden levied by the applicable taxing jurisdictions for operation and maintenance or for other purposes. The City has not independently verified the accuracy or completeness of the information shown below except for amounts related to the City.

Taxing Jurisdiction	Debt as of March 1, 2021	Overlapping	
		Percent	Amount
Clear Creek Independent School District	\$ 924,930,000	2.87%	\$ 26,545,491
Friendswood Independent School District	201,285,000	100.00	201,285,000
Galveston County	210,083,482	9.34	19,621,797
Harris County (a)	1,672,657,125	0.14	2,341,720
Harris County Department of Education	20,185,000	0.14	28,259
Harris County Flood Control District	334,270,000	0.14	467,978
Harris County Hospital District	81,540,000	0.14	114,156
Port of Houston Authority	492,439,397	0.14	689,415
West Ranch Management District	21,750,000	100.00	21,750,000
TOTAL ESTIMATED OVERLAPPING			\$272,843,816
The City (b)			45,420,000
Total Direct and Estimated Overlapping Debt (b)			\$318,263,816

(a) Harris County Toll Road Bonds are considered self-supporting and are not included in the amount shown for Harris County.

(b) Preliminary, subject to change. Includes the Bonds and excludes the Refunded Obligations and the debt supported by the Waterworks and Sewer System revenues.

Debt Ratios

	Direct Debt (a)	Direct and Overlapping Debt (a)
Per 2020 Certified Taxable Assessed Valuation (\$3,918,863,732)	1.16%	8.12%
Per Capita (41,637)	\$1,091	\$7,644

(a) Preliminary, subject to change. Includes the Bonds and excludes the Refunded Obligations and the debt supported by the Waterworks and Sewer System revenues.

TAX DATA

Ad Valorem Property Taxation

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Reference is made to Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

Valuation of Taxable Property. The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board ("Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the City is the responsibility of the Galveston County Appraisal District and Harris County Appraisal District (collectively, the "Appraisal District"). Except as described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property (the "10% Homestead Cap"). The 10% increase is cumulative, meaning the maximum increase is 10% times the number of years since the property was last appraised.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity ("Productivity Value"). The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the City, in establishing their tax rolls and tax rates. See "TAX DATA - City's Rights in the Event of Tax Delinquencies."

Issuer and Taxpayer Remedies. Under certain circumstances, the City and its taxpayers may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the City may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value of at least \$50 million and situated in a county with a population of one million or more as of the most recent federal decennial census may additionally protest the determinations of appraisal district directly to a three-member special panel of the appraisal review board, selected by a State district judge, consisting of highly qualified professionals in the field of property tax appraisal.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the City and provides for taxpayer referenda that could result in the repeal of certain tax increases. (See "– Public Hearing and Maintenance and Operation Tax Rate Limitations".) The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

State Mandated Homestead Exemptions. State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

Local Option Homestead Exemptions. The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the market value of all homesteads (but not less than \$5,000) and (2) an additional exemption of the market value of the homesteads of persons 65 years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The City grants an additional 20% homestead exemption for the 2020 tax year. The City also grants a \$25,000 exemption to persons over age 65.

Local Option Freeze for the Elderly and Disabled. The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

Personal Property. Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

Freeport Exemptions. Certain goods detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue to tax Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal. Certain goods, principally inventory, that are stored for the purposes of assembling, storing, manufacturing, processing or fabricating the goods in a location that is not owned

by the owner of the goods and are transferred from that location to another location within 175 days ("Goods-in-Transit"), are exempt from ad valorem taxation unless a taxing unit takes official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax Goods-in-Transit beginning the following tax year. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include special inventories such as motor vehicles or boats in a dealer's retail inventory. A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

The City has taken official action and determined not to grant a "Goods-in Transit" exemption.

Other Exempt Property. Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

Tax Increment Financing Zones. A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment financing zones ("TIRZ") within its boundaries, and other overlapping taxing units may agree to contribute taxes levied against the "Incremental Value" in the TIRZ to finance or pay for project costs, as defined in Chapter 311, Texas Government Code, generally located within the TIRZ. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "Incremental Value", and during the existence of the TIRZ, all or a portion of the taxes levied by each participating taxing unit against the Incremental Value in the TIRZ are restricted to paying project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

Tax Abatement Agreements. Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

Public Hearing and Maintenance and Operation Tax Rate Limitations

The following terms as used in this section have the meanings provided below:

"adjusted" means lost values are not included in the calculation of the prior year's taxes and new values are not included in the current year's taxable values.

"de minimis rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year's taxable value, plus the debt service tax rate.

"no-new-revenue tax rate" means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year's total tax levy (adjusted) from the current year's total taxable values (adjusted).

"special taxing unit" means a city for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

"unused increment rate" means the cumulative difference between a city's voter-approval tax rate and its actual tax rate for each of the tax years 2020 through 2022, which may be applied to a city's tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

"voter-approval tax rate" means the maintenance and operations tax rate that will produce the prior year's total maintenance and operations tax levy (adjusted) from the current year's values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the "unused increment rate".

The City's tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the current year (the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the City must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the City to the City Council by August 1 or as soon as practicable thereafter.

Beginning with the 2020 tax year, the procedures in this paragraph and the following paragraphs apply. A city must annually calculate its "voter-approval tax rate" and "no-new-revenue tax rate" (as such terms are defined above) in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable

property within the city and the county tax assessor-collector for each county in which all or part of the city is located. A city must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a city fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the city for the preceding tax year.

As described below, the Property Tax Code provides that if a city adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its "de minimis rate", an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A city may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such city participates has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the city has held a public hearing on the proposed tax increase.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a city has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a city's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the city's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the city would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its "voter-approval tax rate" using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City's tax-supported debt obligations, including the Bonds.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

Debt Tax Rate Limitations

All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax-supported debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to \$2.50 per \$100 of taxable assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for all debt service on ad valorem tax-supported debt, as calculated at the time of issuance.

Levy and Collection of Taxes

The City is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the

year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the City. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the City may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

City's Rights in the Event of Tax Delinquencies

Taxes levied by the City are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all State and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each local taxing unit, including the City, having power to tax the property. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes. At any time after taxes on property become delinquent, the City may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within two (2) years after the purchaser's deed issued at the foreclosure sale is filed in the county records) or by bankruptcy proceedings which restrict the collection of taxpayer debts. Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Historical Analysis of Tax Collection

- Collection Ratios -

Tax Year	Net Assessed Valuation(a)	Tax Rate Per \$100 of Assessed Valuation	Adjusted Tax Levy	% of Collections		Fiscal Year Ending 9-30
				Current Year Collection	Total Collections	
2010	\$2,355,799,675	\$0.585100	\$13,738,978	99.47%	99.93%	2011
2011	2,388,586,542	0.590200	14,068,660	99.51	99.92	2012
2012	2,433,635,561	0.597000	14,454,404	99.63	99.92	2013
2013	2,504,251,452	0.591400	14,747,526	99.38	99.90	2014
2014	2,589,580,779	0.591400	15,424,948	99.23	99.91	2015
2015	2,974,520,186	0.568700	16,431,153	98.98	99.90	2016
2016	3,267,348,436	0.546000	17,014,685	99.46	99.88	2017
2017	3,499,059,604	0.527300	17,633,192	99.55	99.76	2018
2018	3,374,237,059	0.532391	17,952,134	98.91	98.95	2019
2019	3,688,815,835	0.521439	18,682,563	99.59	100.07	2020
2020	3,918,863,732	0.487313	18,934,752	93.94(b)	93.94(b)	2021

(a) Certified by the Galveston County Central Appraisal District and Harris County Appraisal District and is net of exemptions. Also, such value is further subject to change as additions, corrections, and deletions are made to the tax roll.

(b) Collections as of March 1, 2021.

- Tax Rate Distribution -

	2020	2019	2018	2017	2016
Maintenance	\$0.392152	\$0.432160	\$0.437173	\$0.432300	\$0.462000
Debt Service	0.095161	0.089279	0.095218	0.095000	0.084000
Total	<u>\$0.487313</u>	<u>\$0.521439</u>	<u>\$0.532391</u>	<u>\$0.527300</u>	<u>\$0.546000</u>

- Delinquent Tax Collection Procedures -

In addition to the legal procedures and penalties described under "Levy and Collection of Taxes", the City has retained a delinquent tax attorney on a contract basis to file suit to collect delinquent taxes due the City. The fees due such attorney for acting as delinquent tax attorney are payable from an additional penalty imposed upon the delinquent taxpayer, not to exceed 20% of the tax due.

Analysis of Tax Base

- Tax Base Distribution -

Type of Property	2020 Tax Roll		2019 Tax Roll		2018 Tax Roll	
	Amount	%	Amount	%	Amount	%
Residential	\$4,340,318,506	86.40%	\$3,959,850,698	86.03%	\$3,774,715,263	86.47%
Vacant Lots/Tracts	46,372,216	0.92	43,888,760	0.95	47,751,482	1.09
Acreage	23,037,842	0.46	22,727,884	0.49	23,227,219	0.53
Farm & Ranch	27,269,870	0.54	28,321,063	0.62	28,317,096	0.65
Commercial/Industrial	245,852,183	4.89	241,599,318	5.25	382,717,539	8.77
Minerals	7,727,793	0.15	6,181,331	0.13	1,444,238	0.03
Utilities	48,389,752	0.96	51,878,555	1.13	47,605,829	1.09
Business Personal	56,922,052	1.13	52,112,417	1.13	53,913,758	1.24
Real Inventory	995,090	0.02	2,115,995	0.05	5,442,081	0.12
Other Personal	226,460,928	4.51	194,160,262	4.22	70,080	0.00
Gross Assessed Value	\$5,023,346,232	100.00%	\$4,602,836,283	100.00%	\$4,365,204,585	100.00%
Less: Exemption and Adjustments	1,104,482,500		912,250,600		990,967,526	
Net Assessed Value (a)	<u>\$3,918,863,732</u>		<u>\$3,690,585,683</u>		<u>\$3,374,237,059</u>	

(a) Value may differ from those shown elsewhere in this Official Statement due to subsequent adjustments to the tax roll.

- Principal Taxpayers -

Principal Taxpayer	Type of Property	2020 Taxable Assessed Valuation	2019 Taxable Assessed Valuation	2018 Taxable Assessed Valuation
Reserve at Autumn Creek Ltd.	Apartment Complex	\$ 32,597,042	\$ 27,282,270	\$ 26,952,747
Bellevue at Clear Creek LP	Real Estate	22,640,000	19,159,200	16,077,594
Texas New Mexico Power Co.	Utility Company	19,960,100	21,620,980	20,567,581
Kroger Co.	Grocery Store	12,914,814	13,341,955	12,505,934
Bay Meadows LLP	Apartment Complex	9,069,143	8,486,700	7,763,687
Tannos Land Holding III LLC	Real Estate	8,524,060	(a)	(a)
A-S 108 Friendswood Crossing LP	Shopping Center	8,316,140	7,031,940	7,003,420
The Beldon Friendswood LLC	Apartment Complex	8,000,150	6,200,150	(a)
Baywood Apartments Ltd.	Apartment Complex	7,431,980	(a)	(a)
Frontier Land VPLL	Apartment Complex	6,885,000	(a)	(a)
H E Butt Grocery Company	Grocery Store	(a)	6,090,560	5,939,980
PS LPT Property Investors	Real Estate	(a)	5,777,596	4,997,582
Timber Creek Holdings LP	Real Estate	(a)	5,529,064	(a)
FM 528 Bay Area Blvd LP	Shopping Center	(a)	(a)	5,757,333
HCP Friendswood LLC	Assisted Living	(a)	(a)	5,372,320
Total Ten Principal Taxpayers		<u>\$136,338,429</u>	<u>\$120,520,415</u>	<u>\$112,938,178</u>
Percentage Ten Principal Taxpayers Comprise of Tax Roll		<u>3.48%</u>	<u>3.27%</u>	<u>3.35%</u>

(a) Not a principal taxpayer in such tax year.

- Tax Adequacy -

Estimated Average Annual Tax Debt Service Requirements (2021-2051)	\$2,204,601 (a)
Tax Rate of \$0.060 per \$100 assessed valuation against the 2020 Certified Assessed Valuation at 95% collection produces	\$2,233,752
Estimated Maximum Annual Tax Debt Service Requirements (in the year 2030).....	\$3,999,300 (a)
Tax Rate of \$0.108 per \$100 assessed valuation against the 2020 Certified Assessed Valuation at 95% collection produces	\$4,020,754

(a) Includes the Bonds and excludes the Refunded Obligations and the debt supported by the Waterworks and Sewer System revenues. Preliminary, subject to change.

Sales Tax

- Authority -

The City has adopted the provisions of Chapter 321, Texas Tax Code, which grants the City the power to impose and levy a 1 1/2% sales tax. The City has also voted an additional 1/8% sales and use tax for economic development. **The City may not and has not pledged the proceeds from the sales and use tax as security for the Bonds.**

- Collection History -

The State Comptroller, after deduction of a 2% service fee, currently remits the City's portion of sales tax collections monthly. By statute the Comptroller is required to remit at least twice annually. The following is an analysis of the collection history of the City's sales and use tax:

Fiscal Year Ended 9-30	Sales and Use Tax Receipts (a)	Ad Valorem Tax Comparisons		
		Equivalent Tax Year	Tax Rate Equivalent	% of Actual Tax Levy
2011	\$4,031,623	(2010)	\$0.171	29.5%
2012	3,930,933	(2011)	0.164	28.1
2013	4,318,768	(2012)	0.177	30.0
2014	4,726,283	(2013)	0.188	32.0
2015	5,291,186	(2014)	0.204	34.3
2016	5,393,920	(2015)	0.181	32.9
2017	6,482,367	(2016)	0.198	38.1
2018	7,965,662	(2017)	0.228	45.4
2019	8,407,249	(2018)	0.249	46.8
2020	8,846,359	(2019)	0.240	47.4
2021(b)	2,620,081	(2020)	0.067	13.8

(a) See "INFECTIOUS DISEASE OUTBREAK – COVID-19" for a discussion on the Pandemic's potential impact to the City's finances.

(b) Unaudited, as of April 1, 2021.

Source: Except as noted, the City's audited financial statements.

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SELECTED FINANCIAL DATA

Historical Operations of the City's General Fund

The following is a condensed statement of revenues and expenses of the City's General Fund for the past five fiscal years. The inclusion of the following table is not intended to imply that any revenues of the City, other than receipts from ad valorem taxes as provided in the Ordinance, are pledged to pay principal and interest on the Bonds.

	Fiscal Year Ended September 30				
	2021 (a)(b)	2020 (b)	2019	2018	2017
REVENUES					
Property Taxes (c)	\$14,681,744	\$15,518,951	\$14,729,551	\$14,487,465	\$14,672,877
Sales Taxes	2,620,081	7,097,134	6,746,466	6,395,814	5,482,536
Franchises Fees and Other	543,655	2,142,660	2,054,395	1,617,121	1,661,654
Fines and Forfeitures	557,123	690,913	815,090	669,847	994,051
Permits and Fees	525,762	1,426,880	1,447,013	1,518,956	1,581,700
Intergovernmental	2,629,237	2,983,424	1,576,838	4,398,836	1,471,578
Investments Earnings	20,856	197,606	342,268	166,817	99,174
Donations	22,522	59,473	64,862	162,324	203,384
Miscellaneous	1,060,594	112,876	17,107	181,017	165,619
Total Revenues	\$22,661,574	\$30,229,917	\$27,793,590	\$29,598,197	\$26,332,573
EXPENDITURES					
General Government	\$ 3,163,435	\$ 5,649,705	\$ 5,318,898	\$ 5,428,291	\$ 4,954,518
Public Safety	7,454,199	14,154,341	13,355,797	16,642,647	14,489,105
Public Works	980,114	1,923,729	2,472,675	2,157,277	2,160,152
Engineering	---	434,976	---	---	---
Community Development	511,621	1,139,566	1,099,154	985,309	893,663
Parks and Recreation	1,592,300	3,426,521	3,796,589	3,505,652	3,339,864
Library Services	535,247	1,182,289	1,204,415	1,200,512	1,172,245
Capital Improvements	2,988,448	2,094,024	2,275,993	1,511,693	1,677,667
Total Expenditures	\$17,225,364	\$30,005,151	\$29,523,521	\$31,431,381	\$28,687,214

(a) Unaudited, as of April 1, 2021.

(b) See "INFECTIOUS DISEASE OUTBREAK – COVID-19" for a discussion on the Pandemic's potential impact to the City's finances.

(c) Includes penalties and interest.

Source: Except as noted, the City's audited financial statements.

General Fund and Debt Service Fund Balance for the Past Five Fiscal Years

	Fiscal Year Ended September 30				
	2021 (a)(b)	2020 (b)	2019	2018	2017
General Fund	\$13,405,751	\$16,872,024	\$14,223,489	\$14,285,306	\$13,542,757
Debt Service Fund	802,075	31,909	57,009	59,046	91,938

(a) Unaudited, as of April 1, 2021.

(b) See "INFECTIOUS DISEASE OUTBREAK – COVID-19" for a discussion on the Pandemic's potential impact to the City's finances.

Source: Except as noted, the City's audited financial statements.

Pension Fund

The City participates in the Texas Municipal Retirement System ("TMRS"), an agency operated by the State of Texas. Employees of the City who participate in TMRS contribute a fixed percentage, currently 7%, of their gross pay and the City matching percent is currently 2 to 1. As employees leave municipal employment other than through retirement, they may withdraw from TMRS those funds they contributed, but forfeit their employer's contributions. Each municipal employer's requirements for current contributions are offset by the amounts of such forfeitures.

As of September 30, 2020, the City employed 210 full-time employees and 35 part-time and seasonal employees. All full-time employees are covered by TMRS and the City's contribution for fiscal year 2020, amounted to approximately \$2,485,117. The City had a net pension benefit obligation in the amount of \$10,580,516 as of December 31, 2019. The liability for prior service benefits will be amortized over a period of twenty-seven years or less by contributions from the City which are a level percentage of payroll.

Financial Statements

A copy of the City's Financial Statements for the fiscal year ended September 30, 2020 is attached hereto in the APPENDIX B. Copies of such statements for preceding years are available, for a fee, upon request.

ADMINISTRATION OF THE CITY

Mayor and City Council

Policy-making and supervisory functions are the responsibility of and are vested in the Mayor and City Council for the City, under provisions of the "Charter of the City of Friendswood" (the "Charter") approved by the electorate October 16, 1971. The Council is elected at large on the first Saturday in May. The Mayor and six Council members serve three-year staggered terms. Members of the Council are described below:

Council Members	Period Served	Term Expires May	Occupation
Mike Foreman Mayor	3 Years	2021	Business Owner
Steve Rockey Council Member	9 Years	2021	Chief Operating Officer
Sally Branson Council Member	4 Years	2023	Financial Advisor
Trish Hanks Mayor Pro-Tem Council Member	3 Years	2021	Education Consultant
Robert J. Griffon Council Member	3 Years	2022	Investor
John H. Scott Council Member	10 Years	2023	Business Owner
Brent Erenwert Council Member	2 Years	2022	Produce Buyer

Administration

Under provisions of the Charter, the City Council enacts local legislation, adopts budgets, determines policies and appoints the City Manager, who is charged with the duties of executing the laws and administering the government of the City. As the chief executive officer and head of the administrative branch of the City government, the City Manager is given the power and duties to:

- (1) Appoint and remove all department heads and all other employees in the administrative service of the City and may authorize the head of a department to appoint and remove subordinates in his respective department;
- (2) Prepare the budget annually, submit it to City Council, and be responsible for its administration;
- (3) Prepare and submit to City Council a complete report on the finances and administrative activities of the City;
- (4) Keep City Council advised of the financial condition and future needs of the City and make appropriate recommendations; and
- (5) Perform such other necessary duties as prescribed by the Charter or required by City Council.

Members of the administrative staff are described below:

Name	Position	Period Served
Morad Kabiri	City Manager	13 Years
Steven Rhea	Assistant City Manager	3 Years
Leticia Brysch	City Secretary	2 Months
Katina Hampton	Director of Administrative Services	14 Years
James Toney	Director of Parks and Recreation	16 Years
Rene Ibarra	Director of Public Works	15 Years
Jildardo Arias	Director of Engineering	2 Years
Matthew Riley	Director of Library Services	31 Years
Aubrey Harbin	Director of Community Development	14 Years
Brian Mansfield	Fire Marshal / Emergency Management Coordinator	21 Years
Robert B. Wieners	Police Chief	22 Years
William Bender	Director of Human Resources	23 Years
James O'Brien	Director of Information Technology	4 Years
Mary K. Fischer	Internal City Attorney	4 Years

Consultants

The City has retained several consultants to perform professional services in connection with the independent auditing of its books and records and other City activities. Several of these consultants are identified below:

Bond Counsel McCall, Parkhurst & Horton L.L.P.
Dallas, Texas

Certified Public Accountants..... Whitley Penn LLP
Houston, Texas

Financial Advisor BOK Financial Securities, Inc.
Houston, Texas

LEGAL MATTERS

Legal Opinion

The delivery of the Bonds is subject to the approving opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the City payable from the proceeds of an annual ad valorem tax levied, within the limit prescribed by law, upon all taxable property in the City and, the approving legal opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel to the City ("Bond Counsel"), in substantially the form attached as APPENDIX C. Though it represents the Financial Advisor and the Underwriters from time to time in matters unrelated to the issuance of the Bonds, Bond Counsel has been engaged by and only represents the City in connection with the issuance of the Bonds. The City expects to pay the fee of Bond Counsel for services rendered in connection with the issuance of the Bonds from proceeds of the Bonds. Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Houston, Texas, Counsel to the Underwriters, whose legal fees are contingent upon the sale and delivery of the Bonds.

Bond Counsel has reviewed the statements and information appearing in the Official Statement under the captions and subcaptions "THE BONDS" (except the subcaptions "Book-Entry-Only System," "Future Debt," "Other Obligations," "Sources and Uses of Funds" and "Remedies in the Event of Default"), "SALE AND DISTRIBUTION OF THE BONDS – Securities Laws," "LEGAL MATTERS - Legal Opinion" (excluding the last sentence of the first paragraph thereof), "TAX MATTERS," and "CONTINUING DISCLOSURE OF INFORMATION" (except the subcaption "Compliance With Prior Undertakings") and such firm is of the view that the information under such captions and subcaptions fairly summarizes the procedures and documents referred to therein and is correct as to matters of law. Bond Counsel has not independently verified any of the factual information contained in this Official Statement nor have they conducted an investigation of the affairs of the City for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon such firm's limited participation as an assumption of responsibility for, or an expression of opinion of any kind with regard to, the accuracy or completeness of any of the information contained herein.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No-Litigation Certificate

The City will furnish to the Underwriters a certificate, dated as of the date of delivery of the Bonds, executed by appropriate City officials, to the effect that no litigation of any nature has been filed or is then pending or threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the issuance, execution or delivery of the Bonds; affecting the provisions made for the payment of or security for the Bonds; in any manner questioning the authority or proceedings for the issuance, execution, or delivery of the Bonds; or affecting the validity of the Bonds.

No Material Adverse Change

The obligations of the Underwriters to take and pay for the Bonds, and of the City to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the City subsequent to the date of sale from that set forth or contemplated in the Official Statement, as it may have been supplemented or amended through the date of sale.

TAX MATTERS

Opinion

On the date of initial delivery of the Bonds, McCall, Parkhurst & Horton L.L.P., Dallas, Texas, Bond Counsel to the City, will render its opinion that, in accordance with statutes, regulations, published rulings and court decisions existing on the date thereof ("Existing Law"), (1) interest on the Bonds for federal income tax purposes will be excludable from the "gross income" of the holders thereof and (2) the Bonds will not be treated as "specified private activity bonds" the interest on which would be included as an alternative minimum tax preference item under section 57(a)(5) of the Internal Revenue Code of 1986 (the "Code"). Except as stated above, Bond Counsel will express no opinion as to any other federal, state or local tax consequences of the purchase, ownership or disposition of the Bonds. See Appendix C - Form of Bond Counsel Opinion.

In rendering its opinion, Bond Counsel will rely upon (a) certain information and representations of the City, including information and representations contained in the City's federal tax certificate, and (b) covenants of the City contained in the Bond documents relating to certain matters, including arbitrage, and the use of the proceeds of the Bonds and the Refunded Obligations and the property financed or refinanced therewith. Failure of the City to comply with these representations or covenants could cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance of the Bonds.

The Code and the regulations promulgated thereunder contain a number of requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be, and to remain, excludable from gross income for federal income tax purposes. Failure to comply with such requirements may cause interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The opinion of Bond Counsel is conditioned on compliance by the City with such requirements, and Bond Counsel has not been retained to monitor compliance with these requirements subsequent to the issuance of the Bonds.

Bond Counsel's opinion represents its legal judgment based upon its review of Existing Law and the reliance on the aforementioned information, representations and covenants. Bond Counsel's opinion is not a guarantee of a result. The Existing Law is subject to change by the Congress and to subsequent judicial and administrative interpretation by the courts and the Department of the Treasury. There can be no assurance that such Existing Law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of the purchase, ownership or disposition of the Bonds.

A ruling was not sought from the Internal Revenue Service by the City with respect to the Bonds or the projects financed with proceeds of the Bonds. No assurances can be given as to whether or not the Internal Revenue Service will commence an audit of the Bonds, or as to whether the Internal Revenue Service would agree with the opinion of Bond Counsel. If an Internal Revenue Service audit is commenced, under current procedures the Internal Revenue Service is likely to treat the City as the taxpayer and the Owner may have no right to participate in such procedure. No additional interest will be paid upon any determination of taxability.

Federal Income Tax Accounting Treatment of Original Issue Discount

The initial public offering price to be paid for one or more maturities of the Bonds (the "Original Issue Discount Bonds") may be less than the principal amount thereof or one or more periods for the payment of interest on the bonds may not be equal to the accrual period or be in excess of one year. In such event, the difference between (i) the "stated redemption price at maturity" of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The "stated redemption

price at maturity" means the sum of all payments to be made on the Bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under Existing Law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see the discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under Existing Law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

Collateral Federal Income Tax Consequences

The following discussion is a summary of certain collateral federal income tax consequences resulting from the purchase, ownership or disposition of the Bonds. This discussion is based on Existing Law, which is subject to change or modification, retroactively.

The following discussion is applicable to investors, other than those who are subject to special provisions of the Code, such as financial institutions, property and casualty insurance companies, life insurance companies, individual recipients of Social Security or Railroad Retirement benefits, individuals allowed an earned income credit, certain S corporations with Subchapter C earnings and profits, foreign corporations subject to the branch profits tax, taxpayers qualifying for the health insurance premium assistance credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase tax-exempt obligations.

THE DISCUSSION CONTAINED HEREIN MAY NOT BE EXHAUSTIVE. INVESTORS, INCLUDING THOSE WHO ARE SUBJECT TO SPECIAL PROVISIONS OF THE CODE, SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX TREATMENT WHICH MAY BE ANTICIPATED TO RESULT FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF TAX-EXEMPT OBLIGATIONS BEFORE DETERMINING WHETHER TO PURCHASE THE BONDS.

Under section 6012 of the Code, holders of tax-exempt obligations, such as the Bonds, may be required to disclose interest received or accrued during each taxable year on their returns of federal income taxation.

Section 1276 of the Code provides for ordinary income tax treatment of gain recognized upon the disposition of a tax-exempt obligation, such as the Bonds, if such obligation was acquired at a "market discount" and if the fixed maturity of such obligation is equal to, or exceeds, one year from the date of issue. Such treatment applies to "market discount bonds" to the extent such gain does not exceed the accrued market discount of such Bonds; although for this purpose, a de minimis amount of market discount is ignored. A "market discount bond" is one which is acquired by the holder at a purchase price which is less than the stated redemption price at maturity or, in the case of a bond issued at an original issue discount, the "revised issue price" (i.e., the issue price plus accrued

original issue discount). The "accrued market discount" is the amount which bears the same ratio to the market discount as the number of days during which the holder holds the obligation bears to the number of days between the acquisition date and the final maturity date.

Information Reporting and Backup Withholding

Subject to certain exceptions, information reports describing interest income, including original issue discount, with respect to the Bonds will be sent to each registered holder and to the Internal Revenue Service. Payments of interest and principal may be subject to backup withholding under section 3406 of the Code if a recipient of the payments fails to furnish to the payor such owner's social security number or other taxpayer identification number ("TIN"), furnishes an incorrect TIN, or otherwise fails to establish an exemption from the backup withholding tax. Any amounts so withheld would be allowed as a credit against the recipient's federal income tax. Special rules apply to partnerships, estates and trusts, and in certain circumstances, and in respect of Non-U.S. Holders, certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof.

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board ("MSRB"). Information will be available from the MSRB free of charge via the Electronic Municipal Market Access ("EMMA") system at www.emma.msrb.org.

Annual Reports

The City will provide certain updated financial information and operating data to the MSRB annually via EMMA. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under the headings "INVESTMENT AUTHORITY AND INVESTMENT OBJECTIVES OF THE CITY – Current Investments," "CITY TAX DEBT," "TAX DATA" (except under the subheading "Estimated Overlapping Taxes") and "SELECTED FINANCIAL DATA" (collectively, the "Annual Operating Data"). The City will update and provide the Annual Operating Data within six months after the end of each fiscal year. The City will additionally provide audited financial statements of the City (the "Financial Statements"), and such Financial Statements will be provided within 12 months after the end of each fiscal year ending in or after 2021. If the audit of such Financial Statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited Financial Statements within such 12-month period and audited Financial Statements for the applicable fiscal year, when and if the audit report on such statements becomes available. Any such Financial Statements will be prepared in accordance with the accounting principles described in APPENDIX "B" or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation. The City may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by Rule 15c2-12.

The City's current fiscal year end is September 30. Accordingly, the Annual Operating Data must be provided by March 31 in each year, and the Financial Statements must be provided by September 30 of each year, unless the City changes its fiscal year. If the City changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the City otherwise would be required to provide financial information and operating data as set forth above.

Notice of Certain Events

The City will also provide timely notices of certain events to the MSRB. The City will provide notice in a timely manner not in excess of ten business days after the occurrence of the event of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor trustee or change in the name of the trustee, if material; (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties. Neither the Bonds nor the Ordinance make any provision for debt service reserves, liquidity enhancement, credit enhancement, merger, consolidation, acquisition, or the appointment of a trustee. In addition, the City will provide timely notice of any failure by the City to provide information, data, or financial statements in accordance with its agreement described above under "Annual Reports."

For these purposes, any event described in (12) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. The term "Financial Obligation" shall mean, for purposes of the events in clauses (15) and (16) above, a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing, or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "Financial Obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

Availability of Information

All information and documentation filing required to be made by the City will be made with the MSRB in electronic format in accordance with MSRB guidelines. Access to such filings is provided, without charge to the general public, by the MSRB at www.emma.msrb.org.

Limitations and Amendments

The City has agreed to update information and to provide notices of certain events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, of its continuing disclosure agreement or from any statement made pursuant to its agreement. Holders or beneficial owners of Bonds may seek as their sole remedy a writ of mandamus to compel the City to comply with its agreement. No default by the City with respect to its continuing disclosure agreement shall constitute a breach of or default under the Ordinance for purposes of any other provision of the Ordinance.

Nothing in this paragraph is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws. The City's undertakings and agreements are subject to appropriation of necessary funds and to applicable legal restrictions.

The City may amend its continuing disclosure agreement to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status or type of operations of the City if, but only if (i) the agreement, as so amended, would have permitted an underwriter to purchase or sell the Bonds in the offering made hereby in compliance with Rule 15c2-12, taking into account any amendments or interpretations of Rule 15c2-12 to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate amount of the outstanding Bonds consent to such amendment or (b) a person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The City may also amend or repeal the agreement if the SEC amends or repeals the applicable provisions of Rule 15c2-12 or a court of final jurisdiction determines that such provisions are invalid, and the City may amend the agreement in its discretion in any other circumstance or manner, but in either case only to the extent that its right to do so would not prevent an underwriter from purchasing the Bonds in the offering described herein in compliance with Rule 15c2-12. If the City amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance With Prior Undertakings

During the last five years, the City has substantially complied in all material respects with its undertakings made in accordance with Rule 15c2-12.

SEVERE WEATHER EVENTS

The City is located approximately 25 miles from the Texas Gulf Coast. Land located in this area is susceptible to high winds, heavy rain and flooding caused by hurricanes, tropical storms, and other tropical disturbances. If a hurricane (or any other natural disaster) significantly damaged all or part of the improvements within the City, the assessed value of property within the City could be substantially reduced, with a corresponding decrease in tax revenues and the necessity to increase the City's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the City will be covered by insurance (or that property owners will even carry insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the City. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period during which assessed values within the City would be adversely affected and, therefore, the City's ability to pay its obligations, including the Bonds, could be adversely impacted.

INFECTIOUS DISEASE OUTBREAK – COVID-19

The World Health Organization has declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. On January 31, 2020, the Secretary of the United States Health and Human Services Department declared a public health emergency for the United States in connection with COVID-19. On March 13, 2020, the President of the United States (the "President") declared the Pandemic a national emergency and the Texas Governor (the "Governor") declared COVID-19 an imminent threat of disaster for all counties in Texas (collectively, the "disaster declarations"). On March 25, 2020, in response to a request from the Governor, the President issued a Major Disaster Declaration for the State of Texas, which declaration has been continued on a monthly basis.

Pursuant to Chapter 418 of the Texas Government Code, the Governor has broad authority to respond to disasters, including suspending any regulatory statute prescribing the procedures for conducting state business or any order or rule of a state agency that would in any way prevent, hinder, or delay necessary action in coping with the disaster, and issuing executive orders that have the force and effect of law. The Governor has since issued a number of executive orders relating to COVID-19 preparedness and mitigation. These include executive orders which, among other things, impose limitations on business occupancy and operations and social gatherings, and require people to wear face coverings in public spaces (with a few exceptions). Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at <https://gov.texas.gov/>. Neither the information on (nor accessed through) such website of the Governor is incorporated by reference, either expressly or by implication, into this Official Statement. In addition to the actions by the state and federal officials, certain local officials have declared a local state of disaster. Many of the federal, state and local actions and policies under the aforementioned disaster declarations are focused on limiting instances where the public can congregate or interact with each other, which negatively affects the operation of businesses and the state and national economies.

Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally and globally, and is widely expected to continue negatively affecting economic growth and financial markets worldwide and within Texas. See "APPENDIX A - GENERAL INFORMATION REGARDING THE CITY OF FRIENDSWOOD, TEXAS - Employment Statistics."

Such adverse economic conditions, if they continue, could result in declines in the demand for residential and commercial property in the Houston area resulting in reduced System revenues.

While the potential impact of COVID-19 on the City cannot be quantified at this time, the continued outbreak of COVID-19 could have an adverse effect on the City's operations and financial condition and its ratings (see "SALE AND DISTRIBUTION OF THE OBLIGATIONS – Municipal Bond Ratings"). The financial and operating data contained herein is as of dates and for the periods noted. Some of such information addresses time periods prior to the economic impact of the Pandemic and measures instituted to slow it. Accordingly, such information may not be indicative of the economic impact of the Pandemic on the City's financial condition.

EXPOSURE TO OIL AND GAS INDUSTRY

Recent declines in oil prices in the United States and globally may lead to adverse conditions in the oil and gas industry. Such adverse conditions may result in reduced revenues, declines in capital and operating expenditures, business failures, and the layoff of workers within the oil and gas industry. In the past, the greater Houston area has been affected by adverse conditions in the oil and gas industry, and adverse conditions in the oil and gas industry and spillover effects into other industries could adversely impact the businesses in the City, resulting in reduced sales tax collections, ad valorem tax revenues and utility system revenues.

VERIFICATION OF ARITHMETICAL COMPUTATIONS

Robert Thomas CPA, LLC, a firm of independent certified public accountants, will deliver to the City, on or before the settlement date of the Bonds, its verification report indicating that it has verified, in accordance with the Statement on Standards for Consulting Services established by the American Institute of Certified Public Accountants, the mathematical accuracy of the mathematical computations of the adequacy of the cash to pay, when due, the maturing principal of, interest on and related call premium requirements, if any, of the Refunded Obligations.

Robert Thomas CPA, LLC relied on the accuracy, completeness and reliability of all information provided to it by, and on all decisions and approvals of, the City. In addition, Robert Thomas CPA, LLC has relied on any information provided to it by the City's retained advisors, consultants or legal counsel. Robert Thomas CPA, LLC was not engaged to perform audit or attest services under AICPA auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with this engagement.

The verification report will be relied upon by Bond Counsel in rendering its opinion with respect to the defeasance of the Refunded Obligations.

FINANCIAL ADVISOR

BOK Financial Securities, Inc. is employed as Financial Advisor to the City in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

GENERAL CONSIDERATIONS

Sources and Compilation of Information

The information contained in this Official Statement has been obtained primarily from the City and from other sources believed to be reliable. No representation is made as to the accuracy or completeness of the information derived from sources other than the City. The summaries of the statutes, ordinances and other related documents are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Neither this Official statement nor any statement that may have been made orally or in writing is to be constructed as or as part of a contract with the original purchasers or subsequent owners of the Bonds.

Forward Looking Statements

The statements contained in this Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking

statements. All forward-looking statements included in this Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. It is important to note that the City's actual results could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate.

In the Ordinance, the City Council will duly authorize and approve this Official Statement as of the date specified on the first page hereof.

Mayor
City of Friendswood

ATTEST:

City Secretary
City of Friendswood

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY OF FRIENDSWOOD

The following information has been derived from various sources, including the Texas Municipal Reports, U.S. Census data, "Sales Management Survey of Buying Power", and City officials. While such sources are believed to be reliable, no representation is made as to the accuracy thereof.

- City Economics -

The City of Friendswood, Texas (the "City"), is a commercial center located 20 miles southeast of downtown Houston at the intersection of Farm to Market Road 2351 and Farm to Market Road 518 in the northeast corner of Galveston County, with a small portion in Harris County. At present, there are numerous residential subdivisions either developed or under construction within the City with homes ranging in value from approximately \$75,000 to over \$2,500,000, the average being approximately \$250,000.

Manufacturing and Commerce

Employment in Galveston County (the "County") is provided by the extensive petro-chemical industry. (Source: Texas Municipal Report.) Also adding to the general economy of the County are fishing, tourism and recreation activities and agribusiness. The Gulf Intracoastal Waterway comes through the lowlands near Surfside Beach and is an important waterway in America with reported annual tonnage comparable to the Panama and Suez Canals.

ECONOMIC AND GROWTH INDICATORS

U.S. Census of Population

	City of Friendswood		Galveston County	
	Number	% Change	Number	% Change
1930	---	---	23,054	+11.84
1940	---	---	27,069	+17.42
1950	---	---	46,549	+71.96
1960	1,497	---	76,204	+63.71
1970	6,444	+330.46	108,312	+42.13
1980	13,248	+105.59	169,587	+56.57
1990	18,927	+42.87	191,707	+13.04
2000	29,037	+53.42	250,158	+30.49
2010	35,805	+23.31	291,309	+16.45

(a) Source: U.S. Census Bureau.

Employment Statistics

State of Texas

	<u>2021 (a)(b)</u>	<u>2020 (b)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Labor Force	14,049,170	13,983,319	14,037,537	13,812,790	13,572,824
Employed	12,989,548	12,915,337	13,541,936	13,274,820	12,983,493
Unemployed	1,059,622	1,067,982	495,601	537,970	589,331
Unemployment Rate	7.5%	7.6%	3.5%	3.9%	4.3%

Galveston County

	<u>2021 (a)(b)</u>	<u>2020 (b)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Labor Force	163,563	164,608	165,860	163,217	161,960
Employed	149,210	150,218	159,153	155,611	153,389
Unemployed	14,353	14,390	6,707	7,606	8,571
Unemployment Rate	8.8%	8.7%	4.0%	4.7%	5.3%

City of Friendswood

	<u>2021 (a)(b)</u>	<u>2020 (b)</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Labor Force	19,379	19,455	19,926	19,787	19,593
Employed	18,073	18,197	19,279	19,046	18,769
Unemployed	1,306	1,258	647	741	824
Unemployment Rate	6.7%	6.5%	3.2%	3.7%	4.2%

(a) As of February 28, 2021.

(b) See "INFECTIOUS DISEASE OUTBREAK – COVID-19" for a discussion on the Pandemic's potential impact to the City's finances.

Employment Statistics

Source: Texas Workforce Commission

APPENDIX B
AUDITED FINANCIAL STATEMENTS OF THE CITY

APPENDIX C
FORM OF BOND COUNSEL OPINION

APPENDIX D
SCHEDULE OF REFUNDED OBLIGATIONS*

<u>Series</u>	<u>Original Maturity</u>	<u>Principal Amount*</u>	<u>Call Date/Price</u>	<u>Remaining Outstanding*</u>
General Obligation Refunding Bonds, Series 2012	03/01/2022	\$ 910,000	06/09/2021 @ 100	-0-
	03/01/2023	555,000	06/09/2021 @ 100	-0-
	03/01/2024	580,000	06/09/2021 @ 100	-0-
	03/01/2025	610,000	06/09/2021 @ 100	-0-
	03/01/2026	<u>635,000</u>	06/09/2021 @ 100	-0-
Totals		<u>\$3,290,000</u>		

* Preliminary, subject to change.



City of Friendswood, Texas

Financing Plan and Schedule of Events Presentation for: \$15,390,000* General Obligation Improvement and Refunding Bonds, Series 2021

Monday, April 5, 2021

* Preliminary, subject to change.

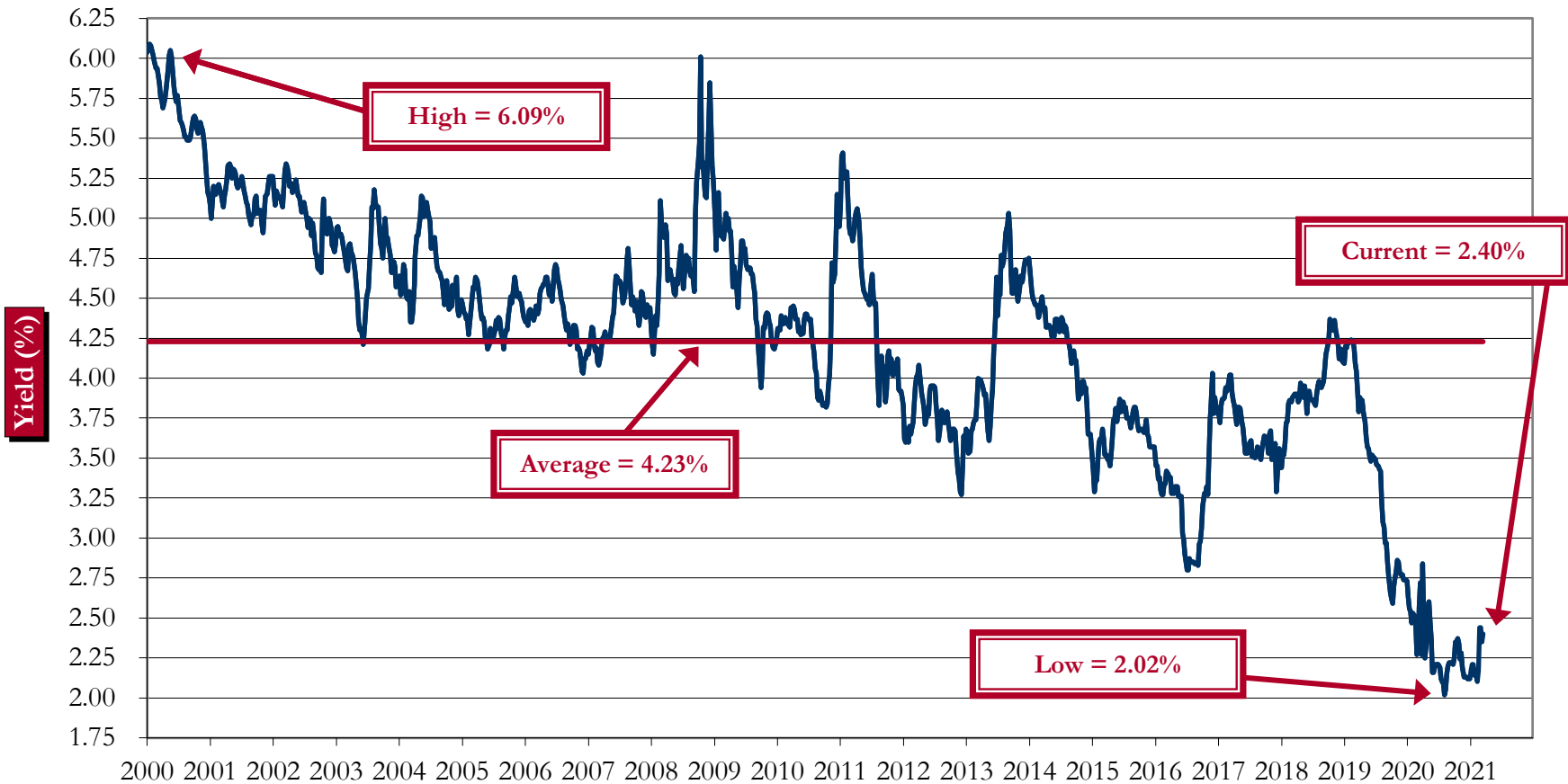
Securities, insurance and advisory services offered through BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Services may be offered under our trade name, BOK Financial Advisors.

NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE



Overview of Current Bond Market – Bond Buyer Index

The Bond Buyer Index
January 1, 2000 To The Present



The Bond Buyer Index is published every Thursday. The rate consists of general obligation bonds maturing in 20 years with an average rating equivalent to Moody's "Aa2" and S&P's "AA."



Proposed Bonds to be Refunded

The City has an opportunity to refund a portion of its outstanding debt at a lower interest rate and receive interest cost savings. **The refunding is for interest cost savings and is not a restructuring of the City's existing debt.**

Series	Maturity Date	Principal Amount	Call Provisions Date/Price	Interest Rate
General Obligation Refunding Bonds, Series 2012	3/1/2022	\$910,000	6/4/2021 @ 100	3.500%
	3/1/2023	555,000	6/4/2021 @ 100	3.500%
	3/1/2024	580,000	6/4/2021 @ 100	3.500%
	3/1/2025	610,000	6/4/2021 @ 100	3.500%
	3/1/2026	635,000	6/4/2021 @ 100	3.500%
Totals:		\$3,290,000		



Estimated Debt Service and Savings (Refunding Portion)

Fiscal Year Ending (9/30)	Current Debt Service Requirements (a)	Less: Debt Service on the Refunded Bonds*	Plus: The Series 2021 (Refunding Portion)		Total Debt Service Requirements	Estimated Savings (c)
			Principal*	Interest (b)		
2021	\$3,330,431	\$57,575		\$36,728	\$3,309,584	
2022	3,406,881	1,009,225	\$840,000	129,250	3,366,906	\$39,975
2023	3,409,669	628,588	490,000	96,000	3,367,081	42,588
2024	3,407,406	633,725	525,000	70,625	3,369,306	38,100
2025	3,409,544	642,900	560,000	43,500	3,370,144	39,400
2026	3,409,056	646,113	590,000	14,750	3,367,694	41,363
2027	3,409,178				3,409,178	
2028	3,408,919				3,408,919	
2029	3,408,544				3,408,544	
2030	3,407,100				3,407,100	
2031	3,407,450				3,407,450	
2032	742,600				742,600	
2033	741,600				741,600	
2034	744,700				744,700	
2035	741,900				741,900	
2036	564,000				564,000	
2037	561,250				561,250	
2038	563,125				563,125	
2039	564,550				564,550	
2040	560,600				560,600	
2041	319,950				319,950	
2042	322,600				322,600	
2043	320,025				320,025	
2044	322,225				322,225	
2045	324,125				324,125	
2046	320,800				320,800	
2047	322,250				322,250	
2048	323,400				323,400	
2049	324,250				324,250	
2050	324,800				324,800	
Totals	\$46,422,928	\$3,618,125	\$3,005,000	\$390,853	\$46,200,656	\$201,425

Present Value Savings: 5.80%

* Preliminary, subject to change.

(a) Excludes the City's General Obligation debt paid by Waterworks and Sewer System revenues.

(b) Interest estimated at current market rates and includes estimated issuance costs.

(c) Includes estimated transactions costs and any necessary debt service fund transfers.



Estimated Debt Service Requirements (New Money Portion)

Fiscal Year Ending (9/30)	Current Debt Service Requirements (a)	Plus: The Series 2021 (New Money Portion)			Total Debt Service Requirements
		Principal *	Interest (b)	Total	
2021	\$3,309,584		\$123,738	\$123,738	\$3,433,322
2022	3,366,906	\$80,000	504,200	584,200	3,951,106
2023	3,367,081	90,000	499,950	589,950	3,957,031
2024	3,369,306	95,000	495,325	590,325	3,959,631
2025	3,370,144	100,000	490,450	590,450	3,960,594
2026	3,367,694	105,000	485,325	590,325	3,958,019
2027	3,409,178	110,000	479,950	589,950	3,999,128
2028	3,408,919	115,000	474,325	589,325	3,998,244
2029	3,408,544	120,000	468,450	588,450	3,996,994
2030	3,407,100	130,000	462,200	592,200	3,999,300
2031	3,407,450	135,000	455,575	590,575	3,998,025
2032	742,600	410,000	444,000	854,000	1,596,600
2033	741,600	430,000	427,200	857,200	1,598,800
2034	744,700	445,000	409,700	854,700	1,599,400
2035	741,900	465,000	391,500	856,500	1,598,400
2036	564,000	565,000	370,900	935,900	1,499,900
2037	561,250	590,000	347,800	937,800	1,499,050
2038	563,125	610,000	323,800	933,800	1,496,925
2039	564,550	635,000	298,900	933,900	1,498,450
2040	560,600	665,000	272,900	937,900	1,498,500
2041	319,950	480,000	250,000	730,000	1,049,950
2042	322,600	500,000	230,400	730,400	1,053,000
2043	320,025	520,000	210,000	730,000	1,050,025
2044	322,225	540,000	188,800	728,800	1,051,025
2045	324,125	560,000	166,800	726,800	1,050,925
2046	320,800	585,000	143,900	728,900	1,049,700
2047	322,250	610,000	120,000	730,000	1,052,250
2048	323,400	635,000	95,100	730,100	1,053,500
2049	324,250	660,000	69,200	729,200	1,053,450
2050	324,800	685,000	42,300	727,300	1,052,100
2051		715,000	14,300	729,300	729,300
Totals	\$46,200,656	\$12,385,000	\$9,756,988	\$22,141,988	\$68,342,644

* Preliminary, subject to change. **Generates \$14,100,000 in construction proceeds for the City and \$123,738 in Capitalized Interest.**

- (a) Includes the estimated results of the City's refunding and excludes the City's General Obligation debt paid by Waterworks and Sewer System revenues.
- (b) Interest estimated at current market rates and includes estimated issuance costs.



Tentative Schedule of Events

March - 2021						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

April - 2021						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

May - 2021						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

June - 2021						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

\$15,390,000* General Obligation Improvement and Refunding Bonds, Series 2021

Date	Action	Role
Thursday, March 25 th	First Draft of Preliminary Official Statements ("POS")	BOKFS
Friday, April 2 nd	Second Draft of POS	BOKFS, MPH, City
Monday, April 5th	Council Meeting to Review Schedule of Events and Plan of Finance	BOKFS, City
Thursday, April 9 th	Third Draft of POS	BOKFS, MPH, City
Week of April 12 th	Rating Agency Calls	BOKFS, City
Monday, April 19 th	Final Draft of POS	BOKFS, MPH, City, UW
Monday, April 26 th	Print and Distribute Final POS	BOKFS, UW
Monday, May 3rd	Pricing of Series 2021 Bonds	BOKFS, MPH, City, UW
	Council Meeting to Approve Sale	
Thursday, June 3rd	Closing of Series 2021 Bonds	BOKFS, MPH, City, UW

Participants

City – City of Friendswood, Texas
 BOKFS – BOK Financial Securities, Inc.
 MPH – McCall, Parkhurst & Horton L.L.P.
 UW - Underwriters

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: May 3, 2021

Date submitted: 04/26/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Operation Honor Our Local Veterans.

Originating Department: Mayor & Council

Degree of importance:

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/06/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving two agreements with Friendswood Independent School District for School Resource Officers and School Zone Coverage by sworn police officers.

Originating Department: City Manager

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The City of Friendswood and the Friendswood Independent School District (FISD) have had a working relationship for over twenty (20) years for the provision of school resource and school zone officers. The agreement, as presented, will continue that partnership with some changes for the upcoming year. As the City's cost continue to increase, the District has agreed to shoulder more of those costs.

With respect to the school resource officer program, FISD agrees to pay for the salary and fringe benefits for three (3) SROs and the City will pay for one (1). The cost of vehicles, maintenance, and fuel will be split two (2) and two (2).

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

The School Resource Officer program originated as a Safe and Drug-Free Schools program in 1999. When the grant ended in 2007, both the City and FISD agreed the program was valuable and thus began the 50/50 cost sharing, as stipulated by the Federal government as a condition for grant approval. However, as time went on, the City started bearing more of the personnel and equipment cost increases. In an effort to reduce that burden, FISD has started closing the gap in the last two years.

With respect to the CCISD (Clear Creek Independent School District) schools within Friendswood's corporate limits, CCISD contracts with the Galveston County Sheriff's Office for School Resource Officers.

RECOMMENDATIONS

Recommend approval of both agreements, as drafted.

ATTACHMENTS

1. School Zone Agreement 21-22
2. SRO Agreement 21-22
3. Exhibit A - SRO Agreement

SCHOOL ZONE AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 20____, by and between the Friendswood Independent School District ("FISD"), and the City of Friendswood ("City").

This agreement will confirm the City and FISD's discussions to continue providing school zone coverage by sworn police officers. The terms of the agreement between the FISD and the City to conduct the School Zone program are as follows:

1. **DATES OF AGREEMENT.** This agreement will commence on September 1, 2021 and expire on August 31, 2022. This agreement may be extended, or canceled by either of the participating agencies giving ninety days written notice to the other participating agency.

2. **OFFICERS PROVIDED.** The Friendswood Police Department ("Department") will provide five (5) police officers to staff the school zones during the morning and afternoon school zone times. Officers will be assigned to Windsong Intermediate, Westwood/Bales and Friendswood Junior High School.

3. **COMPENSATION.** FISD shall pay the City for school zone coverage for all student school days for the 2021-2022 school year. Payment shall be made to the City following the end of each semester, and shall be made from current revenues available to FISD. It is the intent of the agreement that money payments be made by the FISD to the City based upon billings for actual number of student days. The City shall submit bills to the FISD by January 30th and June 30th, and payment will be made by February 28th and July 30th. The following formula will be utilized to compute salary expenses:

Five (5) Officers @ \$33.00 per hour * (Two (2) hours plus benefits (TMRS and Social Security)) = Daily Rate per student day per officer.

4. **INDEPENDENT CONTRACTORS OF FISD.** The officers are the employees of the City and the Department, and not employees of FISD. The City and the Department shall be solely responsible for the compensation, assignment, training, and supervision of the officers, who shall

remain in control and supervision of their police supervisors. The City shall ensure that the officers have completed all background checks as required by the Department and Fisd under Texas law.

5. **MISCELLANEOUS.**

a. The Friendswood Police Department will provide marked police cars to support traffic control duties to each School Zone Officer. The City will provide all fuel, maintenance, and insurance costs for the vehicles as well as all other equipment normally provided to marked patrol cars. The City shall remain solely responsible for the officers' use of the police cars.

b. At mid-year (January), Fisd and City personnel will meet to re-evaluate each school zone to determine the number of officers needed and to determine an adjustment to the hourly rate charged to cover salary growth for the following school year.

c. This agreement is authorized by the governing body of each of the parties to the agreement.

To indicate your acceptance of this agreement, please sign, date and return the enclosed copy of this agreement. Once accepted, this agreement will represent the complete agreement between the Fisd and the City for the School Zone Program.

This agreement is entered under authority of and in accordance with the provision of Chapter 791, Texas Government Code, V.T.C.A.

Morad Kabiri, City Manager

DATE: _____

Thad Roher, Superintendent of Schools

DATE: _____

Robert B. Wieners, Chief of Police

DATE: _____

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF FRIENDSWOOD
AND
FRIENDSWOOD INDEPENDENT SCHOOL DISTRICT
(SCHOOL RESOURCE OFFICER AGREEMENT)**

WHEREAS, pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code, the City of Friendswood, a Texas home-rule municipality (the "City"), and the Friendswood Independent School District, ("FISD"), an independent school district, may jointly exercise the power to provide governmental services for the public health, safety and general welfare; and

WHEREAS, Section 37.081 of the Education Code authorizes the Board of Trustees to establish its jurisdiction as all district properties, all district sponsored activities, on-campus and off-campus, and during all travel to and from district sponsored activities.

WHEREAS, the parties desire to enter into this Interlocal Agreement (this "Agreement"), for the provision of police services by the City in Friendswood High School, Friendswood Junior High School, and other FISD campuses; and

WHEREAS, all obligations of the parties will be funded from their respective current revenues; and

NOW, THEREFORE, this Interlocal Agreement is hereby made and entered into by the City and FISD for the mutual considerations stated herein and shall be effective upon execution by both parties;

THIS AGREEMENT made and entered into this _____ day of _____, 2021, by and between the Friendswood Independent School District ("FISD"), and the City of Friendswood ("City") for the provision of police services by the City.

This agreement will confirm the City and FISD's discussions to jointly continue the School Resource Officer ("SRO") Program in a manner to reflect budget neutrality for the City. SRO guidelines and procedures have been jointly established and are in place. The terms of the agreement between the FISD and the City to conduct the SRO Program are as follows:

1. **DATES OF AGREEMENT.** This agreement will commence on September 1, 2021 and expire on August 31, 2022. This agreement may be extended or canceled by either of the participating agencies giving ninety (90) days written notice to the other participating agency. Should either party fail to appropriate funds necessary to fulfill the terms of this Agreement, it shall give immediate notice to the other party and the Agreement shall expire upon close of the currently funded fiscal year or when current revenues are no longer available to fund this Agreement, whichever comes first.

2. **OFFICERS PROVIDED.** The Friendswood Police Department ("Department") will provide four (4) police officers to staff the SRO Program in accordance with the following schedule: The normal workday of an SRO will be from 8:00 a.m. to 4:00 p.m., Monday through Friday. The length and starting time of the day may be altered to meet special needs at the school. Changes in work schedule will be reported to the principal and the Department. This includes absences due to illness, injury, training or vacation. An SRO will report to the Department on days when the students are not in school. Two police officers will be assigned full-time to SRO duties at the Friendswood High School, one police officer will be assigned full-time to SRO duties at the Friendswood Junior High School, and one police officer will be assigned roving duties at all other Fisd campuses, during the days students are scheduled to be at school for the 2021-2022 school year.

3. **COMPENSATION.** Fisd shall pay the City of Friendswood Police Department the actual full cost of providing police services, including all salaries and benefits, including retirement contributions, City's Medicare contributions, and approved overtime for three full-time Friendswood Police Department police officers, and the use of two police vehicles based on a 6-year life cycles, for the term of this Agreement, and will make those payments from current revenues available to Fisd. The annualized cost of the two police vehicles will be pro-rated for a nine month school year. If Fisd is required to reduce the number of SROs it funds due to reduced budgeted funds, it will notify the City at the time the reduction in funding occurs and the Agreement shall expire upon close of the currently funded fiscal year or when current revenues are no longer available to fund this Agreement, whichever comes first.

4. **METHOD OF PAYMENT.** The City shall develop a detailed annual estimate of the actual full cost of rendering the services set forth in this Agreement which is attached hereto as **Exhibit "A"** and incorporated herein for all purposes. Based on this estimate, Fisd shall pay the City in 12 equal monthly payments on the first day of each month of the term of this Agreement, beginning on September 1, 2021 and ending on August 31, 2022. Payment shall be made to the City of Friendswood and sent to the following address: Administrative Services Office, City of Friendswood, 910 S. Friendswood Drive, Friendswood, Texas, 77546-4856, Attention: Finance Division. A copy of the remittance documentation shall be sent to the City's Chief of Police and the City Manager.

Upon completion of the term of this Agreement, the actual full costs (including approved overtime) incurred during the year relating to the services rendered herein shall be calculated and a determination made of the variance between the amount paid during the year by Fisd and the actual full cost incurred and owed by Fisd. Any amount paid during the year by Fisd in excess of those costs actually incurred shall be refunded to Fisd by the City within 30 days of a written request submitted by the Fisd. Any amount owed by the Fisd as a result of such variance shall be remitted to the City within 30 days of a written request submitted by the City. Request for a refund by Fisd or a remittance by the City must be submitted to the other party within 30 days of the conclusion of this Agreement. Should the Agreement be terminated prior to expiration, said credit or debit shall be promptly paid by the responsible party to the other.

The current salary schedule will be at each officer's current salary rate. Each officer will receive merit increases on the anniversary date of hire by the Department. The City will document the Fisd billing to reflect this salary adjustment.

The City of Friendswood will bear the expense of one full-time Friendswood police officer assigned to school security duties, in compliance with previous grant conditions as stipulated by the federal government. The Friendswood Police Department will provide sufficient marked police cars so that each SRO will have transportation. This transportation will allow them to transport prisoners from the schools to the incarceration facilities located in Galveston County. The City will purchase and provide all fuel, maintenance, and insurance

costs for vehicles as well as all other equipment normally provided to marked patrol cars. Fisd will be billed for the use of two vehicles based on a 6-year life cycles. The annualized cost of the two police vehicles will be pro-rated for a nine month school year. The City and the Department shall remain solely responsible for the officers' use of the police cars and while not in use by the SROs, the police cars may be assigned to other officers for use during non-school hours.

5. **SUBSTITUTE OFFICER.** Friendswood Police Department will provide a replacement or substitute SRO whenever it is anticipated that an officer will be away from normal SRO duties. Fisd agrees to pay the substitute officer's overtime rate.

6. **EQUIPMENT PROVIDED BY FRIENDSWOOD POLICE DEPARTMENT.** The Friendswood Police Department will provide uniforms, including bulletproof vests, for the police officers, provide law books and report forms needed for Friendswood Police Department. Provide 800 MHz radios, patrol cars, training and other miscellaneous police-related equipment and supplies.

7. **EQUIPMENT PROVIDED BY FID.** The Fisd will provide an office for the officers on each campus, office equipment including desks, chairs, phones, copier (or access to), internet access for computer use, file cabinets on each campus, maps and personnel rosters of campuses, school policy manual and school district frequency radios. Fisd will also provide sufficient security containers with key code access for the storage of weapons and other police-related supplies. Offices must be set up so that an officer can conduct an interview in privacy.

8. **INDEPENDENT CONTRACTORS OF FID.** The SROs shall remain employees of the City and the Police Department and shall be at the control and supervision of their police supervisors. The City and the Department shall be solely responsible for the compensation, assignment, training, and supervision of the SROs, and shall ensure that the officers have completed all background checks as required by the Department and Fisd under Texas law. Complaints or problems with SROs shall be directed through their supervisors.

9. **POLICE TRAININGS AND FUNCTIONS.** The police officers shall be scheduled to attend and participate in mandatory training set out by law or policy, and in reasonable training programs that directly impact their ability and skills as SROs. The Friendswood Police Department will strive to assign the SROs to training dates that match those days that school is

out for teacher training. It will not be possible for the SROs training day to match each day as that of the teacher in-service, but every effort possible will be made.

Joint annual training will occur each year either just before or just after the beginning of the school year for officers and District administrative staff for District campuses to ensure that all personnel are familiar with operational protocols, limits of authority and updated case law.

The Friendswood Police Department agrees to compile data and report all Group A and Group B offenses to the FBI using the National Incident Based Reporting System (NIBRS).

The Friendswood Police Department reserves the right to assign SROs to a police function in the event of an emergency or situation that calls for a call up of personnel as directed in the Friendswood Police Department policies and procedures.

10. **OFF-DUTY WORK.** The SROs may work part-time off-duty jobs at school approved functions. Officers shall have the right to refuse to perform any off-duty work. The Fisd shall offer such work only as an independent assignment, separate from the officers' duties as an SRO. Fisd may offer the SROs the right of first refusal for such work. Fisd shall not state or imply that such additional work is not voluntary or that any work condition as an SRO is dependent upon the officer's agreement to perform any off-duty job.

To accommodate the staffing of large events; such as after-hours functions, meetings, and/or sporting events, requiring four or more officers, there will be a separate billing for police department overtime. This will only occur if Fisd expects the police department to provide security at such events. Such events would include the home football games and home stadium band competitions.

11. **LUNCH PERIODS.** The officers will be entitled to a ½-hour paid lunch break. The SRO will be subject to emergency calls during lunch.

12. **OFFICERS' DUTIES.** The SRO's primary responsibility is to enforce the law. This may include responding to calls for assistance, preventative patrol, making arrests and conducting follow-up investigations on campus. The SROs should be contacted for all on-campus responses; however, in the event of an emergency that requires additional officers in the absence of the SRO, the 9-1-1 reporting system should be utilized. SROs should maintain close liaison with campus personnel and be familiar with potential problems. SROs have

discretion in matters relating to offenses at the Class C Misdemeanor level. They may, however, take the school's wishes into consideration, as the officer deems appropriate.

The ultimate goal of the SRO Program is to maintain a peaceful environment that allows the learning process to continue uninterrupted.

The SRO shall not act as a school disciplinarian, as disciplining students is a school responsibility. It is agreed and understood that the principal and appropriate school staff shall be responsible for investigating and determining, in their discretion, whether a student has violated school disciplinary codes or standards and the appropriate administrative action to take. However, this shall not be construed to prevent the SRO from sharing information with school administration/staff, which may aid in the determination of whether a disciplinary offense occurred. Upon assignment, the SRO will be provided with copies of school disciplinary policies and codes and the discipline codes of each school.

Officers shall have final authority in all criminal matters that they investigate. As employees of the Friendswood Police Department, officers will strictly adhere to all policies and procedures, as well as, Federal and State law, in all matters pertaining to arrest, search and seizure. Furthermore, officers are subject to limitations of authority as stipulated by Department Policy 2-1.

SROs shall not become involved in administrative (school related) searches and at no time shall SROs request that an administrative search be conducted for law enforcement purposes or have the administrator act as his or her agent.

Nothing in this Agreement shall be construed to prevent an officer from carrying out his/her duty as a law enforcement officer even if doing so conflicts with the terms and conditions of this Agreement. Nothing in this Agreement shall override any policy or procedure of the Friendswood Police Department.

13. **PROGRAM GOALS.** The SRO program goals are based on the following concepts: law enforcement officer, law-related educator and informal mentor and role model.

- a) The SROs are first and most importantly law enforcement officers dedicated to working with school staff to promote and maintain a safe environment in their assigned school where students can learn and teachers can teach.

- b) The SROs are law-related counselors who provide guidance and information on law-related issues to students, faculty and administrators. They are a link to and an advocate for student referral services on and off campus.
- c) The SROs are law-related teachers who provide their school with an additional educational resource by sharing their expertise of Texas State laws and City ordinances in the classroom.
- d) The SROs are a resource for parents. The SROs are encouraged to attend extra-curricular activities sponsored by their respective schools, including but not limited to athletic events, parent meetings, student dances and concerts.
- e) The SROs report serious crime if it occurs on campus. They cooperate with law enforcement officials and facilitate the investigation of crime that may occur involving District students on or off the campus.
- f) The SROs are trained and expected to provide a swift, sure response to on campus incidents, such as the disruptive behavior of trespassers, the possession or use of weapons on campus, damage to or theft of property or a breach of District anti-violence provisions.
- g) Beyond these goals, the SROs are to be an exemplary role model for the students of their school: sending the strong message that violent behavior is not acceptable; providing leadership to help students make good choices; and enriching the partnership of teachers and SROs in support of students.

14. **ASSIGNMENT AS SCHOOL RESOURCE OFFICER.** The Department and Fisd will jointly select the officers for possible SRO assignment. The department will provide the training required for the new SRO; except, Fisd will ensure an assigned SRO is familiarized with Fisd, campus and Education Code provisions affecting his or her assignment. The Department will have the authority to discipline or discharge a SRO. The Department is responsible for annual performance evaluations of each SRO. The school principal may provide input to the process. An SRO must comply with the personnel policies of Fisd, the City, and the mission vision, values and policies of the Department.

15. **EDUCATIONAL RECORDS.** The Department understands that Fisd is required to comply with certain Federal, State and local laws and/or administrative regulations governing the confidentiality of information contained in student educational records. The Department further understands that Fisd follows certain rules, procedures and/or protocols to protect the confidentiality of student educational records. The Department agrees the SROs will abide by Fisd rules, procedures and/or protocols regarding the confidentiality of student educational records. The Department and Fisd agree the SROs are designated as school officials under the Family Educational Rights and Privacy Act ("FERPA"). As such, (1) the services and functions provided by the SROs are services and functions for which Fisd would otherwise use its own employees; (2) the SROs have been determined to meet the criteria set forth in Fisd's annual notification of FERPA rights for being school officials with a legitimate educational interest in such information; (3) the SROs are under Fisd's direct control with respect to its access to, maintenance of, use of, and disclosure of information contained in student educational records; and (4) SROs will use such information only for purposes expressly authorized by Fisd, specifically to promote school safety and the physical security of the students. The SROs may not release such information to other parties, except as required to provide services under this Agreement or otherwise as expressly permitted by FERPA, other applicable laws, and Fisd.

16. **MISCELLANEOUS.** The SRO Program at each campus is designed to be unique, based on the working relationship established between the principal of the school and the assigned SRO. The needs at each campus are different. The principal and the SRO will develop a common vision that enables the tailoring of a program to meet student needs given the range of ages at the junior high and high school. Working as a team, the principal, other key campus staff and the SRO, will make Fisd's ten elements of Character Education a lively, active force in the day-to-day life on each campus.

17. **NOTICES.** All notices, communications, reports required or permitted under this Agreement shall be personally delivered to the respective parties, by depositing same in the United States mail, postage prepaid, at the addresses shown below, unless and until either party is subsequently notified otherwise in writing.

If intended for City, to: City of Friendswood, 910 S. Friendswood Drive, Friendswood, Texas, 77546-4856, Attention: City Manager, with a copy to the Chief of Police at Friendswood Police Department, 1600 Whitaker Drive, Friendswood, Texas, 77546, Attention: Chief of Police.

If intended for Fisd, to: Friendswood Independent School District, 402 Laurel Drive, Friendswood, Texas, 77546, Attention: Superintendent of Schools.

18. **VENUE.** The obligations of the parties hereto shall be performed in Galveston County, Texas, and if legal action is necessary to enforce same, exclusive venue shall lie in Galveston County, Texas.

19. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws and courts of the State of Texas.

20. **LEGAL CONSTRUCTION.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be considered as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement.

21. **ENTIRE AGREEMENT.** This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written previous agreements between the parties and relating to matters in this Agreement, and cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

This agreement is authorized by the governing body of each of the parties to the agreement.

To indicate your acceptance of this agreement, please sign, date and return the enclosed copy of this agreement. Once accepted, this agreement will represent the complete agreement between the Fisd and the City Police Department for the SRO Program.

This agreement is entered under authority of and in accord with the provision of Chapter 791, Texas Government Code, V.T.C.A.

Morad Kabiri, City Manager

DATE: _____

Thad Roher, Superintendent of Schools

DATE: _____

Robert B. Wieners, Chief of Police

DATE: _____

Exhibit "A"

	SRO-Whittaker	SRO-Waggoner	SRO-Ives	SRO-Supervisor
Salary/Wages	\$76,544.00	\$82,409.60	\$81,369.60	\$85,633.60
Taxes	\$6,131.02	\$6,588.91	\$6,637.87	\$6,904.40
Benefits	\$34,132.10	\$35,225.69	\$35,313.56	\$35,964.91
Add Pays	\$3,600.00	\$3,720.00	\$5,400.00	\$4,620.00
	\$120,407.11	\$127,944.20	\$128,721.04	\$133,122.92
				City-paid

FISD Est. Cost of 3 **\$377,072.36**

One-Time Expense (6-year life cycle) 2021 Ford Explorer							Annual on-going expenses		
	PPV	Upfitting	MDT	Motorola APX6500	TOTAL Vehicle		Insurance	Maintenance	Gasoline*
Supervisor	\$ 31,566.00	\$ 34,066.00	\$ 5,795.00	\$ 3,935.00	\$ 75,362.00		\$ 1,006.00	\$ 1,000.00	\$ 10,000.00
Patrol	\$ 31,566.00	\$ 34,066.00	\$ 5,795.00	\$ 3,935.00	\$ 75,362.00		\$ 1,006.00	\$ 1,000.00	\$ 10,000.00
Patrol	\$ 31,566.00	\$ 34,066.00	\$ 5,795.00	\$ 3,935.00	\$ 75,362.00		\$ 1,006.00	\$ 1,000.00	\$ 10,000.00
Patrol	\$ 33,816.00	\$ 29,020.00	\$ 4,700.00	\$ 500.00	\$ 68,036.00		\$ 1,006.00	\$ 1,000.00	\$ 10,000.00
Annual Capital (based on 6-year life cycle)									
		Annual Ins./Maint./Gas	Total Annual	City Annual					
Supervisor	\$ 12,560.33	\$ 12,006.00		\$ 24,566.33					
Patrol	\$ 12,560.33	\$ 12,006.00		\$ 24,566.33					
Patrol	\$ 12,560.33	\$ 12,006.00	\$ 18,424.75	\$ 6,141.58					
Patrol**	\$ 11,339.33	\$ 12,006.00	\$ 17,509.00	\$ 5,836.33					
			\$ 35,933.75	\$ 61,110.58					
			FISD Est. Cost	City-Paid					

**Agreed to costs for 6-year life cycle of vehicle in 2021 contract (year 2 of 6)

Monthly Salary Est.	\$31,422.70
Monthly Vehicle Est.	\$ 2,994.48
Monthly Total Est.	\$34,417.18
Annual Total Est.	\$413,006.11

	2021 Contract Costs	2022 Contract Proposal	Increase Proposed
Monthly Salary Est.	\$ 30,102.24	\$ 31,422.70	4.39%
Monthly Vehicle Est.	\$ 1,938.50	\$ 2,994.48	54.47%
Monthly Total Est.	\$ 32,040.74	\$ 34,417.18	7.42%
Annual Total Est.	\$ 384,488.90	\$ 413,006.11	7.42%

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: May 3, 2021

Date submitted: 03/25/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the disposal of a decommissioned Police Department vehicle through Houston Auto Auction.

Originating Department: Police Department

Degree of importance: Elective

SUMMARY / ORIGINATING CAUSE

The police department has a decommissioned police vehicle (P294 – 2015 Chevrolet Tahoe PPV) that it presents for disposal. The department will dispose of the vehicle through services provided by Houston Auto Auction. The vehicle has been in service since 2014. Costs associated with keeping the vehicle suitable for service are high, making the most cost effective solution to auction it. This unit was replaced this year. The vehicle will be decommissioned per the standards set by Local Government Code, Section 272.006 Sale or Transfer of Law Enforcement Vehicle, which includes the removal of any equipment or insignia that could mislead a reasonable person to believe that the vehicle is a law enforcement motor vehicle.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Proceeds from the sale of all of this vehicle will be deposited into the Vehicle Replacement Fund (VRF).

RECOMMENDATIONS

Staff recommends Mayor and Council consent to disposal of this asset in the manner described above.

ATTACHMENTS

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: May 3, 2021

Date submitted: 04/08/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving an engagement letter with Gabriel, Roeder, Smith and Company for actuarial valuations and authorize the Mayor to execute said document.

Originating Department: Administrative Services

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions). This statement establishes standards for recognizing and measuring OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. This Statement also identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information about defined benefit OPEB also are addressed. OPEB does not include pensions, but it does include postemployment healthcare, life insurance and other benefits.

To measure the City's liability requires an actuarial evaluation. There are many companies and firms performing such valuations. The North Texas Council of Governments (NCTCOG) issued a Request for Proposal and has retained the services of Gabriel Roeder Smith and Company (GRS). In 2018, we renewed an Interlocal Agreement for Cooperative Purchasing for Actuarial Share Services and signed a Master Agreement with GRS. Staff considers this agreement a good value to the City.

For financial reporting purposes, an actuarial valuation is required at least biennially for OPEB plans with a total membership greater than 200. In the off year when a full valuation is not performed the City will receive a "roll-forward" report which provides an updated liability, a liability reconciliation from the prior measurement date, new deferred outflows/inflows, new OPEB expense, and new sensitivity disclosures. The current report will be prepared as of December 31, 2020 for fiscal year 2021 and a roll-forward valuation report will be prepared for fiscal year 2022.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Noncompliance can result in a qualified auditor's opinion. The goal of the statement is to improve financial reporting through the recognition of potential demands on future cash flow.

RECOMMENDATIONS

Staff recommends we engage the services of Gabriel Roeder Smith & Company (GRS) and authorize the Mayor to execute the Engagement letter.

ATTACHMENTS

1. 2021 Friendswood Engagement Letter GASB 75



February 1, 2021

Ms. Katina Hampton
Director of Administrative Services
City of Friendswood
910 S. Friendswood Drive
Friendswood, TX 77546

Re: Engagement Letter for the December 31, 2020 OPEB valuation and the GASB 75 Valuation Reports for fiscal years ending 2021 and 2022

Dear Ms. Hampton,

You have requested a pricing quote for a GASB 75 actuarial valuation under the Shared Services arrangement provided by Gabriel, Roeder, Smith & Co (GRS) and North Central Texas Council of Governments (NCTCOG).

Based on the information you provided, the cost of services for City of Friendswood is \$8,660. This price is based on receiving data in the standard GRS format and using the following assumptions:

Pricing Category	Pricing Parameters	Fee
Annual or Biennial	Biennial	
Number of Participants	200 - 499	\$10,775
Claims Analysis Required	No	\$0
Health Plans	1. City of Friendswood Health Plan	\$0
Retirement Plans	1. TMRS	\$0
Implicit Subsidy Only Discount	Eligible	-\$2,115
Plan Change Not Previously Valued	No	N/A
OPEB Trust or Equivalent Arrangement	No	N/A
Single Discount Rate Test	No	\$0
Plan Only Reporting Package	No	\$0
Cost Sharing Schedules for Primary Government and Component Units	No	\$0
Calculation of an Actuarially Determined Contribution	No	\$0
Total		\$8,660

Basic Services

- Actuarial valuation of employer OPEB in compliance with the requirements of GASB Statements No. 74 and No. 75. The valuation report will include, but is not limited to, the following:
 - > The updated Total OPEB Liability, based on the appropriate discount rate for the reporting period.
 - > A reconciliation of the Total OPEB Liability, which shows, among other items, the impact of benefit changes, assumption changes, and demographic gains/losses separately.
 - > The OPEB expense and supplementary information required by GASB 75.
 - > The characteristics of covered active members, retirees, and beneficiaries and other information required for the note disclosures.
 - > A statement of outflows and inflows arising from the current reporting period.
 - > A statement of outflows and inflows to be recognized in future OPEB expense.
 - > A sensitivity analysis providing the Total OPEB Liability based on a 1% higher and 1% lower discount rate.
 - > A sensitivity analysis providing the Total OPEB Liability based on a 1% higher and 1% lower health care trend assumption.

Billing Schedule

GRS pricing assumes 30% paid upon acceptance by the government of the engagement, 40% upon delivery of the draft full valuation, and 30% upon delivery in the second year of the rolled forward report.

The Master Agreement allows for automatic fee increases based on changes in the Consumer Price Index (CPI), starting in January of 2019. As a result, the 2021 fees are 5.60% higher than those in the original fee schedule that's shown in our Master Agreement. However, the fees provided in this engagement letter will not change based on the annual updates to the overall pricing schedule. Any CPI related increases will only apply to the next valuation cycle.

Ms. Katina Hampton

February 1, 2021

Page 3

Basic Options Study

It is anticipated that City of Friendswood may want to consider options for mitigating its OPEB liability. Basic Options studies would include alternative discount rates, alternative healthcare trend rates, benefit capitations, and changes in retiree cost sharing. The cost for a basic Options study will be \$1,375 per study.

Fees for plan redesign studies that are not considered basic will be communicated after the specifics of the proposed plan changes are discussed.

Additional Services

Fees for additional consulting services not included under Basic Services or included in the fixed fee Options studies will be priced separately upon request and will be based on the following hourly rates:

<i>GRS Resource Classification</i>	<i>Hourly Rates</i>
Lead Actuary	\$350
Actuarial Staff	\$230
Support Staff	\$195

A copy of this engagement letter will be made a part of the master agreement between City of Friendswood and GRS.

CITY OF FRIENDSWOOD, TX

Date

GABRIEL, ROEDER, SMITH & COMPANY



Mehdi Riazi, Senior Consultant

2/1/2021

Date

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: May 3, 2021

Date submitted: 04/14/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the final acceptance of the Clear Creek Community Church off-site public improvements at the completion of the contractor's one-year maintenance bond.

Originating Department: Engineering

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The City began its one year maintenance period of the Clear Creek Community Church off-site public improvements in April 2020. That maintenance bond has now expired. This agenda item is to authorize the final acceptance of the Clear Creek Community Church off-site public improvements and formally release that bond. The improvements include the new Lift Station #41 located adjacent to Brookside Intermediate School, as well as a water main and sewer main.

City staff has conducted a one year warranty inspection and found everything to be in working order.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Gamma Construction Company will have its bond released immediately upon final acceptance of the City Council.

RECOMMENDATIONS

Authorize the final acceptance of the Clear Creek Community Church public improvements and release the maintenance bond.

ATTACHMENTS

1. 00825 - Release of Bond CCCC Public Improvements



City of Friendswood

Engineering Department
15355 Blackhawk Boulevard
Friendswood, Texas 77546-2801

DOCUMENT 00825

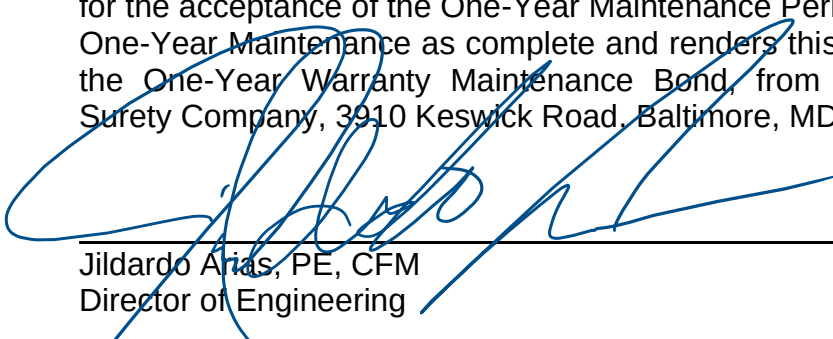
Release of Bond

PROJECT NAME: May 3, 2021

PROJECT NAME: Clear Creek Community Church Lift Station

TO: Gama Construction Company
2808 Joanel Street
Houston, TX 77027

The Contractor and the Surety having complied with the provisions of the General Conditions, and all work is in accordance with the Contract Documents at the end of the One-Year Warranty. This project was brought before the City Council on April 6, 2020 for the acceptance of the One-Year Maintenance Period. The City Council accepted the One-Year Maintenance as complete and renders this obligation null and void, releasing the One-Year Warranty Maintenance Bond, from Colonial American Casualty and Surety Company, 3910 Keswick Road, Baltimore, MD 21211, which is enclosed.



Jildardo Arias, PE, CFM
Director of Engineering

5/3/21

Date

JA/hv

END OF DOCUMENT

00825-1

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: May 3, 2021

Date submitted: 04/14/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the final acceptance of a waterline for the Lundy Lane Estates subdivision at the completion of the contractor's one-year maintenance period.

Originating Department: Engineering

Degree of importance: Elective

SUMMARY / ORIGINATING CAUSE

The City began its one year maintenance period of a waterline for the Lundy Lane Estates subdivision in May 2020. That maintenance bond has now expired. This agenda item is to authorize the final acceptance of a waterline for the proposed Lundy Lane Estates subdivision and formally release that bond.

City staff have conducted a one year warranty inspection and found everything to be in working order with no warranty work needed.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

NWP Enterprise LLC - DBA Perez Plumbing will have its bond released immediately upon final acceptance from the City Council.

RECOMMENDATIONS

Authorize the final acceptance of a waterline for the proposed Lundy Lane Estates subdivision.

ATTACHMENTS

1. 00825 - Release of Bond Lundy Lane Estates Waterline



City of Friendswood

Engineering Department
15355 Blackhawk Boulevard
Friendswood, Texas 77546-2801

DOCUMENT 00825

Release of Bond

PROJECT NAME: May 3, 2021
PROJECT NAME: Lundy Estates

TO: NWP Enterprise LLC dba Perez Plumbing
516 King St.
Houston, TX 77022

The Contractor and the Surety having complied with the provisions of the General Conditions, and all work is in accordance with the Contract Documents at the end of the One-Year Warranty. This project was brought before the City Council on May 4, 2020 for the acceptance of the One-Year Maintenance Period. The City Council accepted the One-Year Maintenance as complete and renders this obligation null and void, releasing the One-Year Warranty Maintenance Bond, from SureTec Insurance Company, 9737 Great Hills Trail, Suite 320, Austin, TX 78759, which is enclosed.

Jildardo Anas, PE, CFM
Director of Engineering

JA/hv

5/3/21
Date

END OF DOCUMENT

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: May 3, 2021

Date submitted: 04/16/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the acceptance of the Sterling Creek, Sections 5 and 6 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, Sections 5 and 6 has been completed. This infrastructure will serve 40 new lots in the Sterling Creek Subdivision.

City Staff has inspected the aforementioned infrastructure and 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 5 and 6 Paving and Utilities improvements project into the contractor's one-year maintenance period.

ATTACHMENTS

1. Sterling Creek 5 & 6 Request for Acceptance
2. Sterling Creek 5 & 6 Maintenance Bond



Monday, April 19, 2021

Jildardo Arias, PE, CFM

Director of Engineering
City Engineer
City of Friendswood
P: 281.996.3312

Re. Sterling Creek Section 5 & 6

On behalf of *H & H Development*, we request acceptance of the water, sanitary sewer, storm sewer, and paving facilities by the City of Friendswood for the above referenced project at the next available Council meeting.

We also request commencement of the one-year (warranty) acceptance period of the facilities; and, at the end of such time, acceptance of same into the City's maintenance system.

If you have any questions or require additional information, please do not hesitate to call.

Thank you for your attention to this request.

Respectfully,

A handwritten signature in blue ink, appearing to read "Scott R. Sheridan".

Scott R. Sheridan, P.E., R.P.L.S., CFM

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. [REDACTED]

That DWC Management, LLC, David Wight Construction Company, Ltd.
of 4300 Mandale, Alvin, Texas 77511
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
One Million Six Hundred Thousand and No/100*** (\$1,600,000.00***)
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 16th day of April, 2021.

WHEREAS, the Principal entered into a certain contract, dated the _____ day of _____, with the Hill-Hubbard Development

to furnish all the material and labor necessary for the construction of Sterling Creek, Sections 5 & 6

Water, Sanitary Sewer, Storm Sewer, and Paving

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 JJ Up

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.



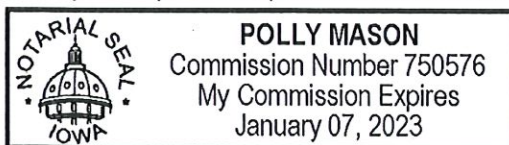
MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.

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
Notary Public

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

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 16th day of April, 2021.



William Warner Jr.
Secretary



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

IMPORTANT NOTICE

Have a complaint or need help?

If you have a problem with a claim or your premium, call your insurance company first. If you can't work out the issue, the Texas Department of Insurance may be able to help.

Even if you file a complaint with the Texas Department of Insurance, you should also file a complaint or appeal through your insurance company. If you don't, you may lose your right to appeal.

Merchants Bonding Company (Mutual)

To get information or file a complaint with your insurance company:

Call: Compliance Officer at 800-678-8171

Toll-free: 1-800-678-8171

Email: regulatory@merchantsbonding.com

Mail: P.O. Box 14498, Des Moines, IA 50306-3498

To get insurance information you may also contact your agent:

Rust Ewing Watt & Haney Inc

Call: 409-934-8000

Mail: 7900 Lowry Expy Texas City, TX 77591

The Texas Department of Insurance

To get help with an insurance question or file a complaint with the state:

Call with a question: 1-800-252-3439

File a complaint: www.tdi.texas.gov

Email: ConsumerProtection@tdi.texas.gov

Mail: MC 111-1A, P.O. Box 149091, Austin, TX 78714-9091

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider accepting the March 2021 tax report.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. March 2021 GalCo Tax



Cheryl E. Johnson, PCC
Assessor and Collector of Taxes
County of Galveston
722 Moody Avenue, Galveston, Texas 77550
Toll Free (877) 766-2284 Fax: (409) 766-2479
Email: galcotax@co.galveston.tx.us



April 15, 2021

The Governmental Entities of the Galveston County Tax Assessor/Collector's Office:

I, Cheryl E. Johnson, Tax Assessor and Collector of the County of Galveston do solemnly swear that this statement of collections made by me and the disposition thereof during the month of March, 2021 is true and correct.

Under my hand and seal this 15th day of April, 2021.

Cheryl E. Johnson, PCC
Galveston County Tax Assessor/Collector

cc: Randall Rice, County Auditor
Linebarger, Goggan, Blair, & Simpson
Perdue, Brandon, Fielder, Collins, & Mott
Assessment & Collection Partners:

City of Bayou Vista
City of Clear Lake Shores (delinquent)
City of Dickinson
City of Friendswood
City of Galveston
City of Hitchcock
City of Jamaica Beach
City of Kemah
City La Marque
City of League City
City of Santa Fe
City of Texas City
City of Tiki Island
Dickinson Independent School District
Galveston Independent School District
High Island Independent School District
Hitchcock Independent School District
College of the Mainland

Galveston Community College
GC Drainage District No. 1
GC Drainage District No. 2
GC Emergency Services Dist. No. 1
GC Emergency Services Dist. No. 2
GC Fresh Water Supply Dist. No. 6
Bacliff MUD
Bayview MUD
Galveston County MUD No. 12
Galveston County MUD No. 13
Galveston County MUD No. 44
San Leon MUD
Tara Glen MUD
GC Navigation District No. 1
WCID No. 1
WCID No. 12
WCID No. 19
Westwood Management District

04/05/2021 09:17:03 3726414
 TC298-D SELECTION: DEPOSIT
 RECEIPT DATE: ALL
 LOCATION: ALL

TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 FROM: 03/01/2021 THRU 03/31/2021
 JURISDICTION: 0337 FRIENDWD CITY

PAGE: 36
 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2020	M & O	.392153	331,017.10	.00	22,367.27	.00	353,384.37	880.50	.00	.00	354,264.87
	I & S	.095161	80,325.47	.00	5,427.83	.00	85,753.30	.00	.00	.00	85,753.30
	TOTAL	.487314	411,342.57	.00	27,795.10	.00	439,137.67	880.50	.00	.00	440,018.17
2019	M & O	.432160	4,334.77	.00	2,240.97	.00	6,575.74	2,725.79	.00	.00	9,301.53
	I & S	.089279	895.52	.00	462.95	.00	1,358.47	.00	.00	.00	1,358.47
	TOTAL	.521439	5,230.29	.00	2,703.92	.00	7,934.21	2,725.79	.00	.00	10,660.00
2018	M & O	.437173	793.44	.00	389.79	.00	403.65	345.34	.00	.00	58.31
	I & S	.095218	172.78	.00	84.89	.00	87.89	.00	.00	.00	87.89
	TOTAL	.532391	966.22	.00	474.68	.00	491.54	345.34	.00	.00	146.20
2017	M & O	.432349	390.92	.00	56.80	.00	447.72	46.79	.00	.00	494.51
	I & S	.095000	85.85	.00	12.47	.00	98.32	.00	.00	.00	98.32
	TOTAL	.527349	476.77	.00	69.27	.00	546.04	46.79	.00	.00	592.83
2016	M & O	.462000	34.23	.00	.00	.00	34.23	.00	.00	.00	34.23
	I & S	.084000	6.24	.00	.00	.00	6.24	.00	.00	.00	6.24
	TOTAL	.546000	40.47	.00	.00	.00	40.47	.00	.00	.00	40.47
2015	M & O	.497200	77.13	.00	25.44	.00	102.57	13.80	.00	.00	116.37
	I & S	.071500	11.09	.00	3.66	.00	14.75	.00	.00	.00	14.75
	TOTAL	.568700	88.22	.00	29.10	.00	117.32	13.80	.00	.00	131.12
2014	M & O	.530300	22.85	.00	.00	.00	22.85	.00	.00	.00	22.85
	I & S	.061100	2.63	.00	.00	.00	2.63	.00	.00	.00	2.63
	TOTAL	.591400	25.48	.00	.00	.00	25.48	.00	.00	.00	25.48
2013	M & O	.530300	3.40	.00	2.90	.00	6.30	.00	.00	.00	6.30
	I & S	.061100	.39	.00	.33	.00	.72	.00	.00	.00	.72
	TOTAL	.591400	3.79	.00	3.23	.00	7.02	.00	.00	.00	7.02
2012	M & O	.530700	9.08	.00	.00	.00	9.08	.00	.00	.00	9.08
	I & S	.066300	1.13	.00	.00	.00	1.13	.00	.00	.00	1.13
	TOTAL	.597000	10.21	.00	.00	.00	10.21	.00	.00	.00	10.21
2009	M & O	.499700	2.21	.00	.00	.00	2.21	.00	.00	.00	2.21
	I & S	.080000	.35	.00	.00	.00	.35	.00	.00	.00	.35
	TOTAL	.579700	2.56	.00	.00	.00	2.56	.00	.00	.00	2.56
ALL	M & O		335,098.25	.00	25,083.17	.00	360,181.42	4,012.22	.00	.00	364,193.64
	I & S		81,155.89	.00	5,992.13	.00	87,148.02	.00	.00	.00	87,148.02
	TOTAL		416,254.14	.00	31,075.30	.00	447,329.44	4,012.22	.00	.00	451,341.66

04/05/2021 09:17:03 3726414
 TC298-D SELECTION: DEPOSIT
 RECEIPT DATE: ALL
 LOCATION: ALL

TAX COLLECTION SYSTEM
 DEPOSIT DISTRIBUTION
 FROM: 03/01/2021 THRU 03/31/2021
 JURISDICTION: 0337 FRIENDWD CITY

PAGE: 37
 INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY FEES	REFUND AMOUNT	PAYMENT AMOUNT
DLQ	M & O		4,081.15	.00	2,715.90	.00	6,797.05	.00	.00	9,928.77
DLQ	I & S		830.42	.00	564.30	.00	1,394.72	.00	.00	1,394.72
DLQ	TOTAL		4,911.57	.00	3,280.20	.00	8,191.77	.00	.00	11,323.49
CURR	M & O		331,017.10	.00	22,367.27	.00	353,384.37	.00	.00	354,264.87
CURR	I & S		80,325.47	.00	5,427.83	.00	85,753.30	.00	.00	85,753.30
CURR	TOTAL		411,342.57	.00	27,795.10	.00	439,137.67	.00	.00	440,018.17

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2018 RF210304	146570	201901	0.00	0.00	0.00	0.00 18S1	817.84-	817.84-RF
2018 RF210304	146570	201901	817.84-	0.00	0.00	0.00 18S1	817.84	0.00 RF
2018 RF210304	200820	201812	133.10-	0.00	0.00	0.00 18S1	133.10	0.00 RF
2018 RF210304	200820	201812	0.00	0.00	0.00	0.00 18S1	133.10-RF	133.10-RF
2018 RF210304	201718	201812	0.00	0.00	0.00	0.00 18S1	225.37-	225.37-RF
2018 RF210304	201718	201812	225.37-	0.00	0.00	0.00 18S1	225.37	0.00 RF
2018 RF210304	290273	201811	0.00	0.00	0.00	0.00 18S1	396.67-	396.67-RF
2018 RF210304	290273	201811	396.67-	0.00	0.00	0.00 18S1	396.67	0.00 RF
2018 RF210304	401148	201812	349.70-	0.00	0.00	0.00 18S1	349.70	0.00 RF
2018 RF210304	401148	201812	0.00	0.00	0.00	0.00 18S1	349.70-RF	349.70-RF
2018 RF210304	719787	201812	561.72-	0.00	0.00	0.00 18S1	561.72	0.00 RF
2018 RF210304	719787	201812	0.00	0.00	0.00	0.00 18S1	561.72-RF	561.72-RF
2018 TOTAL			2,484.40-	0.00	0.00	0.00	0.00	2,484.40-
2019 RF210304	146570	202002	0.00	0.00	0.00	0.00 19S1	1,318.36-	1,318.36-RF
2019 RF210304	146570	202002	1,232.11-	0.00	0.00	0.00 19S1	1,318.36	0.00 RF
2019 RF210304	184193	201912	0.00	0.00	86.25-	0.00 19S1	130.36-	130.36-RF
2019 RF210304	184193	201912	130.36-	0.00	0.00	0.00 19S1	130.36	0.00 RF
2019 RF210304	200820	201912	188.62-	0.00	0.00	0.00 19S1	188.62	0.00 RF
2019 RF210304	200820	201912	0.00	0.00	0.00	0.00 19S1	188.62-RF	188.62-RF
2019 RF210304	201125	201912	129.73-	0.00	0.00	0.00 19S1	129.73	0.00 RF
2019 RF210304	201125	201912	0.00	0.00	0.00	0.00 19S1	129.73-RF	129.73-RF
2019 RF210304	201718	202001	218.38-	0.00	0.00	0.00 19S1	218.38	0.00 RF
2019 RF210304	201718	202001	0.00	0.00	0.00	0.00 19S1	218.38-RF	218.38-RF
2019 RF210304	201978	202002	247.16-	0.00	17.30-	0.00 19S1	264.46	0.00 RF
2019 RF210304	201978	202002	0.00	0.00	0.00	0.00 19S1	264.46-RF	264.46-RF
2019 RF210304	202126	201912	0.00	0.00	0.00	0.00 19S1	119.23-	119.23-RF
2019 RF210304	202126	201912	119.23-	0.00	0.00	0.00 19S1	119.23	0.00 RF
2019 RF210304	202334	201912	0.00	0.00	0.00	0.00 19S1	274.04-	274.04-RF
2019 RF210304	202334	201912	274.04-	0.00	0.00	0.00 19S1	274.04	0.00 RF
2019 RF210304	288645	201912	65.18-	0.00	0.00	0.00 19S1	65.18	0.00 RF
2019 RF210304	288645	201912	0.00	0.00	0.00	0.00 19S1	65.18-RF	65.18-RF
2019 RF210304	290273	201911	637.07-	0.00	0.00	0.00 19S1	637.07	0.00 RF
2019 RF210304	290273	201911	0.00	0.00	0.00	0.00 19S1	637.07-RF	637.07-RF
2019 RF210304	293527	202001	0.00	0.00	0.00	0.00 19S1	358.00-	358.00-RF
2019 RF210304	293527	202001	358.00-	0.00	0.00	0.00 19S1	358.00	0.00 RF
2019 RF210304	306733	201912	130.35-	0.00	0.00	0.00 19S1	130.35	0.00 RF
2019 RF210304	306733	201912	0.00	0.00	0.00	0.00 19S1	130.35-RF	130.35-RF
2019 RF210304	308584	202002	0.00	0.00	0.00	0.00 19S1	359.44-	359.44-RF
2019 RF210304	308584	202002	335.92-	0.00	23.52-	0.00 19S1	359.44	0.00 RF
2019 RF210304	357109	201912	0.00	0.00	0.00	0.00 19S1	308.49-	308.49-RF
2019 RF210304	357109	201912	308.49-	0.00	0.00	0.00 19S1	308.49	0.00 RF
2019 RF210304	376847	202001	0.00	0.00	0.00	0.00 19S1	130.36-	130.36-RF

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2019 RF210304	376847	202001	130.36-	0.00	0.00	0.00 19S1	130.36	0.00 RF
2019 832865030221	398805	202102	1,101.72-	0.00	275.43-	275.43-CERT20TX000	0.00	1,652.58-TR
2019 RF210304	401148	201912	0.00	0.00	0.00	0.00 19S1	357.87-	357.87-RF
2019 RF210304	401148	201912	357.87-	0.00	0.00	0.00 19S1	357.87	0.00 RF
2019 RF210304	412983	202001	0.00	0.00	0.00	0.00 19S1	279.49-	279.49-RF
2019 RF210304	412983	202001	279.49-	0.00	0.00	0.00 19S1	279.49	0.00 RF
2019 RF210304	423236	201912	0.00	0.00	0.00	0.00 19S1	270.67-	270.67-RF
2019 RF210304	423236	201912	270.67-	0.00	0.00	0.00 19S1	270.67	0.00 RF
2019 RF210304	512089	202003	67.84-	0.00	0.00	0.00 19S1	67.84	0.00 RF
2019 RF210304	512089	202005	538.30-	0.00	0.00	0.00 19S1	538.30	0.00 RF
2019 RF210304	512089	202005	0.00	0.00	0.00	0.00 19S1	538.30-	538.30-RF
2019 RF210304	512089	202007	538.30-	0.00	0.00	0.00 19S1	538.30	0.00 RF
2019 RF210304	512089	202007	0.00	0.00	0.00	0.00 19S1	538.30-	538.30-RF
2019 RF210304	512089	202003	0.00	0.00	0.00	0.00 19S1	67.84-	67.84-RF
2019 RF210304	719787	202001	0.00	0.00	0.00	0.00 19S1	550.16-	550.16-RF
2019 RF210304	719787	202001	550.16-	0.00	0.00	0.00 19S1	550.16	0.00 RF
2019 TOTAL			8,209.35-	0.00	402.50-	275.43-	0.00	8,887.28-
2020 RF210305	1012770000032	202012	0.00	0.00	0.00	0.00 CERT	256.26-	256.26-RF
2020 RF210305	1012770000032	202012	256.26-	0.00	0.00	0.00 CERT	256.26	0.00 RF
2020 RF210302	1022330000009	202011	0.00	0.00	0.00	0.00 HK06	148.38-	148.38-RF
2020 RF210302	1022330000009	202011	148.38-	0.00	0.00	0.00 HK06	148.38	0.00 RF
2020 929030321T	1043370000025	202011	706.19-	0.00	0.00	0.00 CERT	0.00	706.19-TR
2020 929032621T	1043980010007	202011	500.03-	0.00	0.00	0.00 CERT	0.00	500.03-TR
2020 929032321T	1043990010089	202011	245.27-	0.00	0.00	0.00 CERT	0.00	245.27-TR
2020 92903221T	1050130000012	202102	123.22-	0.00	0.00	0.00 CERT	0.00	123.22-TR
2020 929032621T	1063190000006	202012	752.09-	0.00	0.00	0.00 CERT	0.00	752.09-TR
2020 RF210302	1084720000051	202011	121.83-	0.00	0.00	0.00 HK06	121.83	0.00 RF
2020 RF210302	1084720000051	202011	0.00	0.00	0.00	0.00 HK06	121.83-	121.83-RF
2020 RF210302	1098340000003	202101	0.00	0.00	0.00	0.00 HK06	29.18-	29.18-RF
2020 RF210302	1098340000003	202101	29.18-	0.00	0.00	0.00 HK06	29.18	0.00 RF
2020 RF210302	1098340000003	202101	183.90-	0.00	0.00	0.00 HK06	183.90	0.00 RF
2020 RF210302	1098340000003	202101	0.00	0.00	0.00	0.00 HK06	183.90-	183.90-RF
2020 RF210302	1215220030005	202012	0.00	0.00	0.00	0.00 HK06	121.83-	121.83-RF
2020 RF210302	1215220030005	202012	121.83-	0.00	0.00	0.00 HK06	121.83	0.00 RF
2020 RF210304	146570	202101	0.00	0.00	0.00	0.00 20S4	2,778.70-	2,778.70-RF
2020 RF210304	146570	202101	2,778.70-	0.00	0.00	0.00 20S4	2,778.70	0.00 RF
2020 929031221T	168240	202011	295.68-	0.00	0.00	0.00 CERT	0.00	295.68-TR
2020 929030921T	168250	202011	242.73-	0.00	0.00	0.00 CERT	0.00	242.73-TR
2020 929032621T	169191	202012	41.40-	0.00	0.00	0.00 CERT	0.00	41.40-TR
2020 RF210304	184193	202011	0.00	0.00	0.00	0.00 20S4	140.09-	140.09-RF
2020 RF210304	184193	202011	140.09-	0.00	0.00	0.00 20S4	140.09	0.00 RF
2020 RF210304	200524	202101	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF

YEAR	DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2020	RF210304	200524	202101	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020	RF210304	200820	202012	0.00	0.00	0.00	0.00 20S4	210.27-	210.27-RF
2020	RF210304	200820	202012	210.27-	0.00	0.00	0.00 20S4	210.27	0.00 RF
2020	RF210304	201099	202012	399.60-	0.00	0.00	0.00 20S4	399.60	0.00 RF
2020	RF210304	201099	202012	0.00	0.00	0.00	0.00 20S4	399.60-	399.60-RF
2020	RF210304	201125	202012	0.00	0.00	0.00	0.00 20S4	127.71-	127.71-RF
2020	RF210304	201125	202012	127.71-	0.00	0.00	0.00 20S4	127.71	0.00 RF
2020	RF210304	201159	202012	0.00	0.00	0.00	0.00 20S4	441.48-	441.48-RF
2020	RF210304	201159	202012	441.48-	0.00	0.00	0.00 20S4	441.48	0.00 RF
2020	86994031121	201258	202103	7,477.10-	0.00	672.94-	0.00 CERT	0.00	8,150.04-TR
2020	RF210305	201474	202101	4,614.62-	0.00	0.00	0.00 CERT	0.00	4,614.62-TR
2020	929030221T	201666	202012	582.45-	0.00	0.00	0.00 CERT	0.00	582.45-TR
2020	RF210304	201718	202012	236.49-	0.00	0.00	0.00 20S4	236.49	0.00 RF
2020	RF210304	201718	202012	0.00	0.00	0.00	0.00 20S4	236.49-	236.49-RF
2020	929030521T	201790	202101	153.07-	0.00	10.71-	0.00 CERT	0.00	163.78-TR
2020	929033121T	201872	202012	343.94-	0.00	0.00	0.00 CERT	0.00	343.94-TR
2020	929032421T	202055	202012	921.95-	0.00	0.00	0.00 20S4	0.00	921.95-TR
2020	RF210304	202126	202012	0.00	0.00	0.00	0.00 20S4	308.37-	308.37-RF
2020	RF210304	202126	202012	308.37-	0.00	0.00	0.00 CERT	0.00	0.00 RF
2020	929032421T	202296	202012	1,188.50-	0.00	0.00	0.00 CERT	0.00	1,188.50-TR
2020	RF210304	202334	202012	0.00	0.00	0.00	0.00 20S4	380.40-	380.40-RF
2020	RF210304	202334	202012	380.40-	0.00	0.00	0.00 20S4	380.40	0.00 RF
2020	807942030521	202394	202103	541.16-	0.00	48.71-	0.00 CERT	0.00	589.87-TR
2020	929031221T	202648	202101	986.01-	0.00	0.00	0.00 CERT	0.00	986.01-TR
2020	RF210304	218901	202101	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020	RF210304	218901	202101	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF
2020	RF210304	219341	202012	224.71-	0.00	0.00	0.00 20S4	224.71	0.00 RF
2020	RF210304	219341	202012	0.00	0.00	0.00	0.00 CERT	0.00	224.71-RF
2020	807945031721	275076	202103	119.88-	0.00	10.79-	0.00 CERT	0.00	130.67-TR
2020	864032521PHC	275076	202102	119.88-	0.00	8.39-	0.00 20S4	0.00	128.27-TR
2020	RF210304	288645	202012	60.92-	0.00	0.00	0.00 20S4	60.92	0.00 RF
2020	RF210304	288645	202012	0.00	0.00	0.00	0.00 20S4	60.92-	60.92-RF
2020	908031921TR	288760	202011	198.72-	0.00	0.00	0.00 CERT	0.00	198.72-TR
2020	908031921TR	288760	202011	959.45-	0.00	0.00	0.00 CERT	0.00	959.45-TR
2020	RF210304	290273	202011	0.00	0.00	0.00	0.00 20S4	435.43-	435.43-RF
2020	RF210304	290273	202011	435.43-	0.00	0.00	0.00 20S4	435.43	0.00 RF
2020	RF210304	292361	202012	254.65-	0.00	0.00	0.00 20S4	254.65	0.00 RF
2020	RF210304	293527	202012	0.00	0.00	0.00	0.00 20S4	254.65-	254.65-RF
2020	RF210304	293527	202012	0.00	0.00	0.00	0.00 20S4	456.61	456.61-RF
2020	864032221PHC	293556	202103	456.61-	0.00	80.38-	0.00 CERT	0.00	1,228.54-RI
2020	ACT210317TR	293556	202103	1,148.16-	0.00	0.00	0.00 CERT	0.00	58.88-TR
2020	RF210304	299134	202012	58.88-	0.00	0.00	0.00 20S4	462.95	0.00 RF
2020	RF210304	299134	202012	462.95-	0.00	0.00	0.00 20S4	462.95-	462.95-RF
2020	RF210304	299154	202012	0.00	0.00	0.00	0.00 20S4	505.22-	505.22-RF

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2020 RF210304	299154	202012	505.22-	0.00	0.00	0.00 20S4	505.22	0.00 RF
2020 RF210304	306733	202012	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF
2020 RF210304	306733	202012	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020 RF210304	308584	202101	0.00	0.00	0.00	0.00 20S4	310.59-	310.59-RF
2020 RF210304	308584	202101	310.59-	0.00	0.00	0.00 20S4	310.59	0.00 RF
2020 RF210304	357109	202012	0.00	0.00	0.00	0.00 20S4	289.46-	289.46-RF
2020 RF210304	357109	202012	289.46-	0.00	0.00	0.00 20S4	289.46	0.00 RF
2020 RF210304	357473	202101	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF
2020 RF210304	357473	202101	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020 RF210304	376847	202012	0.00	0.00	0.00	0.00 20S4	146.84-	146.84-RF
2020 RF210304	376847	202012	146.84-	0.00	0.00	0.00 20S4	146.84	0.00 RF
2020 QP210301	394239	202103	0.01-	0.00	0.00	0.00 CERT	0.00	0.01-TR
2020 832865030221	398805	202102	1,785.76-	0.00	125.00-	286.61-CERT20TX000	0.00	2,197.37-TR
2020 RF210304	398839	202012	0.00	0.00	0.00	0.00 20S4	880.14-	880.14-RF
2020 RF210304	398839	202012	880.14-	0.00	0.00	0.00 20S4	880.14	0.00 RF
2020 RF210304	401148	202012	0.00	0.00	0.00	0.00 20S4	334.45-	334.45-RF
2020 RF210304	401148	202012	334.45-	0.00	0.00	0.00 20S4	334.45	0.00 RF
2020 RF210304	407357	202012	423.48-	0.00	0.00	0.00 20S4	423.48	0.00 RF
2020 RF210304	407357	202012	0.00	0.00	0.00	0.00 20S4	423.48-	423.48-RF
2020 929031221T	412049	202103	980.99-	0.00	88.29-	0.00 CERT	0.00	1,069.28-TR
2020 RF210304	412983	202012	322.41-	0.00	0.00	0.00 20S4	322.41	0.00 RF
2020 RF210304	412983	202012	0.00	0.00	0.00	0.00 20S4	322.41-	322.41-RF
2020 RF210304	420100	202012	0.00	0.00	0.00	0.00 20S4	379.49-	379.49-RF
2020 RF210304	423236	202012	0.00	0.00	0.00	0.00 20S4	379.49	0.00 RF
2020 RF210304	423236	202012	257.58-	0.00	0.00	0.00 20S4	257.58-	257.58-RF
2020 RF210304	508800	202101	722.11-	0.00	0.00	0.00 20S4	257.58	0.00 RF
2020 RF210304	508800	202101	0.00	0.00	0.00	0.00 20S4	722.11-	722.11-RF
2020 RF210304	512088	202012	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF
2020 RF210304	512088	202012	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020 RF210304	513671	202101	0.00	0.00	0.00	0.00 20S4	1.95-	1.95-RF
2020 RF210304	513671	202101	1.95-	0.00	0.00	0.00 20S4	1.95	0.00 RF
2020 908031821TR	524666	202012	1,702.79-	0.00	0.00	0.00 CERT	0.00	1,702.79-TR
2020 929031221T	523894	202011	1,905.44-	0.00	0.00	0.00 CERT	0.00	1,905.44-TR
2020 929032421T	524109	202011	1,110.11-	0.00	0.00	0.00 CERT	0.00	1,110.11-TR
2020 RF210304	524115	202012	0.00	0.00	0.00	0.00 20S4	121.83-	121.83-RF
2020 RF210304	601272	202012	121.83-	0.00	0.00	0.00 20S4	121.83	0.00 RF
2020 RF210304	601272	202011	596.92-	0.00	0.00	0.00 20S4	596.92	0.00 RF
2020 RF210304	601272	202011	0.00	0.00	0.00	0.00 20S4	596.92-	596.92-RF
2020 RF210304	605200	202011	0.00	0.00	0.00	0.00 20S4	1,059.70-	1,059.70-RF
2020 RF210304	612942	202012	1,059.70-	0.00	0.00	0.00 20S4	1,059.70	0.00 RF
2020 RF210304	612942	202012	0.00	0.00	0.00	0.00 20S4	119.98-	119.98-RF
2020 RF210304	612942	202012	119.98-	0.00	0.00	0.00 20S4	119.98	0.00 RF
2020 QP210303	613540	202102	106.96-	0.00	0.00	0.00 CERT	0.00	106.96-TR
2020 864031221CHC	702223	202103	81.32-	0.00	7.32-	0.00 20S2	0.00	88.64-TR

YEAR	DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2020	RF210304	719787	202012	0.00	0.00	0.00	0.00 20S4	536.38-	536.38-RF
2020	RF210304	719787	202012	536.38-	0.00	0.00	0.00 20S4	536.38	0.00 RF
2020	RF210304	720940	202012	0.00	0.00	0.00	0.00 20S4	527.90-	527.90-RF
2020	RF210304	720940	202012	527.90-	0.00	0.00	0.00 20S4	527.90	0.00 RF
2020	807942030521	727925	202103	926.13-	0.00	83.35-	0.00 CERT	0.00	1,009.48-TR
2020	RF210304	731105	202011	0.00	0.00	0.00	0.00 20S4	54.76-	54.76-RF
2020	RF210304	731105	202011	54.76-	0.00	0.00	0.00 20S4	54.76	0.00 RF
2020	RF210304	733420	202102	6.34-	0.00	0.00	0.00 20S4	6.34	0.00 RF
2020	RF210304	733420	202102	0.00	0.00	0.00	0.00 20S4	6.34-	6.34-RF
2020	RF210304	733460	202101	0.00	0.00	0.00	0.00 20S4	8.28-	8.28-RF
2020	RF210304	733460	202101	8.28-	0.00	0.00	0.00 20S4	8.28	0.00 RF
2020	929030421T	734013	202011	118.10-	0.00	0.00	0.00 CERT	0.00	118.10-TR
2020	807945031721	H0227636	202103	94.59-	0.00	8.51-	0.00 CERT	0.00	103.10-TR
2020	864032521PHC	H0227636	202102	94.59-	0.00	6.62-	0.00 CERT	0.00	101.21-TR
2020	RF210302	H2164296	202102	0.00	0.00	0.00	0.00 HK06	346.14-	346.14-RF
2020	RF210302	H2164296	202102	346.14-	0.00	0.00	0.00 HK06	346.14	0.00 RF
2020	RF210302	H2164297	202101	0.00	0.00	0.00	0.00 HK06	365.19-	365.19-RF
2020	RF210302	H2164297	202101	365.19-	0.00	0.00	0.00 HK06	365.19	0.00 RF
2020	RF210302	H2164298	202101	379.71-	0.00	0.00	0.00 HK06	379.71	0.00 RF
2020	RF210302	H2164298	202101	0.00	0.00	0.00	0.00 HK06	379.71-	379.71-RF
2020	RF210302	H2164300	202101	0.00	0.00	0.00	0.00 HK06	244.44-	244.44-RF
2020	RF210302	H2164300	202101	244.44-	0.00	0.00	0.00 HK06	244.44	0.00 RF
2020	RF210302	H2164301	202101	406.27-	0.00	0.00	0.00 HK06	406.27	0.00 RF
2020	RF210302	H2164301	202101	0.00	0.00	0.00	0.00 HK06	406.27-	406.27-RF
2020	RF210302	H2164302	202101	2,150.91-	0.00	0.00	0.00 HK06	2,150.91	0.00 RF
2020	RF210302	H2164302	202101	0.00	0.00	0.00	0.00 HK06	2,150.91-	2,150.91-RF
2020	RF210302	H2164302	202101	0.00	0.00	0.00	0.00 HK06	1,713.79-	1,713.79-RF
2020	RF210302	H2164303	202101	0.00	0.00	0.00	0.00 HK06	1,713.79	0.00 RF
2020	RF210302	H2164303	202101	1,713.79-	0.00	0.00	0.00 HK06	323.28-	323.28-RF
2020	RF210302	H2164307	202101	0.00	0.00	0.00	0.00 HK06	323.28	0.00 RF
2020	RF210302	H2164307	202101	323.28-	0.00	0.00	0.00 HK06	529.08-	529.08-RF
2020	RF210302	H2164308	202101	0.00	0.00	0.00	0.00 HK06	529.08	0.00 RF
2020	RF210302	H2164308	202101	529.08-	0.00	0.00	0.00 HK06	529.08	0.00 RF
2020	RF210302	H2164309	202101	0.00	0.00	0.00	0.00 HK06	268.80-	268.80-RF
2020	RF210302	H2164309	202101	268.80-	0.00	0.00	0.00 HK06	268.80	0.00 RF
2020	RF210302	H2164310	202101	212.03-	0.00	0.00	0.00 HK06	212.03	0.00 RF
2020	RF210302	H2164310	202101	0.00	0.00	0.00	0.00 HK06	212.03-	212.03-RF
2020	RF210302	H2164310	202101	0.00	0.00	0.00	0.00 HK06	0.00	55,599.15-
2020	TOTAL			54,161.53-	0.00	1,151.01-	286.61-	0.00	

04/05/2021 09:14:53
TC298-M SELECTION: DEPOSIT

3726414

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
REVERSALS DETAIL SCHEDULE
FROM: 03/01/2021 THRU 03/31/2021
JURISDICTION: 337 FRIENDWD CITY

PAGE: 235
INCLUDES AG ROLLBACK

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
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TOTAL REVERSALS

64,855.28- 0.00 1,553.51- 562.04- 0.00

66,970.83-

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT
	2009 TOTAL		2.56	0.00	0.00	0.00	0.00	2.56
	2012 TOTAL		10.21	0.00	0.00	0.00	0.00	10.21
	2013 TOTAL		3.79	0.00	3.23	0.00	0.00	7.02
	2014 TOTAL		25.48	0.00	0.00	0.00	0.00	25.48
	2015 TOTAL		88.22	0.00	29.10	13.80	0.00	131.12
	2016 TOTAL		40.47	0.00	0.00	0.00	0.00	40.47
	2017 TOTAL		476.77	0.00	69.27	46.79	0.00	592.83
	2018 TOTAL		1,518.18	0.00	474.68	345.34	0.00	2,338.20
	2019 TOTAL		13,439.64	0.00	3,106.42	3,001.22	0.00	19,547.28
	2020 TOTAL		465,504.10	0.00	28,946.11	1,167.11	0.00	495,617.32
	TOTAL PAYMENTS		481,109.42	0.00	32,628.81	4,574.26	0.00	518,312.49
	2018 TOTAL		2,484.40-	0.00	0.00	0.00	0.00	2,484.40-
	2019 TOTAL		8,209.35-	0.00	402.50-	275.43-	0.00	8,887.28-
	2020 TOTAL		54,161.53-	0.00	1,151.01-	286.61-	0.00	55,599.15-
	TOTAL REVERSALS		64,855.28-	0.00	1,553.51-	562.04-	0.00	66,970.83-
	TOTAL FOR UNIT		416,254.14	0.00	31,075.30	4,012.22	0.00	451,341.66

TAX COLLECTION SYSTEM
TAX COLLECTOR MONTHLY REPORT
FROM 08/01/2020 TO 03/31/2021

FISCAL START: 08/01/2020 END: 07/31/2021 JURISDICTION: 0337 FRIENDWD CITY

YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
2020	18,065,542.22	851,383.89	851,383.89	18,198,821.48	18,198,821.48	718,104.63	96.20	0.00
2019	221,138.15	45,437.37-	45,437.37-	94,092.21	94,092.21	81,608.57	53.55	0.00
2018	46,656.63	6,523.98-	6,523.98-	6,429.46	6,429.46	33,703.19	16.02	0.00
2017	21,992.69	4,003.53	4,003.53	6,162.18	6,162.18	19,834.04	23.70	0.05-
2016	17,330.46	188.49-	188.49-	2,187.47	2,187.47	14,954.50	12.76	0.00
2015	14,009.79	.00	.00	784.41	784.41	13,225.38	5.60	0.00
2014	14,747.87	.00	.00	770.03	770.03	13,977.84	5.22	0.00
2013	11,225.18	.00	.00	499.90	499.90	10,725.28	4.45	0.00
2012	10,965.91	115.47-	115.47-	271.85	271.85	10,578.59	2.51	115.47-
2011	10,272.17	74.99-	74.99-	325.19	325.19	9,871.99	3.19	74.99-
2010	9,505.56	.00	.00	759.07	759.07	8,746.49	7.99	0.00
2009	6,883.00	.00	.00	449.43	449.43	6,433.57	6.53	0.00
2008	5,727.32	.00	.00	119.26	119.26	5,608.06	2.08	0.00
2007	1,978.69	.00	.00	.00	.00	1,978.69	.00	0.00
2006	2,787.78	.00	.00	8.96	8.96	2,778.82	.32	0.00
2005	1,428.40	.00	.00	6.95	6.95	1,421.45	.49	0.00
2004	650.49	.00	.00	10.02	10.02	640.47	1.54	0.00
2003	647.12	.00	.00	.00	.00	647.12	.00	0.00
2002	924.85	.00	.00	.00	.00	924.85	.00	0.00
2001	941.66	.00	.00	.00	.00	941.66	.00	0.00
2000	996.69	.00	.00	.00	.00	996.69	.00	0.00
1999	0.00	.00	.00	.00	.00	0.00	.00	0.00
****	18,466,352.63	803,047.12	803,047.12	18,311,697.87	18,311,697.87	957,701.88		190.51-

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2020
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	5,043,274,252	5,043,274,252	58,672,978	51,945-	58,621,033	5,101,895,285
AG EXCLUSION	27,337,308	27,337,308	2,167,783	2,748,470-	580,687-	26,756,621
IMPROVEMENTS	706,413,340	706,413,340	182,512,402	33,254,875-	149,257,527	855,670,867
APPRAISED VALUE	5,043,274,252	5,043,274,252	241,185,380	33,306,820-	207,878,560	5,251,152,812
EXEMPTIONS	1,218,139,975	1,218,139,975	38,689,502	2,132,691-	33,808,341	1,251,948,316
TAXABLE VALUE	3,797,796,969	3,797,796,969	202,495,878	28,425,659-	174,070,219	3,971,867,188
LEVY	18,065,542.22	18,065,542.22	1,217,819.72	366,435.83-	851,383.89	18,916,926.11
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	10,220	10,220	473	60	60	10,280
OVER 65	3,163	3,163	128	29	32	3,195
DISABLED	182	182	7	6	6	188
VETERAN	221	221	9	3	3	224
TOTAL EXEMPT	80	80	0	0	0	80

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2019
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	4,537,437,822	4,537,437,822	243,468	50,000-	193,468	4,537,631,290
AG EXCLUSION	24,683,691	24,683,691	0	220-	220-	24,683,471
IMPROVEMENTS	645,931,872	645,931,872	1,225,283	5,935,757-	4,710,474-	641,221,398
APPRAISED VALUE	4,537,437,822	4,537,437,822	1,468,751	5,985,757-	4,517,006-	4,532,920,816
EXEMPTIONS	1,018,439,121	1,018,439,121	326,024	4,454,921	4,780,725	1,023,219,846
TAXABLE VALUE	3,494,315,010	3,494,315,010	1,142,727	10,440,458-	9,297,731-	3,485,017,279
LEVY	221,138.15	221,138.15	5,968.68	51,406.05-	45,437.37-	175,700.78
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	10,000	10,000	2	48	48	10,048
OVER 65	2,975	2,975	1	25	25	3,000
DISABLED	181	181	0	6	6	187
VETERAN	205	205	0	1-	1-	204
TOTAL EXEMPT	74	74	0	0	0	74

ALL PROPERTY

INCLUDES AG ROLLBACK

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2018
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	4,207,374,518	4,207,374,518	0	0	0	4,207,374,518
AG EXCLUSION	23,842,910	23,842,910	0	210-	210-	23,842,700
IMPROVEMENTS	617,900,409	617,900,409	298,261	87,142-	211,119	618,111,528
APPRAISED VALUE	4,207,374,518	4,207,374,518	298,261	87,142-	211,119	4,207,585,637
EXEMPTIONS	891,117,422	891,117,422	278,701	2,032,198	2,310,689	893,428,111
TAXABLE VALUE	3,292,414,186	3,292,414,186	19,560	2,119,130-	2,099,570-	3,290,314,616
LEVY	46,656.63	46,656.63	113.72	6,637.70-	6,523.98-	40,132.65
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	10,001	10,001	0	26	26	10,027
OVER 65	2,897	2,897	0	9	9	2,906
DISABLED	0	0	0	3	3	3
VETERAN	204	204	0	1-	1-	203
TOTAL EXEMPT	0	0	0	0	0	0

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2017
JURISDICTION: 0337 FRIENDWD CITYINCLUDES AG ROLLBACK
PAGE: 209

CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	4,271,816,787	0	0	0	4,271,816,787
AG EXCLUSION	18,989,755	0	0	0	18,989,755
IMPROVEMENTS	615,911,811	2,010	23,330-	21,320-	615,890,491
APPRAISED VALUE	4,271,816,787	2,010	23,330-	21,320-	4,271,795,467
EXEMPTIONS	988,826,434	0	96,309	96,309	988,922,743
TAXABLE VALUE	3,264,000,598	2,010	119,639-	117,629-	3,263,882,969
LEVY	21,992.69	10.60	3,992.93	4,003.53	25,996.22
UNCOLLECTIBLE	.00	.00	.00	.00	.05
RECEIVABLE				.00	
EXEMPTION COUNTS:					
HOMESTEADS	10,005	0	1-	1-	10,004
OVER 65	2,854	0	1	1	2,855
DISABLED	0	0	0	0	0
VETERAN	207	0	0	0	207
TOTAL EXEMPT	647	0	0	0	647

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2016
JURISDICTION: 0337 FRIENDWD CITY

PAGE: 210
INCLUDES AG ROLLBACK

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	3,999,127,118	3,999,127,118	0	0	0	3,999,127,118
AG EXCLUSION	13,436,213	13,436,213	0	0	0	13,436,213
IMPROVEMENTS	569,888,011	569,888,011	0	21,264-	21,264-	569,866,747
APPRAISED VALUE	3,999,127,118	3,999,127,118	0	21,264-	21,264-	3,999,105,854
EXEMPTIONS	968,850,710	968,850,710	0	13,666	13,666	968,864,376
TAXABLE VALUE	3,016,840,195	3,016,840,195	0	34,930-	34,930-	3,016,805,265
LEVY	17,330.46	17,330.46	.00	188.49-	188.49-	17,141.97
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,913	9,913	0	1-	1-	9,912
OVER 65	2,721	2,721	0	1-	1-	2,720
DISABLED	0	0	0	0	0	0
VETERAN	242	242	0	0	0	242
TOTAL EXEMPT	642	642	0	0	0	642

ALL PROPERTY

INCLUDES AG ROLLBACK

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2012
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	3,010,746,098	3,010,746,098	0	0	0	3,010,746,098
AG EXCLUSION	24,253,634	24,253,634	0	0	0	24,253,634
IMPROVEMENTS	0	0	0	0	0	0
APPRAISED VALUE	3,010,746,098	3,010,746,098	0	0	0	3,010,746,098
EXEMPTIONS	688,493,465	688,493,465	0	0	0	688,493,465
TAXABLE VALUE	2,297,998,999	2,297,998,999	0	0	0	2,297,998,999
LEVY	10,965.91	10,965.91	.00	115.47-	115.47-	10,850.44
UNCOLLECTIBLE	.00	115.47	.00	.00	.00	115.47
RECEIVABLE			.00		.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,520	9,520	0	0	0	9,520
OVER 65	2,294	2,294	0	0	0	2,294
DISABLED	184	184	0	0	0	184
VETERAN	202	202	0	0	0	202
TOTAL EXEMPT	611	611	0	0	0	611

ALL PROPERTY

INCLUDES AG ROLLBACK

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2011
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2020	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 03/31/2021
LAND VALUE	3,027,077,728	3,027,077,728	0	0	0	3,027,077,728
AG EXCLUSION	25,181,497	25,181,497	0	0	0	25,181,497
IMPROVEMENTS	0	0	0	0	0	0
APPRAISED VALUE	3,027,077,728	3,027,077,728	0	0	0	3,027,077,728
EXEMPTIONS	693,987,772	693,987,772	0	0	0	693,987,772
TAXABLE VALUE	2,307,908,459	2,307,908,459	0	0	0	2,307,908,459
LEVY	10,272.17	10,272.17	.00	74.99-	74.99-	10,197.18
UNCOLLECTIBLE	.00	74.99	.00	.00	.00	74.99
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,686	9,686	0	0	0	9,686
OVER 65	2,190	2,190	0	0	0	2,190
DISABLED	191	191	0	0	0	191
VETERAN	183	183	0	0	0	183
TOTAL EXEMPT	606	606	0	0	0	606

Summary of Jurisdiction Remittances Processed

For Remitted Deposit Dates 03/01/2021 thru 03/31/2021 as of 04/05/2021

Version 1.50

Tax Unit		M & O Total		I & S Total		TIF Levy	TIF Interest	Fee Total	Total
337 FRIENDWD CITY									
ACH 65773	Print Date:03/22/2021	Current	23,536.69	641.86	5,711.52	132.76	0.00	0.00	29,248.21
		Delq					0.00	0.00	774.62
									\$30,022.83
ACH 65812	Print Date:03/22/2021	Current	6,314.04	1,532.18			0.00	0.00	7,846.22
									\$7,846.22
ACH 65847	Print Date:03/23/2021	Current	5,681.98	1,378.81			0.00	0.00	7,060.79
		Delq					0.00	0.00	304.42
									\$7,365.21
ACH 65922	Print Date:03/25/2021	Current	11,561.67	2,805.56			0.00	0.00	14,367.23
		Delq					0.00	0.00	2,178.79
									\$16,546.02
ACH 65965	Print Date:03/26/2021	Current	10,685.69	2,592.99			0.00	0.00	13,278.68
		Delq					0.00	0.00	16.21
									\$13,294.89
ACH 66008	Print Date:03/29/2021	Current	14,110.05	3,423.98			0.00	0.00	17,534.03
									\$17,534.03
ACH 66051	Print Date:03/29/2021	Current	12,545.98	3,044.49			0.00	0.00	15,590.47
		Delq					0.00	0.00	34.56
									\$15,625.03
ACH 66093	Print Date:03/31/2021	Current	12,889.00	3,127.68			0.00	0.00	16,016.68
		Delq					0.00	0.00	367.28
									\$16,383.96
ACH 66136	Print Date:04/01/2021	Current	6,482.38	1,573.00			0.00	0.00	8,055.38
		Delq					0.00	0.00	250.00
									\$8,305.38
ACH 66177	Print Date:04/05/2021	Current	10,601.84	2,572.65			0.00	0.00	13,174.49
		Delq					0.00	0.00	32.92
									\$13,207.41
Last Deposit Date	03/31/2021		\$10,629.47	\$2,577.94			\$0.00	\$0.00	\$13,207.41
Total:			\$360,181.42	\$87,148.02			\$0.00	\$0.00	\$447,329.44

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: May 3, 2021

Date submitted: 04/05/2021

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the minutes of City Council Regular Meeting held on April 5, 2021.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the City Council to review and approve the minutes of the City Council Regular Meeting held on April 5, 2021. A copy of the draft minutes is attached to this item for your review and consideration.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. 2021 04 05 CC Minutes (Draft)

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL
CITY OF FRIENDSWOOD
APRIL 5, 2021**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD METING IN REULAR MEETING ON MONDAY, APRIL 5, 2021, AT FRIENDSWOOD CITY HALL COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING PRESENT CONSTITUTING A QUORUM:

MAYOR MIKE FOREMAN
MAYOR PRO-TEM TRISH HANKS
COUNCILMEMBER STEVE ROCKEY
COUNCILMEMBER SALLY BRANSON
COUNCILMEMBER ROBERT J. GRIFFON
COUNCILMEMBER JOHN SCOTT
COUNCILMEMBER BRENT ERENWERT
CITY ATTORNEY MARY KAY FISCHER
CITY MANAGER MORAD KABIRI
CITY SECRETARY LETICIA BRYSCH

1. CALL TO ORDER

Mayor Foreman called the meeting to order at 5:34 P.M.

2. INVOCATION

The invocation was given by Pastor Ralph Hobratschk with Hope Lutheran Church.

3. PLEDGE OF ALLEGIANCE – United States and State of Texas

Mayor Foreman led the Pledge of Allegiance of the United States and to the State of Texas.

4. PUBLIC COMMUNICATIONS

Mayor Foreman stated that in order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any

personnel complaints against a City employee, aside from the City Manager, City Attorney, or Municipal Judge, shall not be discussed and shall be referred to City Management.

Connie Ratisseau, Friendswood resident, addressed Council and stated she is not there to complain about having yet another taxing entity with the Gulf Coast Protection District when she is already committed to paying a \$2.1 billion flood mitigation bonds in Harris County and noted that \$1.4 billion not enough. Ms. Ratisseau stated she is already committed to paying a \$41 Million for a flood mitigation bond in Friendswood and asked if the citizens are not already taxed enough. She further stated that she was at the meeting to speak regarding the resolution on the agenda to oppose a bond on the taxpayer-funded lobbyists and asked Council to vote to remove the resolution from the agenda.

Ms. Ratisseau stated that the people of Texas want to ban this type of lobbying and in February 2020, during the Republican primary, the proposition to oppose tax-payer funded lobbying had the support of almost 95% of the primary voters. At the last two state conventions, the Republican Party of Texas voted this as one of its priorities; however, she noted that this is not a partisan issue and stated that in a recent poll conducted by the University of Houston showed that 64% of Democrats also support a ban on taxpayer-funded lobbying. Ms. Ratisseau asked the Council to follow the will of the people and remove the resolution to oppose this from the agenda.

Don Johnson, Friendswood resident, addressed Council and spoke in regards to House Bill 3029, the Coastal Protection Zone. Mr. Johnson stated the bill that has been offered to the house needs to set up an organization that can work with the Army Corps of Engineers and move the Coastal Protection Project forward. He further notes that if this organization is not put in place it will be difficult for Friendswood to move forward. He further stated that there remain many unanswered questions; however, there will be ample opportunity to talk about tax rates, as the voters and officials will be given the opportunity to move forward on this item or shoot it down. Mr. Johnson stated that if this structure is not put in place there will be a delay of at least two years and this is a project that may take 20 years to develop. Mr. Johnson asked Council to support the bill to help move it forward so it can get to the design phase and know exactly what it will cost and how much it will help Friendswood.

Cheryl Johnson, Friendswood resident, addressed Council and stated she is in support of House Bill 749 which is diametrically the opposite of Council's agenda item. She noted that this legislation is sponsored by State Representatives Mayes Middleton and Dr. Greg Bonnen of Galveston County. She stated that there are two primary reasons why she is opposed to taxpayer-funded lobbying: (1) is Texas Municipal League (TML), TML and Texas Association of Counties opposed tax relief and reform for many years. In particular, appraisal caps, revenue caps and disaster reappraisal and (2) Council is being presented a false picture because this bill will not stop the City from being a member of TML, and benefitting from the education in rich schools and other good things that they do. She further noted that TML can continue to perform the research and provide the information

the City needs in order to respond according to the needs of the community and the city. Ms. Johnson asked the Council to reject this resolution or minimally just kill it.

5. WORK SESSION

A. Receive and discuss a presentation regarding the City of Friendswood Multi-Year Financial Plan.

Director of Administrative Services Katina Hampton presented the item and stated that she was present to give the Council with the City's Multi-Year Financial Plan that covers the next 5 years, upcoming budget year, as well as four others. Ms. Hampton stated that the her goal was to provide a 5-year financial overview focused on the General Fund, as well as, the City's Debt Service Fund.

Ms. Hampton presented the Council with a PowerPoint presentation and began with a brief overview of the plan that included revenue projections, expenditure projections, decision package impacts, Fiscal Year (FY) 2022 projected operating budget and fund balance. Ms. Hampton noted that as it relates to the planning assumptions relating to revenue, so much of the budget is related to property tax revenue, and staff is projecting that the net taxable value will grow by an estimated 4.2% tax base growth in year one of the plan, and 3% in years three through five; this is impacted by the new construction on the residential side, as well as, the commercial side for property values. She noted that the other revenue sources show an increase of 2% per year, and these are primarily building permits, as well as, grants that are awarded to City, but for the most part Friendswood's franchise fees are based on that 2% growth on the expected population.

Ms. Hampton noted that the City's sales tax projections in the plan are about 3% and that is just based on current trends. City Manager Morad Kabiri stated the City has seen greater sales tax fluctuations in revenue over the last five years, sometimes as high as 8%. He noted that what that value does, will reflect the adjusted tax rate, so even though staff is planning for 4.2%, if it comes in at 8% this next year, the tax rate will go down accordingly.

Ms. Hampton stated in regards to the revenue planning data that the City's residential and commercial growth projections are in the plan and the city expects about 125 new homes to come in over the next two years, approximately a hundred homes after that, and the staff will adjust this annually through their review of the plan.

Ms. Hampton noted that the current property values are reviewed in order to estimate the tax base to identify where the base will begin, while also looking at the current and historical trends in the city's revenues, as well as, taking into consideration any legislative or policy changes that needs to be incorporated. Ms. Hampton noted that the plan allows for the ability to look at the following:

- alternative revenue sources;

- a flat tax rate (1.5 cents over No New Revenue Rate (NNRR));
- General Revenue Fund is \$30,380,187, and will spend a little bit of time going through all of the revenues in the General Fund;
- An estimated 84% of the total General Fund revenue is related to taxes: 52% (\$15,714,273) is property taxes, 25% (\$7,538,623) is sales tax revenues;
- Keeping in mind that the additional sales tax for the street's improvement, as well as, Friendswood Downtown Economic Development Corporation are reflected in a separate fund;
- 7% (\$2,413,214) is franchise taxes and these are related to utilities that are operated within the city.
- 16% (\$4,984,077) is non-tax revenue sources; such as, intergovernmental funds, building permits, fees for parks and recreation.
- Property Tax Revenue Components are gross appraised value approximates market (10% increase cap), Taxable value (appraised value less exemptions and freeze ceilings), Tax Levy (taxable value x tax rate), and Tax Revenue (tax levy x collection rate); and
- The tax rate includes debt service and operations & maintenance (O&M).

Ms. Hampton noted that in 2019, Senate Bill 2 (SB2) was adopted by the State Legislature as the Texas Property Tax Reform and Transparency Act and impacts the City's tax rate adoption deadline and the unused increment rate. Ms. Hampton stated that hat this means going forward is that the tax rate adoption deadlines are impacted by SB2 on when the City has to adopt, and what is required to adopt; therefore, if Friendswood were to adopt the tax rate that is above the no new revenue rate that requires an addition publication, as well as, a public hearing on the proposed tax rate. The bill will also allow for an unused incremental rate that will impact the City going forward because in the 2020 tax year, the no new revenue rate was adopted that was not as high as the voter-approved rate, so that incremental is the difference between the voter-approved rate that the City would have had to go out for voter approval to adopt versus the no new revenue; this increment is about four and a half cents.

Councilmember Griffon asked if that increment could be added without going to the public, to which Ms. Hampton responded yes. Mr. Kabiri stated that staff is not proposing to do that, but instead is just letting the Council know what the bill says and its impacts to the City. Ms. Hampton noted that it is a 3-year unused increment and if this year the City were to adopt less than the voter-approved rate, it could add that to the four and a half cents that was saved last year in its 3-year increase.

Ms. Hampton noted that as it relates to the Property Tax Rate drivers for this coming year, which are driving the City's tax rate or that could impact the tax rate that is adopted for this coming fiscal year are as follows:

- (1) The reevaluation of existing properties because there are some changes each year as property appraisals happen; i.e., the values increase or decrease;
- (2) Any new construction for both residential and commercial structures. The City does anticipate new construction for this year to be about half of what the City had in new construction for this current year, and that is just based on the slowdown in building probably related to COVID and different factors; and
- (3) Another impact is about a penny of the City's tax rate going over to debt service to cover the principal and interest payments related to those bonds approved by the voters in 2019.

Ms. Hampton noted that the need for the tax rate increase is due to (1) the General Obligation Bond Issuance(s) -\$0.01 (\$408K) from O&M to Interest & Sinking (I&S), (2) the restoration of 66 police officers, (3) the impact of bond projects operating costs, and (4) the deferred maintenance of facilities & equipment - \$617K in FY2022.

Councilmember Hanks asked if the \$617K was in the proposal, to which Ms. Hampton responded that it was not. Mr. Kabiri stated that the debt service component of the tax rate went up by a penny based upon the debt that was issued as approved by the voters in November 2019. He further noted that since the City adopted the no new revenue rate, that increase in debt service was taken out of operations and maintenance, so the City had to respond by reducing services this last year, leaving some positions vacant, cutting existing positions, cutting some salaries, and some training. Mr. Kabiri noted that staff is anticipating another increase by a penny this upcoming FY2022 and if the same situation happens again, that will be two pennies that the City would have to cut from existing services, in order to continue operations.

Ms. Hampton stated that a penny on the tax rate is believed to be about \$408,000 and as far as planning assumptions related to expenditures, there is a 3% increase on existing personnel cost for wages and benefits; however, this is not factoring in any new employees, and is based on the merit increase that would be allowed in the budget. Ms. Hampton further noted that non-personnel cost are estimated to be an increase of 2% over each year (based on a 5-year historical average); which is population-driven, and keeping up with the City's existing services.

Another planning assumptions is that of fund balance, which for operating reserves the City's financial policy requires a 90-day operating reserve; which is factored into the Multi-Year Financial Plan. Ms. Hampton noted that following allowable uses of that fund balance based on the financial policy and include: (1) emergencies, (2) one-time expenditures without operating costs increase, (3) major capital purchases and (4) start-up expenditures for new programs.

Ms. Hampton reported on noted changes in Fund Balance from year over year, as well as, the revenues and expenditures for each year for the past 5 Fiscal Years. She stated that in 2016, the Fund Balance grew by \$199,000 and then the next year it decreased by \$200,000; this varies depending on how revenues come in based on what staff budgets versus what actually happens and how expenditures come in, so it can change from one year to the next. Mr. Kabiri stated that the yellow line on the graph represents the fluctuation in Fund Balance; i.e. what funds are available above the 90-day emergency reserve. He noted that in FY20 there was an increase of close to \$2M, that are earmarked COVID-19 dollars that are expected to be reimbursed to the City, but the City has yet to receive the check, so the money is not in the bank yet. Councilmember Hanks asked if the chart is reflecting those monies as being part of the Fund Balance, but they are not actually there because the monies have not been received yet and is actually an accounting of the money the City is set to receive. Ms. Hampton stated that Councilmember Hank's assessment was correct.

Councilmember Griffon asked if there is any limitations on this COVID-19 money as there was with CARES Act; i.e. is this unlimited or can it be used in a more versatile ways. Mr. Kabiri responded that this is the CARES Act and it is limited in use. The COVID-19 funds Councilmember Griffon was referring to is the Stimulus Package signed about a month ago, and is approximately \$8M. Mr. Kabiri noted that the City has not yet received word from the Treasury Department on what the funds can be used for, but hope to know more soon.

Ms. Hampton reported on the General Fund slide which are the baseline revenues & expenditures (flat tax rate), and the Multi-Year Financial plan assumptions that the City has now. She stated that due to the shift in the penny going to the debt service fund, and also bringing the funding required to meet the required recommendation for the policing staff, the shortfall for this coming year could be around \$560,000.

Ms. Hampton stated that the \$500,000 for street improvements that the City has had in the operating budget in the past is not reflected and the sales tax revenue for street improvement did pass in the last election and staff expects to continue to get that, which how the City will be funding future years for street improvement.

Ms. Hampton also noted that there is an unencumbered fund balance, by which \$500,000 have been rolling over for the past couple of years, and have not been utilized as of yet. She noted that the City would be able to fund street improvements from that in the coming year and then use sales tax going forward. Councilmember Scott stated that to be clear, the City is not going to have the \$500,000 in the upcoming year's budget for roads, to which Mr. Kabiri noted that it would not come out of operations and maintenance and would have to be a one-time use of fund balance, which the City has done in the last 3 years.

Ms. Hampton gave a summary of the Multi-year Financial Plan stating the 90-day operating reserve is maintained, the flat tax rate is maintained through FY2025 if

adopted, and no decision packages are funded in the 5-year planning window with current projections and assumptions. Other FY2022 budget impacts include (1) COVID relief in the form of additional funding estimated at \$8 Million, with an allowable use for those funds that are still to be determined; (2) automated water meters from the Water and Sewer budget with roughly 14,000 water meters needed, and (3) transmission source sites needed for new or existing towers at an estimated cost of \$8M-\$12M.

Ms. Hampton stated that the Council's role in this process is to provide the staff with guidance on how to move forward on the tax rate, provide input on existing and alternative revenues, programmatic changes, and participation in budget development.

Councilmember Branson asked about the merit increase, to which Ms. Hampton responded that merit increases are factored into personnel cost at a 3% increase for each year.

Councilmember Scott asked how much funds has rolled over in the roads. Mr. Kabiri stated that right now there is a little over a million dollars with some of it being spent on existing street projects; thus, supplementing the street sales tax. He further noted that the staff is trying to hold off on using those funds until a project has been identified where they make the most sense; inevitably, there will be projects that fall outside the use of the sales tax funds.

Councilmember Scott requested that in the proposed budget that staff reflect an option with the tax rate's \$500,000 in it, and one without. Mr. Kabiri stated that staff would do so and noted that roughly the difference will be of a little over a penny, based upon what is currently anticipated in the values right.

Mr. Kabiri stated that as it relates to the impacts of debt service, there is an operations and maintenance impact as well, for instance, when the Public Safety Building is expanded or Fire Station No. 2 is built, both those facilities are increasing square footage, which is going to increase janitorial services, electricity cost, etc. Mr. Kabiri further noted that the bonds that were approved in 2019 did not include furniture, fixtures and equipment as typically those items are not included in the bond figures because staff does not want to amortize the cost of a desk over a thirty-year life span; therefore, those costs will come out of operations and maintenance. Additionally, since the mortgage payment goes up when you issue debt, there is an impact to operations and maintenance and without adjusting the tax rate accordingly, the results would be a reduction in services.

Councilmember Erenwert asked when will the City go to the automated water meters, how much will it take to ever break even on the labor side in going to automated from the manual. Mr. Kabiri stated that staff would have a presentation for council on this item with all of those details as it gets closer to scoping that project, and it will show the rate of return and the rate of investment on those meters.

Councilmember Rockey asked when council can give staff input on the decision packages. Ms. Hampton stated that the departments have been working on the details for the decision packages, and at the end of the month is when the departments are to submit that information to finance.

Councilmember Hanks asked if the cost associated with the new property for the bonds had been included in the increased cost of the project. Ms. Hampton stated that part of it would be because there is no increase for non-personnel related items.

Councilmember Hanks asked if the revenue projections included increased revenues to pay specifically for the cost of the bonds. Mr. Kabiri stated the debt associated with the 2021 bonds that is going to be talked about tonight are reflected in the FY22 and budgets moving forward. He further noted that the plan for next year is to issue debt associated with the November 2019 program, which is not included.

Councilmember Griffon asked if the debt that is on the agenda tonight relates to refinancing existing debt. Mr. Kabiri stated the topic being discussed tonight relates to the issuance of General Obligation debt for Fire Station No. 2 and the Public Safety Building expansion, as well as, the refunding of 2012 debt that will save the City \$200,000 over a 5-year period.

The Mayor and Council expressed their gratitude for the presentation to Ms. Hampton and her staff.

B. Receive and discuss a presentation regarding (i) the PSB Expansion Project and (ii) Fire Station No. 2 Reconstruction Project.

Director of Engineering Jil Arias addressed Council and introduced Ryan Bass, Project Manager, and Paul Bonnette with PGAL architectural firm. He noted that they have been the City's architects working on both the Public Safety Building (PSB) Expansion and Fire Station No. 2 for the past couple of months.

Mr. Bonnette stated that since they last saw Council on these projects, they have gone through the entire initial design phase with the programming. He noted that they have worked closely with the Fire Station, firefighters, Fire Department, Police Department, and the Fire Marshal's Office to plan their spaces and come up with these proposed plans that will be shown today. Mr. Bonnette noted that the City has selected Construction Managers at Risk (CMAR) for both of these projects and PGAL has started the process of working with them to move these projects forward.

Mr. Bass presented a PowerPoint of the project plans beginning with the Public Safety Building and noted that they have broken the Public Safety Building (PSB) components down by color and identified the different spaces by their color: evidence in orange, Municipal Court in blue, Fire Marshal's Office in red, etc. Mr. Bass then showed the Council an overview of each space and the overall plans for each. He noted that the

existing building is roughly twenty-eight thousand square foot and is looking at an expansion in the nine thousand square foot range. He noted that they would like to reutilize the same color palette on the inside and the same type of brick on the outside that is already in existence to make the addition look like it has always belonged.

Mr. Bonnette stated they will be following the project all the way through and assisting the CMAR as questions come up during construction. He noted that there is about a five-month design process that could change the details a little bit because they will work with the CMAR, but those changes would be minimal. He further noted that they understand when they will need final drawings and when they are going to go out for guaranteed maximum price. Mr. Bonnette noted that they are projecting construction to be 9 -10 months for both projects; with a projected completion date around August or September of 2022.

Mr. Kabiri stated there are three additional action items associated with these projects for tonight: (1) the architectural and engineering contract for both projects, Public Safety Building and Fire Station No. 2 to award to PGAL and (2) adopting the schedule of events to issue the debt in order to accomplish these projects.

Mr. Bass presented a PowerPoint slide for Fire Station No. 2 and its overall floor and site plan. He noted that the plan includes the demo the existing facility and build a new one in its place. He presented the overall conceptual plan and stated that the new building will be located where the existing building is now and will still maintain the existing entry drive and they will try to preserve as much of the concrete as possible, while being conscious of the budget.

Mr. Bass noted that in the front there will be a few public parking spaces that will then allow for staff to proceed through a secure, perimeter gate to get back to the secure parking side. He noted that the idea is to allow the access drive to continue to the back portion of the property which could then be utilized for different apparatus training scenarios. He further noted that the floor plan of the building has three apparatus bays with one of those bays being a drive through bay. The building will have a secure public, restrooms with showers, a small watch office, a day room area, kitchen area, pantry, dorms, bunker gears, storage, shop tool room, and all the different things that are needed to carry out the job, along with a nice outdoor patio space around the back.

Mr. Bass showed the Council the exterior elevations and stated that the main idea was to have a building that fits Friendswood with many of the materials, if not all the materials, being used matching that of other facilities. Mr. Bonnette stated the timeline for both projects are about the same and they are hoping to develop and draw these, and get them to CMAR and out to bid at about roughly the same time.

Councilmember Griffon stated that the residents of Friendswood had entrusted them with these bond dollars and just wanted to make sure that their dreams for the building were not bigger than the City's pocketbook. He asked if staff was comfortable with the bond dollars that were allotted for the Police Station and the Public Safety Building and if they

were in line with what the citizens of Friendswood had voted. Mr. Kabiri responded that staff was comfortable that the projects were in line with the voter approved bond monies and noted that they cannot issue a penny more in debt than what they have been authorized by the voters. Hence, that is why the architect and the construction manager at risk were brought in early in the process in order for them to work together with staff to ensure that the designs were in-line with the allotted monies. Mr. Bonnette stated that one of the strategies they used in order to keep control of the costs was to develop some alternates, so that on bid day, if the prices come in good and they can afford some extra things, the City has that options.

With concurrence of Council, Mayor Foreman moved the agenda out of order and considered agenda items 11C, 11D, 11A, and 11E.

11. DISCUSSION AND POSSIBLE ACTION

C. Discuss and take possible action on the architectural and engineering design services for the Fire Station No. 2 Reconstruction Project.

A motion was made by Councilmember Scott and seconded by Councilmember Griffon to approve the architectural and engineering design services for the Fire Station No. 2 Reconstruction Project.

The motion was approved unanimously.

D. Discuss and take possible action on the architectural and engineering design services for the Public Safety Building Expansion Project.

A motion was made by Councilmember Griffon and seconded by Councilmember Rockey to approve the architectural and engineering design services for the Public Safety Building Expansion Project.

The motion was approved unanimously.

A. Discuss and take possible action on RFQ 2021-02 regarding architecture and engineering services for the Blackhawk Emergency Shelter Project.

A motion was made by Councilmember Griffon and seconded by Councilmember Rockey to approve RFQ 2021-02 regarding the architecture and engineering services for the Blackhawk Emergency Shelter Project.

The motion was approved unanimously.

E. Discuss and take possible action regarding approval of the schedule for the City's General Obligation Improvement and Refunding Bonds, Series 2021.

A motion was made by Councilmember Hanks and seconded by Councilmember Branson to approve the schedule for the City's General Obligation Improvement and Refunding Bonds, Series 2021.

The motion was approved unanimously.

6. SPECIAL RECOGNITION AND ACKNOWLEDGEMENTS

A. Recognize the Friendswood Library for receiving the Texas Municipal Library Directors (TMLDA) 2020 Achievement of Library Excellence Award.

Director of the Library Mathew Riley presented the item and presented a video by TMLDA giving an outline of the categories that were recognized this past year, which included providing services to understand populations, demonstrating enhanced service, using effective marketing materials, conducting cultural, topical and educational support, providing literacy support for all ages, conducting summer reading program, investing in collaborative efforts with community organizations, supporting workforce development, supporting digital inclusion, and establishing professional staff training. Mr. Riley thanked Karen Hart, Assistant Director and the library staff on the amazing job they did over the past year that has required some extra ingenuity and dedication to achieve this recognition with everything that has gone on this past year.

B. Receive a presentation of the 2020 Annual Comprehensive Financial Report.

Mr. Lupe Garcia, Audit Partner with Whitleypenn addressed council and presented a PowerPoint presentation to cover financial statement highlights. Mr. Garcia explained the audit process that consist of 1. Planning - risk assessment, 2. Internal controls – determine if can rely on controls and reduce risk of material misstatement, 3. Substantive testing – sufficient audit evidence. and 4. Opinion – unmodified, modified, and disclaimer.

He noted that as external auditors, they can issue one of three opinions on the financial statements which are (1) disclaimer - a situation where the records did not exist or were in such poor condition the audit could not be completed, (2) qualification - a type of modified opinion where would state that everything was fairly stated except for the areas noted in the report and (3) unmodified - a clean opinion. Mr. Garcia noted that he was happy to state that the City's annual financial report indicate an unmodified opinion, which means that the financial statements are presented fairly, in all material respects. He noted that no instances of noncompliance material to the financial statements were noted. Finally, he noted that because the City does receive and expend federal awards that exceed \$750,000, they also performed a compliance audit referred to as a Federal Single Audit. The federal programs were CARES Act – Coronavirus Relief Fund (CRF) and Hazard Mitigation Grant Program (HMPG) Acquisition and Demolition Project. They fund no internal control findings related to each major program and gave the City an unmodified

opinion on compliance.

With concurrence of Council, Mayor Foreman recessed the meeting at 6:52 P.M.

Mayor Foreman reconvened the City Council meeting at 7:04 P.M.

7. PUBLIC HEARING

- A. Conduct a public hearing to receive comments both oral and written regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34.3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159.8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres).**

Mayor Foreman called a Public Hearing to order at 7:04 P.M.

Director of Community Development Aubrey Harbin presented the item and stated that the proposed Planned Unit Development. (PUD) is about 34 acres, and currently a mix of developed and undeveloped land with Industry Park One having already been platted and two other sites have also been developed with then the remaining tracks being vacant.

She further stated that in the current zoning, the property has zoned a mix of the community shopping center and the industrial; the applicant is requesting that the proposed zoning be a Planned Unit Development. Ms. Harbin stated that this is also a conceptual Planned Unit Development, meaning that it is all conceptual, so the applicant will have to come back to the Planning and Zoning Commission for a specific site plan as they have to plat with the Commission, and then also get site plan approvals for each section that is developed.

Ms. Harbin noted that what is being presented to the Council is just the proposed site plan and the building layout that includes type A buildings, type B buildings and type C buildings; the applicant has provided examples of what those different buildings might look like. She also noted that along the front of FM2351, there are some buildings that are going to be like retail-type buildings.

Ms. Harbin stated that there were a few things that she wanted to point out in the application:

(1) One of the requests is to reduce the Community Overlay District from 300 feet to 150 feet. She noted that the City's current ordinance says that, if any property, any track falls within 300 feet of FM2351, the entire track is subject to the COD requirements. She noted that the applicant is proposing to just do the 150 feet, which can be doubled.

(2) Some of the landscaping and screening alternatives that are being proposed; the applicant has some screening proposals that mainly affect the backs of these buildings and the screening for some of the adjacent properties, so with the types of buildings that they are proposing, they want to basically have blank walls for the backs of their buildings and some trees and landscaping as opposed to the typical landscaping or screening requirement for the COD, which is an eight-foot opaque fence, a 15-foot landscape buffer, and a tree every 25 feet.

Ms. Harbin showed pictures of what a type A building would look like, with its office / warehouse combination, having the office look on the front, and warehouse access in the back. She then showed pictures of the Type B buildings which are open vehicle storage, so the ends of the buildings would be enclosed, and then open on the front and the back for vehicle storage. Ms. Harbin then showed pictures of the proposed Type C buildings, which are enclosed storage; i.e. they have the roll-up doors for storage. Ms. Harbin also showed the Council some examples of what the retail buildings on FM2351 might look like.

Ms. Harbin stated that the PUD also has a regulation matrix, so rather than using the City's regulation matrix for Industrial or CSC, the applicant is proposing different setbacks that are minimum lot areas and the interior setbacks being probably the biggest changes. Staff requested that the applicant provide an exhibit to kind of show how they interpreted these setbacks and how it would affect their development, which they have done, and so the red lines define their setbacks for the whole development, minus Industry Park One because it is already platted. She stated that they are also adding two parking categories, for parking categories that were not well defined in the City's table; i.e., for buildings with combined office and warehouse storage, warehouse and storage use, and then vehicle storage, and as it relates to the uses, so the Planning and Development is proposing that in the Industry Park One and in Industry Park Two, to allow the uses that the City allows in Industrial and Light Industrial on these tracks, and then for this track, that is going to be known as the Commons at Timber Creek, they want to allow uses that would be allowed in CSC and Light Industrial on these tracks. They did not include a specific table in their PUD because if the City changes its uses then, they want the uses to change as well. So if the City requires a SUP, they want to also require a SUP, and if it is an office use only; therefore, if one district requires a SUP and one district requires an office, then they would most likely go for the SUP.

Ms. Harbin noted that property owner notices were sent out, newspaper notices were published, and signs were posted on the property advertising at this public hearing here tonight. Additionally, she noted that an onsite detention will be required for the development as it is located in Harris County, so there are no regional detention options like Galveston County.

Ms. Harbin stated that following the Planning and Zoning public hearing, the original application did include three phases of development, so there is a PH One, Two, and Three, and so, there was a lot of concern. Councilmember Griffon stated that to his understanding, they were not phases but instead were noted as Panhandle One, Panhandle Two, and Panhandle Three, and there are three phases in Panhandle Two; Ms. Harbin responded that Councilmember Griffon was correct and so yes, PH Two is the remaining piece; PH One and PH Three were removed from the application, which is how the application got from the 150 acres to the 34.

Ms. Harbin further stated that although the revised PUD only included PH Two and did include more development details; such as the site plan, and building elevations, and the applicant had reduced the number of ordinance and permitted use revisions, the majority of the Commission concluded that current City ordinances and processes would allow the property to be reasonably developed as the applicant wanted with a PUD. She further noted that the primary concerns with granting the PUD or that this development:

- (1) did not sufficiently meet the general purposes of a PUD;
- (2) the large number of exceptions and changes to the Zoning Ordinances could lead to unintended and undesirable consequences in the development;
- (3) the positive possible negative impacts to neighboring landowners; and
- (4) eliminating or changing of so many zoning ordinances that have been developed over many years using national standards, studies, and experience.

Finally, upon discussing the PUD with the applicant's representative during the Commission's meeting, it recently appeared that the applicant's development needs for PH Two could be addressed without a PUD.

Those in favor of the PUD appreciated the blend of the commercial and industrial uses being planned and the complexity of developing a large industrial site on land historically used for oil productions on the outskirts of Friendswood. The Panhandle property (PH), although within Friendswood City limits, is uniquely situated by being surrounded on three sides by either the City of Houston or unincorporated Harris County. She stated that there was some merit found in the applicant's desire to have this uniquely located in

purpose property treated uniquely to foster easier development. Ms. Harbin noted that the vote for the Commission on this item was two to five, which results in a negative recommendation, and staff just asks that if this ordinance is going to be considered for approval, that the Council consider including the setback exhibit and the screening proposal in the ordinance, just for clarification purposes in the future. Ms. Harbin stated that this concluded her formal presentation; however, the applicant was present and wanted to present the Council with a presentation as well, and she was available to answer any questions.

Mayor Foreman asked any members of the public that desired to speak on this item to come forward.

Phil Radisso stated that he is the Chairman of ZBOA, and noted that they have to deal with so many things related to zoning and deployment, so they have to be cognizant of setting precedents and everything that come with them. He noted that if we allow all these variances to the ordinances that we have, then what happens the next time somebody comes in and wants a PUD and wants special things to and with it? Mr. Radisso also noted that as the P&Z has stated, they can do what they want to do with the current zoning in those parcels of land, so there is really no need for a PUD, and so he would hate to see a PUD be granted with all these exceptions because it will impact the next guy that comes along and wants the same thing, which then leads to having to ask yourselves why do we have all of these zoning ordinances and requirements in place as all.

With there being no other speaker, Mayor Foreman asked the developer/applicant to move forward with his presentation.

Dan Rucker, Representative for Coastal Bend Property Development, stated that he appreciated the comments, as well as, the interaction that he and his partners have had with the Planning and Zoning Commission, and while he was not able to make the last meeting, he did watch it on TV.

Mr. Rucker noted that he has some prepared remarks and he would then turn the presentation over to Ms. Stephanie Kennedy who is really the brains of the operation, to go over with the nuts and bolts and the reasoning behind the request for this application.

Mr. Rucker noted that his remarks are going to be framed by a 20-year history out there, as well as, reflecting on the City's 50-year history prior to that in the Panhandle, because it is a unique animal. First of all, he acknowledged and appreciated, that the original application was too large, too broad, and contained some of our neighbor's properties that are no longer applicant owned. He noted that this reduced and revised PUD boils

down, and takes most of the aches and concern of the Commissioners out of the equation.

Mr. Rucker stated that he thought, understandably, that the ensuing concern, some might have called it panic may have tempered the Planning and Zoning's objectivity in considering the application when it has had. Regardless, he states that it caused him to realize and helped him understand that, honestly, Planning and Zoning has been given the impression by the City that this area, the Panhandle, has been scrutinized, and there has been extensive studies conducted within the Panhandle like has happened in other areas, primarily residential areas of the city, and that is just simply not the case.

Mr. Rucker state that when the City incorporated the Panhandle, Exxon was at full production with numerous active wells and Central Trading was still treating millions of gallons of oil a day. He further noted that they had a 450,000-gallon ground storage tank at Central Treating dedicated specifically for fire protection purposes out there, there were ground storage tanks, separator units, and flaring sites out there when the City incorporated this area and all of this area, is what is now contained within and immediately around Timbercreek Golf Club. Therefore, when the City incorporated that area, there was this producing oilfield with flares going off at night and God knows what the expense of production purposes may end up being because they had then, and still then very still, has the dominant surface rights within the Webster units, which it still controls all those. Mr. Rucker stated that the big difference today is that there are only 2 active wells left out there now, and all of the accommodating processes for those 2 active wells are taking place outside of the City's limits so none of that is happening out there anymore now.

However, when the City incorporated the Panhandle, the City knew that the overwhelming majority of the Panhandle was owned and undivided interest owners, mostly, primarily, mineral interest's estate owners, and that there was, at least for the foreseeable future, there was no possible change in use or in ownership that could be discerned at the time, which was totally understandable. He further noted that the obvious designation when incorporating that piece of property would have been industrial, and with that, also came the guarded fear, the concern, and what might happen in the future, it was bringing the black sheep or the stepchild into the fold under guarded conditions.

Mr. Rucker also noted that when Timbercreek Golf Club showed up out of the blue, they took down over 300 acres out in the middle of the Panhandle and it removed and did away with the improbable refining facility or something happened that was going to facilitate that type of use at the core of the Panhandle. Mr. Rucker noted that since Timbercreek's establishment in 2001, its owner and several of its neighbors have purchased the overwhelming majority of the remaining undivided interest property within the entire panhandle, so the circumstance that were in place when the City incorporated and designated in this zone is not the same and does not represent in any fashion what

was happening back then, the circumstances, or now. In fact, he noted, the City has done an amazing job of not just a beautiful median treatment out there, but on the infrastructure and regional water treatment plant facility. So, since incorporation, the Panhandle has had only cursory studies done primarily for drainage, and that drainage study was, he believed, done by Castello, and was an adjunct to the total City's drainage studies, and the Panhandle region had a portion that study incorporated in it, but other than that cursory drainage study for the Panhandle, he did not know of any study conducted for the Panhandle.

Mr. Rucker noted that he was not present to find fault, or to raise anything in particular about what has been done out in the area, but was instead trying to make sure that everyone understands that CSC and COD overlay districts and those kinds of things that are critically important to Friendswood, which have been heavily studied and taken into consideration and adopted primarily for the FM518 and the FM528 corridors where the City owns both sides of those major thoroughfares and behind those frontages are lots of homes, but neither is the case in the Panhandle, and he felt that the same CSC and COD requirement was laid on the Panhandle, and this is a mistake; a misapplication that needs to be undone.

Mr. Rucker noted that this PUD is not for that purpose, but what this part has successfully done, and no matter what happens tonight, it is good because it has given everyone an opportunity to come back and recognize that the term he heard over and over again, was amending or changing rules and ending up with unintended consequences, but he too felt that he was dealing with unintended consequences.

Stephanie Kennedy stated that she is with Coastal Bend Engineering and is representing Coastal Bend on this PUD and noted that after talking with Planning and Zoning Commission this past month, they have been able to have some really good conversations about this development and how to make it a reality. Ms. Kennedy stated that there are six main issues that they see as the impediments to the development that was presented to the P&Z.

Ms. Kennedy noted that the first issue is zoning, and they had previously presented the blending of uses from the back to the front, with the more industrial uses in the back by the city water plant, and the least industrial uses in the front on FM2351. Ms. Kennedy noted that in starting with the Industry Park in the back, the zoning would change from Industrial to both Industrial and Light Industrial uses, and then moving down to the Commons at Timbercreek, which is on FM2351, the uses were changed from CSC to allow for a combination of Light Industrial and CSC uses in the front. The plan includes using this Type A concept building, to tie all of these together by providing a good screening front with an industrial back, in order to, allow for greater flexibility for the industrial mixed uses that they are seeking.

Ms. Kennedy stated that while doing this, they are still trying to maintain the COD that was adopted in order to accomplish that look. She noted that they suggested revising it to 150 feet, which is the red dotted line that was shown on the exhibit. She noted that they presented what they believe is a less than highest and best scenario for this conceptual layout for the Commons at Timbercreek in order to show a small amount of retail, medical, and gas fast food with the Type A buffer in the back, and more storage in the front. She noted that for the best-case scenario, they imagined more commercial retail on FM2351, and perhaps, after there has been some distance from COVID, there will be some more retail come back online and there will be less empty spaces than there are right now on FM2351. Ms. Kennedy state that they believe the proximity to the high school and the proposed the expanded signal intersection at Hope Village, may allow for a really good marketable position for the use of retail.

Ms. Kennedy stated that while, some members of P&Z like this approach, the concern that arose from many of their members was allowing all these dissimilar uses next to each other. They felt that the zoning should stay zoning, what they had already planned for it to be, and while the developers believe market conditions in concert with the already recorded covenants that are in Industry Park would not allow many of the examples that were brought up by the Commission, they identified a specific example of what they believe needed to be changed. Ms. Kennedy noted that staff and P&Z seemed to be open to changing the current permitted use table in order to accommodate the previously noted situation, and if they are allowed to at least table the approval of this PUD, she felt that the applicants were also open to recommendations from staff as it related to the suggested uses for Industry Park and the Commons at Timbercreek; specifically, based on this mixed-use industrial development that they are trying to accomplish.

Ms. Kennedy stated that the fact remained that the current zoning designations did not adequately address what they are trying to accomplish, and if the PUD is not approved, then they will just have to have a separate rezoning application and hope that the uses, the Planning and Zoning designates, apply to this development, which puts a large amount of uncertainty into getting tenants into the development because as those in real estate know, if people do not know what the rules are, it is hard to abide by them.

Ms. Kennedy then noted that the second issue for the PUD is parking, and they were addressing some of the evolving parking trends that they are seeing across the industry. She stated that in response, they created a new category that was not covered in the current parking table and they have noted that there are several factors pushing towards emptier parking lots because of self-driving cars, Uber and Lyft transportation force, and people working from home permanently. She noted that the current rules require a building's minimum parking at the time of construction to be determined by the use, which can be problematic in a mixed-use development.

Ms. Kennedy noted that the PUD calls for less parking upfront with the ability to add more parking at a later time as controlled by the property owner's association, and if this PUD is not approved, each development in the PUD is going to basically ask for a variance from the parking requirements every time a site plan is submitted and the applicant will not have the ability to be certain of how many parking spots will be needed until the review process is complete. Ms. Kennedy stated that the new parking category that was created is that of boat and RV storage which will not be treated as typical storage, which is a number in the hundreds that is different; it is not just like 10 or 20, which brings me to the next issue, which is the COD.

Ms. Kennedy stated that the third issue related to the COD, which is a tool that conflicts with and is abutting the largest industrial zone of the city, so staff and the Commission at the previous meeting discussed how this district could be limited or adjusted to better attend to the needs of the industrial zone. She noted that there seems to be a lot of common ground here, and they would like to see the rules take into consideration just the reality of the area as the current rules do not allow for any variance from the district. She stated that an applicant could not get out of the COD through a variance or shrink it by a variance and she thought that the only tool that was talked about was a PUD, so that is part of the reason that they are standing before the Council.

Ms. Kennedy noted that their proposal in this PUD was to limit the setbacks from 300 feet down to 150 feet and ensure the property beyond that was not limited and labored by the requirements. The result is that they are having to play a plot trick on the property just to get that strip out of the COD District because it is better to do things upfront instead of just having to use a trick to get out of something.

Ms. Kennedy noted that the fourth issue the PUD related to the screening requirements between uses and existing developments. She noted that an 8-foot-tall opaque fence, and 10 to 15-foot mandatory setback are required when you have an industrial use next to commercial use, and again, for a mixed-use industrial development, it causes barriers when trying to create a cohesive development; the PUD was the mechanism by which they were trying to remedy this issue.

Ms. Kennedy noted that during their meetings with P&Z, they were also able to gain some clarity regarding some of the setback requirements that were requested in the PUD. The main purpose, and the requested changes was to allow for a zero allowance, in order to be able to carve out a building or parking area within the development and to sell and to reduce the front and rear setbacks. She noted that the designations for front and rear setbacks is difficult because their proposed development have surrounding buildings, easements, and accesses, and it makes it easier to just say this is the best number to

use instead of arbitrarily assigning a front or rear to something that is bordered on all sides.

Ms. Kennedy noted that they had been given much greater clarification in the last meeting on the setbacks for plugged and abandoned wells that were affecting the land plan, as well as, the interior side setbacks. She noted that this has been an issue that they have been going back and forth with staff on for several months, and while most of these issues have been ironed out, especially at the last meeting, they would probably still have to have another variance to remedy one of the setback requirements in front of the car condo development, or the garage ultimate.

Ms. Kennedy noted that the fifth issue that is not on the table, should the PUD not be approved, is the ability to do zero lot lines, which is something again that we are interested in using in for this development.

Ms. Kennedy then noted that the last main issue related to this PUD is the lighting. She stated that the current rules state that from the property line, one can only have a 1-foot-candle and in the industrial area, people like to use security lighting, which is not a 1-foot-candle; therefore, the language needs to be increased the limit from 1- foot-candle to 5- foot-candle at the interior property lines, in order to allow developments to share security lining when it makes sense.

Ms. Kennedy stated that she would say that they looked at what was written in black and white in the regulations, and their intent for this PUD was to address what they saw as unintended consequences that were created by the City's existing regulations. She noted that at this point in time, the Council can either deny the table or approve the PUD, and they would appreciate the chance to move forward with the project in any way that is allowed by statute. Ms. Kennedy noted that they are currently seeking approval of the PUD or for Council to table the measure, and directing staff specifically, on what amendments should be made, in order for this item to be approvable.

Mayor Foreman opened the hearing to questions.

Connie Ratisseau, Friendswood resident addressed Council and stated Ms. Harbin mentioned that Harris County requires retention ponds or detention ponds, but did not see them identified. The Lower Clear Creek study talks about all of that Timbercreek Park part possibly becoming detention and asked how that would fit in with the new development.

After hearing comments from the public, Mayor Foreman closed this portion of the Public Hearing at 7:39 P.M.

With concurrence of Council, Mayor Foreman took the agenda out of order and moved to agenda item 13D.

- D. Consideration and possible action regarding Ordinance No. T2021-14: the first reading of an ordinance regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34.3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159.8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres).**

A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to approve the item for purposes of discussion.

Mayor Foreman opened the item for comments and questions from the Council.

Councilmember Rockey stated that he had couple of questions, the first one related to detention, as the development looks like it has a huge amount of concrete, and wanted to know what the plans were for detention ponds.

Mr. Rucker responded that about 18-months ago, they, at their own expense, spent the money to amend and update the previously mentioned Costello study incorporating the here and now. He noted that the original Castello plan showed two large detention areas, basically on the lower panhandle area from Frankie Carter Park around to Turkey Creek, where those regional ponds would gather all of the developed waters, and then hold them back before they enter those respective watersheds.

Mr. Rucker noted that the revised updated regional plan that they shared with the City took into account the tracks that had developed out of that prior regional plan and how they had installed their own individual detention systems at the required criteria and requirements at the time, and so, bottom line, is that what they are doing, is liaising with Harris County Flood Control regularly for the Turkey Creek Project, and they continue to deal with the core Harris County Flood Control in the city, as much as they can on the Clear Creek Project. Mr. Rucker stated that they continue to design systems that, impact not just themselves, but the surrounding neighbors, because they will be able to have the most direct access to those respective creeks either joined in a shared detention facility, but yes, at the first of the year, all the detention requirements and whatever impacts would

have to be accommodated to satisfy both permitting entities are accounted for and will be accounted for before anything touches the ground.

Councilmember Rockey stated that he wanted to preface his comments by noting that he thinks it is wonderful that Mr. Rucker is going to try to develop this property, and that we, as a city, wanted to see it developed and we want to do the right thing, and that it is fabulous that so much energy is going into this development. However, he did have a concern because in the past, there was a piece of property on FM528 where somebody came in, it is 25 acres, and they said, they wanted to put 20 little boutique stores on there, and would require approval to rezone the area from residential to commercial, which Council did, and the next thing they knew, the developers were entertaining offers from big rack stores. So what he wanted to see from the applicant was some guarantee that these are going to be individual facilities, and that Council is not going to see somebody come in with a Home Depot or something like that after it has been rezoned. However, he noted that he wanted to see the area develop, but remained very concerned about changing all these rules.

Mr. Rucker responded that he understand Councilmember Rockey's concerns which have been shared with him more than a few times by many different people; but, he noted that currently, this is an industrial-zoned area, which could bring a whole different type of development to this area than what he is proposing. Mr. Rucker stated that he was not going to give the Council any guarantees because he would not lie to them, by issuing this type of guarantee because it is ultimately the market, that decides what goes in there, and willing something to happen does not make the market do what one wants it to do. Mr. Rucker noted that for this development, he does not want industrial, flares, or refineries and ultimately does not want to exercise the industrial end of this property, but instead wants to take it up to much higher and better use. He then noted that they cannot abandon the industrial use that is already there, so they have to migrate from it. Mr. Rucker asked what does someone build next to a regional water treatment plant and a driving range, and noted that he does not want to be stuck in a four and five-dollar light industrial development per square foot when he might have the opportunity for a \$15 or \$20 fast-food pad on the front. Again, the market is going to dictate that, and all he wants to do it take it up to the highest and best possible use.

Ms. Kennedy stated that she wanted to speak a little bit about the drainage and noted that they had submitted a revised plan to staff showing their updated retention showing where Timber Creek Golf Club serves as a huge detention basin and the development is planning to use the existing detention that has sort of developed in Timbercreek, in addition to a large detention pond that is being planned on the property between Service Areas A and B, and that is where the detention will be going from the development being discussed, as well as, from the resulting development in the Panhandle area.

Councilmember Griffon stated that he was a little surprised when he heard that on the Freese and Nichols study, that they were thinking about using the Timber Creek Golf Course as a detention pond, along with the new Friendswood detention pond, and getting some 5000 acre-feet well. He noted that he believed the prices for the purchase of the

Timber Creek Golf Course, is going to be out of the reach of any municipality that is going to and try to buy a golf course, so it does not seem feasible.

Councilmember Griffon also noted that this area is particularly interesting to him because there are the two oxbows that are along Clear Creek, then Turkey Creek that is coming along into that tip of that oxbow, and then there is Mud Gully and the Mud Gully projects that are happening. He noted that this particular developer was the same developer who developed Timber Creek Golf Club, and he was proactive in his efforts with drainage in that along those two oxbows, he granted dedicated easements of 150 feet, all the way across all the property that he owned, to cut off and make a straight line and cut those two oxbows off. He then went ahead on Turkey Creek, and he dedicated 240 feet of dedicated drainage for future drainage. He did that when he developed Timber Creek in 2001, so he was pretty proactive. Now it is not the developer's fault if he grants and dedicates easements to the municipalities and the respective flood control district, and they do nothing with them; that is not his fault, he gave it to them. But if they are not willing to go out there, and clean up and convey the water, there will be subdivisions that will become inundated.

Councilmember Griffon noted that he would like to see, if this project is going to get developed in the panhandle, and Mr. Rucker it is going to get developed, that we make drainage a high priority by having the City of Friendswood and the Galveston Consolidated Drainage District working with the Harris County Drainage District, to deal with the drainage issues but using the easements that are already there.

He further noted that there is Panhandle One, Panhandle Two, and Panhandle Three, and a PUD that is a very unique classification, which shall only be granted when the applicant has submitted a complete application with sufficient detail. He noted that the applicant has a problem with the COD, the permitted uses within the zoning CSC is defined, and all light industrial permitted uses can go into an industrial zone building, is that not correct. City Manager Morad Kabiri answered the question and noted that the change staff made last month or two months was with respect to the residential zoning and not with the commercial or industrial zoning category.

Councilmember Griffons then asked that if the developer was choosing the option plan to approve a PUD without a site plan, so there are no site plans; therefore, what Council is looking at here is multiple site plans that are going to be brought before P&Z before they can go forward. Director of Community Development Aubrey Harbin responded that what is before the Council is a conceptual site plan that will be part of the ordinance and each individual tract when it actually comes down to the details, will have to go to the Planning and Zoning Commission.

Councilmember Griffon then stated that the City Council right now is looking at CSC, to include at the retail component, as well as, A and C, which is light industrial, can the site plan deviate from the approved PUD or the site plan as it is presented today. Ms. Harbin noted that there are minor deviations on 25% or less, but there are restrictions on PUD

modifications and they cannot change traffic patterns or increase the number of buildings, so basically, they are tied to this site plan.

Councilmember Griffon asked if the developer could put light industrial in a CSC building and not retail like Council thinks he is going to, but instead he could put light industrial in the CSC building. Ms. Harbin noted that yes, her could because light industrial and CSC uses would be allowed in the Commons at Timber Creek, which would include all the buildings on the nine acres. He further inquired if they could have an Industrial Light and could have a light industrial building right by the retail shop or anything like that and that would not be against the PUD and/or against what the Council approves as the plan. Mr. Kabiri responded not if the PUD is approved; however, if the PUD is not approved, they could not mix the light industrial and CSCs.

Councilmember Griffon stated that personally, he liked the blending idea; the industrial to light, and then industrial to the retail, but he did not like the thought of the possibility of light industrial coming into the retail space, especially if this reduces the CSC to 150 feet and then exclude the nine acres and instead makes the nine acres into light industrial. He noted that he wanted to make sure that something does not go in that is an unintended consequence because that is not what Council wants to see happened.

Councilmember Griffon then he believed that industrial permitted uses can be right next to CSC and Industrial permitted uses are allowed in Light Industrial, but what he did understand in the industrial park are is that they might want to lease this office space maybe to an engineering company, or maybe someone who really does not mind an industrial complex so can he actually do that in an industrial park under the existing industrial zoning. Ms. Harbin responded that currently the code does not allow for professional offices in industrial, but it would be allowed with a PUD that had the combination of the light industrial.

Councilmember Griffon asked if this could be accomplished without changing zoning in the PUD. Ms. Harbin noted that staff had a conversation with Planning and Zoning Commission and it would be an ordinance change, to change the permitted use table; however, the Commission was open to considering some of those options.

Councilmember Griffon if this PUD has to be tied to this plan to the extent of 25%. Ms. Harbin noted that modifications are limited to 25% with some caveats.

Councilmember Griffon then stated that as it related to continuity of ownership. And asked if this PUD is actually going to be owned by another individual or group. Mr. Kabiri answered that no, and that the previous application was owned by multiple owners/partnerships; however, the reduced PUD boundaries are all owned by Coastal Bend and the two that are owned by other owners are tracks that have already been developed.

Councilmember Griffon stated that as far as the parking was concerned, he really thought that the parking can be handled without changing the ordinance and stated that what

bothers him is that someone has to automatically have so many parking spaces per 1000 square feet and he is hoping that the P&Z can work with the applicants on the parking issue. He also noted that he is pretty lenient on the setbacks. He further stated that this is a unique piece of property and. I agree with the developer and asked that the P&Z work with the applicant in regards to terms of the zoning ordinance.

Councilmember Griffon stated that the drainage is a big, big issue for him and before he could really get fired up about doing Panhandle One, Panhandle Two and Panhandle Three, he had to have some commitments from the Galveston County Consolidated Drainage District, Harris County Drainage District, and Ms. Kennedy and Director of Engineering Jil Arias that this is a mission priority in the study that was done by Freese and Nichols. Mr. Kabiri noted that as previously mentioned, the staff will engage the drainage district to ensure that they are fulfilling their duties along Clear Creek within the segments that they have easements. Mr. Kabiri assured the Council that those communications have already started in reference to the lower Clear Creek study; however, at this time, the study in question has not been adopted by any agency. He noted that the findings of Freese and Nichols were presented to the public this past Wednesday and additional work still needed, and like any other project, when staff identifies solutions, their properties will have to be acquired in order to fulfill the recommendation, so this is long-term process.

Mayor Foreman asked Ms. Harbin if the motion for approval of the proposed ordinance required the inclusion of some exhibits to which she responded in the affirmative and noted that the exhibits that needed to be included were (1) the setback exhibit and (2) the screening exhibit.

Mayor Foreman requested that Councilmember Rockey restate his motion to include the additional exhibits. A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to amend the original motion to include the approval of the proposed ordinance with the addition of the (1) the setback exhibit and (2) the screening exhibit.

Mayor Foreman stated that he was not in favor of approving this PUD and that he too wanted to see this area of town developed; however, this particular PUD just reaches too far and the City has zoning ordinances that have been in place for a long time that are there to protect the community and its residents. He noted that he had listened to Ms. Kennedy's great oratory with P&Z, which had been very educational and at the end of it all, it came down to identifying the issues to see if any of these can be handled without a PUD and the answer was yes, but they have to go through the normal P&Z request process.

Mayor Foreman stated that he agreed with other members of Council on the COD out there and he could go to the 150 feet, but ultimately, all of these things could be addressed, parking could be addressed individually, and this development could get where it needed to be; Ms. Harbin agrees with the Mayor's assessment from the audience in the form of an affirmative head nod.

Councilmember Rockey stated that maybe the Council should table the item with the proposed amendments, and have staff convey to the Planning and Zoning Commission that the Council would like to see this land developed, and to come back with a plan that satisfies the City's zoning and requirements.

Mr. Kabiri stated that staff's concern is that they need some clear direction from the Council in order to ensure that headed towards the right direction as it relates to this development. He noted that Councilmember Griffon highlighted the mixture of industrial or light industrial and CSC uses, which the current permitted use table does not allow for, so that would have to be spelled out in this PUD, but there remains a concern because of the uncertainty with regard to screening and the COD because it is not reflective in the application as it is submitted today, so that would have to be tweaked.

Councilmember Griffon noted that as a point of order if there is a motion on the table and it is not seconded then the motion fail.

Mayor Foreman stated in response to Councilmember Scott's question to the developer, if they wanted to see the item voted on or tabled, that if this item is voted down, the Council cannot reconsider this exact same thing for 90 days, but his point was that the Council does not want to see the same thing, so he would instead like to give this item over to the staff in order to hammer out the details, along with the Planning and Zoning Commission to make this development work.

A motion was made by Councilmember Scott and seconded by Councilmember Rockey to **table** the first reading of **Ordinance No. 2021-14** – An ordinance regarding an AMENDED request for a zone classification change located along FM 2351 consisting of 34.3288 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 34.3288 acres consisting of three tracts (9.5455 acres, 15.0371 acres and 9.742 acres) as more fully described in the backup materials. (Original Request was to change zoning of 159.8029 acres to change from Community Shopping Center (CSC) and Industrial (I) to a Planned Unit Development (PUD), the 159.8029 acres being described fully in three phases as follows: PH-1 – 14.9959 acres (5.414 acres and 9.5819 acres); PH-2 – 34.3288 acres (9.5455 acres, 15.0371 acres and 9.742 acres); and PH-3 – 110.4782 acres). The vote was as follows:

Ayes: Councilmembers Erenwert, Scott, Hanks, Branson, and Rockey
Nays: Councilmember Griffon and Mayor Foreman

The item passed.

Mr. Kabiri stated that staff will meet with the applicant and P&Z and bring the item back in the future.

8. PUBLIC COMMUNICATIONS

Mayor Foreman stated that in order to comply with the provisions of the Texas Open Meetings Act, the City Council may not deliberate any item not listed on the agenda, as such, the City Council will listen to public comment and may (i) refer the item to City Management for further action or (ii) direct staff for the placement of said item on a future agenda. During public comment, speakers shall refrain from any outbursts, or interjections including but not limited to: applause, disparaging noises, and remarks. Furthermore, any personnel complaints against a City employee, aside from the City Manager, City Attorney, or Municipal Judge, shall not be discussed and shall be referred to City Management.

David Allen, Friendswood resident, stated that the new President signed the U.S. on to the United Nations (UN) plan for migration, population replacement in the United States. He stated that the plan is that by 2050 the U.S. will have 600 million people walk across the border, there are only 300 Million now. Everybody is running across the border and being shipped to all points of the United States and in his opinion, the country is under attack in many ways.

Phil Ratisseau, Friendswood resident, reminded Morad Kabiri, City Manager, that he had noted when the bond money ran out for Blackhawk that in 2023 would use the street fund to finish Blackhawk. Hopefully, the City will keep that \$500,000 in the budget and will continue to grow that fund. He further noted that he attended a meeting regarding the lower Clear Creek study and there were things in there that were not beneficial to the City of Friendswood. He stated that their plan was to get a billion dollars funded from somebody to put in all these tunnels that they can lower the level of Clear Creek by 3 feet. He stated that he felt it was improbable that someone would give a billion dollars to do that project, but noted that Friendswood has to step up, and do something to support its detention, flooding and infrastructure issues.

9. CITY MANAGER'S REPORT

A. Present an update regarding Hurricane Harvey.

City Manager Morad Kabiri reported on a Hurricane Harvey update regarding property Hazard Mitigation Grant Program - Buyouts/Acquisitions and noted that under the Texas Water Development Board - Flood Mitigation Assistance Grant, 24 properties included in the initial application, 4 properties have closed, settlement on 3 remaining properties have been reached, 17 properties have declined offers, and demolition services are completed for 3 of the 4 properties.

He further noted that under the Community Development Block Grant (CDBG) -Disaster Recovery (Harris County), 4 properties included in the initial application, 3 properties have closed, 1 property has declined the offer, and demolition services are complete.

Under the CDBG-Disaster Recovery (Galveston County), Blackhawk Facility (old Food Lion) has been closed upon and reimbursement received, staff is in the process of soliciting services for emergency shelter renovations; engineering services contract being awarded, and Engineering and environmental services continue for the Forest Bend Detention Project.

Under the Federal Emergency Management Agency (FEMA) Disaster Assistance, engineering services continue for the utility line burial, and Internal project management acquisition services continue (Deepwood and Frenchman's Creek); appraisals being scheduled. The CDBG Mitigation Applications are complete and awaiting final reimbursement. On Property Acquisition, staff is awaiting response from the General Land Office (GLO) on the City's application submitted last October. Lastly, engineering staff is working on the acquisition of property currently along Clear Creek that were not eligible for federal dollars.

B. Present an update regarding the Coronavirus Disease 2019 (COVID-19).

City Manager Morad Kabiri presented the item and stated that as a result of the coronavirus, staff has implemented and continues to follow the Continuity of Operations and Pandemic Plans to monitor the pandemic. He stated that City facilities are open to the public, no businesses have been closed by the City of Friendswood due to COVID-19, no citations have been issued by the City of Friendswood relative to compliance with Governor Abbott's Executive Orders, and staff continues the disinfecting of workspaces and vehicles. Mr. Kabiri also noted that the extended screening protocols for public meetings, previously applicable only to staff, are now for all participants. He also stated that staff has submitted for the reimbursement of eligible expenditures under the CARES Act; Harris County Coronavirus Relief Fund (CRF) reimbursements have been received, and the City received notice of additional COVID fund allocation, but is awaiting details on the \$8.78M.

10. COMMUNICATIONS FROM COMMITTEES AND SPECIAL REPORTS

A. Receive the annual report from Keep Friendswood Beautiful.

Keep Friendswood Beautiful (KFB) Chair Natasha McAdoo presented the annual report. Thanked Mayor Foreman and City council, and KFB liaison Trish Hanks.

City Manager Morad Kabiri thanked Ms. McAdoo for her support, leadership and the funding McAdoo entrust Friendswood with to invest back to the community to keep Friendswood beautiful.

B. Receive the annual report from the 4th of July Steering Committee.

4th of July Steering Committee Vice Chair Barbara Blanchard presented the annual report. Ms. Blanchard thanked James Toney, Parks and Recreation Director, Michael Boyett, Assistant Director, Kimberly Ramirez, Administrative Assistant to the Director, Catherine Wood, Recreation Manager, Garrett Normoyle, Recreation Specialist, Meg Donelson, Recreation Assistant, Gary Williams, Parks Assistant Director and all his parks staff for all their help and dedication to this event every year. Also thanked committee members Tommy McDonald, Chair, Tony Scarpa, Christine Scarpa, Stacy Scarpa, Michelle Bjacek, Stephanie Karacostas, Darrell Fales, Rufino Ramirez, Terri Corbett, Kathy Molinaro, Terry McKee, Renae Rives, Nancy Sims, Larry Sims, and herself.

11. DISCUSSION AND POSSIBLE ACTION

B. Discuss and take possible action on the appointment of the City Secretary.

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to approve the appointment of the City Secretary, Leticia Brysch.

The motion was approved unanimously.

F. Discuss and take possible action regarding the 2020-2021 Concrete Street Maintenance Program.

A motion was made by Councilmember Griffon and seconded by Councilmember Scott to approve the 2020-2021 Concrete Street Maintenance Program. The motion was approved unanimously.

G. Discuss and take possible action regarding the approval of the Esri Small Municipal and County Government Enterprise Agreement (SGEA).

A motion was made by Councilmember Branson and seconded by Councilmember Griffon to approve the approval of the Esri Small Municipal and County Government Enterprise Agreement (SGEA).

The motion was approved unanimously.

H. Consider and take possible action on two appointments to the Library Board; specifically that of Kathy Molinaro to complete the unexpired three-year term of Ruth Lay and Brett Stephen to complete the unexpired three-year term of Ted Thomas.

City Secretary Leticia Brysch stated that there was a clerical error in the agenda item in that the incorrect person listed for Ms. Molinaro's appointment. She stated that staff recommends approval of the appointment as corrected and noted that this particular appointment will be placed on the next agenda just to reaffirm said appointment.

A motion was made by Councilmember Rockey and seconded by Councilmember Griffon to approve two appointments to the Library Board; specifically that of Kathy Molinaro to complete the unexpired three-year term of Ruth Lay and Brett Stephen to complete the unexpired three-year term of Ted Thomas.

The motion was approved unanimously.

- I. **Discuss and take possible action regarding the ratifying of the City Manager's signature on a contract to purchase Lot 30 and Park Area of the Empere Chateau Subdivision, Section Two, 5.6405 acres of unimproved property situated in the Sarah McKissick Survey, Abstract-151, Friendswood, Galveston County, Texas, as shown on plat recorded in Map Record Book No. 254-A, Page 89, and transferred to Volume 7, Page 18 of the Official Records of Galveston County, Texas; and, authorize the City Manager to close on said property.**

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to approve the ratification of the City Manager's signature on a contract to purchase Lot 30 and Park Area of the Empere Chateau Subdivision, Section Two, 5.6405 acres of unimproved property situated in the Sarah McKissick Survey, Abstract-151, Friendswood, Galveston County, Texas, as shown on plat recorded in Map Record Book No. 254-A, Page 89, and transferred to Volume 7, Page 18 of the Official Records of Galveston County, Texas; and, authorize the City Manager to close on said property.

The motion was approved unanimously.

12. RESOLUTIONS

- A. **Consideration and possible action regarding Resolution No. R2021-08: a resolution of the City Council of the City of Friendswood, Texas, adopting Galveston County and Harris County's use of Hart Intercivic's Verity 2.4 voting system and equipment in conducting any future elections for the City of Friendswood.**

A motion was made by Councilmember Hanks and seconded by Councilmember Branson moved to approve **Resolution No. R2021-08**, regarding a resolution of the City Council of the City of Friendswood, Texas, adopting Galveston County and Harris County's use of Hart Intercivic's Verity 2.4 voting system and equipment in conducting any future elections for the City of Friendswood.

The motion was approved unanimously.

B. Consideration and possible action regarding Resolution No. R2021-09: a resolution of the City Council of the City of Friendswood, Texas, opposing 87 - SB 234 and HB 749, relating to the use by a political subdivision of public funds for lobbyist activities.

A motion was made by Councilmember Rockey and seconded by Councilmember Hanks moved to approve **Resolution No. R2021-09**, regarding a resolution of the City Council of the City of Friendswood, Texas, opposing 87 - SB 234 and HB 749, relating to the use by a political subdivision of public funds for lobbyist activities. The vote was as follows:

Ayes: Councilmembers Hanks, Rockey, Branson, Griffon, and Mayor Foreman
Nays: Councilmembers Erenwert and Scott

The item passed.

C. Consideration and possible action regarding Resolution No. R2021-10: a resolution of the City Council of the City of Friendswood, Texas, supporting 87 - HB 3029, an act relating to the creation of the Gulf Coast Protection District.

A motion was made by Councilmember Rockey and seconded by Mayor Foreman to approve **Resolution No. R2021-10**, regarding a resolution of the City Council of the City of Friendswood, Texas, supporting 87 - HB 3029, an act relating to the creation of the Gulf Coast Protection District. The vote was as follows:

Ayes: Councilmembers Hanks, Rockey, Branson, Griffon, Erenwert, and Mayor Foreman
Nays: Councilmember Scott

The item passed.

13. ORDINANCES

A. Consideration and possible action regarding Ordinance No. T2021-11: the first and final reading of an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VI" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

A motion was made by Councilmember Rockey and seconded by Branson to approve the first and final reading of **Ordinance No. 2021-11**, regarding an ordinance amending City of Friendswood, Texas, Ordinance No. 2020-35, passed and approved September 14, 2020, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2020-2021 by approving "Budget Amendment VI" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2020-2021"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

The motion was approved unanimously.

- B. Consideration and possible action regarding Ordinance No. T2021-12: the first reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.**

A motion was made by Councilmember Hanks and seconded by Griffon to approve the first reading of an **Ordinance No. 2021-12**, regarding an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 26.921 acres from the Avalon development; authorizing the City Manager to execute the agreement and the City Secretary to attest with the staff noted changes; and providing an effective date.

The motion was approved unanimously.

- C. Consideration and possible action regarding Ordinance No. T2021-13: the first reading of an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest; and providing an effective date.**

A motion was made by Councilmember Hanks and seconded by Councilmember Hanks moved to approve with the noted change in the agreement the first reading of an Ordinance No. 2021-13, regarding an ordinance approving an interlocal agreement adjusting the corporate boundary lines between the City of Friendswood, Texas, and the City of League City, Texas, including 0.0576 acres for Friendswood Lakes Boulevard; authorizing the City Manager to execute the agreement and the City Secretary to attest with the staff noted changes; and providing an effective date.

The motion was approved unanimously.

14. COMMUNICATIONS FROM MAYOR AND COUNCIL

Members of council made the following comments:

Councilmember Griffon stated that the hospitals are running out of blood and do not have any blood for transfusion and his family has become acutely aware of this. Please consider giving blood. It is the gift of life. If you want to be a hero, save someone's life, give blood.

Councilmember Rockey encouraged everyone to please consider getting vaccinated.

15. CONSENT AGENDA

A motion was made by Councilmember Hanks and seconded by Councilmember Branson to approve the Consent Agenda Items 15A, B and C.

The motion was approved unanimously.

- A. Consider approving a buyout license agreement for 2 Queens Lane and authorizing the Mayor to execute said agreement.**
- B. Consider accepting the February 2021 tax report.**
- C. Consider approving the March 1, 2021, City Council Regular Meeting minutes.**

16. EXECUTIVE SESSION

- A. Communications from the public regarding Executive Session Topics.**

There were no speakers for this item.

- B. Recess into and conduct an executive session pursuant to Section 551.074 "Personnel Matters" of the Texas Government Code to deliberate the annual performance of the City Manager.**

At 9:1 P.M., Mayor Foreman recessed and convened into Executive Session in accordance with Texas Government Code, session pursuant to Section 551.074 "Personnel Matters" of the Texas Government Code to deliberate the annual performance of the City Manager.

At 9:36 P.M., Mayor Foreman reconvened into the Open Meeting.

17. BUSINESS ITEM

A. Consideration and take possible action regarding the City Manager's annual review.

A motion was made by Councilmember Scott and seconded by Councilmember Griffon to to reinstate the city manager's salary to what it was originally approved for last year and add a 3.5% raise.

The motion was approved unanimously.

18. Adjournment

With there being no further business to discuss, Mayor Foreman adjourned the April 5, 2021, City Council Regular Meeting at 9:38 P.M.

Mike Foreman
Mayor

Attest:

Leticia Brysch
City Secretary