



**CITY COUNCIL REGULAR MEETING
MONDAY, JULY 10, 2023 – 6:00 P.M.
COUNCIL CHAMBERS, CITY HALL
910 S. FRIENDSWOOD DRIVE
FRIENDSWOOD, TEXAS 77546**

AGENDA

1. CALL TO ORDER

2. INVOCATION

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

4. COUNCIL COMMENTS AND REPORTS

Notice is hereby given in accordance with Section 551.0415 of the Texas Government Code, the City Council of the City of Friendswood may receive reports about items of community interest from City staff and/or a member of the City Council, but no action or possible action shall be taken or discussed concerning the subject of such report.

5. PUBLIC COMMENT

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, the public shall comply with the Council's rules of decorum.

6. COMMITTEES OR SPECIAL REPORTS

A. Receive the West Ranch Management District's Annual Report.

7. WORK SESSION TOPICS

A. Receive an update regarding the drainage projects in the City of Friendswood.

B. Receive an update concerning the 2023 State Legislative Session.

C. Receive and discuss an update regarding the FY2023-24 Budget.

8. CITY MANAGER'S REPORT

A. Receive an update on Movies in the Park.

B. Receive an update regarding the Friendswood Library Summer Reading Challenge.

C. Receive an update regarding City waterline breaks and repairs.

9. BUSINESS ITEM

A. Consider the election of the Mayor Pro Tem.

B. Consider authorizing an agreement with Pavecon LTD. Co. for Fiscal Year 2023-2024 Striping Maintenance through The Interlocal Purchasing System.

C. Consider concurring with the City Manager's appointment of a Director of Information Technology.

10. PROPOSED RESOLUTIONS & ORDINANCES

- A. Consider an ordinance amending the City's General Budget for Fiscal Year 2022-2023 by approving "Budget Amendment IX" and providing for supplemental appropriation and/or transfer of certain funds.
- B. Consider an ordinance authorizing the issuance and sale of City of Friendswood, Texas General Obligation Improvement Bonds, Series 2023; levying an annual ad valorem tax for the payment of said bonds; approving an official statement and paying agent/registrars agreement; approving engagement of bond counsel; and enacting other provisions relating to the subject.
- C. Consider a resolution adopting a Grand Marshal Selection Policy.

11. CONSENT AGENDA

- A. Consider adopting the appointments of the City Council Liaisons to Committees, Boards, and Commissions.
- B. Consider appointing Mr. Dennis Barber as the City of Friendswood's direct appointment to the West Ranch Management District to complete an unexpired term, which begins immediately and will expire on June 1, 2025.
- C. Consider authorizing a Buyout License Agreement with Jorge Calle for property located at 128 Cherry Tree Lane.
- D. Consider authorizing agreements with Friendswood Independent School District and Clear Creek Independent School District for School Crossing Guards.
- E. Consider authorizing the City Manager to finalize and execute an Agreement for School Resource Officers and an Agreement for School Zone Officers with the Friendswood Independent School District.
- F. Consider approving the disposal of Police Department vehicle P290 through Houston Auto Auction.
- G. Consider authorizing an interlocal agreement with Galveston County for the FY2024 Meal Program.
- H. Consider ratifying the Master Services Agreement with LCT Software LLC, for fully integrated electronic plan review software.
- I. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for a Master Drainage Plan.
- J. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for flood mitigation improvements at 23 Wilderness Trail.
- K. Consider ratifying the purchase of office furniture for the Blackhawk Building Renovation Project from Hallmark Office Products, Inc., through The Interlocal Purchasing System.
- L. Consider authorizing the final acceptance of the Lift Station #23 Re-construction Project.
- M. Consider authorizing a license agreement to allow a portion of private fencing to be constructed within the public right-of-way fronting 307 W. Spreading Oaks.
- N. Consider authorizing the one-time purchase of two (2) transit buses/ vans, one with a wheelchair lift and one without, from Sunset Vans (Bid No. 2023-12).
- O. Consider approving the ad valorem tax report for May 2023.
- P. Consider approving the minutes of the City Council Regular Meeting held on May 1, 2023.
- Q. Consider approving the minutes of the City Council Regular Meeting held on June 5, 2023.

- R. Consider approving the minutes of the City Council Special Meeting held on June 17, 2023.

12. EXECUTIVE SESSION

- A. Recess and convene into an executive session pursuant to Sections 551.071 and 551.087 of the Texas Government Code to deliberate offers of financial or other incentives to two business prospects the City seeks to locate, stay or expand in Friendswood and to seek the advice of the City's attorney on legal matters related thereto.
- B. Recess and convene into an executive session pursuant to Sections 551.071 and 551.076 of the Texas Government Code to deliberate the deployment or specific occasions for implementation of security personnel and to seek the advice of the City's attorney on legal matters related thereto.

13. DISCUSSION AND POSSIBLE ACTION

- A. Consider an Economic Development Agreement for the construction and build-out of a commercial educational facility.
- B. Consider an Economic Development Agreement for the build-out of 27,000 square feet of medical facilities.

14. ADJOURNMENT

PUBLIC NOTICE IS GIVEN THAT IN ADDITION TO ANY EXECUTIVE SESSION LISTED ABOVE, THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE SECTIONS 551.071 - 551.090 TO DISCUSS ANY MATTERS LISTED ABOVE.

THE CITY OF FRIENDSWOOD IS COMMITTED TO COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. REASONABLE ACCOMMODATIONS AND EQUAL ACCESS TO COMMUNICATIONS WILL BE PROVIDED UPON REQUEST. PLEASE CONTACT THE CITY SECRETARY'S OFFICE BY PHONE AT (281) 996-3270, FAX (281) 482-1634, OR CONTACT (281) 996-3270 VIA RELAY TEXAS AT 711 OR 1-800-735-2988 FOR TTY SERVICES. FOR MORE INFORMATION CONCERNING RELAY TEXAS, PLEASE VISIT: [HTTP://RELAYTEXAS.COM](http://RELAYTEXAS.COM).



Leticia Brysch, City Secretary

Posted in compliance with the Open Meetings Act on this
6th day of July 2023, at 6:30 p.m.



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: July 10, 2023

Date submitted: 05/03/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive the West Ranch Management District's Annual Report.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Council to receive the West Ranch Management District's Annual Report.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. WEST RANCH MANAGEMENT DISTRICT REPORT 2023 Final

WEST RANCH MANAGEMENT DISTRICT

CITY OF FRIENDSWOOD MAYOR AND CITY COUNCIL UPDATE
JULY 2023

BOARD MEMBERS

BRIAN GIBSON – PRESIDENT

REID WISEMAN – DIRECTOR

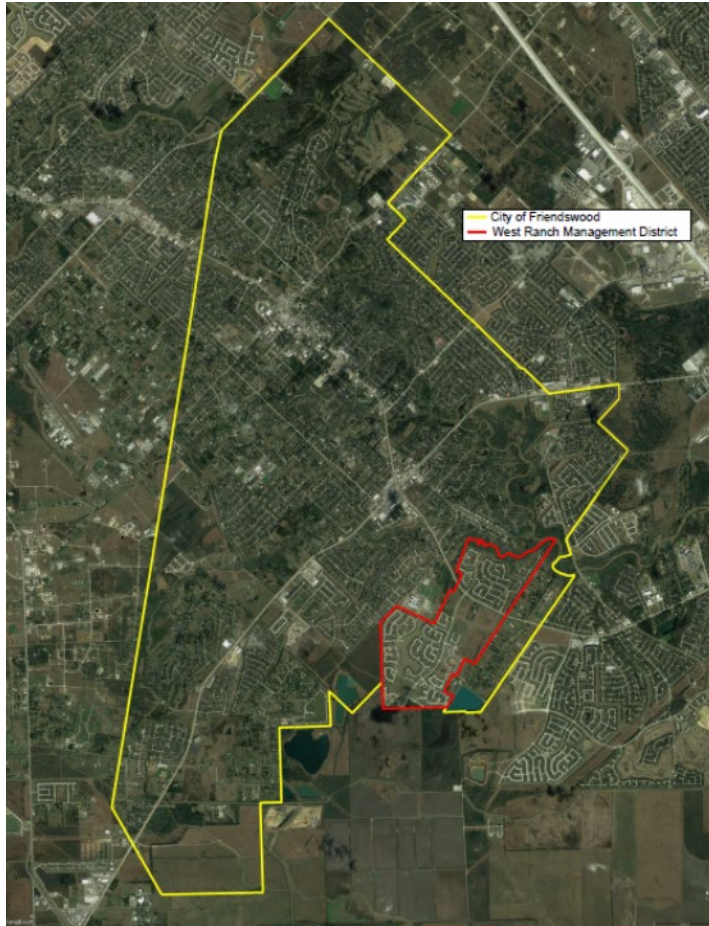
SAWYER BLACKBURN – VP & ASST. SECRETARY

VACANT – DIRECTOR

DOUG KONOPKA – SECRETARY

West Ranch

766 Acres



West Ranch Development Update

- Residential development is complete
- Only commercial tracts remain to be developed
- The new Cline Elementary School is complete
- The West Ranch HOA owns most of the greenspace around the roads and recreation centers
- WRMD still owns and manages the property next to Chigger Creek, Clear Creek and the retention ponds



West Ranch Management District

Assessed Valuation and Tax Rate History

Year	Assessed Value	M&O	WS&D Debt Rate	Road Debt Rate	Total Debt Rate	Total Tax Rate
2022	\$751,928,774	\$0.1100	\$0.1650	\$0.0250	\$0.1900	\$0.3000
2021	\$697,117,921	\$0.1200	\$0.1750	\$0.0350	\$0.2100	\$0.3300
2020	\$648,029,131	\$0.1700	\$0.2050	\$0.0550	\$0.2600	\$0.4300
2019	\$580,226,417	\$0.1400	\$0.2450	\$0.0650	\$0.3100	\$0.4500
2018	\$520,295,039	\$0.1000	\$0.2800	\$0.0700	\$0.3500	\$0.4500
2017	\$457,360,969	\$0.1100	\$0.3100	\$0.0800	\$0.3900	\$0.5000
2016	\$394,738,333	\$0.0900	\$0.3600	\$0.1000	\$0.4600	\$0.5500
2015	\$330,376,049	\$0.1500	\$0.3900	\$0.1100	\$0.5000	\$0.6500
2014	\$254,346,624	\$0.1600	\$0.3400	\$0.1500	\$0.4900	\$0.6500
2013	\$202,447,673	\$0.1500	\$0.3800	\$0.1200	\$0.5000	\$0.6500
2012	\$155,712,544	\$0.1000	\$0.4700	\$0.0800	\$0.5500	\$0.6500
2011	\$116,386,954	\$0.1700	\$0.3800	\$0.1000	\$0.4800	\$0.6500
2010	\$93,043,423	\$0.6500	\$ -	\$ -	\$ -	\$0.6500
2009	\$74,262,774	\$0.6500	\$ -	\$ -	\$ -	\$0.6500
2008	\$47,663,107	\$0.6500	\$ -	\$ -	\$ -	\$0.6500
2007	\$11,485,060	\$0.6500	\$ -	\$ -	\$ -	\$0.6500
2006	\$6,239,320	\$0.6500	\$ -	\$ -	\$ -	\$0.6500
2005	\$3,600,530	\$0.6500	\$ -	\$ -	\$ -	\$0.6500

West Ranch Management District Ongoing Drainage Maintenance Update

information provided by Jeff Safe of BGE, Inc.

- WRMD continues to use Storm Water Solutions (SWS) to perform quarterly inspections of all WRMD owned and operated drainage and detention facilities.
 - SWS and the District's engineer use these inspections to prioritize their recommendations for monitoring or addressing facility needs.
- Over the past 4 years, WRMD has spent approximately \$125,000, over and above routine mowing, on drainage maintenance and rehab (i.e. desilting of channels, removal of vegetation and overgrowth, erosion repair, structural outfall repair, etc.) to ensure that all drainage and detention facilities are in good working condition and function as originally designed.
- WRMD recognizes the importance and critical nature of a properly functioning and well-maintained drainage system and is fully committed to continuing its proactive monitoring and maintenance program.

West Ranch Management District

Joint Projects with HOA

- Working with the West Ranch HOA to improve common areas
- Sidewalks for Cline Elementary students on Balcones Creek Lane and Davis Prairie Lane
- Installation of Flock safety cameras in the District
- Replacement of benches and trash receptacles at ponds
- Repairs to Lake Mist Bridge
- Increased maintenance of District reserves

West Ranch Management District

Goals and Objectives

- The Board of Directors remains focused on lowering West Ranch homeowner costs, identifying sensible opportunities to pay off existing bonds, and the prudent management of district property.
- Friendswood Development Company is still seeking a potential town center developer for the commercial property.
 - 45 +/- acres of commercial development remains near the intersection of FM 518 and West Boulevard.
 - 13 +/- acres of commercial property remains near the intersection of West Boulevard and Friendswood Parkway.

West Ranch Management District

Any Questions?

Heather Kelly Trachtenberg
Attorney for the District

ABHR

htrachtenberg@abhr.com

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: July 10, 2023

Date submitted: 05/02/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive an update regarding the drainage projects in the City of Friendswood.

Originating Department: Engineering

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The Drainage Update will provide a general overview of ongoing infrastructure and acquisition flood reduction projects. The presentation will include updates regarding the Friendswood Regional Stormwater Detention Basin, Forest Bend, Deepwood, the Clear Creek Utility Relocation, and others. The City's Comprehensive Master Drainage Plan, which is a joint effort with Galveston County Consolidated Drainage District will also be discussed.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Updating the Council on pertinent drainage topics to Friendswood enables them to make critical decisions regarding drainage and flood control projects the City's Engineering Department is pursuing. The Engineering Department recommends that the Council actively listen and participate in the discussion.

RECOMMENDATIONS

Recommend that the Council listen to the Drainage Update and ask questions and/or discuss concerns.

ATTACHMENTS

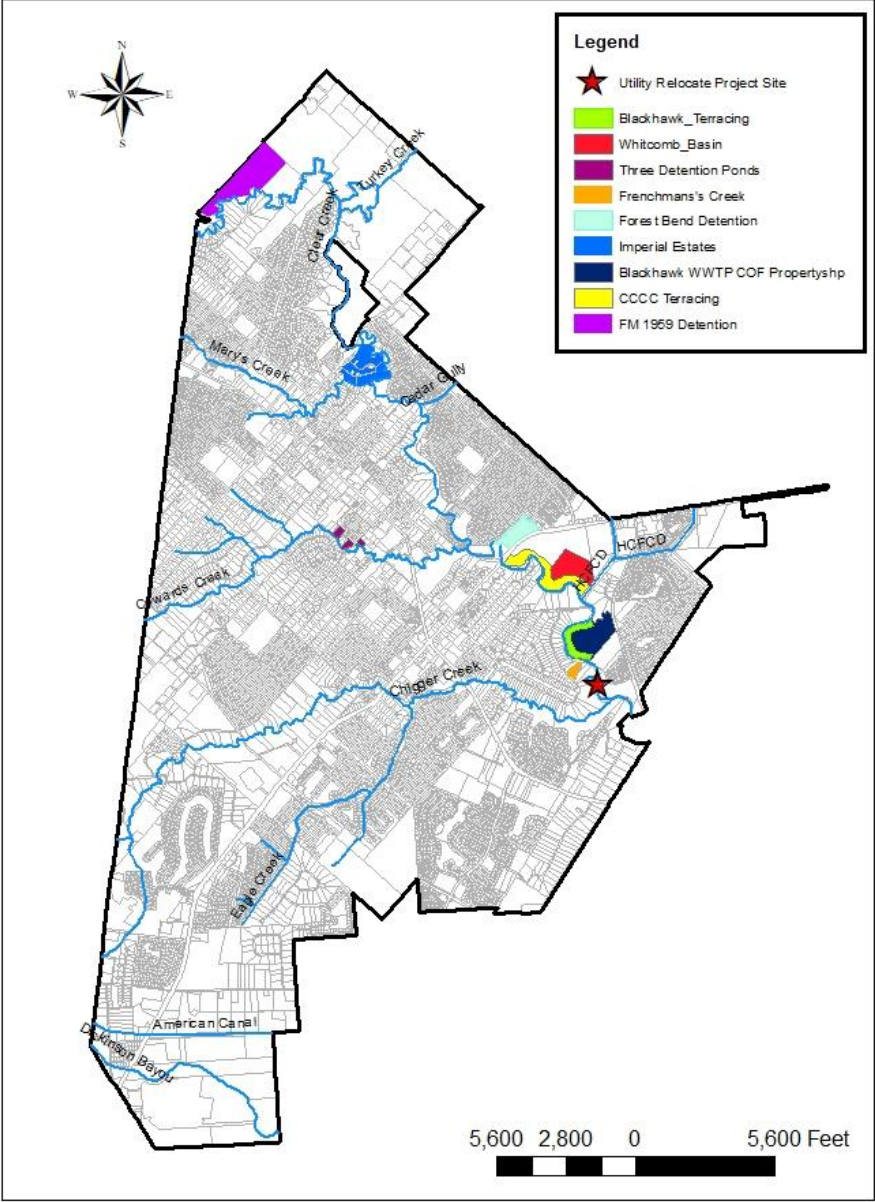
1. July 2023 Drainage Update

CITY OF FRIENDSWOOD

July 2023 Drainage Update
Samantha Haritos – Deputy Director of Engineering



City of Friendswood Flood Control Projects



Harold Whitaker Detention Basin Expansion

Galveston County Consolidated Drainage District Project

Funding Source (GCCDD)

Location

Imperial Estates Neighborhood (Galveston County) -
Confluence of Clear Creek and Mary's Creek

Ongoing/Upcoming Activities

Drainage Impact Assessment Underway by WGA
Determination of Capacity, Pipe Sizes and Outfalls
USACE Permit Will be Required

Potential for Extra 38 Ac-Ft Storage



Frenchmen's Creek Green Space

Community Block Development Grant – Disaster Recovery from Hurricane Harvey

Funding Source (CDBG-DR Grant, Flood Control Bond Funds)

Location

Polly Ranch Subdivision - Bounded by Clear Creek and Pine Drive in Galveston County

Completed Activities

Buildings 4 and 5 Closed Out

Demolition Contractor Procured

Asbestos Inspection Pending

Ongoing/Upcoming Activities

Hydromulching

Project Close Out Dependent On Deepwood Acquisition Project

Update on Galveston County's Acquisition Project

Completed Asbestos Testing

Demolition Estimated to Occur in 3 Months



Forest Bend

Forest Bend Offline Detention

Community Development Block Grant – Disaster Recovery from Hurricane Harvey

Funding Source (CDBG-DR Grant). Received Approval for Additional \$300,000 from Harris County.

Location

Forest Bend Subdivision (Bounded by Clear Creek along Southwest and FM 528 on the South in Harris County).

Status Update: Approximately 83,000 cy {25 Olympic Pools} Hauled [June 14th]

Excavation Complete

Clay Liner in Ponds (55% Complete)

Trail A, B, and C Almost Complete

83% Complete Overall

Construction Completion: End of August

Clear Creek Utility Rack Relocate



Clear Creek Utility Rack Relocation

Community Development Block Grant – Disaster Recovery from Hurricane Harvey

Funding Source (CDBG-DR Grant)

Location

Polly Ranch Subdivision [Dave Brown Memorial Park]/ Terra Bella Subdivision (Across Clear Creek South of Blackhawk Wastewater Treatment Plant)

Completed Activities

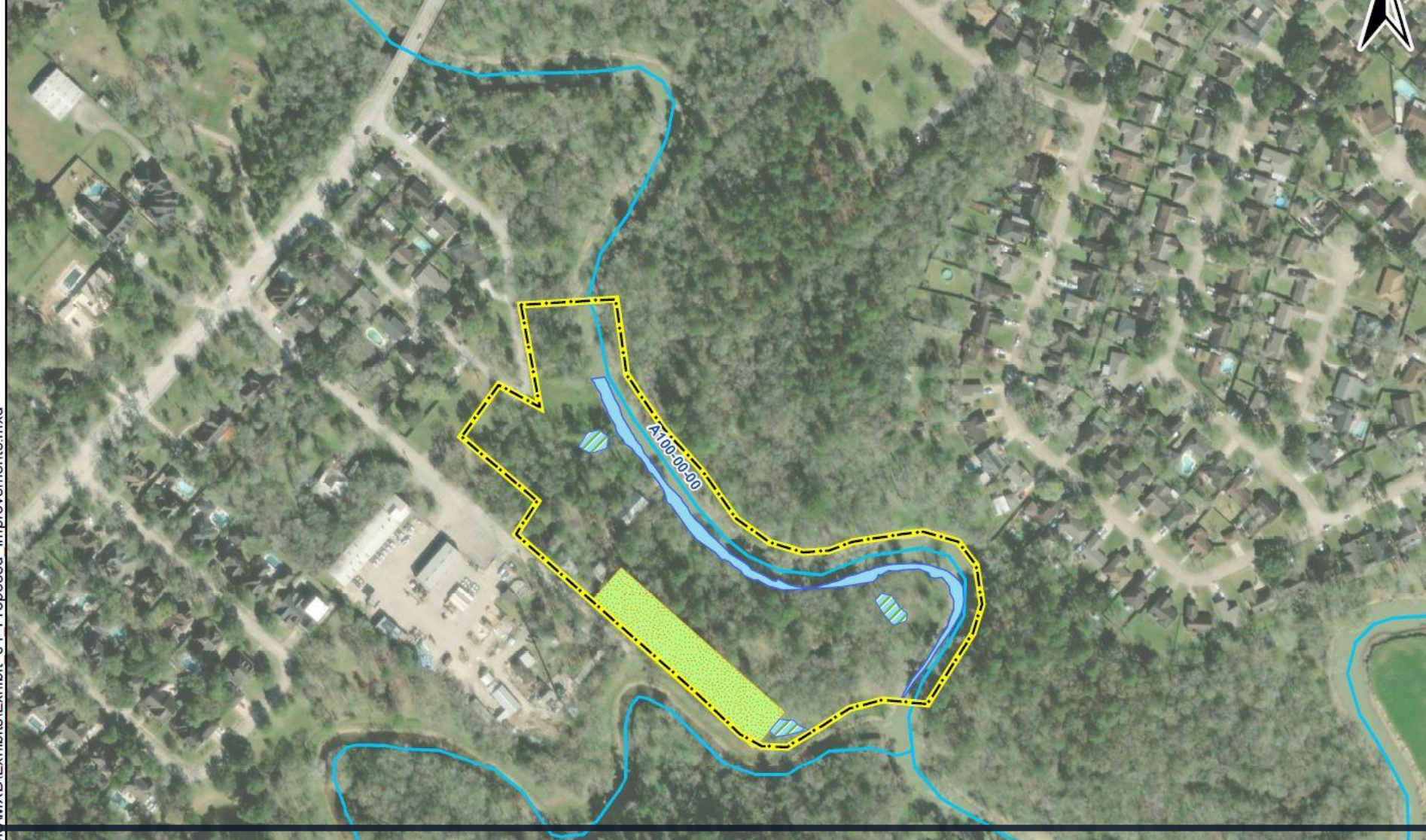
Engineering Complete

Ongoing/Upcoming Activities

Environmental Assessment Wrapping Up

Need Authorization to Use Grant Funds (AUGF)

Construction to Start Thereafter



Project Area

Wetlands

Perennial Stream

Proposed Improvements Area

0125250500750

Feet

Coordinate System

Projection: NAD83 State Plane (Grid)

Zone: Texas South Central

Units: U.S. Feet

Sources

1. Source 1

2. Source 2

3. Source 3

4. Source 4

5. Source 5

6. Source 6

7. Source 7

Notes

1. Note 1

2. Note 2

5e

5engineering

200 Westheimer Rd. Suite 353 | Houston, TX 77042

Texas Registered Firm F-13748

DEEPWOOD FLOOD CONTROL

PROJECT PER

Proposed Improvements

Page 22 of 338

Deepwood Flood Control Project

Community Development Block Grant – Disaster Recovery from Hurricane Harvey

Funding Source (CDBG-DR Grant)

Location

Deepwood Drive along Clear Creek (Galveston County)

Engineering and Survey Work Complete

Preliminary Engineering Report and Drawings In Review

Environmental Assessment Expected to Complete by Late Summer/Early Fall 2023

Cultural Survey Complete and Approved by Texas Historical Commission (THC)

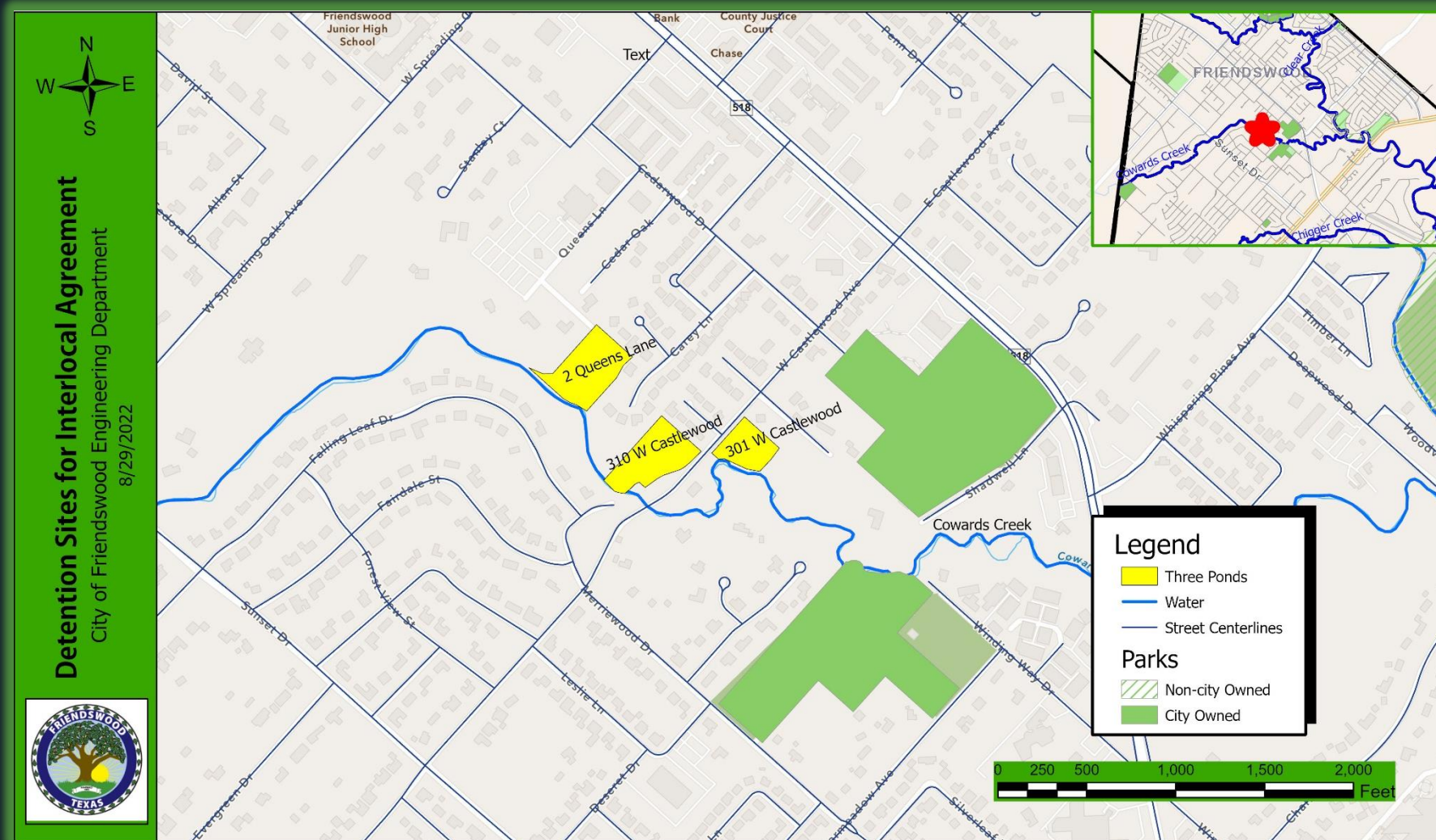
Eight (8) Step Process Underway

Construction Phase Estimated Start

Clearing Project Timeline – 3 Months

Construction Start is Contingent on Deepwood Acquisition Project

Three Detention Basins Along Coward's Creek



Three Detention Basins Along Coward's Creek

Interlocal Agreement with Galveston County Consolidated Drainage District (GCCDD) for Three Offline Detention Ponds North of Coward's Creek

Funding Source (City Donated Land; GCCDD Executes Engineering and Construction Work)

Location

301 Castlewood, 310 Castlewood, 2 Queens Lane along northern bank of Cowards Creek

Engineering and Survey Work Complete

Environmental Work Complete

Construction Phase In Progress

Clearing Started June 22nd

Comprehensive Master Drainage Plan

Funding Source (Flood Control Bond Funds / GCCDD)

Joint Effort with Galveston County Consolidated Drainage District (GCCDD)

Comprehensive Urban and Riverine Flood Mitigation Plan

Identify and Prioritize Projects that Provide Benefit to Friendswood and Reduce Flooding

Benefit Cost Information Developed for All Projects

Determine Appropriate Easement Dimensions for Clear Creek and its Tributaries

ACTIVITIES

Interlocal Agreement with GCCDD (Complete – Needs Signatures)

RFQ for Friendswood Regional Master Drainage Plan (July - August 2023)

Contractor Presented at September 2023 Council Meeting

July 5, 2023



THE GROWING THREAT
URBAN FLOODING:
A NATIONAL CHALLENGE

Friendswood Regional Stormwater Detention Basin

PROJECT OVERVIEW

- **Funding Partnership** project with City of Friendswood, Galveston County, Galveston County Consolidated Drainage District and Harris County Flood Control District
- **Location:** on 105-acre tract, near the intersection of FM 1959 and Blackhawk Blvd.
- Aims to reduce the impact of flooding in the lower Clear Creek watershed and in the Friendswood area
- Anticipated to provide anywhere from 1,000 to 1,700 acre-feet in storage
- Currently in the Preliminary Engineering stage:
 - 3 alternative design concepts are in the process of being developed
 - 1 alternative will be recommended at the conclusion of this stage (fall 2023)

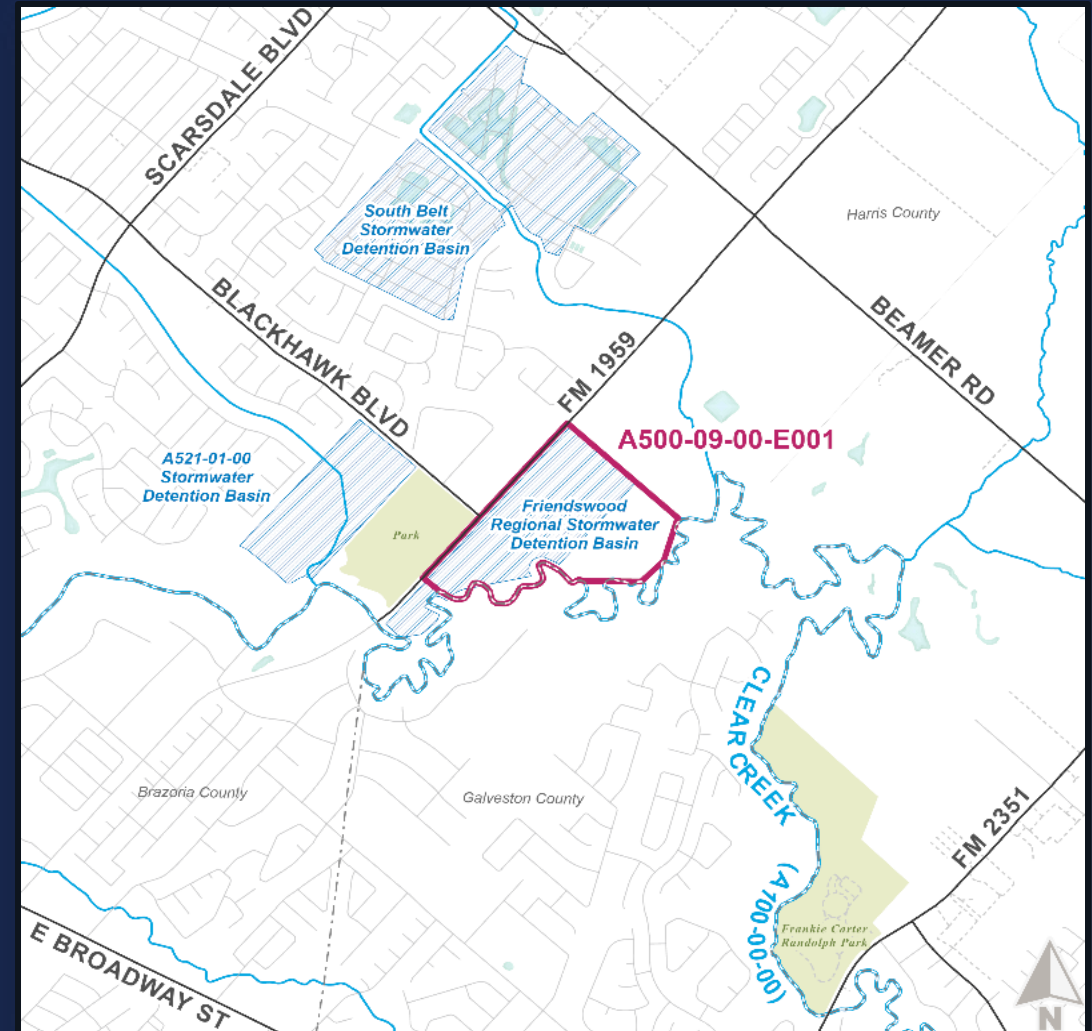
Friendswood Regional Stormwater Detention Basin

PROJECT MILESTONES

The following milestones are in progress and/or already complete:

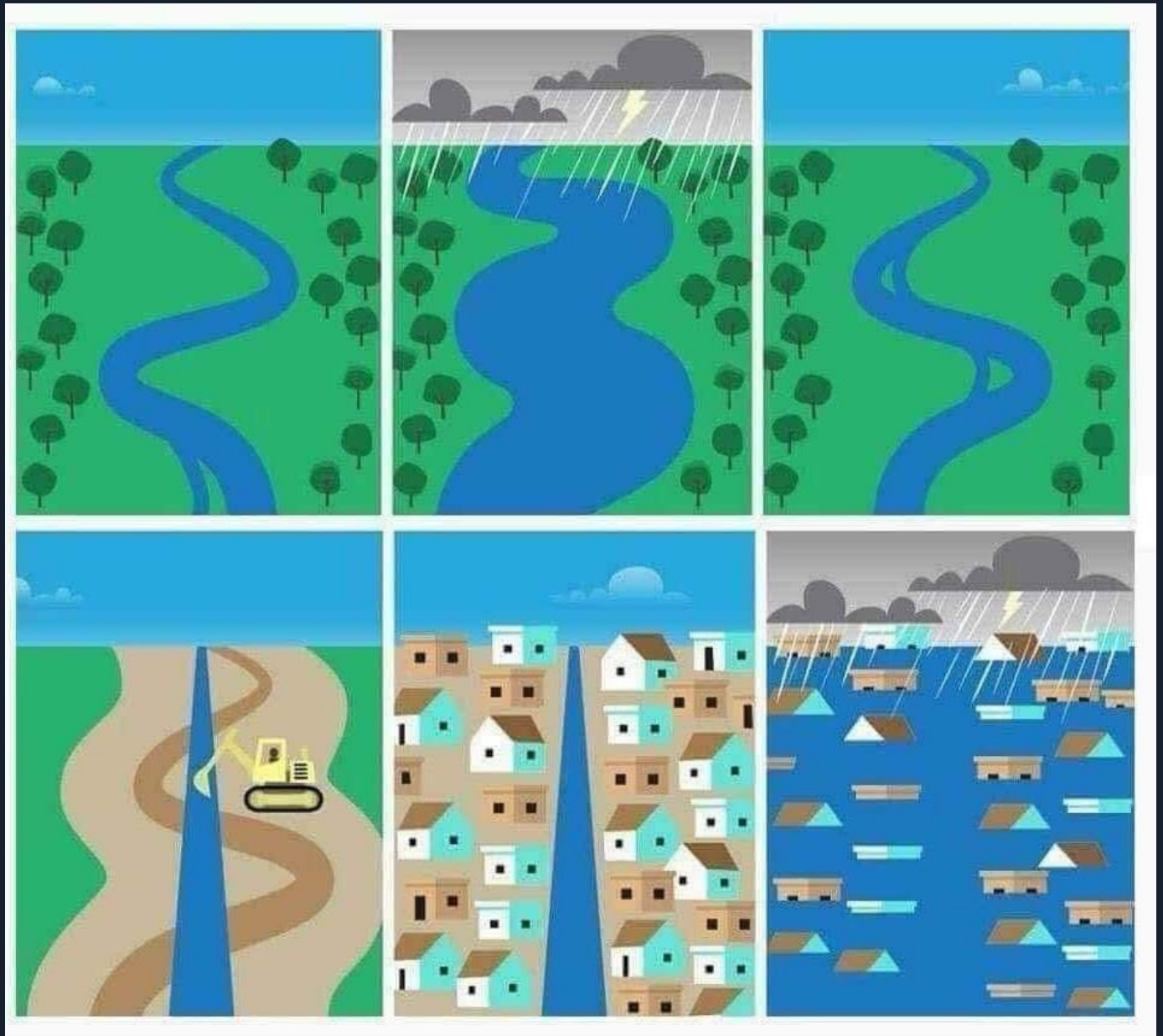
- Environmental investigations
- Geotechnical field work
- Hydrology and Hydraulics modeling (H&H)
- Surveying
- Rough grading project design
- Community engagement meeting*

**Note: the second of two community engagement meetings is anticipated to be held before the end of the year.*





Questions?



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

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

Date requested for City Council consideration: July 10, 2023

Date submitted: 05/30/2023

Prepared by: Karen Horner, City Attorney

Subject: Receive an update concerning the 2023 State Legislative Session.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

On May 29, 2023, the 88th Legislative Session came to a close. According to the Texas Legislative Reference Library, a total of 8,046 bills were introduced and 1,246 were sent to the Governor for action.

Preemption, community censorship, land use restrictions, taxes, economic development, public safety, and a host of other subjects were themes of this legislative session for municipalities. Of the bills listed in the City Council's legislative priorities, the following were passed or made it to the Governor's desk:

Support

Bill	Caption
H.B. 1381	Relating to the public hearing requirement for a preliminary zoning report made by a zoning commission.
H.B. 1492/S.B. 543	Relating to the conveyance of property by a municipality for the public purpose of economic development.

Oppose

Bill	Caption
H.B. 14	Relating to third-party review of plats and property development plans, permits, and similar documents, and the inspection of an improvement related to such a document.
H.B. 1819/ S.B. 603	Relating to the repeal of the authority of political subdivisions to adopt or enforce juvenile curfews.
H.B. 1922	Relating to periodic reauthorization of municipal building permit fees.
H.B. 471	Relating to the entitlement to and claims for benefits for certain first responders and other employees related to illness and injury.
H.B. 2127/S.B. 814	Relating to state preemption of certain municipal and county regulation.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. 2023 Legislative Session

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive and discuss an update regarding the FY2023-24 Budget.

Originating Department: Administrative Services

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

The City will provide follow-up information requested during the City Council Retreat regarding the FY 2023-2024 proposed budget.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Updated information will help staff and City Council in the planning and decision-making process for the proposed budget.

RECOMMENDATIONS

None at this time.

ATTACHMENTS

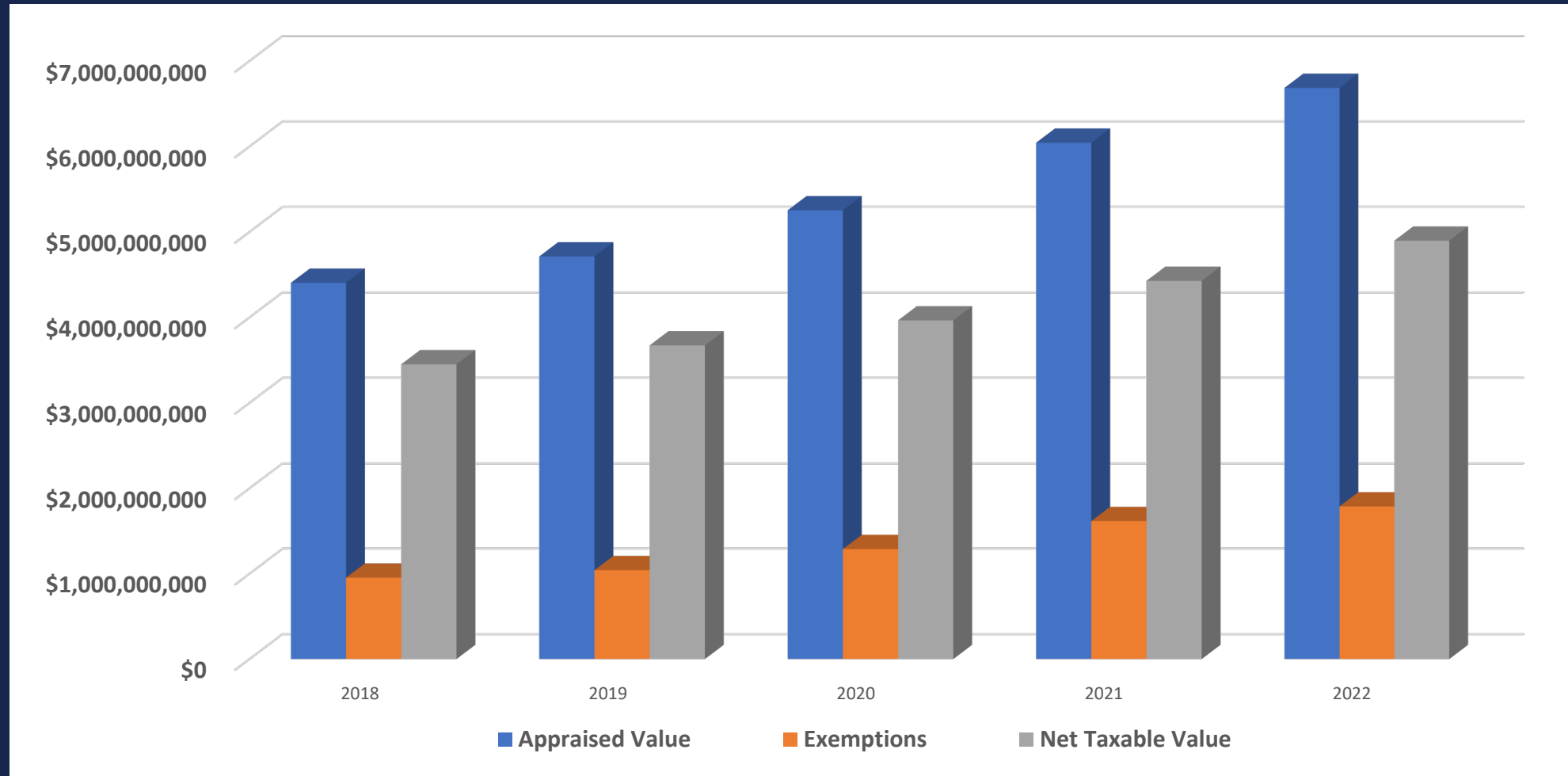
1. Council Meeting Work Session - 7.10.2023 - FY23 Budget - REVISED - v7

FY2023-2024 PRELIMINARY OVERVIEW Proposed Budget COUNCIL RETREAT FOLLOW-UP

July 10, 2023

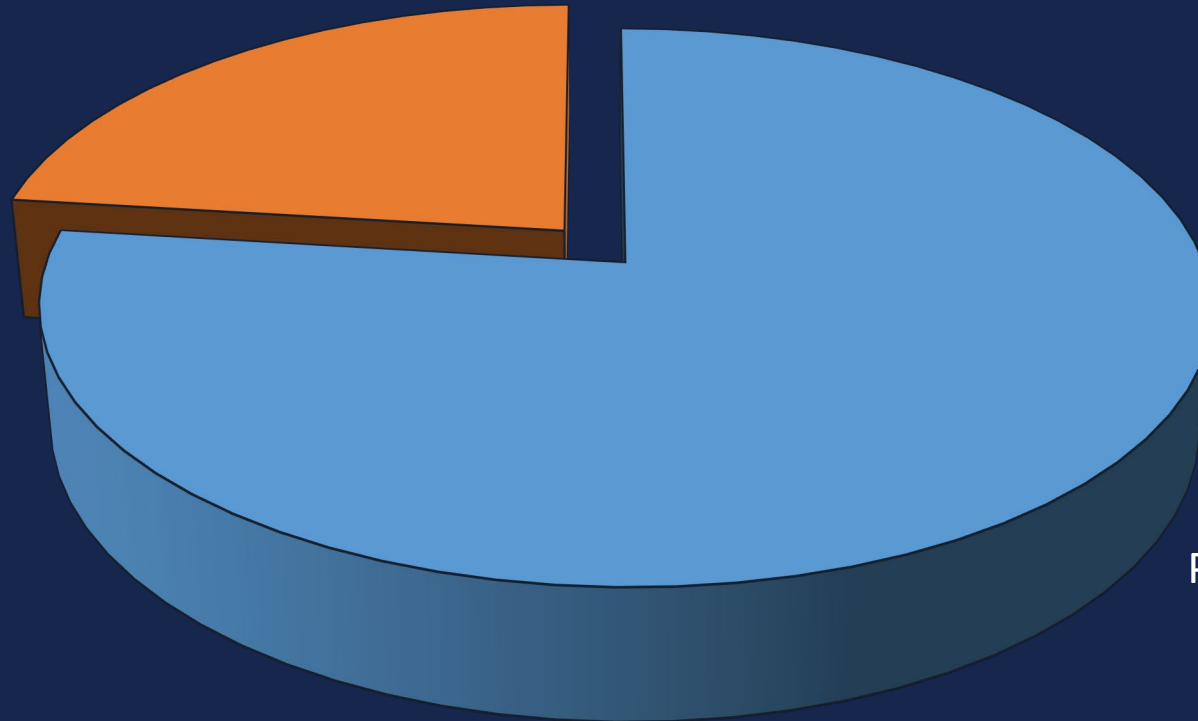


Historical Property Value & Exemptions



Estimated 52.94 Tax Rate Breakdown

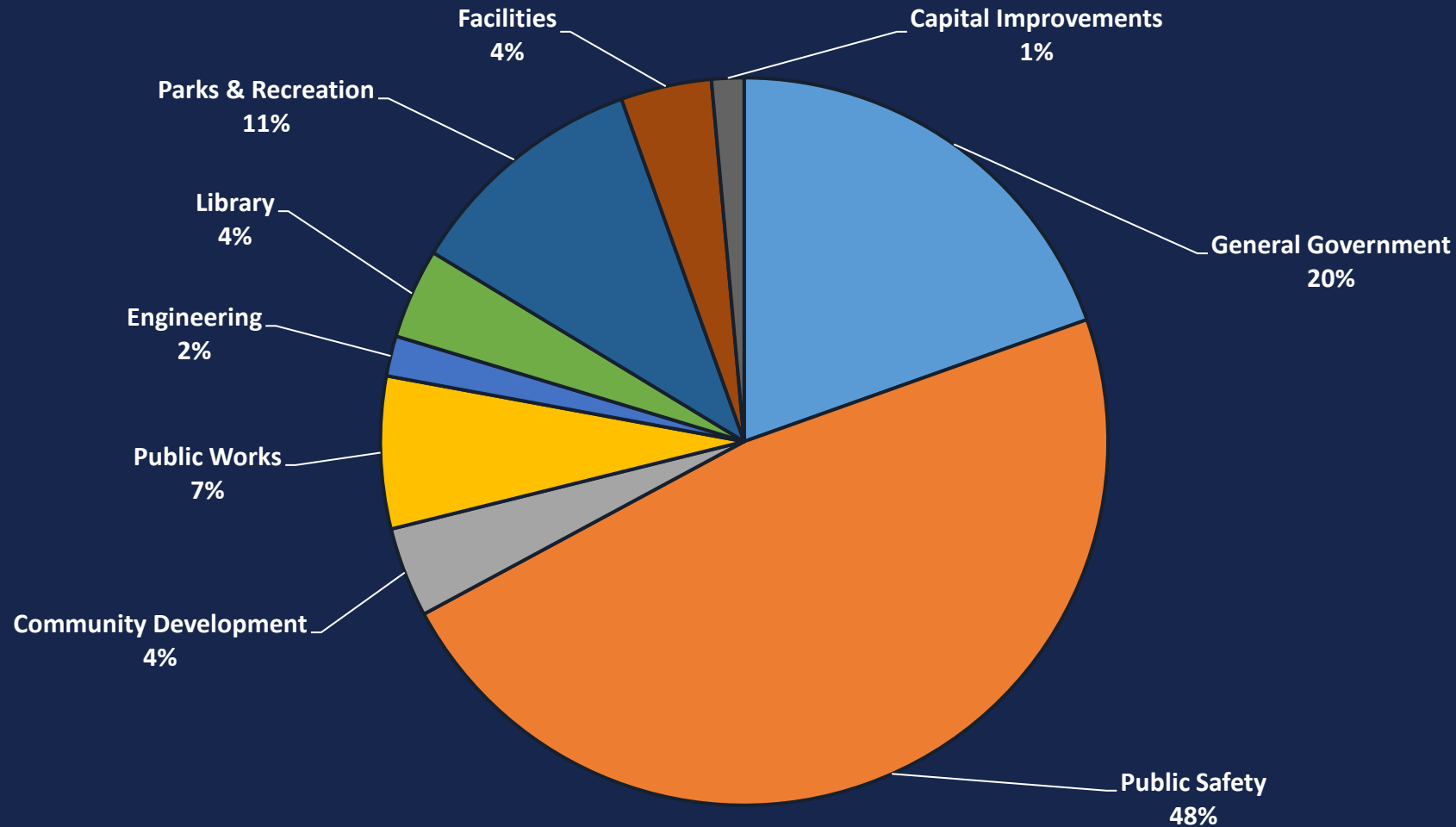
12.21 cents
=
FY24 Debt Service
Principal & Interest
Payments of
\$6.1M
(total outstanding debt - \$112.6M)



40.73 cents
=
FY24 General Fund
Property Tax Revenue
~ \$20.5M for
Maintenance &
Operations

■ M&O ■ I&S

Departmental Expenditure Breakdown

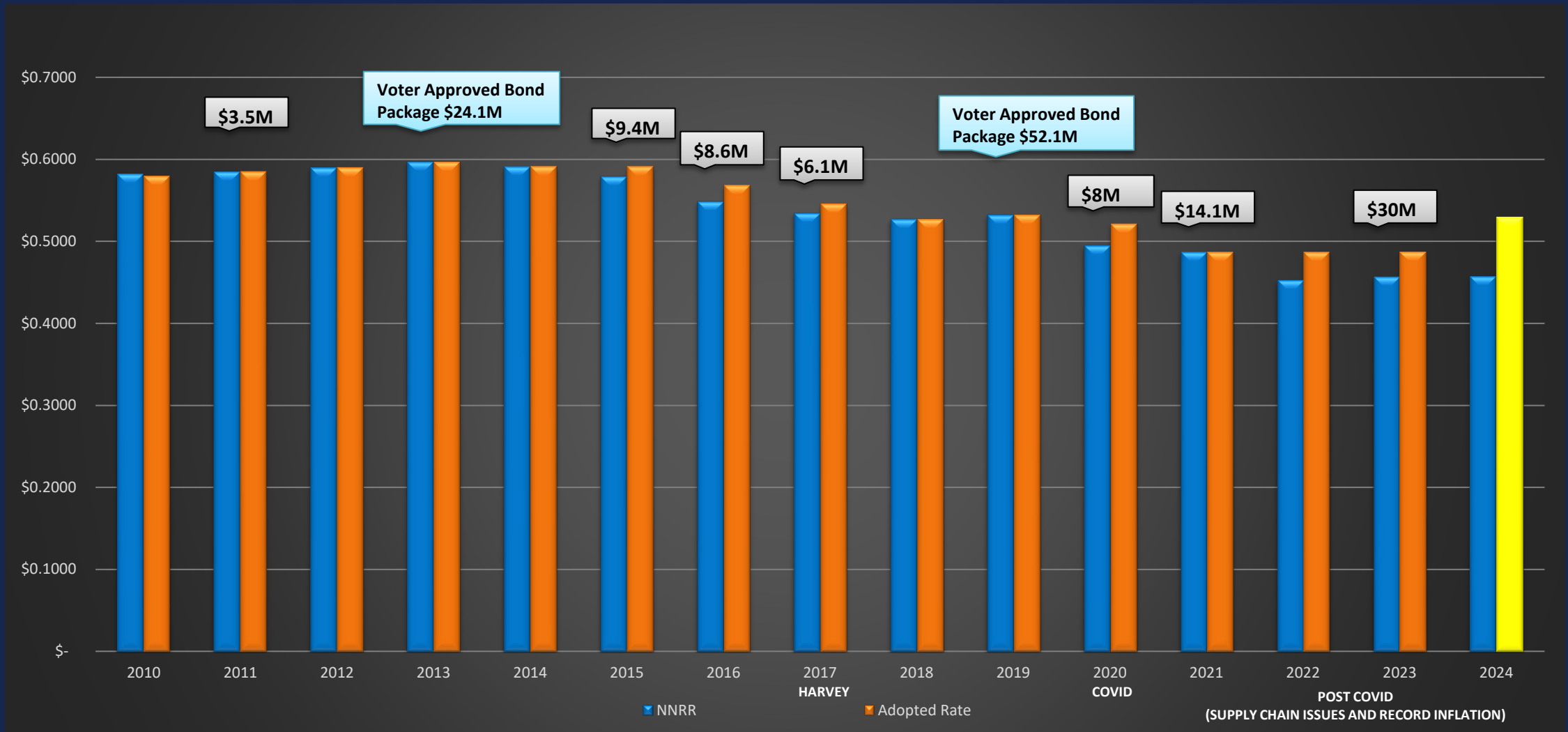


General Government includes the following functions/departments:

Mayor & City Council, City Manager's Office, City Secretary's Office, Administrative Services, Human Resources, and Information Technology

July 10, 2023

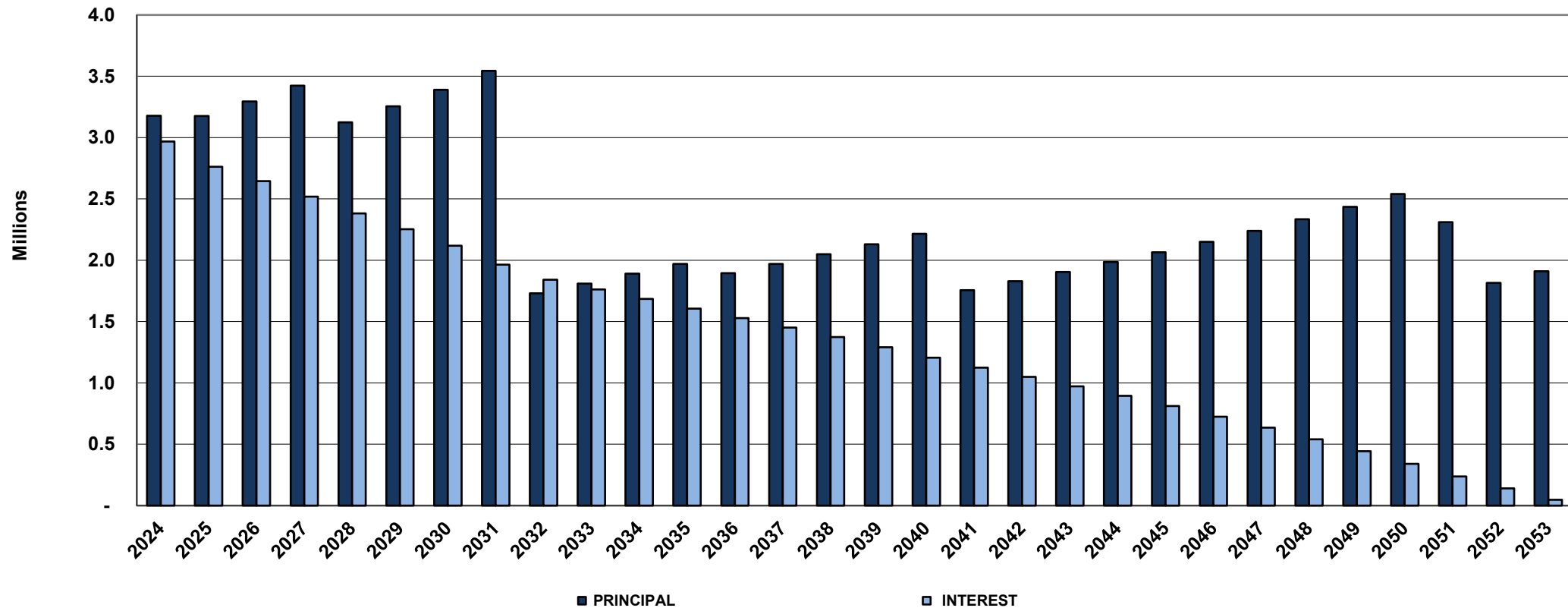
Tax Rate Analysis w/ Debt Issuance



Yellow bar indicates ESTIMATED proposed tax rate of 52.94 cents

July 10, 2023

General Obligation Bonds Debt Service to Maturity



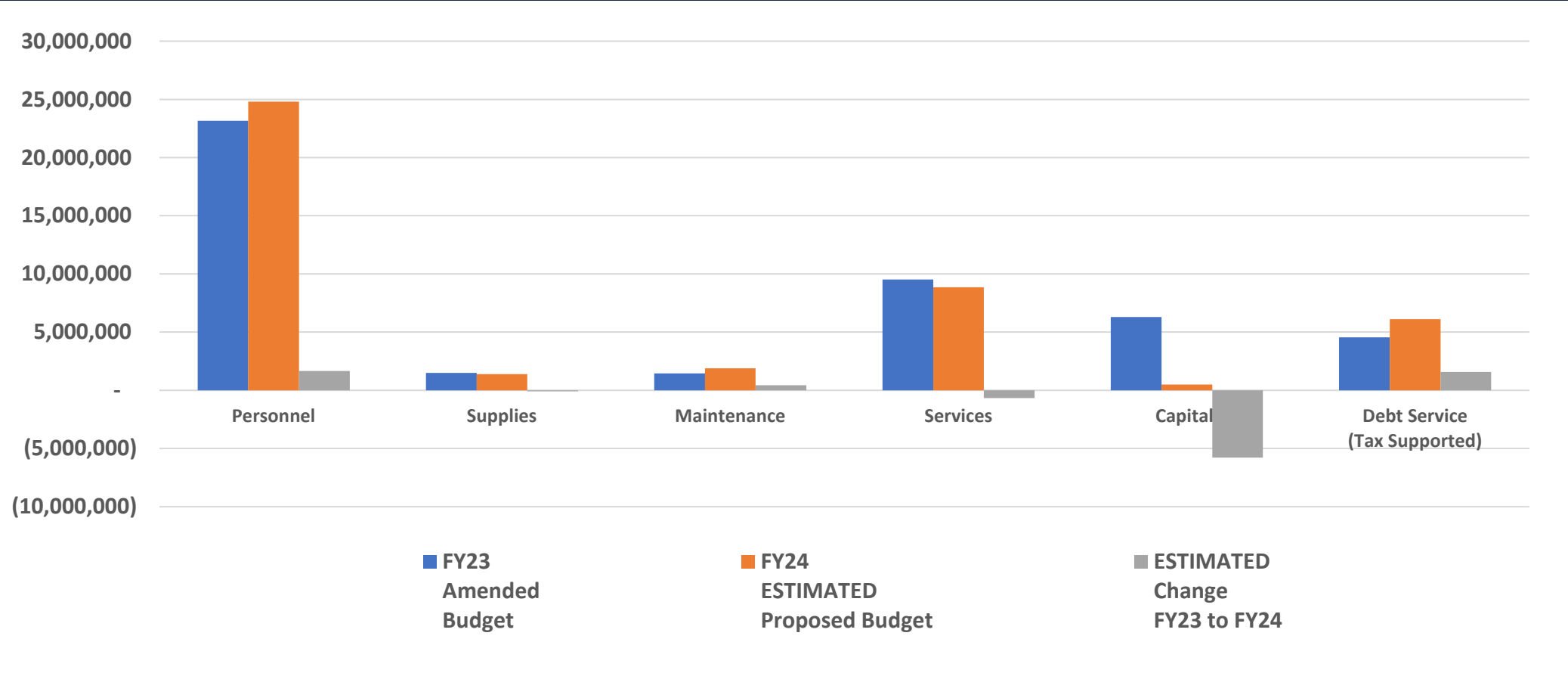
Estimated based on 2023 GO Bond debt service obligation and no additional debt issuances

July 10, 2023

Tax Bill Comparison

Average Home Value \$450K (w/ 20% homestead exemption)	City of Friendswood Tax Bill
Current Tax Rate 48.73 cents	\$1,754.28
<u>ESTIMATED</u> Proposed Tax Rate 52.94 cents	\$1,905.84
Annual Difference	\$151.56
Monthly Difference	\$12.63

Budget Comparison (FY23 Adopted to FY24 Estimated)



Personnel increase for FY23 pay plan adjustments, FY24 FAW new positions, FY24 merit, health insurance, TMRS rate change
Supplies decrease for changes in personnel, equipment, vehicle supplies orders
Maintenance increase for facilities and equipment repairs
Services decrease for FY23 economic development incentives, FISD interlocal agreement reduction
Capital decrease for improvement projects funding appropriated in FY23
Debt Service increase for new General Obligations Bonds, Series 2023

General Fund - Forces-At-Work, Decision Packages, and Budget Neutral Items

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL	Tax Rate Equivalent
City Wide	Insurance Increase		\$150,000	\$150,000		\$150,000	\$0.002981
FVFD	Fire Services Contract Increase		\$71,995	\$71,995		\$71,995	\$0.001431
EMS	EMS Services Contract Increase		\$354,748	\$354,748		\$354,748	\$0.007050
FMO	EMS Chief (+1 FTE)	\$5,500	\$181,350	\$186,850		\$186,850	\$0.003714
PD Patrol	Addition Police Officer (Per Capita Requirement) (Addition mid year)	\$15,250	\$63,762	\$79,012		\$79,012	\$0.001570
PD	Motorola/Watchguard Body Worn Camera Contract (5 Year Contract)		\$97,450	\$97,450		\$97,450	\$0.001937
P&R_Facilities	Existing Facilities and Park Maintenance	\$97,600		\$97,600		\$97,600	\$0.001940
P&R_Facilities	Facility Expansion Maintenance and Utility Cost		\$95,217	\$95,217		\$95,217	\$0.001892
P&R_Facilities	New - FB Park Maintenance, Bay Area Medians, Deepwood, Frenchman's Buyout Lot Maintenance		\$47,994	\$47,994		\$47,994	\$0.000954
P&R_Seniors	Add Senior Citizen Bus to VRP Schedule		\$18,000	\$18,000		\$18,000	\$0.000358
TOTAL FORCES AT WORK		\$204,350	\$1,080,516	\$1,198,866		\$1,198,866	

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL	Tax Rate Equivalent
City Wide	Merit (2.75%)		\$636,914	\$636,914		\$636,914	\$0.012658
TOTAL DECISION PACKAGES		\$0	\$636,914	\$636,914		\$636,914	

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
PD_Patrol	Peace Officer + Vehicle (+1 FTE)	\$107,200	\$133,423	\$240,623	\$240,623	\$0
PD_Patrol	FISD School Crossing Guards - (2) Cline Elementary	\$200	\$34,952	\$35,152	\$35,152	\$0
P&R_SDC	Summer Day Camp Expansion		\$348,339	\$348,339	\$348,339	\$0
P&R_Parks	Daddy Daughter Dance		\$3,500	\$3,500	\$3,500	\$0
P&R_Parks	Flapjack Fun Run		\$6,000	\$6,000	\$6,000	\$0
TOTAL BUDGET NEUTRAL ITEMS		\$107,400	\$526,214	\$633,614	\$633,614	\$0

General Fund Unfunded Decision Packages

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
PD_CID	Flock Safety Contract Renewal & Expansion (2 Year Contract)	\$12,000	\$19,000	\$31,000		\$31,000
PW Streets	VRP Addition - Half Ton Truck - Streets/Sign Shop	\$40,000	\$4,500	\$44,500		\$44,500
IT	Electronic Bidding Solution (W/S Fund Admin Transfer Covers Portion)	\$25,000	\$5,000	\$30,000	\$15,000	\$15,000
PW Streets	PW155 Replacement - Tractor Mower	\$61,000	\$2,500	\$63,500		\$63,500
ENG_CIP	2023 HAZ Mit Grant Scoping - Brigadoon Lane	\$18,000		\$18,000		\$18,000
P&R Facilities	Parks Laborer (+1 FTE)		\$65,090	\$65,090		\$65,090
PD_AC	Animal Control Officer + Vehicle (+1 FTE)	\$78,750	\$95,929	\$174,679		\$174,679
IT_CDD&IT	Administrative Assistant	\$13,440	\$81,392	\$94,832		\$94,832
CAO	Recodification of Friendswood City Code	\$26,000		\$26,000		\$26,000
ENG_CIP	Pavement Management Study	\$100,000		\$100,000	\$100,000	\$0
ENG_CIP	Friendswood Parkway Traffic Impact Analysis	\$315,370		\$315,370	\$315,370	\$0
IT_PD&LIB	Website Platform	\$17,000	\$3,000	\$20,000		\$20,000
PW Streets	PW160 Replacement - Tractor Mower	\$61,000	\$2,500	\$63,500		\$63,500
P&R Seniors	Recreation Aide (+0.50 FTE)		\$15,128	\$15,128		\$15,128
ENG_CIP	Parking Lot Construction, Old City Park, Shadwell, Stevenson Park	\$2,600,000		\$2,600,000	\$2,600,000	\$0
TOTAL DECISION PACKAGES		\$ 3,367,560	\$ 294,039	\$3,661,599	\$3,030,370	\$ 631,229

Unassigned (Unaudited) General Fund Balance Projection

TOTAL FUND BALANCE – 10/1/2022	\$17,385,087
NONSPENDABLE PREPAID ITEMS – 10/1/2022	(260,066)
RESTRICTED FOR PEG CHANNEL EXPENSES	(351,389)
FINANCIAL POLICY – 90 DAY RESERVE REQUIREMENT**	(7,938,943)
STREETS IMPROVEMENTS – FY23 ADOPTED BUDGET	(500,000)
PRIOR YEAR ENCUMBRANCES – PURCHASE ORDERS (OPEN AT YEAR END)	(3,398,348)
PRIOR YEAR UNENCUMBERED CAPITAL – PROJECTS NOT COMPLETE AT YEAR END	(1,271,152)
PRIOR YEAR ADVANCED GRANT FUNDING (HMGP AND CDBG-DR)	(654,451)
REMAINING BALANCE (BEFORE FY23 BUDGET AMENDMENT APPROPRIATIONS)	\$3,010,738
FY23 BUDGET AMENDMENTS 1 – 8	(2,804,328)
FY23 BUDGET AMENDMENT 9 - PEG CHANNEL & BLACKHAWK SHELTER EXPENSES	(122,857)
REMAINING BALANCE (AFTER FY23 BUDGET AMENDMENT APPROPRIATIONS)	\$83,823
FY23 PLANNED USES OF FUND BALANCE (FIRE STATION #2, BLACKHAWK SHELTER EXPENSES, SENIOR PROGRAM VANS)	(881,301)
REMAINING FUND BALANCE*	\$(797,478)
*ANTICIPATED GRANT REIMBURSEMENTS - \$2,119,172	
**NEGATIVE REMAINING FUND BALANCE SPENDS INTO THE 90 DAY RESERVES	

POTENTIAL BUDGET REDUCTIONS

				1 cent Tax Rate	Estimated NNRR	
				\$503,154	\$0.457636	
Department	Service	Estimated Savings	Notes	Tax Rate Equivalent	Cumulative	Individual FAW/DP
M&CC	BAHEP	\$ 17,000	Contract elimination	\$ 0.000338	\$ 0.457974	\$ 0.457974
M&CC	BAYTRAN	\$ 3,500	Contract elimination	\$ 0.000070	\$ 0.458043	\$ 0.457706
M&CC	Dinners & Receptions	\$ 7,300	CSO provided estimate	\$ 0.000145	\$ 0.458189	\$ 0.457781
M&CC	Operating Equipment	\$ 2,500	Two IPAD purchases	\$ 0.000050	\$ 0.458238	\$ 0.457686
M&CC	Chamber Contract	\$ 20,000	Included in CMO Economic Development Budget	\$ 0.000397	\$ 0.458636	\$ 0.458033
Parks & Rec	Historical Society Contract	\$ 17,500	Contract elimination	\$ 0.000348	\$ 0.458983	\$ 0.457984
CMO	Economic Development	\$ 35,000	Additional savings if we forewent new incentive agreements	\$ 0.000696	\$ 0.459679	\$ 0.458332
PD	FISD SRO Agreement**	\$ 103,743	Additional savings, as officers assigned to this agreement could be rededicated to patrol foregoing new hires based on population	\$ 0.002062	\$ 0.461741	\$ 0.459698
PD	FISD Crossing Guards	\$ 14,700	PD - Please work with ASO if we discontinued all crossing guard services	\$ 0.000292	\$ 0.462033	\$ 0.457928
PD	FISD Crossing Guards	\$ 35,152	FY24 Force-At-Work for Cline Elementary	\$ 0.000699	\$ 0.462732	\$ 0.458335
PD	CCISD Crossing Guard Agreement	\$ 34,627	PD - Based on June Invoice to CCISD	\$ 0.000688	\$ 0.463420	\$ 0.458324
Parks & Rec	July 4th Festivities	\$ 120,000	Includes donations/sponsorships, OT for all departments that work this event	\$ 0.002385	\$ 0.465805	\$ 0.460021
Parks & Rec	Santa in the Park	\$ 36,000	Includes donations/sponsorships, OT for all departments that work this event	\$ 0.000715	\$ 0.466520	\$ 0.458351
Parks & Rec	Mowing & Field Maintenance	\$ 398,598	Mowing frequency reduced by half (amount may not be reflective of additional cost resulting from greater time and effort required when less frequent mowing occurs)	\$ 0.007922	\$ 0.474442	\$ 0.465558
FMO	FVFD	\$ 195,670	Postponing transition of PT to FT and any items above contractual obligations	\$ 0.003889	\$ 0.478331	\$ 0.461525
			Total	\$0.020695		

**Amount is dependent upon the interlocal agreement between the City and FISD for School Resource Officers

July 10, 2023

12
Page 44 of 338

Water and Sewer Fund Forces-At-Work and Decision Packages

DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
PW	Blackhawk WW Operations Increase @ xx% (07/01/2023)			\$0		\$0
City Wide	Insurance Increase		\$50,000	\$50,000		\$50,000
TOTAL FORCES AT WORK		\$0	\$50,000	\$50,000	\$0	\$50,000
DEPT	DESCRIPTION	ONE TIME COST	ONGOING COST	TOTAL	OUTSIDE REVENUE SOURCES	NET TOTAL
City Wide	Merit 2.75%		\$ 83,000	\$83,000		\$83,000
PW_SU	PW59 VRP Replacement Upgrade	\$44,214	\$0	\$44,214		\$44,214
ENG	DR-4586 Severe Winter Storm Grant - Generator	\$12,570		\$12,570		\$12,570
IT_PW	IT Support Specialist - Public Works	\$3,440	\$95,463	\$98,903		\$98,903
ENG	Office Clerk - Engineering (+1 FTE)	\$5,000	\$76,712	\$81,712		\$81,712
TOTAL DECISION PACKAGES		\$65,224	\$255,175	\$320,399	\$0	\$320,399

Estimates for the Blackhawk WW Operations Increase is not available yet.
There are no unfunded proposed decision packages in the Water & Sewer Fund.

Questions???



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

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

Date requested for City Council consideration: July 10, 2023

Date submitted: 06/06/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive an update on Movies in the Park.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The Movie in the Park Friday series begins July 14th with 5 great movies scheduled every Friday night thru August 11th.

The free movie series is presented by the Friendswood Rotary Club and the City of Friendswood Parks and Recreation Department. Gates open at 7 pm, and the movie begins at 8:15 pm.

The movie will be shown at the Evelyn B. Newman Amphitheater, lawn chairs, blankets, food, and beverages are allowed, but no glass containers. Snacks and drinks from food vendors will be available for purchase at the event. The August 11th Dive in / Movie in the Park will be located at the Friendswood City Pool featuring Avatar, The Way of Water.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. Movies in the Park 2023 updated

MOVIES

IN THE PARK



JULY 14

SPONSORED BY:



AUGUST 4

SPONSORED BY:



JULY 21

SPONSORED BY:



AUGUST 11

Dive-In Movie at
Stevenson Park Pool

SPONSORED BY:



JULY 28

SPONSORED BY:



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: July 10, 2023

Date submitted: 06/19/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive an update regarding the Friendswood Library Summer Reading Challenge.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Over 1,100 kids and teens are currently participating in this year's Friendswood Library Summer Reading Challenge. The Reading Challenge runs through August 12th with events and programs throughout the Summer. Visit the library website to register and learn more about prizes and summer activities.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. SRC-2023-400-x-240_2023-05-01-183944_btmf_d28523aa536b6ac8e40c56d98727046a (002)

Summer Reading Challenge 2023



All —
Together
— Now

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: July 10, 2023

Date submitted: 06/06/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Receive an update regarding City waterline breaks and repairs.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

As we enter the summer months, staff has seen an uptick in waterline breaks throughout the community. This phenomenon is not unusual when presented with intense heat, lack of rain creating dry soil conditions, and increased demand on water systems.

Public Works crews have been working around the clock to make emergency repairs. Recently, we've had to supplement our surface water supplies with ground water pumpage. Doing so will cause taste and odor issues, at times. However, water quality tests continue to result in acceptable, TCEQ, ranges. If you have any questions regarding water quality, or notice a leak in your area, please contact our Public Works office at 281-996-3380.

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: July 10, 2023

Date submitted: 04/19/2023

Prepared by: Leticia Brysch, City Secretary

Subject: Consider the election of the Mayor Pro Tem.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The City Charter provides in Section 3.05 states in part that:

The Mayor Pro Tem shall be a councilmember elected by the City Council at the next regular City Council meeting following the canvassing of returns and declaring of the results of each regular City election or as soon thereafter as practical. The Mayor Pro Tem shall act as Mayor during the disability or absence of the Mayor and in this capacity shall have the rights and duties conferred upon the Mayor.

This item allows the Council to elect the Mayor Pro Tem to serve for a one-year term beginning immediately and ending at the next regular Council meeting following the May 4, 2024, General Election canvass. The councilmember being nominated to serve as the next Mayor Pro Tem is Steve Rocky.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

The appointment of the Mayor Pro Tem provides for a designee to support the Mayor in his duties and obligations and to act in the Mayor's absence. This may include the need for the Mayor Pro Tem to relocate to the City of Bryan in the event that the city activates that location as a back-up communications/emergency management site.

RECOMMENDATIONS

Elect a Mayor Pro Tem.

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: July 10, 2023

Date submitted: 06/22/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing an agreement with Pavecon LTD. Co. for Fiscal Year 2023-2024 Striping Maintenance through The Interlocal Purchasing System.

Originating Department: Engineering

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item awards a contract in relation to striping of certain streets within the City of Friendswood. Pavecon Ltd., submitted a proposal to the City for restriping and signage at a cost of \$120,527. Included in this package for striping will be stop bars, cross walks, and school zone bars that are needed adjacent to the new Cline Elementary currently under construction at the intersection of West Boulevard and Friendswood Parkway. Pavecon will install the signage associated with establishing the school zone. The City, however, will be responsible for the purchase and installation of flashing school zone signs (one of which will be relocated from the old Cline Elementary).

In addition to this, striping on Falcon Ridge Boulevard adjacent to Friendswood Junior High will be reconfigured to match a plan long intended to be used at that location. This striping will result in a center turn lane from Manison Parkway to West Boulevard. This will provide a dedicated left turn lane for the entrance on the southeasterly side of the school.

Bay Area Boulevard will also be restriped and new reflector buttons installed.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval

ATTACHMENTS

1. 00230 - Standard Agreement for Contracting Services - Pavecon
2. 00285 - Performance Bond
3. 00290 - Payment Bond
4. Form 1295 Certificate
5. Government Code Verifications Form
6. Certificate of Insurance Exp 07-01-2024

THE STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

**STANDARD AGREEMENT FOR
CONTRACTING SERVICES**

THIS AGREEMENT, entered into as of this 10 day of July, 2023, by and between the City of Friendswood, Texas (hereinafter called the "CITY") acting herein by its Mayor, duly authorized by approval of the City Council of the City of Friendswood and Pavecon Ltd. Co., 9900 Windfern Road, Houston, Texas 77064 (hereinafter called the "CONTRACTOR") acting herein by Daniel Kilman, President hereunto duly authorized:

WITNESSETH THAT:

WHEREAS, the CITY and the CONTRACTOR in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE I: WORK

- 1.1 The Contractor shall complete all the Work as specified in the Contract Documents. The Work is generally described as follows:

FY2022-2023 Striping Maintenance

- 1.2 The Project for which the Work under the Contract Documents may be the whole or only a part is generally described as follows:

FY2022-2023 Striping Maintenance

ARTICLE II: DESIGN PROFESSIONAL

- 2.1 The City of Friendswood Engineering Department is the Design Professional on this project.

ARTICLE III: CONTRACT TIME

- 3.1 The Work shall be Substantially Complete within Thirty (30) Calendar Days after the date when the Contract Time commences to run as provided by the General Conditions.
- 3.2 The Work shall have Final Completion and be ready for Final Payment in accordance with the General Conditions within Forty-Five (45) Calendar Days after the date when the Contract Time commences to run as provided by the General Conditions.

ARTICLE IV: LIQUIDATED DAMAGES

- 4.1 The City and the Contractor recognize that time is of the essence of this Agreement and that the City shall suffer financial loss if the Work is not completed within the time specified in Article 3.1 above, plus any extensions thereof allowed in accordance with the General Conditions. They also recognize the delays, expense and difficulties involved in proving the actual loss suffered by the City if the Work is not completed on time. Accordingly, instead of requiring any such proof, the City and the Contractor agree that as liquidated damages for delay (not as a penalty) the Contractor shall pay the City FIVE HUNDRED Dollars (\$500.00) for each day that expires after the time specified in Article 3.1, in this Agreement, for Substantial Completion until the Work is Substantially Complete.
- 4.2 After Substantial Completion, if the Contractor shall neglect, refuse or fail to complete the remaining Work within the time specified in Article 3.2 for Final Completion and readiness for Final Payment or any proper extension thereof granted by the City, the Contractor shall pay City Five Hundred Dollars (\$500.00) for each day that expires after the time specified in Article 3.2, in this Agreement, for Final Completion until the Work is Finally Complete and ready for Final Payment.
- 4.3 Contractor agrees any assessed liquidated damages may be offset against retainage held by the City.

ARTICLE V: CONTRACT PRICE

- 5.1 The City shall pay the Contractor for completion of the Work in accordance with the Contract Documents an amount in current funds equal to the sum of the amounts determined pursuant to Exhibit A.
- 5.2 TOTAL AMOUNT OF BID is ONE HUNDRED TWENTY THOUSAND FIVE HUNDREDR TWENTY-SEVEN DOLLARS and NO/100 DOLLARS (\$120,527.00).
- 5.3 As provided in the General Conditions estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by the City as provided in the General Conditions. Unit prices have been computed as provided in the General Conditions. Unit prices specified as per lump sum have been computed an accordance with of the General Conditions.

ARTICLE VI: PAYMENT PROCEDURES

- 6.1 The Contractor shall submit Contractor Payment Application. Payment Applications shall be processed by the City as provided in the General

Conditions.

- 6.2 Progress Payments; The City shall make progress payments on account of the Contract Price on the basis of the Contractor's Payment Application on or about the twentieth (20th) day of each month during construction as provided in Paragraph 6.3 below. All such payments shall be measured by the schedule of value established in Section 01295 – Schedule of Values (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no schedule of values, as provided in the General Requirements.
- 6.3 Prior to Substantial Completion progress payments shall be made equal to the percentage of the Work completed, as established above, and materials and/or equipment not incorporated in the work completed but delivered, suitably stored, and accompanied by suitable documentation satisfactory to the City as provided in the General Conditions. Progress payments shall be made less retainage as indicated in Paragraph 6.4 and 6.5 below, but in each case, less the aggregate of payments previously made less such amounts as the City shall determine or withhold, in accordance with of the General Conditions.
- 6.4 Retainage prior to Substantial Completion; If the total Contract Price at the time of Contract Execution is Five Hundred Thousand Dollars (\$500,000) or more, the agreed retainage until Substantial Completions shall be five percent (5%), otherwise the agreed retainage shall be ten percent (10%).
- 6.5 Retainage after Substantial Completion: On projects where a long period of time is expected to occur between the Substantial Completion and Final Acceptance, retainage shall be reduced by one-half (1/2). The reduced retainage shall never be less than the expected value of any work requiring correction or unfinished work. A portion of the retainage shall always be held until issuance of a Certification of Final Completion.

ARTICLE VII: INTEREST

- 7.1 All monies except retainage, not paid when due as provided in the General Conditions shall bear interest at the maximum rate allowed by the law.

ARTICLE VII: CONTRACTOR'S REPRESENTATIONS

In order to induce the City to enter into this Agreement the Contractor makes the following representations:

- 8.1 The Contractor has examined and carefully studied the Contract Documents (including the Addenda listed in Article IX) and other related data identified in the Documents including "technical data" and performed a

constructability review.

- 8.2 The Contractor has visited the site and become familiar with and is satisfied as to the general local and site conditions, including utilities that may affect cost, progress, performance and furnishing of the Work.
- 8.3 The Contractor is familiar with and is satisfied as to all federal, state and local Laws and Regulations that may affect cost, progress, performance or furnishing of the Work.
- 8.4 The Contractor has carefully studied all reports of explorations and tests of subsurface conditions at or contiguous to the site and all drawings if physical conditions in or relating to existing surface or subsurface structures at or contiguous to the site (except Underground Facilities) which have been identified in the Supplementary Conditions as provided in the General Conditions. Contractor accepts the determination set forth in the Supplementary Conditions of the extent of the "technical data" contained in such reports and drawings upon which the Contractor is entitled to rely as provided in the General Conditions. The Contractor acknowledges that such reports and drawings are not Contract Documents and may not be complete for the Contractor's purposes. The Contractor acknowledges that the City and the Design Professional shall not assume responsibility for the accuracy or completeness of information and data shown or indicated in the Contract Documents with respect to Underground Facilities at or contiguous to the site. The Contractor has obtained and carefully studied (or assumes responsibility for having done so) all such additional supplementary examinations, investigations, explorations, tests, studies and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work or which relate to any aspect of the means, methods, techniques, sequences and procedures of construction to be employed by the Contractor and safety precautions and programs incident hereto. The Contractor does not consider that any additional examinations, investigations, explorations, tests, studies or data are necessary for the performance and furnishing of the Work at the Contract Price, within the Contract Times and in accordance with other terms and conditions of the Contract Documents.
- 8.5 The Contractor is aware of the general nature of work to be performed by the City and others at the site that relates to the Work as indicated in the Contract Documents.
- 8.6 The Contractor has correlated the information known to the Contractor, information and observations obtained from visits to the site, reports and drawings identified in the Contract Documents and all examinations, investigations, explorations, tests, studies and data with the Contract

Documents.

- 8.7 The Contractor has given the City written notice of all conflicts, errors, ambiguities or discrepancies that the Contractor has discovered in the Contract Documents and the written resolution thereof by the City is acceptable to the Contractor, and the Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

ARTICLE IX: THE CONTRACT DOCUMENTS

The Contract Documents, which comprise the entire agreement between the FDEDC and the Contractor concerning the Work, consist of those referenced in this article. The Contract Documents are complementary, and what is called for by any one shall be as binding as if called for by all. In case of conflict between any of the Contract Documents, priority of interpretation shall be in the following order:

- 9.1 Any modification, including Change Orders, duly delivered after Execution of the Agreement
- 9.2 Addenda as issued, with Acknowledgement of Addenda if applicable
- 9.3 Standard Agreement for Contracting Services (this agreement)
- 9.4 General Conditions.
- 9.5 Supplemental Conditions
- 9.6 Technical Specifications Divisions 1 through 16
- 9.7 Request for Proposals (Cover Sheet and numbered sheets)
- 9.8 Post-Bid Procedures
- 9.9 Insurance Requirements
- 9.10 Performance Bond, included herein
- 9.11 Payment Bond, included herein.
- 9.12 Texas Workers' Compensation
- 9.13 Wage Scale
- 9.14 Affidavit of Insurance, and Certificates of Insurance

- 9.15 Alcohol and Drug Free Workplace Policy
- 9.16 Construction Storm Preparation Policy
- 9.17 Hazardous Communications Program Requirement Agreement.
- 9.18 Homeland Security Policy
- 9.19 Child Support Affidavit
- 9.20 Unit Price Bid Form
- 9.21 Texas Ethics Commission Form 1295
- 9.22 Texas Government Code Verification

There are no Contract Documents other than those listed above in this Article IX. The Contract Documents shall only be altered, amended, or repealed by a modification (as defined in the General Conditions).

ARTICLE X: INDEMNIFICATION

CONTRACTOR SHALL PROTECT, DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS OFFICERS, ELECTED OFFICIALS, AGENTS, AND EMPLOYEES, HARMLESS FROM ANY CLAIMS, FINES, DEMANDS, LOSS, DAMAGE, SUIT, AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES, FOR INJURY TO OR DEATH OF ANY PERSON, OR FOR DAMAGE TO ANY PROPERTY, CAUSED BY THE NEGLIGENT, INTENTIONAL OR WILLFUL ACTS OR OMISSIONS OF THE CONTRACTOR, ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACT LABORERS, OR SUBCONTRACTORS IN THE PERFORMANCE OF THIS AGREEMENT.

CONTRACTOR SHALL COMPLY WITH THE REQUIREMENTS OF ALL APPLICABLE LAWS, RULES, AND REGULATIONS IN CONNECTION WITH THE SERVICES OF CONTRACTOR AND SHALL EXONERATE, INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS AND ALL EMPLOYEES FROM ANY AND ALL LIABILITY, LOSS OR DAMAGE ARISING OUT OF NONCOMPLIANCE WITH SUCH LAWS, RULES AND REGULATIONS, WITHOUT LIMITATION. CONTRACTOR SHALL ASSUME FULL RESPONSIBILITY FOR PAYMENTS OF FEDERAL, STATE AND LOCAL TAXES OR CONTRIBUTIONS IMPOSED OR REQUIRED UNDER THE SOCIAL

SECURITY, WORKER'S COMPENSATION, AND INCOME TAX LAWS WITH RESPECT TO CONTRACTOR'S EMPLOYEES. FURTHER, CONTRACTOR SHALL EXONERATE, INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS AND ALL EMPLOYEES FROM ANY AND ALL LIABILITY, LOSS, DAMAGES, EXPENSES OR CLAIMS ARISING OUT OF ANY ACT OR OMISSION, INTENTIONAL TORT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER OF CONTRACTOR, ITS OFFICERS, AGENTS AND EMPLOYEES IN CONNECTION WITH ANY OF THE WORK PERFORMED OR TO BE PERFORMED UNDER THIS CONTRACT BY CONTRACTOR OR AS A RESULT OF CONTRACTOR'S FAILURE TO USE AND EMPLOY REASONABLE SKILL AND CARE BEFITTING THE PROFESSION IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT. FURTHER, CONTRACTOR SHALL EXONERATE, INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS OFFICERS, AGENTS, AND ALL EMPLOYEES FROM ANY AND ALL LIABILITY, LOSS, DAMAGES, EXPENSES OR CLAIMS FOR INFRINGEMENT OF ANY INTELLECTUAL PROPERTY ARISING OUT OF THE USE OF ANY PLANS, DESIGN, DRAWINGS, OR SPECIFICATIONS FURNISHED BY CONTRACTOR IN THE PERFORMANCE OF THIS AGREEMENT.

THE FOREGOING INDEMNIFICATION PROVISION SHALL APPLY TO CONTRACTOR REGARDLESS OF WHETHER OR NOT SAID LIABILITY, LOSS, DAMAGES, EXPENSES, OR CLAIMS IS CAUSED IN PART BY A PARTY INDEMNIFIED HEREUNDER.

THE CONTRACTOR SHALL REQUIRE ALL OF ITS APPROVED SUBCONTRACTORS TO INCLUDE IN THEIR SUBCONTRACTS, A RELEASE AND INDEMNITY IN FAVOR OF THE CITY IN SUBSTANTIALLY THE SAME FORM AS ABOVE.

ARTICLE XI: MISCELLANEOUS

- 11.1 Terms used in this Agreement which are defined in the General Conditions will have the meanings indicated in the General Conditions.
- 11.2 Termination. In addition to the termination rights elsewhere in Contract Documents, the City may terminate this Agreement as follows:
 - a. For Convenience.

The performance of the work may be terminated at any time in whole or in part, by the City for its convenience. Any such termination shall be effected by delivery to the Contractor of a written notice (notice of termination) specifying the extent to which performance of the work is terminated and the date upon which termination becomes effective. If, for whatever reason, this contract is terminated for cause, which is later determined not to exist, the parties agree that the contract will be deemed to be terminated for convenience. In the event of termination for convenience, the Contractor shall only be paid its reimbursable costs incurred prior to the effective date of the termination notice and shall not be entitled to receive any further payment hereunder and shall be further subject to any claim the City may have against the Contractor under other provisions of this Contract or as a matter of law, including the refund of any overpayment of reimbursable costs and/or other payment.

b. For Cause.

Without prejudice to any other legal or equitable right or remedy that the City would otherwise possess hereunder or as a matter of law, the City, upon giving the Contractor ten (10) days' prior written notice, shall be entitled to terminate this Contract in its entirety at any time for the following:

- (1) If the Contractor becomes insolvent, commits any act of bankruptcy, makes a general assignment for the benefit of creditors, or becomes the subject of any proceeding commenced under any statute or law for the relief of debtors;
- (2) If a receiver, trustee or liquidator of any of the property or income of the Contractor shall be appointed;
- (3) If the Contractor shall fail to prosecute the work or any part thereof with diligence necessary to ensure its progress and completion as prescribed by the time schedules;
- (4) If within ten (10) calendar days after written notice thereof from the City or the City's Representative, the Contractor shall fail to remedy any defective work or work that does not conform to the requirements of this Contract, specifications, and other Contract Documents, or any other default under any of the terms, provisions, conditions, or covenants contained in this Contract or any other current agreement between the Contractor and another City for similar construction work on other property; or
- (5) If the Contractor shall fail for any reason other than the failure by the City to make payment called upon when due.

In the event of such termination for cause, the Contractor shall only be paid its reimbursable costs incurred prior to the effective date of the termination and shall not be entitled to receive any further payment hereunder and shall be further subject to any claim that the City's

Representative or the City may have against the Contractor under the provisions of this Contract or as a matter of law, including the refund of any overpayments of reimbursable costs or other payments.

c. Procedure after Notice of Termination.

After receipt of a notice of termination, whether with or without cause, the Contractor shall, in good faith and to the best of its ability, do all things necessary in light of such notice to assure the efficient and proper close-out of the terminated work (including, but not limited to, the protection of the City's property). Among other things the Contractor shall, except as otherwise directed or approved by the City, do the following:

- (1) Stop the work on the date and to the extent specified in the notice of termination;
- (2) Place no further orders or subcontracts for services, equipment, or material, except as may be necessary for completion of such portion of the work as is not terminated;
- (3) Immediately terminate all orders and subcontracts to the extent that they relate to the performance of the work terminated by the notice of termination;
- (4) Assign to the City, in the manner and to the extent directed by it, all of the right, title and interest of the Contractor under the orders or subcontracts so terminated in which case, the City shall have the right to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
- (5) With the approval of the City, settle all outstanding liabilities and all claims arising out of such termination, orders and subcontracts;
- (6) Deliver to the City, when directed by the City, all documents and all property, which if the work had been completed, the Contractor would have been required to account for or deliver to the City, and transfer title to such property to the City to the extent not already transferred; and/or
- (7) Take actions necessary or as otherwise directed by the City's Representative or the City for the protection and preservation of the work.

In the event of such termination, there shall be an equitable reduction of the Contract Price to reflect the reduction in the work. Costs incurred after the effective date of the notice of termination shall not be treated as reimbursable costs unless they relate to carrying out the unterminated portion or taking close-out measures, approved by the City.

- 11.3 No assignment by a party hereto of any rights under or interests in the Contract Documents shall be binding on another party hereto without written consent of the party sought to be bound; and specifically but without limitation, monies that may become due and monies that are due but may not be assigned without such consent (except to the extent that the effect

of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment shall release or discharge the assignor from any duty or responsibility under the Contract Documents.

11.3 The City and the Contractor each binds itself, its partners, successors, assigns and legal representatives to the other party hereto, its partners, successors, assigns and legal representatives in respect to all covenants, agreements and obligations contained in the Contract Documents.

11.4 Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon the City and the Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close to expressing the intention of the stricken provision.

11.5 Other Provisions – None.

ARTICLE XII: ADDRESSES FOR GIVING NOTICES

12.1 The City:
Attention: Jildardo Arias, PE, CFM
Director of Engineering
City of Friendswood
910 S. Friendswood Drive
Friendswood, Texas 77546

12.2 The Contractor:
Attn: Daniel Kilman
President
Pavecon Ltd. Co.
9900 Windfern Road
Houston, TX 77064

ARTICLE XIII: VENUE

13.1 Any action brought by either party based on any claim arising under or as a result of this contract shall be brought in a court of competent jurisdiction in Galveston County, Texas.

**CITY OF FRIENDSWOOD
STANDARD CONTRACT AGREEMENT**

**CONTRACTING
SERVICES**

EXECUTED IN on behalf of the Contractor by Don Heierman its Chief Financial Officer shown below, and on behalf of the City by Mike Foreman, its Mayor, thereto duly authorized this 10th day of July, 2023.

ACCEPTED:

PROPOSED AND AGREED TO:

CITY:

CONTRACTOR:

CITY OF FRIENDSWOOD, TEXAS

Pavecon LTD. CO.

MAYOR

BY: Don Heierman
Don Heierman
Chief Financial officer

DATE: _____

DATE: 6/30/23

ATTEST:

ATTEST:

CITY SECRETARY

Christie Stephens
(OFFICER OR SECRETARY)

APPROVED AS TO FORM:

CITY ATTORNEY

END OF SECTION

2023 Striping

910 South Friendswood Drive
Friendswood, TX

Prepared for:

City of Friendswood

Marcos Martinez

Prepared By:

Daniel Stuckey

Sr. Project Manager

9900 Windfern Rd

Houston, TX 77064

281-640-4910



June 21, 2023

Page 66 of 338

PROPOSAL & CONTRACT



June 21, 2023

City of Friendswood
15355 Blackhawk Blvd
Friendswood, TX

Houston Division
9900 Windfern Rd
Houston, TX 77064
Office 281-571-8040

Attn: Marcos Martinez

Re: 2023 Striping

Thank you for contacting Pavecon and allowing us to provide you with the following proposal and scope of work

Repair Type	Description	Quantity	Unit		Total
Maintenance	Plan Set 1 - Avalon	1	LS		\$ 5,467.07
Maintenance	Plan Set 2 - FW Lakes Blvd Exhibit	1	LS		\$ 13,080.33
Maintenance	Plan Set 3 - FW Lakes to Ocean Park	1	LS		\$ 3,378.03
Maintenance	Plan Set 4 - West Blvd to Balcones	1	LS		\$ 4,717.81
Maintenance	Plan Set 5 - West Blvd Exhibit	1	LS		\$ 5,333.72
Maintenance	Falcon Ridge - Per Plans (7/29/2010)	1	LS		\$ 34,415.24
Maintenance	Bay Area Blvd (FM528 to City Limits)	1	LS		\$ 43,177.80
Maintenance	Contingency - 10%	1	LS		\$ 10,957.00
Total Project Cost =					\$ 120,527.00

TIPS Fees/ Bond Fees Included in Pricing. Stripes & Stops will perform work. All pricing will be adjusted, if necessary, prior to work beginning.

Pricing includes removal and replacement of traffic buttons on Bay Area and Avalon.

Stop signs will utilize 10' pole. School Zone signs will utilize 12' pole. All signs will utilize Poz-loc bases.

PAVECON, Ltd. will furnish all labor, materials and equipment required for the performance of the following described work in connection with construction or improvements at:

910 South Friendswood Drive - Friendswood, TX

Please see following pages to view repair details, inclusions, exclusions, and our terms and conditions. Please sign below to accept this proposal.

ACCEPTED:

PAVECON, LTD.

Daniel Stuckey
Sr. Project Manager

DESCRIPTION OF WORK:

***SCALES ARE NOT CORRECT, SIGN POSTS ARE NOT STIPULATED ALL SIGN PRICING IS BASED ON 2-3/8 GALVANIZED POSTS ROUND, DIRECTIONS AND DETAILS FOR (18") LINES ARE NOT SPECIFIED, SIGN DETAILS FOR SPECIFICATIONS ARE NOT INCLUDED

Plan Set 1 - Avalon

FRIENDSWOOD BLVD. AT AVALON BLVD.

Crosswalks - 2- REFL PAV MRK TY I (W) (12") (SLD) - ALL (4) SIDES

Plan Set 2 - FW Lakes Blvd Exhibit

Sierra Bridge Ln - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD) Sierra Bridge Ln - REFL PAV MRK TY I (W) (24")

Sierra Bridge Ln at Pleasant Hill Dr. - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD)

Sierra Bridge Ln at at Pleasant Hill Dr - REFL PAV MRK TY I (W) (24")(SLD)

Pleasant Hill Drive - REFL PAV MRK TY I (W) (18") (SLD)

Pleasant Hill Drive - SCHOOL ZONE (20 MPH) - S5-1 (24"X48"), S7-1T -furnished and installed

Pleasant Hill Drive - END SCHOOL ZONE S5-2

Friendswood Lakes Boulevard - REFL PAV MRK TY I (W) (18") (SLD) ZONE (20 MPH) - S5-1

Friendswood Lakes Boulevard - SCHOOL (24"X48"), S7-1T

Friendswood Lakes Boulevard - END SCHOOL ZONE S5-2

Intersection of Friendswood Lakes BLVD at West BLVD. - REFL PAV MRK TY I (W) (24") (SLD)

Intersection of Friendswood Lakes BLVD at West BLVD. - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD)

West Boulevard - REFL PAV MRK TY I (W) (18") (SLD)

West Boulevard on Bristol Meadow - REFL PAV MRK TY I (W) (24")(SLD)

Intersection of West Boulevard on Bristol Meadow - Crosswalks - 2 -REFL PAV MRK TY I (W) (12") (SLD)

West Boulevard - SCHOOL ZONE (20 MPH) - S5-1 (24"X48"), S7-1T West Boulevard - END SCHOOL ZONE S5-2

West Boulevard - SCHOOL ZONE (20 MPH) - S4-3P, R2-1, S4-1P, and S7-1T

Plan Set 3 - FW Lakes to Ocean Park

Friendswood Lakes BLVD. - REFL PAV MRK TY I (W) (18") (SLD)

Friendswood Lakes BLVD. - SCHOOL ZONE (20 MPH) - S5-1 (24"X48"), S7-1T

Friendswood Lakes BLVD. - END SCHOOL ZONE S5-2

Friendswood Lakes BLVD. - Crosswalks - 2 - REFL PAV MRK TY I (W)(12") (SLD)

Plan Set 4 - West Blvd and Balcones

West BLVD. at Balcones Creek Ln. - REFL PAV MRK TY I (W) (24")(SLD)

West BLVD. at Balcones Creek Ln. - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD)

Plan Set 5 - West Blvd Exhibit

West BLVD. - REFL PAV MRK TY I (W) (18") (SLD)

West BLVD. at Balcones Creek Ln. - SCHOOL ZONE (20 MPH) - S5-1 (24"X48"), S7-1T

West BLVD. at Balcones Creek Ln. - END SCHOOL ZONE S5-2

West BLVD. at Balcones Creek Ln. - SCHOOL ZONE (20 MPH) - S4-3P, R2-1, S4-1P, and S7-1T

Davis Prairie Ln.- REFL PAV MRK TY I (W) (24") (SLD)

Davis Prairie Ln. at West BLVD. - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD)

Pleasant Hill Drive - REFL PAV MRK TY I (W) (24") (SLD)

Pleasant Hill Drive at West BLVD. - Crosswalks - 2 - REFL PAV MRK TY I (W) (12") (SLD)

DESCRIPTION OF WORK:

***SCALES ARE NOT CORRECT, SIGN POSTS ARE NOT STIPULATED ALL SIGN PRICING IS BASED ON 2-3/8 GALVANIZED POSTS ROUND, DIRECTIONS AND DETAILS FOR (18") LINES ARE NOT SPECIFIED, SIGN DETAILS FOR SPECIFICATIONS ARE NOT INCLUDED

Falcon Crest

A: (4") (SLD) (WHT) Type I Thermoplastic

B: (4") (SLD) (YLW) Type I Thermoplastic

C: (4") (BRK) (YLW) Type I Thermoplastic

D: (8") (WHT) Type I Thermoplastic

E: (18") (WHT) Type I Thermoplastic

F: (24") Stop Bar Type I Thermoplastic (W) G: (24") (YLW) Type I Thermoplastic

Turn Arrows (8') (WHT) Type I Thermoplastic Word "ONLY" (8') (WHT) Type I Thermoplastic

Raised Pavement Markers

R1-1 (30x30) Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

S5-2 (24x30) Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

S4-3 (24X8), R2-1 (24X30), S4-1a (24X10), S4-6 (24X10), Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

R3-9b (24X36), R3-9 (24X8) - Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

R2-1 (24x30) Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

R3-9b (24X36) - Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

S1-1 (30x30), W16-9p (24x8) - Hi Intensity on Aluminum - using 2-3/8 round galvanized post unless otherwise specified on the plan set

Bay Area Blvd

(4") (BRK) (WHT) Type I Thermoplastic

(8") (WHT) Type I Thermoplastic

(12") (WHT) Type I Thermoplastic

(24") Stop Bar Type I Thermoplastic (W)

(24") (YLW) Type I Thermoplastic

(12") Type II Waterborne Paint (Yellow)

Turn Arrows (8') (WHT) Type I Thermoplastic

Word "ONLY" (8') (WHT) Type I Thermoplastic

Remove and Replace Raised Pavement Markers

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: July 10, 2023

Date submitted: 06/23/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider concurring with the City Manager's appointment of a Director of Information Technology.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Pursuant to Section 4.01(d)(2) of the Friendswood Charter, this item allows the City Council to concur with the City Manager's selection of Mr. Terry Prindle as the City's new Director of Information Technology. He was most recently employed by the City of Fitchburg in Wisconsin as the Information Technology Director. Terry comes to the City with over 25 years of experience in IT with various state and county agencies in Wisconsin as well as serving in the United States Army. We are excited to welcome Terry to our staff and look forward to working with him.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. TPrindle Resume

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: July 10, 2023

Date submitted: 06/05/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider an ordinance amending the City's General Budget for Fiscal Year 2022-2023 by approving "Budget Amendment IX" and providing for supplemental appropriation and/or transfer of certain funds.

Originating Department: Administrative Services

Degree of importance:

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 the 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 ninth set for fiscal year 2022-2023.

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 details of each accounting transaction.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Ordinance - Budget Amendment No. IX
2. FY23 BA IX Exhibit A 07-10-2023 v2
3. FY23 BA IX Exhibit B 07-10-20231

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2022-19, PASSED AND APPROVED AUGUST 29, 2022, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2022-23, BY APPROVING "BUDGET AMENDMENT IX" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

WHEREAS, by Ordinance No. 2022-23, the City Council of the City of Friendswood, Texas, adopted its "Original General Budget for Fiscal Year 2022-23"; 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 2022-23; 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 2022-23," is hereby amended for municipal purposes as shown on "Budget Amendment IX" to the "Original Budget of the City of Friendswood, Texas, for the Fiscal Year 2022-23" attached hereto. Said Budget Amendment IX 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 said amendment is attached hereto as Exhibits "A" and "B" and is incorporated herein for all intents and 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.

Section 4. This ordinance shall take effect immediately from and after its passage by the City Council of the City of Friendswood, Texas.

PASSED, APPROVED and ADOPTED by the affirmative vote of the City Council of the City of Friendswood on this the 10th day of July, 2023.

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:

KAREN L. HORNER, City Attorney

**City of Friendswood
Budget Amendment Summary
Fiscal Year 2022 – 2023
Budget Amendment IX – Exhibit A
July 10, 2023**

1. **Parks & Recreation – Video Wall Sponsorship for July 4th Event, \$5,000.** Appropriate directed sponsorship received from H-E-B. The sponsorship will go towards the rental of a video wall to be used for the July 4th celebration. Funds will be appropriated to the Parks and Recreation Department's July 4th division.
2. **Public, Educational, and Governmental Access (PEG) Channel Enhancement, \$109,857.** Appropriate PEG funds for conference room audio visual equipment at the Blackhawk Building project. Construction Master's Change Order #1 is to provide audio visual equipment and installation to the Blackhawk Building's large conference room. The cost associated with this change will be to provide audio visual equipment for the room to host and broadcast public meetings in person and virtually. The purchase is initially funded by the Blackhawk Building Project's Furniture, Fixtures, and Equipment funds. This appropriation will reimburse the FF&E account.
3. **Police Department - Vehicle Insurance Reimbursement, \$4,681.** Appropriate insurance proceeds received from TML-IRP related to the loss of equipment located at upfitting company. Equipment is related to P431, P432, P433, P434, P435, P436, and P441. Proceeds will be appropriated to the patrol division's vehicle capital account.
4. **Police Department - Vehicle Insurance Reimbursement, \$1,811.** Appropriate insurance reimbursement received from TML-IRP. Funding will be appropriated to the patrol division vehicle maintenance account for repairs made to unit P422.
5. **Police Department - Vehicle Insurance Reimbursement, \$4,261.** Appropriate insurance reimbursement received from TML-IRP related to the loss of P429. Funding will be appropriated to cover a portion of the replacement vehicle, P443.
6. **Capital Projects – Blackhawk Blvd Phase II-B, \$1,200,000.** Blackhawk Blvd Phase II-B is a cost share project in partnership with Harris County Precinct 2. The contract for construction was awarded by council at the May 1, 2023 council meeting. Harris County's portion of the cost is \$1,200,000. The payment was received by the City and the proceeds will be appropriated to concrete streets capital expenditure account.
7. **Blackhawk Shelter Engineering Change Order, \$13,000.** Correct prior appropriation of 2021 General Obligation bonds for the change order related to additional engineering costs to revise the bid documents with a modified scope for construction of the Blackhawk Shelter. A reduction in the project scope was required so that the project does not exceed grant funds available. The construction project will be rebid with the reduced scope of work. The 2021 General Obligation will be reimbursed and funds will be appropriated from unassigned General Fund Balance.
8. **City Secretary's Office – Advertising and Publication, \$4,500.** Transfer funds from the Engineering publication budget to the City Secretary's Office advertising and public notices budget for increased publication costs related to capital improvements projects publication requirements.
9. **Police Department – Rad Program, \$300.** Appropriate funds donated to the Police Department Rape Aggression Defense (R.A.D.) Program. Donations were received from the citizens participating in the R.A.D. classes. Funds will be appropriated to the Police Department Patrol division for R.A.D. operating equipment related to R.A.D. program expenses.

City of Friendswood				
July 10, 2023				
2022-2023 Budget Amendment IX - Exhibit B				
BA Number	Account Number	Project Number	Description	Amount
1	001-0000-34772	DN0010	Appropriate sponsorship received from H-E-B for video wall at July 4th celebration event	(5,000)
1	001-6422-452.7910	DN0010	Appropriate sponsorship received from H-E-B for video wall at July 4th celebration event	5,000
2	001-0000-30500	BLCKHWKFFE	Appropriate restricted general fund balance reserves from PEG Channel revenue for Blackhawk Building audio visual equipment for conference room	(109,857)
2	001-7001-419.7150	BLCKHWKFFE	Appropriate restricted general fund balance reserves from PEG Channel revenue for Blackhawk Building audio visual equipment for conference room	109,857
3	301-0000-38310		Appropriate insurance proceeds from TML-IRP P431, P432, P433, P434, P435, P436, P441 equipment loss at upfit company	(4,681)
3	301-0501-421.8300	multiple	Appropriate insurance proceeds from TML-IRP P431, P432, P433, P434, P435, P436, P441 equipment loss at upfit company	4,681
4	001-0000-38310		Appropriate insurance proceeds from TML-IRP for repairs needed to P422 in the Police Patrol Division	(1,811)
4	001-2120-421.6300	P422	Appropriate insurance proceeds from TML-IRP for repairs needed to P422 in the Police Patrol Division	1,811
5	301-0000-38310		Appropriate insurance proceeds from TML-IRP for P443, the replacement of P429	(4,261)
5	301-0501-421.8300	P443	Appropriate insurance proceeds from TML-IRP for P443, the replacement of P429	4,261
6	001-0000-33711		Appropriate Harris County Precinct 2 portion of Blackhawk Blvd Phase II-B funding	(1,200,000)
6	001-7001-431.8511	STRT2023.003CONST	Appropriate Harris County Precinct 2 portion of Blackhawk Blvd Phase II-B funding	1,200,000
7	257-7001-419.8582		Correction: Blackhawk Shelter Engineering Change Order Appropriation	(13,000)
7	257-0000-30100		Correction: Blackhawk Shelter Engineering Change Order Appropriation	13,000
7	001-0000-30500		Appropriate unassigned fund balance for a change order related to the Blackhawk Shelter engineering contract	(13,000)
7	001-7001-419.8582		Appropriate unassigned fund balance for a change order related to the Blackhawk Shelter engineering contract	13,000
8	001-3770-431.7540		Transfer funds from Engineering for cost of publication/public notice increases in CSO	(4,500)
8	001-0201-411.7491		Transfer funds from Engineering for cost of publication/public notice increases in CSO	4,500
9	001-0000-38600		Appropriate donations received for PDRAD to be used for RAD program expenses	(300)
9	001-2120-421-5410		Appropriate donations received for PDRAD to be used for RAD program expenses	300

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider an ordinance authorizing the issuance and sale of City of Friendswood, Texas General Obligation Improvement Bonds, Series 2023; levying an annual ad valorem tax for the payment of said bonds; approving an official statement and paying agent/registrar agreement; approving engagement of bond counsel; and enacting other provisions relating to the subject.

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, the 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) & Public Works Building (\$2M)

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)

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

Following the initial Round 1 issuance of \$8M, the bond issuance plans changed to accommodate the earlier than anticipated readiness of drainage improvement projects. Round 2 issuance was \$14.1M to fund the Public Safety Building Improvements, construction of the new Fire Station #2, and drainage improvements for lower Clear Creek. Instead of 6 issuances of \$5M each, the remaining \$30M will be the final issuance to fund drainage projects.

GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023

On June 5, 2023, Council approved the Schedule of Events for the issuance of the City of Friendswood General Obligation Improvements Bonds, Series 2023. These bonds will fund the 3rd and final round of the proposed bond program (\$30,000,000).

The posted ordinance, prepared by Bond Counsel and reviewed by our City Attorney, is in draft form. On July 10, 2023, 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 July 10, 2023 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 bond rating call with the City on June 16, 2023 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.

Additional documents to be provided are Bond Counsel Engagement Letter, Preliminary Bond Ordinance, Preliminary Bond Purchase Agreement

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Issuance of the General Obligation Improvements Bonds, Series 2023 will enable completion of drainage projects approved by voters in 2019.

RECOMMENDATIONS

Based on the City's Financial Advisor's assessment of bond pricing during the week of July 10, 2023, staff recommends approval of the ordinance and related documents.

ATTACHMENTS

1. Ordinance - Series 2023 GO Bonds
2. Schedule of Events Presentation - Series 2023 GO Bonds (5-3-23)
3. City of Friendswood TX_GO Improvement Bonds Series 2023_POS 6-16-23

**ORDINANCE NO. 2023-__
OF THE CITY OF FRIENDSWOOD, TEXAS**

AUTHORIZING THE ISSUANCE OF

**CITY OF FRIENDSWOOD, TEXAS
GENERAL OBLIGATION
IMPROVEMENT BONDS
SERIES 2023**

TABLE OF CONTENTS

Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS	2
Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES AND INTEREST RATES OF BONDS	3
Section 3. CHARACTERISTICS OF THE BONDS	4
Section 4. FORM OF BONDS	8
Section 5. INTEREST AND SINKING FUND	15
Section 6. DEFEASANCE OF BONDS.....	16
Section 7. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS	17
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	18
Section 9. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BONDS	19
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	22
Section 11. DEFAULT AND REMEDIES	23
Section 12. COMPLIANCE WITH RULE 15c2-12.	24
Section 13. METHOD OF AMENDMENT	28
Section 14. RESERVED.....	29
Section 15. APPROPRIATION.....	29
Section 16. SEVERABILITY.....	29
Section 17. EFFECTIVE DATE.....	29

ORDINANCE NO. 2023-__

**AUTHORIZING THE ISSUANCE AND SALE OF CITY OF FRIENDSWOOD, TEXAS
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023; LEVYING AN
ANNUAL AD VALOREM TAX FOR THE PAYMENT OF SAID BONDS; APPROVING
AN OFFICIAL STATEMENT AND PAYING AGENT/REGISTRAR AGREEMENT;
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 three 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, in the issuance of the Issuer's General Obligation Improvement and Refunding Bonds, Series 2021, the Issuer used \$14,100,000 of the voted authorization from the Election, as shown in the table below, leaving an unissued balance of \$30,000,000 from the Election following the issuance of the Series 2021 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 \$30,000,000 in principal amount of voted authorization, and leaving an unissued balance from the Election of \$0 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	\$9,100,000	\$-0-	\$-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	\$11,000,000	\$30,000,000	\$0
Totals		\$52,100,000	\$22,100,000	\$30,000,000	\$0

⁽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, 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, 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 \$27,865,000, 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 BOND, SERIES 2023," and initially there shall be issued, sold, and delivered hereunder one fully registered bond, without interest coupons, dated August 1, 2023, 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	<u>Principal Amount</u>	<u>Interest Rates</u>	Years of Maturity	<u>Principal Amount</u>	<u>Interest Rates</u>
----------------------	-----------------------------	---------------------------	----------------------	-----------------------------	---------------------------

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 BOND, SERIES 2023		PRINCIPAL AMOUNT
<u>Interest Rate</u>	<u>Date of Initial Delivery of Bonds</u>	<u>Maturity Date</u>	<u>CUSIP No.</u>
	August 8, 2023	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 March 1, 2024 and semiannually on each September 1 and March 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 August 1, 2023, authorized in accordance with the Constitution and laws of the State of Texas in the principal amount of \$27,865,000 to fund the construction and acquisition of permanent improvements approved by the voters of the Issuer.

THE BONDS MATURING ON MARCH 1, ____, 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/	
<u>Year</u>	<u>Principal Amount</u>

⁽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, 2033, and on any date thereafter, the outstanding Bonds of this series that mature on and after March 1, 2034 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 in 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:

Years	<u>Principal Installments</u>	<u>Interest Rates</u>	Years	<u>Principal Installments</u>	<u>Interest Rates</u>
-------	-----------------------------------	---------------------------	-------	-----------------------------------	---------------------------

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 March 1, 2024 and semiannually on each September 1 and March 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 Section 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 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 B

(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., Crews & Associates and Cabrera Capital Markets, LLC (collectively, the "Underwriter") for the purchase price of \$_____ (representing the par amount of the Bonds of \$_____, plus a [net] aggregate original issue premium of \$_____ 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 July 3, 2023, 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 Mach 1, 2024]; and the sum of \$ _____ together with principal amount of \$ _____ (for a total of \$30,000,000.00), 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 B 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 2023. 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. RESERVED.

Section 15. APPROPRIATION. To pay the debt service coming due on the Bonds on September 1, 2023, 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 16. 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 17. 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.

PASSED, APPROVED and ADOPTED by the affirmative vote of the City Council of the City of Friendswood on this the 10th day of July, 2023.

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:

KAREN L. HORNER, City Attorney



City of Friendswood, Texas

Financing Plan and Schedule of Events Presentation for: \$27,865,000* General Obligation Improvement Bonds, Series 2023

Monday, June 5, 2023

* Preliminary, subject to change.

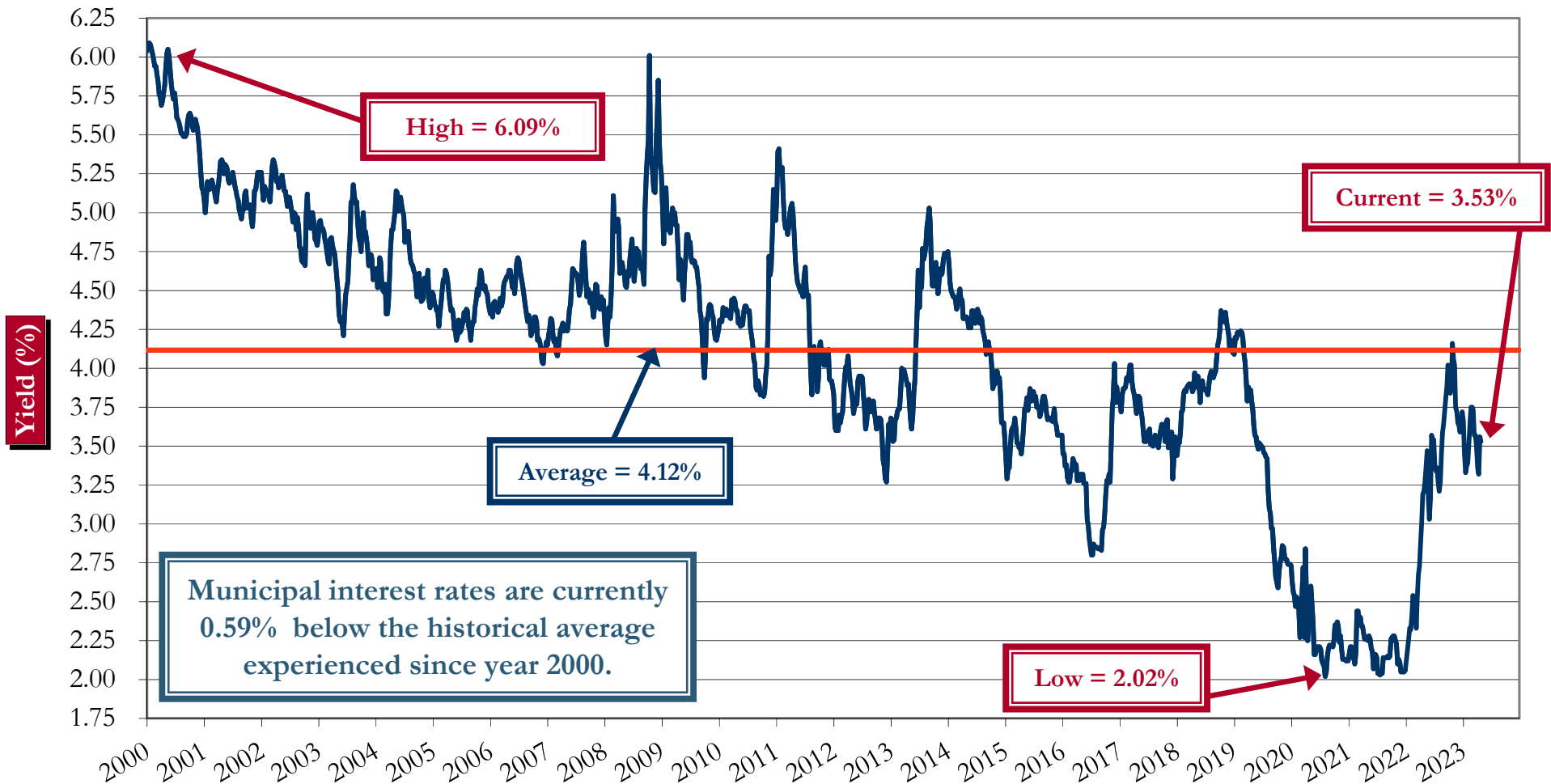
Securities, insurance and advisory services offered through BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Services may be offered under our trade name, BOK Financial Advisors.

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."



General Obligation Improvement Bonds, Series 2023

Estimated Debt Service Requirements

Fiscal Year Ending (9/30)	Current Total Debt Service (a)	Plus: Series 2023 GO Bonds \$30,000,000 in Proceeds			Total Debt Service Requirements
		Principal *	Interest (b)	Total	
2023	\$3,908,906				\$3,908,906
2024	3,909,206		\$1,482,263	\$1,482,263	5,391,469
2025	3,908,469	\$210,000	1,388,000	1,598,000	5,506,469
2026	3,909,669	220,000	1,377,250	1,597,250	5,506,919
2027	3,951,803	190,000	1,367,000	1,557,000	5,508,803
2028	3,953,944	195,000	1,357,375	1,552,375	5,506,319
2029	3,950,669	210,000	1,347,250	1,557,250	5,507,919
2030	3,951,025	220,000	1,336,500	1,556,500	5,507,525
2031	3,952,775	230,000	1,325,250	1,555,250	5,508,025
2032	1,587,825	680,000	1,302,500	1,982,500	3,570,325
2033	1,589,925	715,000	1,267,625	1,982,625	3,572,550
2034	1,588,200	755,000	1,230,875	1,985,875	3,574,075
2035	1,587,850	795,000	1,192,125	1,987,125	3,574,975
2036	1,411,800	860,000	1,150,750	2,010,750	3,422,550
2037	1,410,300	905,000	1,106,625	2,011,625	3,421,925
2038	1,412,825	950,000	1,060,250	2,010,250	3,423,075
2039	1,414,300	995,000	1,011,625	2,006,625	3,420,925
2040	1,414,725	1,045,000	960,625	2,005,625	3,420,350
2041	921,600	1,050,000	908,250	1,958,250	2,879,850
2042	920,150	1,105,000	854,375	1,959,375	2,879,525
2043	924,572	1,155,000	797,875	1,952,875	2,877,447
2044	924,897	1,215,000	738,625	1,953,625	2,878,522
2045	924,684	1,275,000	676,375	1,951,375	2,876,059
2046	923,950	1,340,000	611,000	1,951,000	2,874,950
2047	922,694	1,410,000	542,250	1,952,250	2,874,944
2048	920,900	1,485,000	469,875	1,954,875	2,875,775
2049	923,509	1,560,000	393,750	1,953,750	2,877,259
2050	920,522	1,645,000	313,625	1,958,625	2,879,147
2051	591,947	1,725,000	229,375	1,954,375	2,546,322
2052		1,815,000	140,875	1,955,875	1,955,875
2053		1,910,000	47,750	1,957,750	1,957,750
Totals	\$58,633,641	\$27,865,000	\$27,987,888	\$55,852,888	\$114,486,529

* Preliminary, subject to change. **Generates \$30,000,000 in construction proceeds for the City and includes estimated issuance costs.**

- (a) Excludes the City's General Obligation debt paid by Waterworks and Sewer System revenues and Capital Leases payments.
- (b) Interest estimated at current market interest rates, for illustrative purposes only.



General Obligation Improvement Bonds, Series 2023

Estimated Sources and Uses of Funds

City of Friendswood, Texas \$27,865,000* General Obligation Improvement Bonds, Series 2023

Principal Amount of the Bonds:	\$27,865,000	*
Plus: Net Premium:	2,440,744	*
Less: Expenses:	305,744	*
Underwriters' Discount	\$174,156	
Financial Advisor	46,941	
Bond Counsel	38,632	
Rating Agencies	30,000	
Attorney General Fee	9,500	
Printing/Distribution	1,250	
Miscellaneous	4,516	
Paying Agent/Trustee	750	
Total Proceeds:	\$30,000,000	
"All Cost" True Interest Rate (a):	4.398%	
Average Life:	20.09 Years	

* Preliminary, subject to change.

(a) Includes estimated issuance costs.



Tentative Schedule of Events

May - 2023						
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			

June - 2023						
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	

July - 2023						
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

August - 2023						
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		

\$27,865,000*

General Obligation Improvement Bonds, Series 2023

Date	Action	Role
Monday, May 29, 2023	First Draft of Preliminary Official Statement ("POS")	FA
Monday, June 5, 2023	City Council Meeting Review Financing Plan and Schedule of Events for General Obligation Improvement Bonds ("GO Bonds")	City, FA, BC
Tuesday, June 6, 2023	Second Draft POS	City, FA, BC
Week of June 12, 2023	Rating and Diligence Calls	City, FA, BC
Friday, June 16, 2023	Third Draft POS	City, FA, BC, UW
Friday, June 30, 2023	Final Draft POS	City, FA, BC, UW
Monday, July 3, 2023	Post/Distribute Final POS	BOKFS
Monday, July 10, 2023	Sale of General Obligation Bonds City Council Meeting City Council to Approve Sale of GO Bonds	City, FA, BC, UW
Tuesday, August 8, 2023	Closing/Delivery of GO Bonds	City, FA, BC, UW

Participants

City - City of Friendswood, Texas
 FA - BOK Financial Securities, Inc. (Financial Advisor)
 BC - McCall, Parkhurst & Horton LLP (Bond Counsel)
 UW - Underwriters (To Be Determined)

* Preliminary, subject to change.

PRELIMINARY OFFICIAL STATEMENT DATED JULY 3, 2023

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, including the alternative minimum tax on certain corporations.

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"

\$27,865,000*

CITY OF FRIENDSWOOD, TEXAS

(A home rule city of the State of Texas located within Galveston and Harris Counties)

GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023

Dated: August 1, 2023

Due: March 1, as shown below

Interest Accrual Date: Delivery Date

Principal of and interest on the \$27,865,000* City of Friendswood, Texas, General Obligation Improvement Bonds, Series 2023 (the "Bonds") are payable by The Bank of New York Mellon Trust Company, N.A., Dallas, Texas, the initial paying agent/registrant (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 March 1 and September 1 of each year, commencing March 1, 2024, 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 Chapter 1331, Texas Government Code, as amended, 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 July 10, 2023. 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)
2025	\$ 210,000	%	%		2040(c)	\$1,045,000	%	%	
2026	220,000				2041(c)	1,050,000			
2027	190,000				2042(c)	1,105,000			
2028	195,000				2043(c)	1,155,000			
2029	210,000				2044(c)	1,215,000			
2030	220,000				2045(c)	1,275,000			
2031	230,000				2046(c)	1,340,000			
2032	680,000				2047(c)	1,410,000			
2033	715,000				2048(c)	1,485,000			
2034(c)	755,000				2049(c)	1,560,000			
2035(c)	795,000				2050(c)	1,645,000			
2036(c)	860,000				2051(c)	1,725,000			
2037(c)	905,000				2052(c)	1,815,000			
2038(c)	950,000				2053(c)	1,910,000			
2039(c)	995,000								

* Preliminary, subject to change.

(a) The initial yields will be established by and are the sole responsibility of the Underwriters.

(b) CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright © 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein provided is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the City, the Underwriters (defined below), or their agents or counsel assume responsibility for the accuracy of such numbers.

(c) The Bonds maturing on March 1, 2034* and thereafter are subject to redemption on March 1, 2033* 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 and flood control improvement projects within the City; and (ii) 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 August 8, 2023.

SAMCO CAPITAL

CREWS & ASSOCIATES

CABRERA CAPITAL MARKETS, LLC

* 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	Historical Analysis of Tax Collection.....	23
SALE AND DISTRIBUTION OF THE BONDS	4	Analysis of Tax Base.....	24
Underwriting.....	4	Sales Tax.....	25
Prices and Marketability.....	4	SELECTED FINANCIAL DATA.....	26
Securities Laws.....	4	Historical Operations of the City's General	
Municipal Bond Ratings	5	Fund	26
OFFICIAL STATEMENT SUMMARY	6	General Fund and Debt Service Fund Balance	
INTRODUCTION.....	8	for the Past Five Fiscal Years.....	26
THE BONDS.....	8	Pension Fund	26
Description.....	8	Financial Statements.....	27
Redemption Provisions	8	ADMINISTRATION OF THE CITY	27
Mandatory Redemption.....	9	Mayor and City Council.....	27
Notice of Redemption	9	Administration.....	27
Book-Entry-Only System.....	9	Consultants	28
Successor Paying Agent/Registrar	11	LEGAL MATTERS.....	28
Source of Payment.....	11	Legal Opinion	28
Tax Rate Limitations	11	No-Litigation Certificate	29
Use of Proceeds	11	No Material Adverse Change.....	29
Authorization of the Bonds	11	TAX MATTERS.....	29
Sources and Uses of Funds	12	Opinion	29
Amendments.....	12	Federal Income Tax Accounting Treatment of	
Defeasance.....	12	Original Issue Discount.....	29
Future Debt.....	13	Collateral Federal Income Tax Consequences	30
Other Obligations	13	Information Reporting and Backup	
Legal Investments in Texas.....	14	Withholding.....	31
Remedies in the Event of Default	14	Future and Proposed Legislation.....	31
INVESTMENT AUTHORITY AND		State, Local and Foreign Taxes	31
INVESTMENT OBJECTIVES OF THE		CONTINUING DISCLOSURE OF	
CITY	15	INFORMATION	31
Legal Investments.....	15	Annual Reports	31
Investment Policies.....	16	Notice of Certain Events	32
Current Investments	16	Availability of Information	32
Additional Provisions	16	Limitations and Amendments	32
CITY TAX DEBT	17	Compliance With Prior Undertakings.....	33
Tax Supported Debt Statement	17	SEVERE WEATHER EVENTS	33
Bonded Indebtedness Payable from Ad		INFORMATION TECHNOLOGY AND	
Valorem Taxes	17	CYBERSECURITY	33
Pro-Forma Tax Supported Debt Service		EXPOSURE TO OIL AND GAS INDUSTRY	33
Schedule.....	18	FINANCIAL ADVISOR	33
Estimated Overlapping Debt	19	GENERAL CONSIDERATIONS.....	33
Debt Ratios	19	Sources and Compilation of Information.....	33
TAX DATA	19	Forward Looking Statements	34
Ad Valorem Property Taxation.....	19		
Public Hearing and Maintenance and			
Operation Tax Rate Limitations.....	21	APPENDIX A – Economic and Demographic Characteristics	
Debt Tax Rate Limitations	22	APPENDIX B – Audited Financial Statements of the City	
Levy and Collection of Taxes	22	APPENDIX C – Form of Bond Counsel Opinion	
City's Rights in the Event of Tax			
Delinquencies	23		

\$27,865,000*

CITY OF FRIENDSWOOD, TEXAS

(A home rule city of the State of Texas located within Galveston and Harris Counties)

GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023

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 \$27,865,000* General Obligation Improvement Bonds, Series 2023 (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., Crews & Associates and Cabrera Capital Markets, LLC (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 ("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.

[Remainder of Page Intentionally Left Blank]

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 March 1, 2024 and semiannually thereafter on each succeeding September 1 and March 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, 2034* are subject to redemption on March 1, 2033* 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 Chapter 1331, Texas Government Code, as amended, and, 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 July 10, 2023. 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 and flood control improvement projects within the City; and (ii) payment of the costs of issuance of the Bonds. See "THE BONDS - Use of Proceeds" and "- Sources and Uses of Funds."
Payment Record.....	The City has never defaulted in the payment of its debt.
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)

2023 Preliminary Taxable Assessed Valuation	\$ 4,989,376,475 (a)
(100% of market value as of January 1, 2023)	
2022 Certified Taxable Assessed Valuation	\$ 4,614,143,928 (a)
(100% of market value as of January 1, 2022)	
Direct Debt:	
Outstanding Tax Supported Debt (as of June 30, 2023)	\$ 58,470,000
Plus: The Bonds	27,865,000 *
Less: Self-Supporting General Obligation Debt	(16,920,000) (b)
Total Tax Supported Debt	<u>\$ 69,415,000 *</u>
Estimated Overlapping Debt	<u>\$ 256,922,582</u>
Direct and Estimated Overlapping Debt	<u>\$ 326,337,582</u>
Debt Service Fund Balance (unaudited, as of April 30, 2023)	<u>\$ 1,278,878</u>

	% of 2023 Preliminary Assessed Valuation	% of 2022 Certified Taxable Assessed Valuation	2023 Estimated Population (42,222)
Debt Ratios:			
Direct Tax Supported Debt	1.39%	1.50%	\$ 1,644
Direct Tax Supported and Estimated Overlapping Debt	6.54%	7.07%	\$ 7,729

2022 Tax Rate (per \$100 of Assessed Valuation)	
Maintenance and Operation	\$ 0.388560
Debt Service	<u>0.098754</u>
Total	<u>\$ 0.487314</u>

Estimated Annual Debt Service Requirements: (c)	
Average (Fiscal Years 2023-2053)	\$ 3,693,114
Maximum (2027)	\$ 5,508,803

Tax Collections:	
Arithmetic Average, Tax Years (2017-2021) - Current Year Collections	99.56%
- Total Collections	99.87%

* Preliminary, subject to change.

- (a) Provided by the Galveston County Appraisal District and Harris Central Appraisal District (the "Appraisal Districts") and net of exemptions. Such value is further subject to changes as additions, corrections and deletions are made to the tax roll.
- (b) Debt supported by funds provided by the City's Waterworks and Sewer System.
- (c) Includes the Bonds and excludes 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 \$27,865,000* General Obligation Improvement Bonds, Series 2023 (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 August 1, 2023 and interest on the Bonds will accrue from the date of initial delivery to the Underwriters. Interest is payable initially on March 1, 2024, and each September 1 and March 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, 2034* and thereafter are subject to optional redemption prior to maturity, in whole or in part, on March 1, 2033*, 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 S&P Global Ratings' 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

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 and interest on all ad valorem tax debt of the City within the limits prescribed by law. 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 and flood control improvement projects within the City; and (ii) payment of the costs of issuance of the Bonds.

Authorization of the Bonds

The Bonds are issued pursuant to the Constitution and general laws of the State of Texas, particularly Chapter 1331, Texas Government Code, as amended, and, 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 July 10, 2023, which will specifically authorize the sale and issuance of the Bonds. The Bonds constitute the third 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	9,100,000	0	-0-
Drainage and Flood Control	41,000,000	11,000,000	30,000,000	-0-
	\$52,100,000	\$22,100,000	\$30,000,000	-0-

(a) Preliminary, subject to change. Includes an estimated \$27,865,000 par amount of the Bonds and a portion of the estimated premium in the amount of \$2,135,000 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	
Total Sources of Funds	<u>\$</u>

USES OF FUNDS

Deposit to Construction 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 no voter authorized but unissued general obligation bonds remaining. 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.

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 365 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 30, 2023 were as follows:

	Principal Invested	Market Value	Book Value
Government Securities	\$10,000,000	\$ 9,767,650	\$ 9,767,650
Investment Pool	59,452,623	59,452,623	59,452,623
Total Portfolio	<u>\$69,452,623</u>	<u>\$69,220,273</u>	<u>\$69,220,273</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

2023 Preliminary Taxable Assessed Valuation	\$ 4,989,376,475 (a)
(100% of market value as of January 1, 2023)	
2022 Certified Taxable Assessed Valuation	\$ 4,614,143,928 (a)
(100% of market value as of January 1, 2022)	
Direct Debt:	
Outstanding Tax Supported Debt (as of June 30, 2023).....	\$ 58,470,000
Plus: The Bonds.....	27,865,000 *
Less: Self-Supporting General Obligation Debt.....	<u>(16,920,000) (b)</u>
Total Tax Supported Debt	<u>\$ 69,415,000 *</u>
Debt Service Fund Balance (Unaudited, as of April 30, 2023)	<u>\$ 1,278,878</u>

* Preliminary, subject to change.

- (a) Provided by the Galveston County Appraisal District and Harris Central Appraisal District (the "Appraisal Districts") and net of exemptions. Such value is further subject to changes as additions, corrections and deletions are made to the tax roll.
- (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.

Fiscal Ending (9/30)	Current Total Debt Service (a)	Plus: The Bonds			Less: Self-Supporting Debt Service (c)	Total Debt Service Requirements
		Principal *	Interest (b)	Total		
2023	\$ 6,348,231				(\$ 2,439,325)	\$ 3,908,906
2024	6,344,906		\$ 1,482,263	\$ 1,482,263	(2,435,700)	5,391,469
2025	6,346,969	\$ 210,000	1,388,000	1,598,000	(2,438,500)	5,506,469
2026	6,403,669	220,000	1,377,250	1,597,250	(2,494,000)	5,506,919
2027	6,355,378	190,000	1,367,000	1,557,000	(2,403,575)	5,508,803
2028	6,358,694	195,000	1,357,375	1,552,375	(2,404,750)	5,506,319
2029	6,469,344	210,000	1,347,250	1,557,250	(2,518,675)	5,507,919
2030	6,468,825	220,000	1,336,500	1,556,500	(2,517,800)	5,507,525
2031	4,685,175	230,000	1,325,250	1,555,250	(732,400)	5,508,025
2032	2,319,125	680,000	1,302,500	1,982,500	(731,300)	3,570,325
2033	2,324,025	715,000	1,267,625	1,982,625	(734,100)	3,572,550
2034	2,320,800	755,000	1,230,875	1,985,875	(732,600)	3,574,075
2035	1,587,850	795,000	1,192,125	1,987,125		3,574,975
2036	1,411,800	860,000	1,150,750	2,010,750		3,422,550
2037	1,410,300	905,000	1,106,625	2,011,625		3,421,925
2038	1,412,825	950,000	1,060,250	2,010,250		3,423,075
2039	1,414,300	995,000	1,011,625	2,006,625		3,420,925
2040	1,414,725	1,045,000	960,625	2,005,625		3,420,350
2041	921,600	1,050,000	908,250	1,958,250		2,879,850
2042	920,150	1,105,000	854,375	1,959,375		2,879,525
2043	924,572	1,155,000	797,875	1,952,875		2,877,447
2044	924,897	1,215,000	738,625	1,953,625		2,878,522
2045	924,684	1,275,000	676,375	1,951,375		2,876,059
2046	923,950	1,340,000	611,000	1,951,000		2,874,950
2047	922,694	1,410,000	542,250	1,952,250		2,874,944
2048	920,900	1,485,000	469,875	1,954,875		2,875,775
2049	923,509	1,560,000	393,750	1,953,750		2,877,259
2050	920,522	1,645,000	313,625	1,958,625		2,879,147
2051	591,947	1,725,000	229,375	1,954,375		2,546,322
2052		1,815,000	140,875	1,955,875		1,955,875
2053		1,910,000	47,750	1,957,750		1,957,750
Totals	\$81,216,366	\$27,865,000	\$27,987,888	\$55,852,888	(\$22,582,725)	\$114,486,529

Estimated Average Annual Requirements (2023-2053).....	\$3,693,114 (c)
Estimated Maximum Annual Requirement (2027).....	\$5,508,803 (c)

* Preliminary, subject to change.

(a) Includes 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 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 June 1, 2023	Overlapping	
		Percent	Amount
Clear Creek Independent School District	\$ 993,980,000	2.87%	\$ 28,527,226
Friendswood Independent School District	189,905,000	100.00	189,905,000
Galveston County	174,315,041	9.16	15,967,258
Harris County (a)	1,770,442,125	0.14	2,478,619
Harris County Department of Education	13,865,000	0.14	19,411
Harris County Flood Control District	797,615,000	0.14	1,116,661
Harris County Hospital District	70,970,000	0.14	99,358
Port of Houston Authority	445,749,397	0.14	624,049
West Ranch Management District	18,185,000	100.00	18,185,000
TOTAL ESTIMATED OVERLAPPING			\$256,922,582
The City (b)			69,415,000
Total Direct and Estimated Overlapping Debt (b)			\$326,337,582

- (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 debt supported by the Waterworks and Sewer System revenues.

Debt Ratios

	Direct Debt (a)	Direct and Overlapping Debt (a)
Per 2023 Preliminary Taxable Assessed Valuation (\$4,989,376,475) (b)	1.39%	6.54%
Per 2022 Certified Taxable Assessed Valuation (\$4,614,143,928) (b)	1.50%	7.07%
Per Capita (42,222)	\$1,644	\$7,729

- (a) Preliminary, subject to change. Includes the Bonds and excludes debt supported by the Waterworks and Sewer System revenues.
- (b) Provided by the Appraisal Districts and net of exemptions. Such value is further subject to changes as additions, corrections and deletions are made to the tax roll.

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 Central 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 or fatally wounded in the line of duty 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 granted an additional 20% homestead exemption for the 2022 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.

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	
2012	\$2,433,635,561	\$0.597000	\$14,454,404	99.63%	99.93%	2013
2013	2,504,251,452	0.591400	14,747,526	99.38	99.93	2014
2014	2,589,580,779	0.591400	15,424,948	99.23	99.92	2015
2015	2,974,520,186	0.568700	16,431,153	98.98	99.93	2016
2016	3,267,348,436	0.546000	17,014,685	99.46	99.93	2017
2017	3,499,059,604	0.527300	17,633,192	99.55	99.92	2018
2018	3,374,237,059	0.532390	17,952,134	98.91	99.90	2019
2019	3,688,815,835	0.521439	18,682,563	99.59	99.86	2020
2020	3,918,863,732	0.487314	18,879,840	99.99	99.86	2021
2021	4,243,567,347	0.487314	20,843,713	99.76	99.79	2022
2022	4,614,143,928	0.487314	22,805,105	97.20(b)	97.20(b)	2023

(a) Certified by the Galveston County Central Appraisal District and Harris Central 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 April 30, 2023.

- Tax Rate Distribution -

	2022	2021	2020	2019	2018
Maintenance	\$0.388560	\$0.385147	\$0.392153	\$0.432160	\$0.419899
Debt Service	0.098754	0.102167	0.095161	0.089279	0.112491
Total	<u>\$0.487314</u>	<u>\$0.487314</u>	<u>\$0.487314</u>	<u>\$0.521439</u>	<u>\$0.532390</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	2022 Tax Roll		2021 Tax Roll		2020 Tax Roll	
	Amount	%	Amount	%	Amount	%
Residential	\$5,591,194,518	85.21%	\$4,940,480,192	85.24%	\$4,340,318,506	86.40%
Vacant Lots/Tracts	50,119,752	0.76	48,086,234	0.83	46,372,216	0.92
Acreage	25,710,911	0.39	25,675,671	0.44	23,037,842	0.46
Farm & Ranch	51,289,141	0.78	34,311,522	0.59	27,269,870	0.54
Commercial/Industrial	379,247,117	5.78	328,608,356	5.67	245,852,183	4.89
Minerals	8,381,606	0.13	5,365,617	0.09	7,727,793	0.15
Utilities	61,026,150	0.93	52,558,832	0.91	48,389,752	0.96
Business Personal	75,759,275	1.15	56,649,447	0.98	56,922,052	1.13
Real Inventory	7,505,592	0.11	921,247	0.02	995,090	0.02
Other Personal	311,317,845	4.74	302,993,819	5.23	226,460,928	4.51
Gross Assessed Value	\$6,561,551,907	100.00%	\$5,795,650,937	100.00%	\$5,023,346,232	100.00%
Less: Exemption and Adjustments	1,947,407,979		1,552,083,590		1,104,482,500	
Net Assessed Value (a)	<u>\$4,614,143,928</u>		<u>\$4,243,567,347</u>		<u>\$3,918,863,732</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	2022 Taxable Assessed Valuation	2021 Taxable Assessed Valuation	2020 Taxable Assessed Valuation
Reserve at Autumn Creek Ltd.	Multi-Family Resident	\$ 35,632,199	\$ 30,972,060	\$ 32,597,042
Texas New Mexico Power Co.	Utility Company	28,765,360	22,712,259	19,960,100
Bellevue at Clear Creek LP	Multi-Family Resident	23,669,000	20,016,530	22,640,000
Kroger Co.	Grocery Store	13,708,567	13,020,517	12,914,814
Tannos Land Holding III LLC	Real Estate	13,703,590	14,000,000	8,524,060
Bay Meadows LLP	Multi-Family Resident	11,813,387	11,254,573	9,069,143
The Beldon Friendswood LLC	Multi-Family Resident	11,000,150	8,500,150	8,000,150
Frontier Land VPLL	Multi-Family Resident	11,000,000	7,385,000	6,885,000
Taylor Morrison of Texas, Inc.	Real Estate	9,647,960	(a)	(a)
A-S 108 Friendswood Crossing LP	Shopping Center	8,451,620	8,051,620	8,316,140
Baywood Apartments Ltd.	Multi-Family Resident	(a)	(a)	7,431,980
WOJV Friendswood LLC	Multi-Resident	(a)	7,925,690	(a)
Total Ten Principal Taxpayers		<u>\$167,391,833</u>	<u>\$143,838,399</u>	<u>\$136,338,429</u>
Percentage Ten Principal Taxpayers Comprise of Tax Roll		<u>3.63%</u>	<u>3.39%</u>	<u>3.48%</u>

(a) Not a principal taxpayer in such tax year.

- Tax Adequacy -

Estimated Average Annual Tax Debt Service Requirements (2023-2053)	\$3,693,114 (a)
Tax Rate of \$0.078 per \$100 assessed valuation against the 2023 Preliminary Assessed Valuation at 95% collection produces	\$3,697,128
Tax Rate of \$0.085 per \$100 assessed valuation against the 2022 Certified Assessed Valuation at 95% collection produces	\$3,725,921
Estimated Maximum Annual Tax Debt Service Requirements (in the year 2027).....	\$5,508,803 (a)
Tax Rate of \$0.117 per \$100 assessed valuation against the 2023 Preliminary Assessed Valuation at 95% collection produces	\$5,545,692
Tax Rate of \$0.126 per \$100 assessed valuation against the 2022 Certified Assessed Valuation at 95% collection produces	\$5,523,130

(a) Includes the Bonds and excludes 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	Ad Valorem Tax Comparisons		
		Equivalent Tax Year	Tax Rate Equivalent	% of Actual Tax Levy
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	9,915,046	(2020)	0.253	52.5
2022	11,176,190	(2021)	0.263	53.6

[Remainder of Page Intentionally Left Blank]

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 of and interest on the Bonds.

	Fiscal Year Ended September 30				
	2023 (a)	2022	2021	2020	2019
REVENUES					
Property Taxes (b)	\$17,690,517	\$16,475,894	\$15,267,421	\$15,518,951	\$14,729,551
Sales Taxes	4,004,484	8,967,803	7,953,859	7,097,134	6,746,466
Franchises Fees and Other	802,770	2,170,152	2,090,001	2,142,660	2,054,395
Fines and Forfeitures	499,985	969,344	1,117,224	690,913	815,090
Permits and Fees	968,371	1,789,147	1,617,433	1,426,880	1,447,013
Intergovernmental	424,094	594,774	3,448,210	2,983,424	1,576,838
Investments Earnings	255,793	(15,254)	35,951	197,606	342,268
Donations	81,100	61,211	55,881	59,473	64,862
Miscellaneous	1,210,051	336,367	124,627	112,876	17,107
Total Revenues	\$25,937,165	\$31,349,438	\$31,710,607	\$30,229,917	\$27,793,590
EXPENDITURES					
General Government	\$ 5,098,002	\$ 5,988,239	\$ 5,544,348	\$ 5,649,705	\$ 5,318,898
Public Safety	9,718,964	15,330,928	14,799,066	14,154,341	13,355,797
Public Works	1,543,378	3,047,460	2,603,627	1,923,729	2,472,675
Engineering	322,718	571,010	507,933	434,976	0
Community Development	679,284	1,187,413	1,131,498	1,139,566	1,099,154
Parks and Recreation	2,433,724	4,302,309	3,715,517	3,426,521	3,796,589
Library Services	755,344	1,333,456	1,223,726	1,182,289	1,204,415
Capital Outlay	1,719,785	2,563,859	3,752,551	2,094,024	2,275,993
Total Expenditures	\$22,271,199	\$34,324,674	\$33,278,266	\$30,005,151	\$29,523,521

(a) Unaudited, as of April 30, 2023.

(b) 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				
	2023 (a)	2022	2021	2020	2019
General Fund	\$21,051,053	\$17,385,087	\$17,227,145	\$16,872,024	\$14,223,489
Debt Service Fund	1,278,878	46,375	10,608	31,909	57,009

(a) Unaudited, as of April 30, 2023.

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, 2022, the City employed 217 full-time employees and 30 part-time and seasonal employees. All full-time employees are covered by TMRS and the City's contribution for fiscal year 2022, amounted to approximately \$2,875,376. The City had a net pension benefit obligation in the amount of \$5,157,790 as of December 31, 2021. 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, 2022 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	5 Years	2024	Business Owner
Steve Rockey Council Member	11 Years	2024	Chief Operating Officer
Sally Branson Council Member	6 Years	2026	Financial Advisor
Trish Hanks Council Member	5 Years	2024	Education Consultant
Robert J. Griffon Council Member	5 Years	2025	Investor
Joe Matranga Council Member	(a)	2026	Retired Senior Vice President Oil and Gas
Brent Erenwert Mayor Pro-Tem Council Member	4 Years	2025	Produce Buyer

(a) Elected May 2023.

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	15 Years
Steven Rhea	Assistant City Manager	5 Years
Leticia Brysch	City Secretary	2 Years
Katina Hampton	Director of Administrative Services	16 Years
James Toney	Director of Parks and Recreation	18 Years
Rene Ibarra	Director of Public Works	17 Years
Jildardo Arias	Director of Engineering	4 Years
Matthew Riley	Director of Library Services	33 Years
Aubrey Harbin	Director of Community Development	16 Years
Brian Mansfield	Fire Marshal / Emergency Management Coordinator	23 Years
Robert B. Wieners	Police Chief	24 Years
Haley Brown	Director of Human Resources and Risk Management	8 Years
Karen Horner	City Attorney	1 Year

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 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.

Interest on the Bonds may be includable in certain corporation's "adjusted financial statement income" determined under section 56A of the Code to calculate the alternative minimum tax imposed by section 55 of the Code.

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 2023. 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 Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, 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, or acquisition. 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; and the City intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018 (the "2018 Release") and any further written guidance provided by the SEC or its staff with respect to the amendment to Rule 15c2-12 effected by the 2018 Release.

Availability of Information

The City has agreed to provide the foregoing information only to the MSRB. The information will be available to the public 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 of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the City to comply with its agreement. The City may amend its continuing disclosure agreement 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 City, if (i) the agreement, as amended, would have permitted an Underwriter to purchase or sell the Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds consent to such amendment or (b) any 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 provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the SEC Rule 15c2-12 or a court of final jurisdiction enters judgment

that such provisions of the SEC Rule 15c2-12 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. If the City so amends the agreement, it has agreed to include with any financial information and operating data 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 near 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. The greater Houston area, including the City, has experienced multiple storms exceeding a 0.2% probability (i.e. "500-year flood" event) since 2015. Several of these storms, including Hurricane Harvey, resulted in damages to City facilities, and also resulted in damages to residential and commercial properties in the City which comprise the City's ad valorem tax base. If a future weather event significantly damaged all or part of the properties comprising the tax base within the City, the assessed value of property within the City could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the City's tax rate. Further, Texas law allows cities to increase property tax rates without voter approval upon the occurrence of certain natural disasters such as floods and upon a gubernatorial or presidential declaration of disaster. 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 flood or other casualty 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 in which assessed values within the City could be adversely affected.

INFORMATION TECHNOLOGY AND CYBERSECURITY

The City depends upon information and computing technology to conduct general business operations. These systems may be subject to disruptions or security breaches that could materially disrupt the City's operations, cause reputational damage and/or give rise to losses or legal liability. The City continually monitors these threats, however, no assurance can be given that the City will fully prevent potential business continuity or cybersecurity risks arising from events wholly or partially beyond the City's control, including electrical telecommunications outages, natural disasters, or cyberattacks, or larger scale political events, including terrorist attacks. Any such occurrence could materially and adversely affect the City's operations and reputation, which could lead to decreased financial performance that insurance may not cover and may require the City to expend significant resources to correct the failure or disruption.

EXPOSURE TO OIL AND GAS INDUSTRY

In the past, the greater Houston area has been particularly 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 of ad valorem property taxpayers and the property values in the City resulting in a reduction in property tax revenue. The Bonds are secured by an ad valorem tax, and a reduction in property values may require an increase in the ad valorem tax rate required to pay the Bonds.

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, with the average being approximately \$450,000.

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
2020	41,213	+15.10	350,682	+20.38

(a) Source: U.S. Census Bureau.

Employment Statistics

State of Texas

	<u>2023 (a)</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Labor Force	14,968,635	14,662,558	14,311,029	13,955,332	13,921,781
Employed	14,354,834	14,092,833	13,503,671	12,883,803	13,429,073
Unemployed	613,801	569,725	807,358	1,071,529	492,708
Unemployment Rate	4.1%	3.9%	5.6%	7.7%	3.5%

Galveston County

	<u>2023 (a)</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Labor Force	172,595	169,058	165,872	163,981	164,492
Employed	164,921	161,647	154,992	149,565	157,827
Unemployed	7,674	7,411	10,880	14,416	6,665
Unemployment Rate	4.4%	4.4%	6.6%	8.8%	4.1%

City of Friendswood

	<u>2023 (a)</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Labor Force	20,472	19,984	19,480	19,088	19,761
Employed	19,665	19,278	18,486	17,834	19,118
Unemployed	807	706	994	1,254	643
Unemployment Rate	3.9%	3.5%	5.1%	6.6%	3.3%

(a) As of May 31, 2023.

Employment Statistics

Source: Texas Workforce Commission

APPENDIX B
AUDITED FINANCIAL STATEMENTS OF THE CITY

APPENDIX C
FORM OF BOND COUNSEL OPINION

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: July 10, 2023

Date submitted: 04/04/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider a resolution adopting a Grand Marshal Selection Policy.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

In an effort to streamline and add continuity to the Grand Marshal selection process, staff has developed a policy as well as an application for Council's consideration. Such policy includes criteria for candidates as well as a nomination and selection process. As proposed, nominations will need to be received in the City Secretary's Office on or before March 1st of each year. Thereafter, the Mayor may direct staff or committees to make recommendations prior to the City Council's consideration. The decision of the selection of a Grand Marshal shall rest with the City Council.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Resolution - Grand Marshal Selection Policy
2. Exhibit A - Grand Marshal Selection Policy
3. Application - Grand Marshal

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD,
TEXAS, ADOPTING A GRAND MARSHAL SELECTION POLICY FOR THE CITY OF
FRIENDSWOOD'S 4TH OF JULY GRAND PARADE; AND PROVIDING FOR AN
EFFECTIVE DATE.

WHEREAS, the nomination and selection of a Grand Marshal for the City of Friendswood's 4th of July Grand Parade is a great honor to be bestowed on deserving individuals; and

WHEREAS, individuals nominated and ultimately selected should meet the criteria set forth in the policy herein adopted, including having provided significant contributions or distinctions to the City of Friendswood through their service and/or achievements; and

WHEREAS, in order to streamline and to add continuity to the selection process, the City Council desires to adopt a Grand Marshal Selection Policy; NOW THEREFORE,

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

Section 1. That all matters and facts set forth in the recitals hereinabove are found to be true by the City Council of the City of Friendswood.

Section 2. That the City Council of the City of Friendswood, Texas, hereby adopts the City of Friendswood's Grand Marshal Selection Policy, which is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

Section 3. This resolution shall take effect immediately from and after its adoption by the City Council of the City of Friendswood.

PASSED, APPROVED and ADOPTED by the affirmative vote of the City Council of the City of Friendswood on this the 10th day of July, 2023.

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

APPROVED AS TO FORM:

KAREN L. HORNER, City Attorney

City of Friendswood
Grand Marshal Selection Policy

Grand Marshal

The City of Friendswood extends the opportunity to the community to nominate a deserving individual to be the Grand Marshal for the City's 4th of July Grand Parade.

Criteria for Candidates

- Nominee will be selected on the basis of their contributions to the quality of life in Friendswood, through civic and/or social services; humanitarianism; personal achievements in the areas of the arts, sports, etc.; or based on the distinction that they have brought to Friendswood resulting from achievements elsewhere.
- Nominee must be in good standing in the community and be subject to a background check.
- Nominee should be a current or long-term past resident of Friendswood, Texas.
- Nominee must be willing to act as Grand Marshal.
- Nominee must be willing and able to attend the 4th of July Grand Parade.

Nominees must be willing and available to serve as Grand Marshal, including receiving acknowledgment at City Council, attending the Dignitary Breakfast, and leading the parade. People previously nominated but not selected may be nominated again.

Nominations must be submitted via application on the City's website to the City Secretary at citysecretary@friendswood.com and received on or before March 1st of the year in which the parade will be held.

Council Deliberation & Decision

Upon receipt of an application, the Mayor may direct staff and/or volunteer committee(s) to review applications and make recommendations prior to Council considering any appointment.

Council will review applications and any recommendations received and may appoint a Grand Marshal at a meeting of the City Council, if desired.



CITY OF FRIENDSWOOD

Applications must be submitted to the
City Secretary's Office via email to:
citysecretary@friendswood.com

FOR OFFICE USE ONLY

Date Received: _____

Date of Meeting: _____

Date of Response: _____

4TH OF JULY GRAND MARSHAL APPLICATION

Applicant Information

Applicant Name: _____

Mailing Address: _____ Zip: _____

Home Phone: _____ Mobile: _____ Email: _____

Nominee's Information

Applicant Name: _____

Mailing Address: _____ Zip: _____

Home Phone: _____ Mobile: _____ Email: _____

Basis of Application

Select the basis on which the Nominee qualifies:

☐ Civic and/or social services

☐ Humanitarianism

☐ Personal achievements in the areas of the arts, sports,
etc.

☐ Distinction brought to Friendswood resulting from
achievements elsewhere

Has the Nominee been a Grand Marshal for the City's parade in the past? ☐ Yes ☐ No

**Description of the Nominee's act(s) or which have displayed outstanding service, support, and commitment to the
community, county, state, and/or country.**

Signature

I have read and understand the City of Friendswood's Grand Marshal Selection Policy and affirm that I have visited with the
Nominee, who is willing to undergo a background check and to serve if selected by the City Council.

Applicant's Signature

(Date)

Additional sheets may be submitted for consideration.

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: July 10, 2023

Date submitted: 05/03/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider adopting the appointments of the City Council Liaisons to Committees, Boards, and Commissions.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

Attached please find the proposed Council liaison appointments for FY2023-2024 for your review and consideration.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. Proposed 2023-2024 Council Liaisons

FRIENDSWOOD CITY COUNCIL LIAISONS 2023-2024

COUNCILMEMBER	COMMITTEE
Robert Griffon Trish Hanks (alternate)	Clear Creek Watershed Steering Committee
Sally Branson Brent Erenwert (alternate)	Community & Economic Development Committee
Brent Erenwert Joe Matranga (alternate)	4 th of July Steering Committee
Robert Griffon Trish Hanks (alternate)	Galveston County Consolidated Drainage District
All City Council Members	Galveston County Mayors' & Councils' Association
Mike Foreman Steve Rockey (alternate)	Gulf Coast Authority
Sally Branson Mike Foreman (alternate)	H-GAC
All City Council Members	Harris County Mayors' & Councils' Association
Staff/CMO	Homeowner's Associations
Trish Hanks Brent Erenwert (alternate)	Keep Friendswood Beautiful
Trish Hanks Sally Branson (alternate)	Library Board
Joe Matranga Trish Hanks (alternate)	Planning & Zoning Commission
Robert Griffon Mike Foreman (alternate)	Senior Citizens Advisory Committee
Joe Matranga Steve Rockey (alternate)	Zoning Board of Adjustment & Appeals

None Required: Investment Committee, Construction Board of Adjustment & Appeals and Charter Review Commission

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: July 10, 2023

Date submitted: 05/18/2023

Prepared by: Leticia Brysch, City Secretary

Subject: Consider appointing Mr. Dennis Barber as the City of Friendswood's direct appointment to the West Ranch Management District to complete an unexpired term, which begins immediately and will expire on June 1, 2025.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The West Ranch Management district (the "District") is a five-member board composed of two members that are directly nominated and appointed by the City of Friendswood City Council and three members that are indirect appointments as they are nominated by the Friendswood Development Corporation, but are still voted on by the City Council. These directors serve staggered four-year terms that expire June 1 of each odd-numbered year. The directors are responsible for representing the interests of the homeowners residing in West Ranch, in the City of Friendswood.

This item allows the City Council to appoint Mr. Dennis Barber to complete the unexpired term left by Mr. Joe Matranga that is set to expire on June 1, 2025.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Barber, Dennis Volunteer Application 2023 Redacted



'23 JUN- 1 2:10PM

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: Dennis Barber HOME PHONE: _____
HOME ADDRESS: [REDACTED] WORK PHONE: _____
CITY, STATE, ZIP: Friendswood, TX 77546
EMAIL ADDRESS: [REDACTED] CELL PHONE: [REDACTED]
OCCUPATION: _____

SPECIAL INTERESTS AND TALENTS: CPA ; Former VP Investor Relations

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.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no text 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: [REDACTED]

SEX: M

FRIENDSWOOD RESIDENT FOR 38 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)?

CPA ; Retired VP of Investor Relations

Please list any civic or community endeavors in which you have been involved: _____

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.

Pemina Barber

Signature of Applicant

6/1/2023

Date

Thank you for taking the time to complete this application.

Please return the original application to the address below:

LETICIA BRYSCH
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: [REDACTED]

PHONE: [REDACTED]

NAME: Greg Cox

ADDRESS: [REDACTED]

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: July 10, 2023

Date submitted: 05/24/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing a Buyout License Agreement with Jorge Calle for property located at 128 Cherry Tree Lane.

Originating Department: Parks and Recreation

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item authorizes a new license agreement for the property located at 128 Cherry Tree Lane in accordance with the Open Space Guidelines. The property is located in Enchanted Woods Subdivision, next-door to the residing homeowner Jorge Calle, who lives at 130 Cherry Tree Lane. Mr. Calle is requesting to take over maintenance of the lot.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Approved License Agreements help to relieve the financial and maintenance burden.

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. License Agreement - 128 Cherry Tree Lane
2. Exhibit A - 128 Cherry Tree

LICENSE AGREEMENT

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GALVESTON §

This License Agreement is made and entered into this 10th day of April, 2023, by and between the City of Friendswood, Texas, a municipal corporation located in Galveston and Harris Counties, Texas, having its City Hall located at 910 South Friendswood Drive, Friendswood, Texas, hereinafter referred to as "Licensor," and Jorge Calle, whose address is 130 Cherry Tree Lane, Friendswood, Texas 77546, hereinafter collectively referred to as "Licensee."

WITNESSETH:

1. **Premises:** Licensor hereby grants to Licensee the right, privilege, and license to use the following property located in Galveston County, Texas, hereinafter referred to as the "Premises," and being more particularly described as follows:

SEE EXHIBIT "A"

2. **Use:** The License granted hereby to Licensee shall and does authorize Licensee to use and occupy the Premises nonexclusively for the purpose of maintaining and using as open space, in accordance with the Licensor's open space use guidelines. Licensee is authorized to construct such improvements, and only those improvements, as may be consented to in writing by Licensor's Floodplain Manager. Licensee covenants not to use the Premises in any manner that would preclude Licensor's future use of any portion of the Premises or easement thereon consistent with the Licensor's open space guidelines. Licensor hereby reserves the right to use the Premises in the future for utilities, parks, or any other use consistent with Licensor's open space guidelines.

3. **Term:** The term of this License shall be for a period of ten (10) years, commencing On July 10, 2023, and terminating at midnight, July 10, 2033. This ten (10) year term is renewable by Licensee for one (1) additional ten (10) year term by written notice provided by Licensee to Licensor a minimum of thirty (30) days prior to the termination date of this License Agreement.

4. **Consideration:** In consideration for the License granted hereby, Licensee shall pay all fees and dues associated with the Licensee's use of the Premises each year for the term of this License Agreement (hereinafter "License Fees"). Licensee shall also maintain the Premises in accordance with all applicable ordinances of the City of Friendswood, laws and regulations of the state and any other regulatory authority having jurisdiction over the Premises, and any applicable restrictive covenants covering the Premises.

5. **Access:** Licensee is hereby given and granted the right of ingress and egress over and across the Premises for such purposes as may be needed in conjunction with the rights granted in this License Agreement. Such right of ingress and egress shall be over existing roads, parking

lots, or other roads that may be established by Licensee hereafter, subject to the prior written approval of Licensors Flood Plain Manager. Licensee, subject to approval by Licensors Flood Plain Manager, which approval shall not be unreasonably withheld, may improve any lands of Licensors in keeping with the purposes of the open space of the Premises.

6. **Utilities at Licensee's Cost:** Licensee shall be solely responsible for and promptly pay any and all charges for gas, electricity, telephone service, or any other utility used or consumed by Licensee on the Premises. Licensee may have an electrical current meter installed on the Premises, and Licensee thereof shall pay for the cost of such meter and of installation, maintenance, and repair.

7. **Holding Over:** If Licensee should continue occupancy of the Premises after the expiration of the primary term or any extension of this License, without the exercise of an option or the execution by Licensors and Licensee of a new License Agreement, then Licensee shall be deemed to be occupying the Premises as a licensee-at-sufferance on a month-to-month basis, subject to all the covenants and obligations of this License Agreement.

8. **Notice:** Any notice required hereunder shall be given in writing and shall be delivered by hand or sent by United States Registered or Certified Mail, postage prepaid addressed as follows:

If to Licensors:	City Friendswood, Texas 910 South Friendswood Drive Friendswood, Texas 77546 Attention: City Manager
------------------	---

If to Licensee:	Jorge Calle 130 Cherry Tree Lane Friendswood, Texas 77546 Phone: 832-883-7308 cell
-----------------	---

Either party hereto may change its address to which said notice shall be delivered or mailed by giving notice of such change as provided above. Notice shall be deemed given when delivered (if delivered by hand) or when postmarked (if sent properly by mail).

9. **Liability and Indemnity:** Licensee agrees to indemnify and save Licensors harmless from and against any and all claims (including costs and expenses of defending against such claims) arising or alleged to arise from any negligence, gross negligence, or wrongful act of whatsoever nature, of Licensee or Licensee's agents, employees, or contractors occurring or in anywise incident to, in connection with, or arising directly or indirectly out of this License Agreement. Licensee agrees to use and occupy the Premises at its own risk and hereby releases Licensors, its officers, agents and employees, from all claims for any damage or injury caused by or as a result of any negligence or wrongful act or omission of Licensee, its officers, agents, employees, or contractors, unless due to the negligence, gross negligence, or wrongful act of whatsoever nature of Licensors, its agents or employees.

10. **Termination:** Either party hereto shall have the right to terminate this License at any time upon providing the other party thirty (30) days advance written notice. Upon notice of termination by either party, Licensee shall return the Premises to the condition of the Premises at the time of the execution of this License Agreement, normal wear and tear excepted.

11. **Defaults and Remedies:** Notwithstanding any other provision contained in this License Agreement to the contrary, Licensee shall not be in default under this License until:

A. In the case of a failure to pay License Fees or other sums due under this License, fifteen (15) days after receipt of written notice thereof from Licensors; or

B. In the case of any other default, thirty (30) days after receipt of written notice thereof from Licensors; provided, however, where any such default cannot reasonably be cured within thirty (30) days, Licensee shall not be deemed to be in default under the License if Licensee commences to cure such default within said thirty (30) day period and thereafter diligently pursues such cure to completion.

In the event of Licensee's default in the payment of License Fees or Licensee's failure to comply with any other material provision of this License, Licensors may, at its option, terminate this License without affecting its right to sue for all past due License Fees, and any other damages to which Licensors may be entitled. Should Licensors be entitled to collect License Fees or damages and be forced to do so through its attorney, or by other legal procedures, Licensors shall, upon receipt of a favorable ruling, be entitled to its reasonable costs and attorney fees thereby incurred, upon said collection.

12. **Taxes:** Licensee shall pay annually an amount equal to any increase in ad valorem taxes that may be attributable to any improvement to the Premises made by Licensee. If Licensors pay such tax, Licensee shall reimburse Licensors for the amount of any such tax payment within sixty (60) days of the receipt of sufficient documentation indicating the amount paid and the calculation of Licensee's pro-rata share. Upon written request by Licensee, Licensors shall furnish evidence of payment of all taxes.

13. **Improvements:** Licensee covenants and agrees that it will not construct, erect, or place any improvements on the Premises or other real property owned by Licensors without the prior written consent of the Licensors.

14. **Assignment:** Licensee shall not assign (by sublease or other means) any rights granted it under this License Agreement without the prior written consent of Licensors's Floodplain Manager, which consent shall not be unreasonably withheld.

15. **Other Conditions:**

A. Whenever under the License the consent or approval of either party is required or a determination must be made by either party, no such consent or approval shall be unreasonably withheld or delayed, and all such determinations shall be made on a reasonable basis and in a reasonable manner. Provided, however, nothing contained

herein shall be construed to limit or restrict the exercise of Licensor of its legislative authority, specifically, but not limited to, matters relating to building, zoning, and other land development regulatory matters.

B. Licensor covenants that Licensee shall, upon the payment of License Fees and observation of covenants and conditions herein, possess the right, privilege, and license to use the Premises during the term of this License Agreement and as may be extended without hindrance, ejection, or molestation by Licensor, or by any person claiming under Licensor or any other licensee of Licensor.

C. In the event that any government or public body shall take all or such part of the Premises thereby making it physically or financially infeasible for the Premises to be used in the manner it was intended to be used by this License Agreement, Licensee shall have the right to terminate this License effective as of the date of the taking by the condemning party and the License Fees shall be prorated appropriately. However, if only a portion of the Premises is taken, and Licensee does not elect to terminate this License under this provision, then License Fees provided under this License shall be abated proportionately as to the portion taken which is not then usable by Licensee and this License shall continue.

D. Licensee shall not use the Premises in any way which interferes with the use of the surrounding Licensor property by Licensor, or lessees or licensees of Licensor, with rights in the Premises prior in time to Licensee's (subject to Licensee's rights under this License Agreement, including, without limitation, non-interference). Similarly, Licensor shall not use, nor shall Licensor permit its lessees, licensees, employees, invitees or agents to use, any portion of the Premises in any way, which interferes with the operations of Licensee. Such interference shall be deemed a material breach by the interfering party, who shall, upon written notice from the other, be responsible for terminating said interference. In the event such interference does not cease promptly, the parties acknowledge that continuing interference may cause irreparable injury and, therefore, the injured party shall have the right, in addition to any other rights it may have at law or in equity, to bring a court action to enjoin such interference or to terminate this License immediately upon written notice.

16. **Severability and Substitution of Valid Provisions:** In the event that any provision of this License Agreement shall be found to be void or unenforceable, such finding shall not be construed to render any other provision of this License either void or unenforceable, and all other provisions shall remain in full force and effect unless the provisions which are invalid or unenforceable shall substantially affect the rights or obligations granted to or undertaken by either party.

17. **Entire Agreement and Binding Effect:** This License and any attached exhibits signed or initialed by the parties constitute the entire agreement between Licensor and Licensee; no prior written nor prior, contemporaneous, or subsequent oral promises or representations shall be binding. This License shall not be amended or changed except by written instrument signed by both parties hereto. Paragraph captions herein are for convenience only, and neither

limit nor amplify the provisions of this instrument. The provisions of this License shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties.

IN WITNESS WHEREOF, Licenser and Licensee have executed this License Agreement as of the date and year first above written.

LICENSOR:

CITY OF FRIENDSWOOD, TEXAS

By:

MIKE FOREMAN, Mayor

ATTEST:

LETICIA BRYSCH, City Secretary

LICENSEE:

By:

JORGE CALLE

Exhibit "A"

Property Details	
Account	
Property ID:	168924
Legal Description:	ABST 20 PERRY & AUSTIN SUR LOT 34 ENCHANTED WOODS
Geographic ID:	3225-0000-0034-000
Agent:	
Type:	Rejal
Location	
Address:	128 CHERRY TREE LN FRIENDSWOOD, TX 77546
Map ID:	93-D
Neighborhood CD:	3225
Owner	
Owner ID:	416485
Name:	CITY-FRIENDSWOOD BUYOUT
Mailing Address:	HMGP BUYOUT PROGRAM 910 S FRIENDSWOOD DR FRIENDSWOOD, TX 77546
% Ownership:	100.0%



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: July 10, 2023

Date submitted: 06/07/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing agreements with Friendswood Independent School District and Clear Creek Independent School District for School Crossing Guards.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item authorizes School Crossing Guard Agreements with both the Clear Creek Independent School District and the Friendswood Independent School District. The following details some of the salient terms:

Contingency	FISD None		CCISD Conveyance of 10 acres of land behind Brookside Intermediate School for the extension of Blackhawk Blvd and flood mitigation efforts on Clear Creek.
Term	2 years subject to appropriations		
Termination	Without cause by either party may terminate with 30 days' written notice		
	With cause, by the non-defaulting party if default is not cured within 5 days.		
Number of Crossing Guards	FISD 3		CCISD 5
Cost to the School	Year	FISD	CCISD
	1	100%	50% (due to contingency)
	2	100%	100%

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. 2023 FISD Crossing Guard Agreement
2. 2023 CCISD Crossing Guard Agreement 06202023

SCHOOL CROSSING GUARD AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This School Crossing Guard Agreement (this "Agreement"), is made and entered into this ____ day of June, 2023, by and between the Friendswood Independent School District ("FISD") and the City of Friendswood ("City").

WITNESSETH:

WHEREAS, in accordance with Chapter 541 of the Texas Transportation Code , the FISD's Board of Trustees has determined that school crossing guards at school crossing zones are necessary for the protection of children going to or leaving school; and

WHEREAS, FISD desires to have the City through its Chief of Police ("Chief") continue the School Crossing Guard ("SCG") Program in a manner to reflect budget neutrality for the City; and

WHEREAS, the parties desire to enter into this Agreement in accordance with chapter 791 of the Texas Government Code; and, as such, all obligations of the parties will be funded from their respective current revenues;

NOW THEREFORE, in consideration of the mutual covenants, agreements and benefits to both parties, it is agreed as follows:

1. Dates of Agreement.

- a. This Agreement will commence on September 1, 2023, and expire on August 31, 2025. This Agreement may be renewed upon mutual agreement of the Parties, and this Agreement may be cancelled by either Party by giving at least thirty (30) days' written notice to the other Party.
- b. Should either Party fail to appropriate funds necessary to fulfill the terms of this Agreement, it shall give immediate written 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.
- c. It is expressly understood and agreed that this Agreement may be terminated by the City if FISD has defaulted in timely paying any obligation herein and fails to cure such default within five (5) days of receiving written notice thereof. If FISD fails to cure the default within the five-day period, the City shall be relieved of its obligations under this Agreement and the Agreement shall be deemed terminated effective after the expiration of the five-day cure period. Likewise, FISD shall have the right to terminate this Agreement should the City default

in its obligations and fail to cure such default within five (5) days of receiving written notice thereof. Any notice permitted or required to be given in this paragraph to FISD shall be given by registered or certified United States mail, postage paid, return receipt requested and addressed to FISD, Attention: Superintendent of Schools, 302 Laurel Drive Friendswood, Texas 77546. Any notice permitted or required to be given in this paragraph to the City shall be given by registered or certified United States mail postage paid, return receipt requested, addressed to the City of Friendswood, Attention: City Manager, 910 S. Friendswood Dr., Friendswood, Texas 77546. All notices hereunder given shall be deemed validly given when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle if the notice otherwise complies with all of the requisites of this section.

2. School Crossing Guards Provided. The City will provide three (3) school crossing guards to staff the school zones during the morning and afternoon school zone times. The school crossing guards will be assigned to Cline Elementary School and to Westwood Elementary School in accordance with Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes.
3. Compensation. In addition to any compensation which may be due pursuant to Section 4 hereof, FISD agrees to pay the actual full cost of the crossing guards' salaries and any benefits, including any retirement contributions and City's Medicare contributions, for all training and services required under this Agreement. Additionally, FISD shall pay the full cost of all training, equipment and supplies provided by the City in furtherance of this Agreement. FISD shall make all payments required herein from current revenues available to the FISD. Payment shall be made to the City within thirty (30) days of receiving an invoice therefor. The City will forward monthly requests for payment of FISD by invoice showing the line items and detailed costs involved for the previous month. FISD shall pay the City within thirty (30) days of receipt of an invoice. If FISD is required to reduce the number of SCGs 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. Substitute SCG. The City will provide a replacement or substitute SCG whenever it is anticipated that SCG will be away from normal SCG duties. Such replacement or substitute will be a peace officer of the City and FISD agrees to pay for such officer at the substitute officer's overtime rate and all associated benefits, equipment and supplies for a minimum of two (2) hours.
5. Training and Equipment. The City of Friendswood Police Department will provide approved training for each SCG. The City will provide all uniforms, equipment, and workers compensation insurance costs for the SCG.
6. Independent Contractors of FISD. The SCGs shall remain employees of the City and shall be at the control and supervision of the Chief. Subject to Section 3 hereof, the City shall be

solely responsible for the compensation, assignment, training, and supervision of the SCGs, and shall ensure that the officers have completed all background checks as required by the City and Fisd under Texas law. Complaints or problems with SCGs shall be directed to the Chief.

7. Point of Contact. Point of contact for crossing guards in Fisd is _____.

8. Notices. All notices, communications, and 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:

Friendswood Police Department
1600 Whitaker Drive
Friendswood, Texas 77546
Attention: Chief of Police.

If intended for Fisd, to:

Friendswood Independent School District
302 Laurel Dr.
Friendswood, Texas 77546
Attention: Superintendent of Schools.

9. 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.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws and courts of the State of Texas.

11. 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.

12. 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.

13. Authority. This Agreement is entered under authority of and in accordance with the provision of Chapter 791, Texas Government Code, and Chapter 37, Texas Education Code. Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective governmental entities.

IN WITNESS WHEREOF, the undersigned execute this Agreement on this _____ day of _____, 2023.

CITY OF FRIENDSWOOD

FRIENDSWOOD
INDEPENDENT SCHOOL
DISTRICT

MORAD KABIRI
City Manager

THAD ROHER
Superintendent of Schools

Date

Date

H:\Contracts\FISD Crossing Guard Agreement\2023 CG Agreement 04272023 v3.docx

EXHIBIT A

Number of Crossing Guards	Crossing Guard Assignment (location)	Campus	Hours AM	Hours PM
1		Westwood Elementary		
2		Cline Elementary		

SCHOOL CROSSING GUARD AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This School Crossing Guard Agreement (this "Agreement"), is made and entered into this ____ day of July, 2023, by and between the Clear Creek Independent School District ("CCISD") and the City of Friendswood (the "City").

WITNESSETH:

WHEREAS, in accordance with Chapter 541 of the Texas Transportation Code, CCISD's Board of Trustees has determined that school crossing guards at school crossing zones are necessary for the protection of children going to or leaving school; and

WHEREAS, CCISD desires to have the City through its Chief of Police ("Chief") continue the School Crossing Guard ("SCG") Program in a manner to reflect budget neutrality for the City; and

WHEREAS, the parties desire to enter into this Agreement in accordance with chapter 791 of the Texas Government Code; and, as such, all obligations of the parties will be funded from their respective current revenues;

NOW THEREFORE, in consideration of the mutual covenants, agreements and benefits to both parties, it is agreed as follows:

1. Contingency. This Agreement is contingent upon CCISD conveying to the City the property behind Brookside Intermediate School for the Extension of Blackhawk Blvd and flood mitigation efforts on Clear Creek. The property to be conveyed (i) is described as 10 acres of land in the Sara McKissick Survey, Abstract No. 549, Harris County, Texas, being all of the tract conveyed to Clear Creek Independent School District in the deed recorded in the Harris County Deed Records under County Clerk's File No. P598262, and (ii) is more particularly depicted in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes (the "Property"). CCISD shall convey the Property to the City via a general warranty deed in a form satisfactory to the City. Notwithstanding any other provision herein, this Agreement shall automatically terminate and shall no longer be in force and effect if CCISD fails to convey the Property on or before December 31, 2023.
2. Dates of Agreement.
 - a. Subject to the contingency expressed in Section 1 hereinabove, this Agreement will commence on August 22, 2023, and expire on the last school day of the 2024-25 school year. This Agreement may be renewed upon mutual agreement of the Parties, and this Agreement may be cancelled by either Party by giving at least thirty (30) days' written notice to the other Party.

- b. Should either Party fail to appropriate funds necessary to fulfill the terms of this Agreement, it shall give immediate written 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.
 - c. It is expressly understood and agreed that this Agreement may be terminated by the City if CCISD has defaulted in timely paying any obligation herein and fails to cure such default within five (5) days of receiving written notice thereof. If CCISD fails to cure the default within the five-day period, the City shall be relieved of its obligations under this Agreement and the Agreement shall be deemed terminated effective after the expiration of the five-day cure period. Likewise, CCISD shall have the right to terminate this Agreement should the City default in its obligations and fail to cure such default within five (5) days of receiving written notice thereof. Any notice permitted or required to be given in this paragraph to CCISD shall be given by registered or certified United States mail, postage paid, return receipt requested and addressed to CCISD, Attention: Superintendent of Schools, 2425 East Main Street, League City, TX 77573. Any notice permitted or required to be given in this paragraph to the City shall be given by registered or certified United States mail postage paid, return receipt requested, addressed to the City of Friendswood, Attention: City Manager, 910 S. Friendswood Dr., Friendswood, TX 77546. All notices hereunder given shall be deemed validly given when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle if the notice otherwise complies with all of the requisites of this section.
3. School Crossing Guards Provided. The City will provide five (5) school crossing guards to staff the school zones during the morning and afternoon school zone times. The school crossing guards will be assigned to Wedgewood Elementary and Brookside Intermediate Schools. A list of the locations reflecting the number of crossing guards assigned to each location is attached as Exhibit "B" and incorporated herein for all intents and purposes.
4. Compensation. In addition to any compensation which may be due pursuant to Section 5 hereof, CCISD agrees to pay the following percentage of (i) the full cost of the crossing guards' salaries and any benefits, including all mandatory and discretionary benefits provided by the City, which may include, but not be limited to, social security, unemployment insurance, workers' compensation insurance, medical, dental, vision, life insurance, flexible spending/dependent care accounts, retirement, and employee assistance program, as well as (ii) all costs of training, equipment, supplies and services required in furtherance of this Agreement:

Dates	Compensation Due from CCISD
September 1, 2023 – August 31, 2024	50% of Actual Costs
September 1, 2024 – August 31, 2025	100% of Actual Costs

CCISD shall make all payments required herein from current revenues available to CCISD. Payment shall be made to the City within thirty (30) days of receiving an invoice therefor. The City will forward monthly requests for payment of CCISD by invoice showing the line items and detailed costs involved for the previous month. CCISD shall pay the City within thirty (30) days of receipt of an invoice. If CCISD is required to reduce the number of SCGs 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.

5. Substitute SCG. The City will provide a replacement or substitute SCG whenever it is anticipated that SCG will be away from normal SCG duties. Such replacement or substitute will be a peace officer of the City and CCISD agrees to pay for such officer at the substitute officer's overtime rate and all associated benefits, equipment and supplies for a minimum of two (2) hours.
6. Training and Equipment. Subject to reimbursement by CCISD in accordance with Section 4 hereinabove, the City of Friendswood Police Department will provide approved training for each SCG as well as uniforms and equipment for each SCG.
7. Independent Contractors of CCISD. The SCGs shall remain employees of the City and shall be at the control and supervision of the Chief. Subject to Section 4 hereof, the City shall be solely responsible for the compensation, assignment, training, and supervision of the SCGs, and shall ensure that the officers have completed all background checks as required by the City and CCISD under Texas law. Complaints or problems with SCGs shall be directed to the Chief.
8. Point of Contact. Point of contact for crossing guards in CCISD is the Director of Safe & Secure Schools and Captain Dennis Senter for the City.
9. Notices. All notices, communications, and 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:

Friendswood Police Department
1600 Whitaker Drive
Friendswood, Texas 77546
Attention: Chief of Police.

If intended for CCISD, to:
Clear Creek Independent School District
2425 East Main Street
League City, Texas 77573
Attention: Superintendent of Schools.

10. 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.
11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws and courts of the State of Texas.
12. 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.
13. 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.
14. Authority. This Agreement is entered under authority of and in accordance with the provision of Chapter 791, Texas Government Code, and Chapter 37, Texas Education Code. Each party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective governmental entities.

IN WITNESS WHEREOF, the undersigned execute this Agreement on this _____ day of _____, 2023.

CITY OF FRIENDSWOOD

CLEAR CREEK INDEPENDENT
SCHOOL DISTRICT

MORAD KABIRI
City Manager

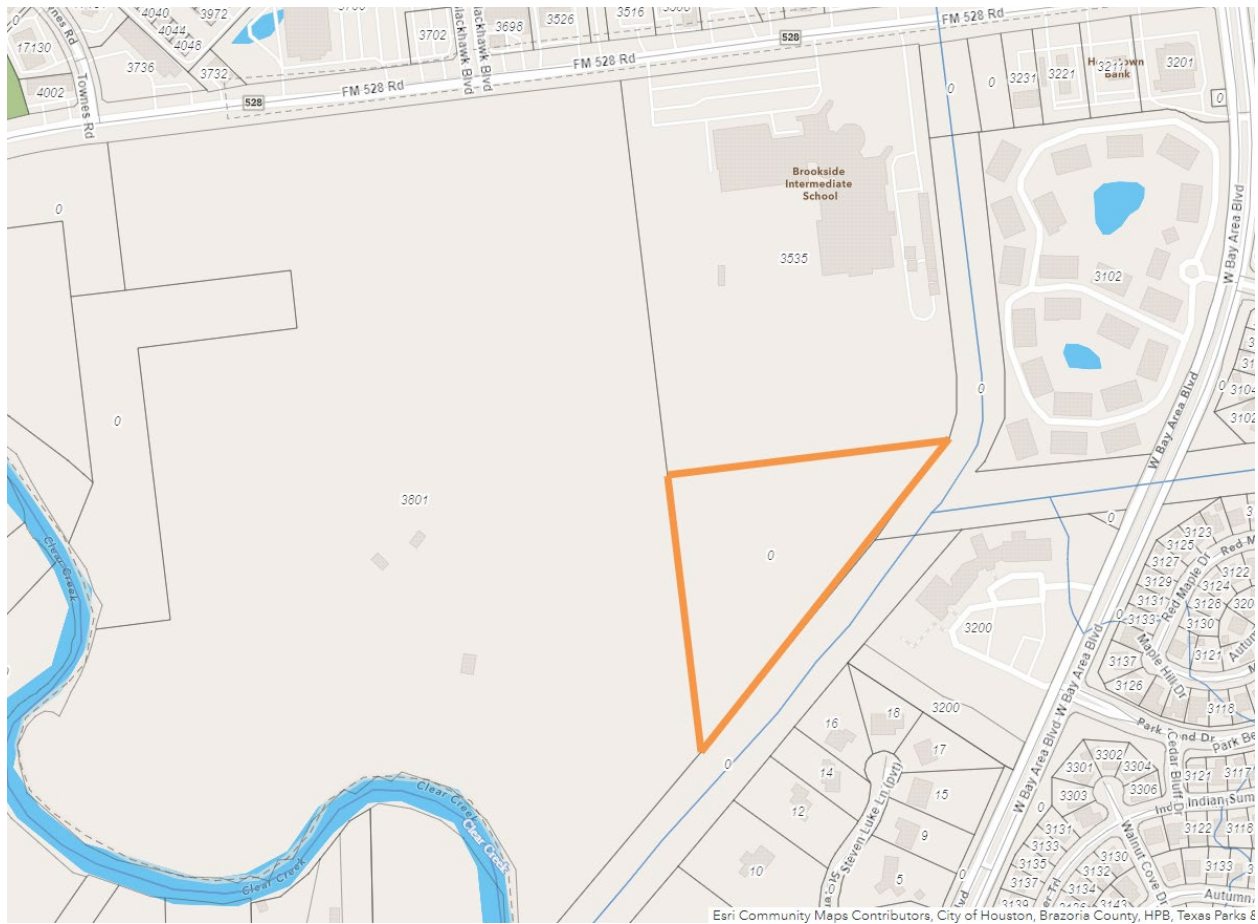
KAREN ENGLE
Superintendent of Schools

Date

Date

H:\Contracts\CCISD Crossing Guard Agreement\2023 CCISD Crossing Guard Agreement 06202023.docx

EXHIBIT "A"



Esri Community Maps Contributors, City of Houston, Brazoria County, HPB, Texas Parks & Wildlife

EXHIBIT "B"

Number of Crossing Guards	Crossing Guard Assignment	Campus	Hours AM	Hours PM
1	FM 528 & Blackhawk Blvd	Brookside Intermediate	8:15AM- 9:05AM	4:00PM - 4:35PM
1	FM 528 & Bay Area Blvd	Brookside Intermediate	8:15AM - 9:05AM	4:00PM - 4:35PM
1	Blackhawk Blvd & Friendswood Link Rd	Wedgewood Elementary	7:30AM - 8:15AM	2:45PM - 3:30PM
2	4000 Friendswood Link (In front of school)	Wedgewood Elementary	7:30AM - 8:15AM	2:45PM - 3:30PM

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: July 10, 2023

Date submitted: 06/07/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the City Manager to finalize and execute an Agreement for School Resource Officers and an Agreement for School Zone Officers with the Friendswood Independent School District.

Originating Department: City Manager

Degree of importance: Significant

SUMMARY / ORIGINATING CAUSE

As in years past, a draft School Zone and School Resource Officer agreement is hereby presented for Council consideration. Each year, the City has taken efforts to close the subsidy gap for the service rendered to Fisd.

The draft agreement stipulates the City's share of the nearly \$650K contract is \$104K. Fisd Administration has indicated a concern with their share of the contract costs: \$544K. And as such, they asked they could look at reduced coverage, and/or other financial considerations; provided the City's share does not increase beyond \$104K.

Since the negotiations are yet to be finalized, I am seeking Council authorization to move the item forward with the financial constraints provided (\$104K for the City's share).

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Recommend authorizing the City Manager to finalize negotiations, provided the City's financial contribution does not increase beyond what's been drafted.

ATTACHMENTS

1. 2023 School Zone Agreement - 04262023
2. 2023 SRO Agreement 06212023

SCHOOL ZONE AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This School Zone Agreement ("Agreement") is made and entered into this ____ day of June, 2023, by and between the Friendswood Independent School District ("FISD"), and the City of Friendswood ("City").

WITNESSETH:

WHEREAS, FISD and the City (individually a "Party" and collectively the "Parties") desire to increase safety of school zones within its overlapping territorial limits; and

WHEREAS, FISD desires to have the City through its Chief of Police, hereinafter called "Chief," authorize the continued increased patrols within FISD's school zones that are located within the incorporated limits of the City during the 2023-24 school year; and

WHEREAS, FISD is willing to pay the City an amount as calculated hereinbelow to offset a portion of the cost to the City to perform increased patrols; and

WHEREAS, the City desires to perform the services requested by FISD in order to protect the health, safety, and welfare of its citizens;

NOW THEREFORE, in consideration of the mutual covenants, agreements and benefits to both parties, it is agreed as follows:

- Dates of Agreement. This Agreement will commence on September 1, 2023, and expire on August 31, 2024. This Agreement may be extended or canceled by either Party giving ninety (90) days' written notice to the other Party. 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. It is expressly understood and agreed that this Agreement may be terminated by the City if FISD defaults in timely paying any obligation herein and fails to cure such default within five (5) days of receiving written notice thereof. If FISD fails to cure the default within the five-day period, the City shall be relieved of its obligations under this Agreement and the Agreement shall be deemed terminated effective after the expiration of the five-day cure period. Likewise, FISD shall have the right to terminate this Agreement should the City default in its obligations and fail to cure such default within five (5) days of receiving written notice thereof. Any notice permitted or required to be given in this paragraph to FISD shall be given by registered or certified United States mail, postage paid, return receipt requested and addressed to FISD, Attn: Superintendent of Schools, 402 Laurel Drive, Friendswood, Texas 77546. Any notice permitted or required to be given in this paragraph to the City shall be given by registered or certified United States mail postage paid, return receipt requested, addressed to the City of Friendswood, Attention: City Manager, 910 S. Friendswood Dr., Friendswood, TX 77546. All notices hereunder given shall be deemed validly given when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle if the notice otherwise complies with all of the requisites of this section.
- Officers Provided. The Chief 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.
- Temporary Reassignment of Officers. It is expressly agreed and understood between FISD and the City that, if in the opinion of the Chief, it is necessary to use the officers assigned to

carry out this Agreement for other duties due to an emergency, shortage of officers or other reasons as determined solely by the Chief, that the Chief may temporarily suspend the assignment of such officers.

4. Compensation. FISD shall pay the City for school zone coverage for all student school days for the 2023-2024 school year. Payment shall be made to the City monthly, and shall be made from current revenues available to FISD. It is the intent of this 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 each month, and payment will be made within thirty (30) days of FISD's receipt of each bill. Subject to any adjustment in hourly rates pursuant to Section 6.b, the following formula will be utilized to compute salary expenses:

Each officer's hourly rate plus benefits (TMRS, Social Security, etc.) * Two (2) hours) = Daily Rate per student day of an officer.

5. Independent Contractors of FISD. The officers are the employees of the City and not employees of FISD. Subject to Section 4 hereof, the City shall be solely responsible for the compensation, assignment, training, and supervision of the officers, who shall remain in control and supervision of the City, which shall ensure that the officers have completed all background checks as required by the City and FISD under Texas law.

6. Miscellaneous.

- a. The City will provide marked police cars to support traffic control duties to each officer performing duties hereunder. 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 any 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.
- d. 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.
- e. This Agreement represents the complete agreement between the FISD and the City for the services required herein and supersedes any prior understandings of written or oral agreements between the parties with respect to such services.
- f. This Agreement is entered under authority of and in accordance with the provision of Chapter 791, Texas Government Code, V.T.C.A.
- g. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Galveston County, Texas.

IN WITNESS WHEREOF, the undersigned execute this Agreement on this _____ day of June, 2023.

CITY OF FRIENDSWOOD

FRIENDSWOOD INDEPENDENT
SCHOOL DISTRICT

MORAD KABIRI, City Manager

THAD ROHER, Superintendent of Schools

Date

Date

SCHOOL RESOURCE OFFICER AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This School Resource Officer Agreement ("Agreement") is made and entered into this ____ day of July, 2023 (the "Effective Date"), by and between the Friendswood Independent School District ("FISD"), and the City of Friendswood ("City").

WITNESSETH:

WHEREAS, FISD desires to have the City through its Chief of Police ("Chief") continue the School Resource Officer ("SRO") Program in a manner to reflect budget neutrality for the City; and

WHEREAS, FISD and the City (individually a "Party" and collectively the "Parties") have jointly established written SRO guidelines and procedures under which the SRO Program ("SRO Program") will operate; and

WHEREAS, in accordance with Section 37.081 of the Texas Education Code, the FISD's Board of Trustees has established the SRO's jurisdiction as including all district properties, all district-sponsored activities, both on-campus and off-campus, and during all travel to and from district-sponsored activities; and

WHEREAS, the Parties desire to enter into 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, FISD and the City also desire to continue the Integrated Safety Response Program they commenced in 2022 with those technology improvements acquired and installed to provide additional response capabilities for FISD and the City (the "ISR Program"); and

WHEREAS, all obligations of the Parties will be funded from their respective current revenues;

NOW THEREFORE, in consideration of the mutual covenants, agreements and benefits to both Parties, it is agreed as follows:

1. Dates of Agreement.

- (1) This Agreement will commence on September 1, 2023, and expire on August 31, 2024. This Agreement may be extended or canceled by either of the Parties by giving ninety (90) days' written notice to the other Party. Any renewal or amendment of this Agreement shall be in writing and signed by both Parties.
- (2) Should either Party fail to appropriate funds necessary to fulfill the terms of this Agreement, it shall give immediate written 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.

- (3) It is expressly understood and agreed that this Agreement may be terminated by the City if FISD has defaulted in timely paying any obligation herein and fails to cure such default within five (5) days of receiving written notice thereof. If FISD fails to cure the default within the five-day period, the City shall be relieved of its obligations under this Agreement and the Agreement shall be deemed terminated effective after the expiration of the five-day cure period. Likewise, FISD shall have the right to terminate this Agreement should the City default in its obligations and fail to cure such default within five (5) days of receiving written notice thereof. Any notice permitted or required to be given in this paragraph to FISD shall be given by registered or certified United States mail, postage paid, return receipt requested and addressed to FISD, Attention: Superintendent of Schools, 402 Laurel Dr., Friendswood, Texas 77546. Any notice permitted or required to be given in this paragraph to the City shall be given by registered or certified United States mail postage paid, return receipt requested, addressed to the City of Friendswood, Attention: City Manager, 910 S. Friendswood Dr., Friendswood, TX 77546. All notices hereunder given shall be deemed validly given when actually received or, if earlier, on the third day following deposit in a United States Postal Service post office or receptacle if the notice otherwise complies with all of the requisites of this section.

2. Officers Provided for SRO Program.

- a. School Year. For FISD's 2023-24 school year, the City will provide four (4) police officers to staff the SRO Program in accordance with the following schedule:

- (1) the normal workday of an SRO will be from 8:00 a.m. to 4:00 p.m., Monday through Friday;
- (2) the length and starting time of the day may be altered to meet special needs at the school; and
- (3) changes in work schedule will be reported to the principal and the Chief, including absences due to illness, injury, training, or vacation.

An SRO will report to the City on days when the students are not in school. Two (2) police officers will be assigned full-time to SRO duties at the Friendswood High School, one (1) police officer will be assigned full-time to SRO duties at the Friendswood Junior High School, and one (1) police officer will be assigned roving duties at all other FISD campuses, during the days students are scheduled to be at school for the 2023-24 school year.

- b. Summer School. For FISD's 2024 summer school session, the City will provide one (1) police officer to staff the SRO Program in accordance with the following schedule:

- (1) the normal workday of an SRO will be from 8:00 a.m. to 4:00 p.m., Monday through Thursday;
- (2) the length and starting time of the day may be altered to meet special needs at the school; and
- (3) changes in work schedule will be reported to the principal and the Chief, including absences due to illness, injury, training, or vacation.

The SRO will report to the City on days when the students are not in school. For FISD's summer school, the police officer will be assigned full-time to SRO duties at Friendswood High School, during the days students are at summer school at Friendswood High School.

- c. Summer Community Education Programs. For FISD's 2024 summer community education program, the City will provide one (1) police officer to staff the 2024 summer community education program in accordance with the following schedule:

- (1) the normal workday of an SRO will be from 8:00 a.m. to 4:00 p.m., Monday through Thursday;
- (2) the length and starting time of the day may be altered to meet special needs at the school; and
- (3) changes in work schedule will be reported to the principal and the Chief, including absences due to illness, injury, training, or vacation.

The SRO will report to the City on days when the summer community education program is not in session. For FISD's summer community education program, the police officer will be assigned full-time to SRO duties at Friendswood Junior High School.

3. Technology Provided ISR Program.

- (1) Maintenance. FISD and the City hereby agree to continue and maintain the ISF Program that it commenced in 2022 to provide additional response capabilities to both Parties. If the technology improvements of the ISF Program fail to perform as intended, the City shall make a good faith effort to resolve such operational issue(s) with its contracted vendor.
- (2) VPN Access. FISD will provide VPN access to its cameras. City shall ensure such VPN access is provided only to authorized personnel and shall immediately inform FISD if there is a security breach of its network connection. FISD does not guarantee that VPN access will be free from interference or interruption, and FISD shall not be liable in the event VPN access fails or is disrupted for any reason whatsoever. VPN access to FISD cameras is provided only for use in the event a safety response is required. Officers shall not utilize such VPN connection to access FISD cameras unless a safety response is required or unless otherwise requested by FISD.

4. Payment.

(1) SRO Program.

- a. Salaries. FISD shall pay the City as follows:

- i. the actual full cost of all salaries and benefits (retirement contributions, City's Medicare contributions, approved overtime, etc.) for three (3) full-time police officers; and
- ii. one-half (½) of the actual full cost of all salaries and benefits (retirement contributions, City's Medicare contributions, approved overtime, etc.) for one (1) full-time police officer.

b. Vehicles. FISD shall pay the City as follows:

- i. the annualized cost to the City of three (3) police vehicles pro-rated for a nine-month school year, based on a 6-year life cycle; and
- ii. one-half (½) of the annualized cost to the City of one (1) police vehicle, pro-rated for a nine-month school year, based on a 6-year life cycle.

- (2) ISR Program. Should any of the technology improvements of the ISF Program be in need of repair or replacement during the term of this Agreement, the City shall notify FISD and the Parties agree to share in the cost of such repair or replacement as follows:

City2/3 of the actual cost
FISD..... 1/3 of the actual cost

If, due to reduced budgeted funds, either Party is unable to fund the needed repair or replacement, such Party will notify the other Party and the ISR Program will terminate and neither Party shall have any further obligation under such Program.

- (3) Appropriations by FISD. Payments to the City under this Agreement will be made from current revenues available to FISD. 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.

5. Method of Payment.

- (1) Estimates. 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 two (2) equal lump-sum payments – the first being on or before December 31, 2023, and the second being on or before May 31, 2024. Payment shall be made to the City 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 Chief and the City Manager.
- (2) True-up. 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 thirty (30) days of a written request submitted by FISD. Any amount owed by the FISD as a result of such variance shall be remitted to the City within thirty (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 thirty (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.

- (3) Salary Increases. 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 City. The City will document the FISD billing to reflect this salary adjustment.
6. Substitute Officer. The City 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.
7. Vehicles provided by Friendswood Police Department. The Friendswood Police Department will provide sufficient marked police cars so that each SRO will have transportation. The SRO 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. 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.
8. Equipment Provided by Friendswood Police Department. The City will provide the SRO's the following:
- a. uniforms, including bulletproof vests,
 - b. law books and report forms needed,
 - c. 800 MHz radios,
 - d. patrol cars,
 - e. training, and
 - f. other miscellaneous police- related equipment and supplies.
9. Equipment Provided By FISD. FISD will provide an office and office equipment for the SROs on each campus, 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.
10. Independent Contractors of FISD. The SROs shall remain employees of the City and shall be at the control and supervision of the Chief. Subject to Sections 4 and 5 hereinabove, the City 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 the Chief.
11. 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 City 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 SROs 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 City agrees to compile data and report all Group A and Group B offenses to the FBI using the National Incident Based Reporting System.

12. Temporary Reassignment of Officers. It is expressly agreed and understood between FISD and the City that, if in the opinion of the Chief, it is necessary to use the officers assigned to carry out this Agreement for other duties due to an emergency, shortage of officers or other reasons as determined solely by the Chief, that the Chief may temporarily suspend the assignment of such officers. If the assignment is suspended for a temporary response as determined by the Chief, the officer will return after such response and/or the Chief may assign another officer as an SRO during such temporary assignment.
13. Non-SRO Services.
 - (1) For all events at FISD facilities, whether the same are sponsored by FISD or a third party FISD shall be responsible for providing the adequate security, including security for crowd control, emergency response access, and safeguarding the attendees and FISD facilities. These security services are not covered by the obligations of the City or the SRO's under this Agreement.
 - (2) To satisfy its obligations under subsection (1) of this section for school-approved functions, FISD may request the SROs to provide security as a part-time off-duty job, subject to the Police Department's policies, procedures, and general orders. FISD shall offer such work only as an independent assignment, separate from the officers' duties as an SRO. 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. Officers shall have the right to refuse to perform any off-duty work.
 - (3) To satisfy its obligations under subsection (1) of this section for the staffing of large events, such as after-hours functions, meetings, and/or sporting events, requiring four or more officers, FISD may contact the Chief to request security services. The Chief shall review the request and decide whether the City will provide the requested services. If services are provided, there will be a separate billing for Department overtime. Events subject to this subsection specifically include home football games and home stadium band competitions.
14. Lunch Periods. SROs will be entitled to a ½-hour paid lunch break. The SRO will be subject to emergency calls during lunch.
15. Officers' Duties.
 - (1) 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.
 - (2) The ultimate goal of the 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.

- (3) Officers shall have final authority in all criminal matters that they investigate. As employees of the City, 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.
 - (4) 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.
 - (5) 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 City or the Friendswood Police Department.
16. SRO 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 schools 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 may, in an off-duty capacity, 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 schools: 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.

17. Assignment as SRO. The Chief and FISD will jointly select the officers for possible SRO assignment. The City 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 Chief will have the authority to discipline or discharge an SRO. The City 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 personnel policies of the City, and the mission, vision, values, and policies of the Friendswood Police Department (the "Department").
18. Educational Records. The City 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 City further understands that FISD follows certain rules, procedures and/or protocols to protect the confidentiality of student educational records. The City agrees the SROs will be required to abide by FISD rules, procedures and/or protocols regarding the confidentiality of student educational records. The City 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.
19. Critical Incident Communication. The City and FISD agree that should a critical incident occur at a FISD school, each shall follow its critical incident/emergency operations plan.
20. Miscellaneous. The 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.
21. Notices. All notices, communications, and 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:
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.

22. 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.
23. Governing Law. This Agreement shall be governed by and construed in accordance with the laws and courts of the State of Texas.
24. 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.
25. Limitation of Agreement. It is expressly understood and agreed by the City and FISD that this Agreement is for SRO services only and shall not be construed to satisfy FISD's obligations concerning the provision of armed security officers pursuant to Section 37.0814, Texas Education Code, or for any other obligation imposed by law on FISD.
26. 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 or extended without written agreement of the Parties to be attached to and made a part of this Agreement.
27. Authority. This Agreement is entered under authority of and in accordance with the provision of Chapter 791, Texas Government Code, and Section 37.081, Texas Education Code, as of the Effective Date. Each Party has the full power and authority to enter into and perform this Agreement, and the person signing this Agreement on behalf of each Party has been properly authorized and empowered to enter into this Agreement. The persons executing this Agreement hereby represent that they have authorization to sign on behalf of their respective governmental entities.

IN WITNESS WHEREOF, the undersigned execute this Agreement on this ____ day of _____, 2023.

CITY OF FRIENDSWOOD

FRIENDSWOOD INDEPENDENT
SCHOOL DISTRICT

MORAD KABIRI
City Manager

THAD ROHER
Superintendent of Schools

Date

Date

H:\Contracts\FISD SRO Agreement\2023\2023 SRO Agreement 06212023.docx

Exhibit "A"

Personnel Costs

	Officer 1	Officer 2	Officer 3	Officer 4
Salary/Wages	\$ 86,032.61	\$ 87,318.40	\$ 87,318.40	\$ 95,439.58
Taxes	\$ 6,856.89	\$ 6,964.44	\$ 7,092.96	\$ 7,700.46
Benefits	\$ 36,340.03	\$ 36,595.70	\$ 36,874.29	\$ 38,333.60
Add Pays	\$ 3,600.00	\$ 3,720.00	\$ 5,400.00	\$ 5,220.00
	\$ 132,829.54	\$ 134,598.54	\$ 136,685.65	\$ 146,693.63

FISD total est. salary and fringe costs for 2024 school year \$ 477,460.54

Vehicle Costs	FISD	City
Veh. 1 (YR 4 of 6)	\$ 17,504.50	\$ 5,834.83
Veh. 2 (YR 3 OF 6)	\$ 18,420.62	\$ 6,140.21
Veh. 3	\$ 18,420.62	\$ 6,140.21
Supervisor Vehicle	\$ 12,280.17	\$ 12,280.17
	\$ 66,625.91	\$ 30,395.42

FISD Estimated Costs for SRO Program

City Estimated Costs for SRO Program

\$ 544,086.45

\$ 103,742.24

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: July 10, 2023

Date submitted: 06/15/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the disposal of Police Department vehicle P290 through Houston Auto Auction.

Originating Department: Police Department

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The police department has a decommissioned police vehicle (P290– 2015 Chevrolet Tahoe) 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. The police unit was replaced in 2019. 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 this vehicle will be deposited in the the Vehicle Replacement Fund (VRF).

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: July 10, 2023

Date submitted: 06/19/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing an interlocal agreement with Galveston County for the FY2024 Meal Program.

Originating Department: Parks and Recreation

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item authorizes an interlocal agreement with Galveston County (the "County") for the FY2024 Meal Program (the "Agreement").

Under this Agreement, the County provides meals to eligible participants of the Friendswood Senior Citizen Program at the Activity Building for a term beginning October 1, 2023, and ending on September 30, 2024. There is no fiscal impact to the City, as the meals provided are for eligible participants only.

A copy of the proposed agreement is attached for your review.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Failure to approve would eliminate meals for the Senior Citizen Program.

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. 2023-2024 Congregate Meal Service Agreement



Galveston County Parks & Cultural Services

Congregate Meal Service Agreement

This agreement is by and between **Galveston County, Galveston County Department of Parks and Cultural Services** and the **City of Friendswood (authorized agents named below)**. The purpose for this agreement is to allow the **City of Friendswood** to provide congregate meal service for eligible clients.

The parties agree that **City of Friendswood** will have congregate meal service as described below:

Effective Date: October 1, 2023

Eligible for renewal? Yes; terms - annually on October 1 and dependant on award of H-GAC grant.

Facility: Friendswood Activity Building

Days of the week:

- **Monday-Friday**

Galveston County Parks & Cultural Services will:

- Be responsible for scheduling the delivery of the congregate meal service via approved food vendor to **City of Friendswood**.
- Provide the authorized contact a list of soon to be expired and expired clients on a monthly basis.
- Invoice **City of Friendswood** for non-eligible meals/units on a quarterly basis.
- Deposit program income collected.
- Administer the H-GAC grant paperwork associated with the congregate meal program.

City of Friendswood will:

- Require an organization representative to attend a mandatory Nutrition and Support Services Training provided by H-GAC (date and time T.B.D.).
- Provide Galveston County Parks & Cultural Services a copy of your organization's current, valid, Health Permit and Food Handlers Permits.
- Maintain current and valid food handlers and health permits throughout the agreement term and provide Galveston County Parks & Cultural Services copies of any new permits.
- Be responsible for calling, emailing or faxing in a completed meal order and verifying receipt of the meal order by 1:30pm, the day prior of congregate meal services.
- Complete assessments by prescribed deadlines and remit assessments once complete to Galveston County Parks & Cultural Services, Records Specialist.

- Collect congregate meal program income daily and deliver monthly income to Galveston County Parks & Cultural Services Department within the first three days of the month, for income collected the previous month.
- Reimburse Galveston County for any meals/units served to non-eligible clients at a rate of \$6.59 per meals/unit. Non-eligible meals will be invoiced to **City of Friendswood** quarterly and reimbursement from **City of Friendswood** will be made to "Galveston County Parks & Cultural Services Department", 4102 Main Street, La Marque, TX 77568.
- Inform the Galveston County Parks & Cultural Services Division when the congregate meal service is not needed, at least 48 hours in advance of non-usage.

This agreement:

- Is non-transferable;
- Constitutes the entire Agreement between the parties with respect to the subject matter hereof and supercedes all prior agreements;
- May not be amended or waived, in whole or in part, except in writing signed by both parties;
- Can be terminated should any obligation failed to be fulfilled in this agreement, or for the convenience of any party. Either party may cancel this agreement, in writing with at least 30 calendar days notice.

In Witness Whereof the parties have executed this Agreement effective on the date listed below.

Galveston County

Mark A. Henry, County Judge

ATTEST:

Dwight Sullivan, County Clerk

Signature: _____ Date: _____

Galveston County Parks & Cultural Services, Director

Julie Diaz

4102 Main Street

La Marque, TX 77568

Signature: _____ Date: _____

Primary Representative, Name: _____ **(print)**

Address: _____

City, State Zip: _____

Phone: _____

Email: _____

Signature: _____ Date: _____

Alternate Representative, Name: _____ **(print)**

Address: _____

City, State Zip: _____

Phone: _____

Email: _____

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Karen Horner, City Attorney

Subject: Consider ratifying the Master Services Agreement with LCT Software LLC, for fully integrated electronic plan review software.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The Community Development Department is in the process of implementing City Works PLL as their new permitting and licensing software. LTC Software LLC ("LTC") is a sole source vendor that provides DigEplan software, which is a fully integrated electronic plan review software into City Works PLL, that helps automate and streamline the City's permitting services and removes some of the processes of a manual system. Permit applicants will be able to submit permit applications and plans digitally, and staff will conduct electronic plan reviews. Once permits are approved, the permit applicant will access their permits via the online portal.

Pursuant to the Master Services Agreement (the "Agreement"), LTC will provide training, configuration, and related services in order to implement and effectively use the DigEplan software. LCT Software is waiving the initial subscription period of 3 months in order for the renewal terms to coincide with the City's budget year and thereafter automatically renews for three one-year terms, unless the City terminates the agreement by providing at least 30 days written notice of non-renewal. The following table details the cost of the software and services subject to this agreement:

Description	Fee
Implementation Fee (one-time fee)	\$26,000.00
Annual License Terms will be October 1 to September 30	
1 st One-Year Renewal Term	\$23,000.00
2 nd One-Year Renewal Term	\$23,690.00
3 rd One-Year Renewal Term	\$24,400.70

This item allows the City Council to ratify the agreement so that the Master Services Agreement may be automatically renewed for the first and potentially successive renewal terms contingent upon appropriations.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Sole Source Letter
2. DigEplan MSA (End User Agreement)- Friendswood TX

June 19, 2023

City of Friendswood, TX
910 S. Friendswood Dr.
Friendswood, TX 77546
Sole Source Letter

RE: Sole Source Status

To whom it may concern,

Please accept this letter as clarification as to the source status of LCT Software's (an Avolve Software company) DigEplan product. LCT Software, as owner and software manufacturer of DigEplan software products and services, is the sole source provider of source code development and maintenance for all DigEplan products and services including but not limited to embedded Digital Plan Review integration with Cityworks PLL.

No third-party vendor, company, or entity is authorized to develop code for new features for, provide software development services for, or maintain these products and services related to LCT Software's proprietary code.

Please do not hesitate to contact me directly if you have any questions or concerns. I can be reached by phone at the number below and available via email at dporter@avolvesoftware.com.

Sincerely,



Derek Porter
Chief Growth Officer

dporter@avolvesoftware.com
+1 709-690-8327
www.avolvesoftware.com

Between

LCT Software LLC

(an Avolve Software Company)

and

Friendswood, TX

Master Services Agreement

www.digeplan.com

Parties

1. This Master Service Agreement (this “**Agreement**”) is entered into as of the date of last signature (the “**Effective Date**”) by and between LCT Software LLC a Florida corporation principally located at 4500, 140th Avenue North Suite, 101 Clearwater, FL 33762 (the “**Supplier**”), and the City of Friendswood, Texas (the “**Customer**”).

Background

- a) The Supplier has developed certain software applications and platforms which it makes available to subscribers via the internet for the purpose of subscribers.
- b) The Customer wishes to use the Supplier's service in its business operations.
- c) The Supplier has agreed to provide, and the Customer has agreed to take and pay for, the Supplier's service subject to the terms and conditions of this Agreement.

Agreed terms

- 1.1. **Definitions** - Unless otherwise defined in this Agreement, terms used herein have the same meanings as set out in the Exhibits to this Agreement (including any supplements or attachments thereto).
- 1.2. **“Optional Services”** refers to certain optional add-ons to the Subscription Service as may be offered by the Supplier from time to time.
- 1.3. **“Professional Services”** refers to the implementation Partner’s training, configuration and related services as set out in the Professional Services Terms.
- 1.4. **“Professional Services Terms”** refers to those additional Professional Services Terms and Conditions by the Partner to the Customer, outlined in a separate agreement
- 1.5. **“Subscription Service”** refers to DigEplan’s cloud-based service designed to provide government entities with Integrated Electronic Plan Review.
- 1.6. **“Subscription T’s & C’s”** refers to the Subscription Terms and Conditions attached hereto at Exhibit C

2. Procurement of Services

Customer may purchase the Subscription Services by submitting orders in a form designated or approved by the Supplier (each, an “**Order**”), accepted forms of order submission may also involve procuring the Subscription Services from the Partner, at the discretion of the Partner and Customer.

Upon Order acceptance and subject to Customer’s payment of the corresponding Subscription Services Fees, the Supplier will make the Subscription Services available to Customer.

2.1. Governing Terms. The Subscription Service will be subject to this Agreement and the Subscription T’s & C’s for the Subscription Period and number of End Users as specified in each Order. Any Optional Services will be subject to the Subscription Terms or such other documentation as designated by the Supplier.

2.2. Order Acceptance. No Order for Services will be deemed accepted by the Supplier unless and until the Supplier accepts such Order in writing. Any terms and conditions contained in any quote,

invoice, purchase order or Order that are inconsistent with the terms and conditions of this Agreement will be deemed stricken, unless expressly agreed to in writing by the Supplier with explicit reference to the accepted terms and conditions. All Orders will reference this Agreement. Upon acceptance of an Order as provided above, it will become part of this Agreement.

2.3. Adding End Users. If Customer desires to increase the number of End Users that are permitted to use the Subscription Service, a new Order must be issued for the additional End Users. The Supplier may, in its discretion, allow or require the initial Subscription Period of newly-purchased subscriptions to be adjusted to expire or renew simultaneously with Customer's pre-existing subscription(s).

2.4. Optional Services. Purchase of Optional Services from the Supplier will be subject to any price quote the Supplier provides to Customer and the Order procedure described above. As designated by the Supplier at the time of Customer's purchase, use of the Optional Services may be subject to additional terms and conditions beyond or in lieu of those in Exhibit C.

3. Fees and Payment for Services

3.1. Fees. Customer will pay all fees for the Services per the prices quoted to Customer by the Supplier and finalized via an Order. Unless expressly set out in an Order, price increases will not apply to any Order that has already been accepted by the Supplier. Except as otherwise agreed by the parties in writing, Services Fees are quoted and payable in United States dollars, and Customer's payment obligations are non-cancelable, and Fees paid are non-refundable.

3.2. Invoicing and Payment. The Supplier will invoice Customer in advance for the Services unless otherwise expressly agreed by the parties.

3.3. Subscription Service fees are due upon invoice and payable within thirty (30) days of the invoice date. Subscription Service fees will be due no later than the first day of each Subscription Period to which the payment relates. If Customer orders additional End User quantities part-way through an existing Subscription Period, and the initial Subscription Period for the additional quantity is adjusted as described in Section 2.3, then the Subscription fee for such additional quantity will be pro-rated accordingly. Optional Services will be due at the same time as payment for the corresponding Subscription Service, or (if applicable) as otherwise specified in the applicable Order or governing terms. Subscription Service fees will be subject to an automatic annual increase by the percentage of the prior year's Subscription Service fees (the "Uplift") listed in the Order.

3.5. Billing Info & Overdue Charges. Customer is responsible for keeping the Supplier accurately and fully informed of Customer's billing and contact information, including providing any purchase order numbers in advance of invoice issuance. If any Fees are not received from Customer by the due date, they will accrue interest at the rate specified in Section 2251.025 of the Texas Government Code on the outstanding balance.

3.6. Overdue Payments. If any amount owing by Customer under this Agreement for any of the Services is thirty (30) or more days overdue, the Supplier may, without limiting the Supplier's other rights and remedies, accelerate Customer's unpaid fee obligations under this Agreement (including any Order) so that all such obligations become immediately due and payable, suspend the Subscription Service and/or stop performance of the Professional Services until such amounts are paid in full.

3.7. Taxes. The Supplier's Services fees do not include any taxes, levies, duties or similar governmental assessments of any nature, including but not limited to value-added, sales, use or withholding taxes, assessable by any local, state, provincial, federal or foreign jurisdiction (collectively, "Taxes"). If Supplier has the legal obligation to pay or collect Taxes for which Customer is responsible under this paragraph, the appropriate amount will be invoiced to and paid by Customer, unless Customer provides the Supplier with a valid tax exemption certificate. For clarity, the Supplier is solely responsible for taxes assessable against it based on the Supplier income, property and employees.

3.8. Piggyback procurement. Customer reserves the right to extend the terms and conditions of this solicitation to any and all other agencies be it federal, state, municipal, county, or local governmental agency under the jurisdiction of the United States and its territories. This shall include but not be limited to private schools, parochial schools, non-public schools such as charter schools, special districts, intermediate units, non-profit agencies providing services on behalf of government, and/or state.

4. Term and Termination

4.1. Term of Agreement. Unless terminated earlier in accordance with Section 4.2, this Agreement commences on the Effective Date and will continue with respect to the Services as enumerated below:

4.1.1. Subscription Service. The Subscription T's & C's at **Exhibit C** will commence on the date listed under Initial Subscription Term or if provisioning of software takes place more than two (2) weeks after the subscription date under the Initial Subscription Term, the subscription start date will be updated to the provisioning date and communicated to the customer via email. The subscription period will last for three (3) months (the "Initial Subscription Period"). Thereafter, the Subscription Term will automatically renew for additional one-year periods (each a "Renewal Subscription Period") unless and until either party gives written notice of non-renewal at least thirty (30) days in advance. Customer must send written notice of non-renewal to **Accounts@lctsoftware.com**. Should Customer not provide written notice of non-renewal at least thirty (30) days in advance, then Customer is obligated to pay for the subsequent renewal in full.

4.2. Termination. Either party may terminate this Agreement upon written notice if the other party breaches this Agreement and fails to correct the breach within thirty (30) days following written notice specifying the breach¹. The Services will be subject to additional termination provisions if and as designated in the respective Exhibits to this Agreement.

4.3. Effect of Termination. Termination or expiration of this Agreement will not terminate any then-current Customer Subscriptions to the Subscription Service (which will continue to be governed by the terms of **Exhibit C**, including the termination provisions set forth therein); provided, however, that in the case of termination of this Agreement by the Supplier for Customer's uncured breach of this Agreement, the Supplier may simultaneously terminate any such Subscriptions. Subject to the Professional Services Terms, termination of this Agreement will terminate all on-going and planned Professional Services.

5. Additional customer terms.

Any terms and conditions required by Customer under applicable statute, judicial order or agency policy will be as stated in this Section 5 (the "Additional Customer Terms"). Alternatively, the Parties may set forth Additional Customer Terms at Exhibit C to this Agreement as warranted under the circumstances. Notwithstanding anything to the contrary in Section 6, the Additional Customer Terms will govern over the body of this Agreement in the event of a direct conflict of terms. In the absence

of any inclusion of Additional Customer Terms in this Section 5 or at Exhibit C, the parties agree that no additional contractual obligations are intended in respect of the Services provided hereunder.

This Agreement shall not be construed as creating any debt by or on behalf of the Customer and all obligations of the Customer are specifically contingent upon continued appropriations for payment hereunder. Accordingly, and in addition to any other authority to terminate this Agreement, if the governing body of Customer does not appropriate funds to continue paying for the goods and services to be provided under this Agreement, Customer may then terminate this Agreement as of the last day for which funds were appropriated. Unless provided otherwise by law or by this Agreement, Customer shall be obligated to pay all charges incurred before such a termination of this Agreement.

Customer is exempt from taxes, and as such, the Supplier shall not seek to collect the same from Customer. Additionally, interest on late payments is governed by Section 2551.025 of the Texas Government Code and no late charge or interest shall be assessed against the Customer, except as provided for in that section.

General

6.1 The parties acknowledge that the terms of each of the Exhibits to this Agreement (inclusive of any supplements or attachments thereto), including, but not limited to, the disclaimers, limitations of liability, and other general provisions thereof, are incorporated into and form a part of this Agreement.

6.2 In the event of a direct conflict between the body of this Agreement and the terms of the Exhibits hereto, the terms in the body of this Agreement will govern. Each party specifies its address set forth above for receipt of notices under this Agreement. This Agreement may be signed in one or more identical counterparts, each of which will be an original, but all of which together will constitute one instrument.

[Faint, illegible handwritten text]



Subscription Fees and Term

1. Subscription Fees & Term

The annual Subscription Fees, which commence October 1st 2023, shall amount to a total of \$23,000 USD. This is based on 20 User Subscriptions. Subscription Fees will be subject to an annual 3% price increase.

Year	# of Users	Price
1	20	\$23,000
2	20	\$23,690
3	20	\$24,400.70

2. Implementation Fee

The implementation fee of \$26,000 USD is due upon completion of implementation.

Exhibits List:

Exhibit A - Standard Support Policy

Exhibit B – Service Level Commitment

Exhibit C – Subscription Terms and Conditions

Exhibit D – Software Subscription and Professional Services Proposal

Signed on behalf of AGENCY
NAME



Signed

Print Name

Position

Date

Mike Foreman
Mike Foreman
Mayor
June 28, 2023

8881

Signed by on behalf of LCT
SOFTWARE LLC

Signed 

Print Name: Derek Porter

Position: Chief Growth Officer

Date: June 20, 2023

Exhibit – A

Standard Support Policy

This LCT Software LLC's SaaS Support Policy ("Support Policy") is a policy governing the use of DigEplan's software-as-a-service products (the "Service(s)") under the terms of the services agreement (the "Agreement") between LCT Software, LLC and its affiliates ("LCT Software", "us" or "we") and the purchaser of DigEplan's Service ("Customer"). This Support Policy may be updated from time to time by LCT Software at its sole discretion.

General Requirements and Hours of Operation

Ticketing Support: LCT Software will provide access to a ticketing system, which will be available twenty-four (24) hours per day, seven (7) days per week. A qualified support specialist shall use commercially reasonable efforts to answer questions and resolve problems regarding the Subscription Service during normal business hours of Monday-Friday, 8:00 A.M. until 5:00 P.M. CST.

Telephone and E-mail Support: DigEplan's Customer Support Department, a live technical support facility, will be available to Customer from 8:00 A.M. until 5:00 P.M. CST Monday through Friday, excluding LCT Software LLC's observed holidays.

Online Support Material: Available twenty-four (24) hours, seven (7) days a week, LCT Software will make available to Customer certain technical information in DigEplan's online support database.

Updates

Updates may address security fixes, critical patches, general maintenance functionality, and documentation and shall be made available at LCT Software's discretion. LCT Software is under no obligation to develop any future functionality or enhancements unless otherwise specified in the Agreement. If an update for the Service is made available to Customer pursuant to this Support Policy, it will automatically replace the previous version of the applicable Service.

Where practical, LCT Software will schedule Updates during non-business hours and will provide Customers with advance notice of all Updates.

Upgrade/Downgrade of Severity Level

If, during the Support Request process, the issue either warrants assignment of a higher severity level than currently assigned or no longer warrants the severity level currently assigned based on its current impact on the production operation of the SaaS offering, then the severity level will be upgraded or downgraded accordingly to the severity level that most appropriately reflects its current impact.

Third Party Product Support

If any third-party software is not supplied by LCT Software, LCT Software disclaims all support obligations for such third-party software, unless expressly specified by LCT Software in Customer's Agreement.

Exclusions

The following Support Exclusions are not covered by this Support Policy: (a) Support required due to Customer's or any End User's or third party's misuse of the Services; (b) Support during times outside of LCT Software regular business hours stated above; (c) Support necessitated by external factors outside of LCT Software's reasonable control, including any force majeure event or Internet access or related problems beyond the Service demarcation point; (d) Support of or caused by customizations (if outside of LCT Software's best practice recommendations), configuration changes, scripting, or data loss caused by or on behalf of Customer or any End User; (e) Support of or caused by Customer's or any End User's or third party's equipment, software or other technology (other than third party equipment within LCT Software's direct control); (f) Support to resolve or work-around conditions which cannot be reproduced in LCT Software's support environment and (g) Support of any software add-ons supplied together with the Service (except where specified in the Agreement). Any support services falling within these Support Exclusions may be provided by LCT Software at its discretion and, if so provided, may be subject to additional pricing and support terms as specified by LCT Software

Support Classifications

Error Classification	Criteria
Critical Severity Issue (Priority 1)	The Service is down or there is a major malfunction (deeming Service non-functional or severely affected), resulting in a business revenue loss and impacting the Service functionality for a majority of users. No reasonable workaround exists.
High Severity Issue (Priority 2)	High loss of Service functionality or performance, impacting the Service functionality for a high number of users (e.g. Service response is very slow, day to day operations continue, but are impacted by the issue). No reasonable workaround available or the workaround is impractical.
Medium Severity Issue (Priority 3)	Moderate loss of Service functionality or performance, impacting multiple users. A convenient workaround exists (e.g. non-critical feature is unavailable or requires additional user intervention).
Low Severity Issue (Priority 4)	Minor loss of Service functionality or feature in question.

Functional Definitions: For the purposes of error classification, essential or major functions include: data capture features, SLA and alarming features, performance management features and application performance problem resolution features.

Response Time: LCT Software shall use commercially reasonable efforts to respond to error reports in accordance with the table set forth below. LCT Software will use reasonable means to repair the error and keep Customer informed of progress. LCT Software makes no representations as to when a full resolution of the error may be made.

Error Classification	Initial Response and Acknowledgement	Updates	Resolution Goal
Critical	1 Business Hour	Daily	LCT Software will put forth our best effort to provide a workaround, fix, or estimated completion date within seventy-two (72) hours after the problem has been diagnosed and/or replicated.
High	4 Business Hours	Weekly	LCT Software will put forth our best effort to provide a workaround or fix or estimated completion date within four (4) business days after the problem has been diagnosed and/or replicated.
Medium	8 Business Hours	As available	LCT Software will put forth our best effort to provide a workaround or fix or estimated completion date within seven (7) business days after the problem has been diagnosed and/or replicated.
Low	24 Business Hours	None	Resolution for the Issue may be released as a patch set or be incorporated into a future schedule release of the product.

Exhibit B

SERVICE LEVEL COMMITMENT

This SaaS Service Level Commitment ("SLC") is a policy governing the use of LCT software-as-a-service products (individually or collectively, the "Service" or "DigEplan") under the terms of the LCT Software Master Services Agreement (the "Agreement") between LCT Software LLC and its affiliates ("LCT Software", "us" or "we") and the purchaser of LCT Software's Subscription Service ("Customer").

Unless otherwise provided herein, this SLC is subject to the terms of the Agreement and capitalized terms will have the meaning specified in the Agreement. LCT Software may change the terms of this SLC in accordance with the Agreement upon the written agreement of the Customer.

Definitions

"Monthly Uptime Percentage" is calculated by subtracting from 100% the percentage of minutes during the month in which the Service was Unavailable. Measurement of the Monthly Uptime Percentage excludes downtime resulting directly or indirectly from any SLC Exclusion.

"Service Credit" is a dollar credit, calculated as set forth below, that LCT Software may credit back to an eligible Customer account.

"Unavailable" means, as applicable: (i) Customer is repeatedly unable to log into the Service; (ii) Customer experiences repeated connection request failures; (iii) Customer experiences lack of connectivity of external, public instances or sites lasting for more than ten (10) minutes;

The foregoing events must be verifiable or replicable by LCT Software or its designee. Availability of Accela APIs which are used by DigEplan to connect, is expressly excluded from this SLC.

Service Commitment

LCT Software will use commercially reasonable efforts to make the Service available with a Monthly Uptime Percentage of at least 99.9%, in each calendar month of the Subscription Period (the "Commitment"). In the event the Service does not meet this Commitment, Customer will be eligible to receive a Service Credit as described below.

Scheduled & Emergency Maintenance

LCT Software will maintain certain scheduled maintenance windows during which regular, planned maintenance of the Service may be performed. LCT Software will use commercially reasonable efforts to provide Customer with no less than twenty-four (24) hours' notice prior to Services unavailability due to planned maintenance. LCT Software's standard maintenance window will generally fall between the hours of 12:00 AM (00:00) and 5:00 AM (05:00) on a day of our choosing, local time.

In exceptional circumstances where updates may take more time than the weekly time slot, it may be necessary to run updates over weekends.

LCT Software will endeavour to provide as much notice as is practicable under the circumstances for patches, updates, fixes and other emergency maintenance activities which may be applied on an urgent basis.

LCT Software will provide three (3) business days' notice prior to any planned network, server hardware, operating environment, or database modifications of a material nature.

Service Credits Monthly Uptime Percentage	Service Credit Percentage
Less than 99.9% but equal to or greater than 99.0%	2%
Less than 99.0%	5%

LCT Software will apply any Service Credits only against future Service payments otherwise due from Customer. Service Credits will not entitle Customer to any refund or other payment from LCT Software, unless the Service Credit is due in the last month of this Agreement then LCT Software will pay the Service Credit to Customer within fifteen (15) days of the Service Credit Request.

Service Credits may not be transferred or applied to any other account, which is not in the name of Customer.

Service Credit Requests

To receive a Service Credit, Customer must submit a claim in writing to accounts@lctsoftware.com

To be eligible for a Service Credit, the claim must be received by LCT Software in the calendar quarter in which the incident occurred and must include:

- the words "SLC Credit Request" in the subject line;
- the dates and times of each Unavailability incident that Customer is claiming; and
- the quantity or scope of affected Users (as indicated by User ID, number of departments or similar metric);
- Supporting evidence from the support service desk

If the Monthly Uptime Percentage of such Service Credit request is confirmed by us and is less than the Service Commitment, LCT Software will issue the Service Credit to Customer within one billing cycle following the month in which Customer's request is confirmed by LCT Software. Customer's failure to provide the request and other information as required above will disqualify Customer from receiving a Service Credit.

SLC Exclusions

The Service Commitment does not apply to any unavailability, suspension or termination of the Service or any Service performance issues: (i) caused by factors outside of LCT Software's reasonable control, including any force majeure event or Internet access or related problems beyond the Service demarcation point; (ii) that result from customizations (if outside of LCT Software's best practice recommendations), configuration changes by or on behalf of Customer or any End User; (iii) that result from Customer's or any End User's or third party's equipment, software or other technology or Integrations (other than third party equipment within LCT Software's direct control); (iv) that result from any maintenance as provided for pursuant to the above terms; or (vii) arising from our suspension or termination of Customer's right to use the Service in accordance with the Agreement (collectively, the "SLC Exclusions"). If availability is impacted by factors other than those used in the Monthly Uptime Percentage calculation, LCT Software may issue a Service Credit with consideration to pertinent factors as assessed by LCT Software in its sole discretion.

EXHIBIT C

Subscription Terms & Conditions

Purchase or use of the Service (defined below) is subject to these Subscription Terms and Conditions (these "Terms").

1. DEFINITIONS

"Agreement" means these Terms and, if applicable, the written master service agreement or other written agreement between Customer and LCT Software LLC that incorporates these Terms by reference.

"Communication Data" means any and all information transmitted, shared, or exchanged between Customer and any End User, or between End User and any third party (including any third-party network or website), using the Service, with respect to any transaction or other communication enabled by the Service, but excluding Security Data.

"Customer" means the entity that purchases a subscription to the Service, directly from LCT Software or through an authorized reseller, distributor, or other channel partner of LCT Software.

"End Users" means individuals who are authorized by Customer to use the Service and for whom Customer has purchased a subscription to the Service. End Users may include but are not limited to Customer's employees, contractors and agents. Each End User will be associated with a single, unique email address for purposes of accessing (and being identified within) the Service.

"Intellectual Property Rights" means patent rights (including, without limitation, patent applications and disclosures), copyrights, trade secrets, know-how, and any other intellectual property rights recognized in any country or jurisdiction in the world.

"Optional Services" mean the optional add-ons to the Service that may be available for purchase either directly from LCT Software or through an authorized reseller or partner of LCT Software, as more particularly described or identified in the applicable Order.

"Order" means written orders to purchase subscriptions to use the Service (or, where applicable, to purchase Optional Services).

"Security Data" means any and all information provided by Customer or any End User to establish secure transmissions through use of the Service, including but not limited to personal information, information used to identify account names or numbers, routing information, usernames, passwords, access codes and prompts.

"Service" or **"Subscription Service"** means the cloud-based network security service(s) for which Customer has obtained a subscription either directly from LCT Software or through an authorized reseller or other partner of LCT Software, as more particularly described in the applicable agreement or order under which such subscription was obtained. If and as designated in the Specifications, the Service may be inclusive of application programming interfaces (APIs) developed by LCT Software to enable interaction and integration with the Service. Unless otherwise specified herein or other applicable contractual terms, all references to "Service" will be deemed to include any and all Optional Services.

"Software" means any software (including client software for End Users' devices) that LCT Software makes available for download or otherwise provides for use with the Service.

"Subscription Period(s)" means the duration of Customers and End Users active, paid access to the Service, as designated in the Order(s).

"Supported Modification" means a configuration of or modification to the Service requested by Customer that can be consistently supported by LCT Software via APIs, does not require direct database changes and is capable of being tested and maintained by LCT Software.

2. AUTHORIZED USERS. Only End Users may access or use the Service under Customer's account. Each End User may use any reasonable number of compatible devices for purposes of accessing the Service; provided that, LCT Software reserves the right to determine whether a number of devices is reasonable and, in its sole discretion, to place a corresponding cap on the number of devices. Unless expressly authorized by LCT Software, End User subscriptions cannot be shared or used by more than one individual but may be permanently reassigned to new End Users. The number of End User subscriptions purchased may be increased (under a new Order) but cannot be decreased during any Subscription Period.

3. USE OF THE SERVICE

3.1. Customer's Responsibilities. Customer will (i) be responsible for meeting LCT Software's applicable minimum system requirements for use of the Service; (ii) be responsible for End Users' compliance with these Terms and for any other activity (whether or not authorized by Customer) occurring under Customer's account, (iii) be solely responsible for the accuracy, quality, integrity and legality of Communication Data, (iv) use commercially reasonable efforts to prevent unauthorized access to or use of the Service under its account, and notify LCT Software promptly of any such unauthorized access or use, and (v) use the Service only in accordance with the applicable documentation, laws and government regulations, and any written instructions provided by LCT Software to Customer.

3.2. Prohibitions. Customer will not, and will ensure that its End Users do not, (i) make the Service available to anyone other than End Users; (ii) sell, resell, rent, lease or transfer the Service in whole or in part to any third party (including Customer affiliates) without the express permission of LCT Software and execution of designated transfer documentation; (iii) use the Service to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy or intellectual property rights; (iv) use the Service to store or transmit viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs; (v) interfere with or disrupt the integrity or performance of the Service or third-party data contained therein; (vi) attempt to gain unauthorized access to the Service or any related systems or networks; or (vii) obtain intellectual property rights to the use of any component of the Services (inclusive of APIs).

3.3. Software. End Users may need to download and install client Software (as made available by LCT Software or other third party authorized by LCT Software) on each device through which they intend to use the Service. All use of such Software will be governed by terms of the applicable license agreement or terms of use that accompanies or is made available in connection with the Software. Customer acknowledges that each End User (or authorized Customer representative) must accept such license agreement, and have Service-compatible device(s), to download, install, and/or use the Software. Nothing in these Terms will be deemed to grant to Customer rights of any kind in the Software.

3.4. Security Data and Privacy. Customer understands that failure to protect Security Data may allow an unauthorized person or entity to access the Service. In addition, Customer acknowledges that LCT Software generally does not have access to and cannot retrieve lost Security Data. If Customer loses Security Data, Customer may no longer have access to the Service. Customer agrees that: (i) Customer (or its End User) is solely responsible for collecting, inputting and updating all Security Data; (ii) LCT Software assumes no responsibility for supervision, management or control of Customer's and End Users' Security Data; and (iii) LCT Software assumes no responsibility for any fraudulent or unauthorized use of the Software or any portion of the Service.

4. PROPRIETARY RIGHTS

4.1. Reservation of Rights. Subject to the limited rights expressly granted hereunder, LCT Software reserves all rights, title and interest in and to the Service and any associated Software and documentation, including all related Intellectual Property Rights. No rights are granted to Customer hereunder other than as expressly set forth herein.

4.2. Restrictions. In addition to the other prohibitions set forth in these Terms, Customer will not and will ensure that its agents do not (i) create derivative works based on the Service, (ii) copy, frame or mirror any part

or content of the Service, other than copying or framing on Customer's own intranets or otherwise for Customer's internal business purposes in accordance with LCT Software's applicable documentation, (iii) reverse engineer the Service, or (iv) access the Service (inclusive of any APIs) in order to build or patent a competitive product or service or to copy any features, functions or graphics of the Service.

4.3. Communication Data Ownership. Customer reserves all its rights, title and interest in and to the Communication Data. No rights are granted to LCT Software hereunder with respect to the Communication Data, except that LCT Software may (i) store, copy, process, and transmit such Communication Data for purposes of providing the Service to Customer and (ii) otherwise utilize Communication Data if and as permitted by the LCT Software's Privacy Policy.

4.4. Customer Suggestions. Customer grants LCT Software a royalty-free, worldwide, transferable, sublicensable, irrevocable, perpetual license to use or incorporate into the Service (or LCT's other software or services) any suggestions, enhancement requests, recommendations, or other feedback provided by Customer or End Users relating to the operation or features of the Service.

5. CONFIDENTIALITY

5.1. Definition. As used herein, "**Confidential Information**" means all confidential information disclosed by a party ("**Disclosing Party**") to the other party ("**Receiving Party**"), whether orally or in writing, that is designated as confidential or that reasonably should be understood to be confidential given the nature of the information and the circumstances of disclosure. However, Confidential Information will not include any information that (i) is or becomes generally known to the public without breach of any obligation owed to the Disclosing Party, (ii) was known to the Receiving Party prior to its disclosure by the Disclosing Party without breach of any obligation owed to the Disclosing Party, (iii) is received from a third party without breach of any obligation owed to the Disclosing Party, (iv) was independently developed by the Receiving Party, or (v) is available to the public pursuant to applicable law.

5.2. Protection. Except as otherwise permitted in writing by the Disclosing Party and subject to the other terms of this Agreement (including LCT Software's Privacy Policy), (i) the Receiving Party will use the same degree of care that it uses to protect the confidentiality of its own confidential information of like kind (but in no event less than reasonable care) not to disclose or use any Confidential Information of the Disclosing Party for any purpose outside the scope of these Terms, and

(ii) the Receiving Party will limit access to Confidential Information of the Disclosing Party to those of its employees, contractors and agents who need such access for purposes consistent with these Terms and who are legally bound to protect such Confidential Information consistent with these Terms.

5.3. Compelled Disclosure. The Receiving Party may disclose Confidential Information of the Disclosing Party if it is compelled by law to do so, provided the Receiving Party gives the Disclosing Party prior notice of such compelled disclosure (to the extent legally permitted).

5.4. Public Information Act. Notwithstanding anything herein to the contrary, if Customer receives a request for Confidential Information of Supplier, Customer's sole obligation will be to submit the Confidential Information to the Texas Attorney General (the "AG") and provide notice of the request for Confidential Information to Supplier. Thereafter, Supplier will have the obligation to make arguments to the AG as to why the information is exempt from public disclosure. Customer is entitled to rely on the decision of the AG and will disclose Confidential Information in accordance with the AG decision.

6. WARRANTIES AND DISCLAIMERS

6.1. Specifications. Subject to the limitations set forth below, LCT Software warrants that the Service will operate in all material respects in accordance with the Specifications. As Customer's sole and exclusive remedy and LCT Software's entire liability for any breach of the foregoing warranty, LCT Software will use commercially reasonable efforts to modify the Service so that it conforms to foregoing warranty.

6.2. Disclaimers. EXCEPT AS EXPRESSLY PROVIDED HEREIN, LCT SOFTWARE DOES NOT MAKE ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND LCT SOFTWARE SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, OR ANY WARRANTIES ARISING OUT OF THE COURSE OF DEALING OR USAGE OF TRADE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. LCT Software will not be responsible to the extent failure of the Service to operate as warranted is caused by or results from: (i) any modification to the Service other than a Supported Modification; (ii) combination, operation or use of the Service with Customer's or a third party's applications, software or systems; (iii) abuse, willful misconduct or negligence by anyone other than LCT Software or LCT Software's designee; (iv) use of the Service other than in accordance with the terms of this Agreement and/or the applicable Specifications and LCT Software documentation or (v) any of the SLC Exclusions (as defined in the Service Level Commitment).

7.0 INDEMNIFICATION

7.1. Indemnification by LCT Software. LCT Software will defend (or settle) any suit or action brought against Customer to the extent that it is based upon a claim that the Service, as furnished by LCT Software hereunder, infringes or misappropriates the Intellectual Property Rights of any third party, and will pay any costs, damages and reasonable attorneys' fees attributable to such claim that are awarded against Customer. LCT Software's obligations under this Section 7.1 are contingent upon:

(a) Customer providing LCT Software with prompt written notice of such claim; (b) Customer providing reasonable cooperation to LCT Software, at LCT Software's expense, in the defense and settlement of such claim; and (c) LCT Software having sole authority to defend or settle such claim. THIS SECTION 7.1 STATES THE ENTIRE OBLIGATION OF LCT SOFTWARE AND ITS LICENSORS WITH RESPECT TO ANY ALLEGED OR ACTUAL INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS BY THE SERVICE. LCT Software will have no liability under this Section 7.1 to the extent that any third-party claims described herein are based on any combination of the Service with products, services, methods, or other elements not furnished by LCT Software, or any use of the Service in a manner that violates this Agreement or the instructions given to Customer by LCT Software.

7.2. Mitigation Measures. In the event that (i) any claim or potential claim covered by Section 7.2 arises or (ii) LCT Software's right to provide the Service is enjoined or in LCT Software's reasonable opinion is likely to be enjoined, LCT Software may, in its discretion, seek to mitigate the impact of such claim or injunction by obtaining the right to continue providing the Service, by replacing or modifying the Service to make it non-infringing, and/or by suspending or terminating Customer's use of the Service with reasonable notice to Customer. In the case of a suspension or termination pursuant to this Section 7.3, LCT Software will refund to Customer a portion of fees prepaid by Customer for the then-current Subscription period, prorated to the portion of that Subscription period that is affected by the suspension or termination.

8. LIMITATIONS OF LIABILITY. EXCEPT THE INDEMNIFICATION OBLIGATION UNDER SECTION 7.1, IN NO EVENT WILL PARTY'S LIABILITY TO OTHER PARTY OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR FROM THE USE OF OR INABILITY TO USE THE SERVICE, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER HEREUNDER OR, WITH RESPECT TO ANY SINGLE INCIDENT, THE AMOUNT PAID BY CUSTOMER HEREUNDER IN THE TWELVE (12) MONTH PERIOD PRECEDING THE INCIDENT.

8.1. Exclusion of Damages. NEITHER PARTY NOR ANY OTHER PERSON OR ENTITY INVOLVED IN CREATING, PRODUCING, OR DELIVERING THE SERVICE WILL BE LIABLE FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS, LOSS OF DATA OR LOSS OF GOODWILL, SERVICE INTERRUPTION, COMPUTER DAMAGE OR SYSTEM FAILURE OR THE COST OF SUBSTITUTE PRODUCTS OR SERVICES, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR FROM THE USE OF OR INABILITY TO USE THE SERVICE, WHETHER BASED ON WARRANTY, CONTRACT, TORT (INCLUDING NEGLIGENCE), PRODUCT LIABILITY OR ANY OTHER LEGAL THEORY. THE FOREGOING EXCLUSIONS APPLY WHETHER OR NOT PARTY HAS BEEN INFORMED OF THE POSSIBILITY OF SUCH DAMAGE, AND EVEN IF A LIMITED REMEDY SET FORTH HEREIN IS

FOUND TO HAVE FAILED OF ITS ESSENTIAL PURPOSE. NOTHING IN THESE TERMS EXCLUDES OR RESTRICTS THE LIABILITY OF EITHER PARTY FOR DEATH OR PERSONAL INJURY RESULTING FROM ITS NEGLIGENCE.

8.2. Security and Other Risks. Customer acknowledges that, notwithstanding security features of the Service, no product, hardware, software or service can provide a completely secure mechanism of electronic transmission or communication and that there are persons and entities, including enterprises, governments and quasi-governmental actors, as well as technologies, that may attempt to breach any electronic security measure.

Subject only to its limited warranty obligations set forth in Section 6, LCT Software will have no liability for any security breach caused by any such persons, entities, or technologies. Customer further acknowledges that the Service is not guaranteed to operate without interruptions, failures, or errors..

8.3. Basis of Bargain. THE LIMITATIONS OF LIABILITY AND EXCLUSIONS OF DAMAGES SET FORTH IN THIS SECTION 8 ARE FUNDAMENTAL ELEMENTS OF THE BASIS OF THE BARGAIN BETWEEN LCT SOFTWARE AND CUSTOMER AND WILL APPLY TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAW.

9. SUBSCRIPTION PERIOD AND TERMINATION.

9.1. Term of End User Subscriptions. End User Subscriptions purchased by Customer commence on the start date specified in the applicable Order and, unless terminated earlier in accordance with these Terms, continue for the term specified therein (the “Subscription Period”). A Subscription Period and/or pricing there on shall be subject to prorating to cause newly purchased Subscriptions to expire or renew simultaneously with Customer’s pre-existing Subscription(s). Except as otherwise specified in the applicable Order, all Subscriptions will automatically renew for additional Subscription Periods equal to the expiring Subscription Period or one year (whichever is shorter), unless either party gives the other at least thirty (30) days’ notice of non-renewal before the end of the relevant Subscription Period. The per-unit pricing during any such renewal Subscription Period may be subject to annual pricing increase as designated by LCT Software and notified to Customer. Pricing increases will be effective upon renewal of the Subscription Period and annually thereafter, unless otherwise agreed to by the parties. If either party provides notice of non-renewal as set forth above, Customer’s right to use the Service will terminate at the end of the relevant Subscription Period.

9.2. Termination or Suspension for Cause. A party may terminate any Subscription for cause upon thirty (30) days written notice to the other party of a material breach if such breach remains uncured at the expiration of such thirty (30) day period. In addition, LCT Software may, at its sole option, suspend or terminate Customer’s or any End User’s access to the Service, or any portion thereof, immediately if LCT Software, in its sole discretion: (i) if suspects that any person other than Customer or an End User is using or attempting to use Security Data, (ii) suspects that Customer or an End User is using the Service in a way that violates these Terms and could expose LCT Software or any other entity to harm or legal liability, or (iii) is or reasonably believes it is required to do so by law or court order.

9.3. Effect of Termination. Within thirty (30) calendar days following the end of Customer’s final Subscription Period, Customer may request in writing LCT Software to provide a copy of Customer’s data and associated documents in a database dump file format. LCT Software will comply within thirty (30) days with such request; provided that, Customer (a) pays all costs of and associated with such copying, as calculated at LCT Software then-current time-and-materials rates; and (b) pays any and all unpaid amounts due to LCT Software.

9.4. Surviving Provisions. Sections 4 (Proprietary Rights), 5 (Confidentiality), 6.2 (Disclaimer), 7 (Indemnification), 8 (Limitation of Liability), 9.3 (Effect of Termination), 9.4 (Surviving Provisions) and 10 (General Provisions) will survive any termination or expiration of this Agreement.

10. GENERAL

10.1. Notice. Except as otherwise specified in this Agreement, all notices, permissions and approvals hereunder will be in writing and will be deemed to have been given upon: (i) personal delivery, (ii) the second business day after mailing, or (iii) sending by confirmed email if sent during the recipient’s normal business hours (or, if not,

then on the next business day). Notices will be sent to the address specified by the recipient in writing when entering into this Agreement or establishing Customer's account for the Service (or such other address as the recipient may thereafter specify by notice given in accordance with this Section 10.1).

10.2. Governing Law and Jurisdiction. This Agreement and any action related thereto will be governed by the laws of the State of Texas without regard to its conflict of law's provisions. The exclusive jurisdiction and venue of any action related to the Service or this Agreement will be the state and federal courts located in Galveston County and each of the parties hereto waives any objection to jurisdiction and venue in such courts.

10.3. Compliance with Laws. Each party will comply with all applicable laws and regulations with respect to its activities under this Agreement including, but not limited to, export laws and regulations of the United States and other applicable jurisdictions. Without limiting the foregoing, Customer will not permit End Users to access or use the Service in violation of any U.S. export embargo, prohibition or restriction.

10.4. Relationship of the Parties. This Agreement does not create a partnership, franchise, joint venture, agency, fiduciary or similar relationship between the parties.

10.5. Waiver and Cumulative Remedies. No failure or delay by either party in exercising any right under this Agreement will constitute a waiver of that right. Other than as expressly stated herein, the remedies provided herein are in addition to, and not exclusive of, any other remedies of a party at law or in equity.

10.6. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, the provision will be modified by the court and interpreted so as best to accomplish the objectives of the original provision to the fullest extent permitted by law, and the remaining provisions of this Agreement will remain in effect.

10.7. Assignment. Neither LTC Software nor Customer may assign or transfer this Agreement without the prior written consent of the other party. Any attempted assignment or transfer, without such consent, will be void. Subject to the foregoing, this Agreement will bind and inure to the benefit of the parties, their respective successors and permitted assigns.

10.8. Publicity. Each party will have the right to publicly announce the existence of the business relationship between parties. In addition, during the Subscription Period of Customer's Service use, LCT Software may use Customer's name on LCT Software's websites and marketing materials to identify Customer as LCT Software's customer, and for providing the Service to Customer; provided that, LCT Software will use commercially reasonable efforts to adhere to any usage guidelines furnished by Customer with respect to Customer's name.

10.9. Force Majeure. The Parties will not be liable for any delay or failure to perform under this Agreement to the extent such delay or failure results from circumstances or causes beyond the reasonable control of the Party.

10.10. Entire Agreement. These Terms, including any attachments hereto as mutually agreed upon by the Parties, constitute the entire agreement between the parties concerning its subject matter and supersedes all prior communications, agreements, proposals or representations, written or oral, concerning its subject matter. No modification, amendment, or waiver of any provision of these Terms will be effective unless in writing and signed by a duly authorized representative of each party against whom the modification, amendment or waiver is to be asserted. Notwithstanding any language to the contrary therein, no additional or conflicting terms or conditions stated in Customer's order documentation will be incorporated into or form any part of these Terms, and all such terms or conditions will be null.

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: July 10, 2023

Date submitted: 06/21/2023

Prepared by: Karen Horner, City Attorney

Subject: Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for a Master Drainage Plan.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The City of Friendswood (the "City") desires to update its Master Drainage Plan and will soon be seeking requests for qualifications from qualified professionals to assist with this effort. The Galveston County Consolidated Drainage District (the "District") desires to participate in such effort and to expand the scope of the ultimate plan.

Under the Agreement,

The City will:

- publish an RFQ for the Master Drainage Plan,
- provide statements of qualifications received to the District,
- rank the statement of qualifications, and
- negotiate and enter into a contract with the most highly qualified firm.

The District will:

- rank the statement of qualifications and
- contribute \$400,000 towards the Master Drainage Plan.

The scope of services in the Agreement includes a base model development phase as well as an alternate development phase, which phases include:

- Task 1: Public Involvement,
- Task 2: Study Coordination and Project Management,
- Task 3: Data Collection,
- Task 4: Master Development (1D/2D SWMM, InfoWorks, Etc.),
- Task 5: Model Development (1d/2D SWMM, InfoWorks, Etc.),
- Task 6: Study Documentation, and
- Task 7: Right-of-Way and Easement Assessment.

The District approved this agreement at its meeting held on June 13, 2023.

Funding source for the City's portion of the cost will be the proposed General Obligation Improvements Bonds, Series 2023.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Interlocal Agreement for Master Drainage Study

**INTERLOCAL AGREEMENT BY
AND BETWEEN
CITY OF FRIENDSWOOD AND
GALVESTON COUNTY CONSOLIDATED
DRAINAGE DISTRICT**

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This Interlocal Agreement ("Agreement") is made and entered into as of the 13th day of June, 2023, by and between the City of Friendswood, a home rule municipal corporation located in Galveston and Harris Counties, Texas (the "City"), and the Galveston County Consolidated Drainage District, a conservation and reclamation district organized and existing pursuant to Article XVI, Section 59 of the Constitution of the State of Texas (the "District"), each party acting by and through their respective governing bodies.

WITNESSETH:

WHEREAS, pursuant to Chapter 791 of the Texas Government Code (the "Act"), local governments are authorized to contract among themselves for the provisions of governmental functions and services; and

WHEREAS, the City and the District are each "local governments," as defined in the Act; and

WHEREAS, the corporate limits of the City includes territory in both Galveston and Harris Counties, Texas; and

WHEREAS, that portion of the City that is located within Galveston County is also located within the corporate boundaries of the District; and

WHEREAS, the District was created and exists for the purpose of reclamation and drainage of flooded lands and other lands needing drainage within the District; and

WHEREAS, in furtherance thereof, the District is empowered to acquire, construct, improve, and maintain facilities necessary to carry out its mandated purpose; and

WHEREAS, the City desires to update its Master Drainage Plan and intends on seeking requests for qualifications; and

WHEREAS, the District desires to commit FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000.00) toward this effort and for the expansion of the scope of the base model and calibration to include the territory of the District (the "Plan"); and

WHEREAS, the City and the District have determined the creation of the Plan is a governmental function in which the contracting parties are mutually interested; NOW THEREFORE,

FOR AND IN CONSIDERATION of the mutual obligations and benefits to be derived hereunder, the City and the District do hereby find, determine, and agree as follows:

1. Findings. The facts and matters set forth in the preamble of this Agreement are hereby found to be true and correct.
2. Purpose. The purpose of this Agreement is to promote and protect public health, safety, and welfare by minimizing public and private losses resulting from flood conditions through the creation of the Plan from which will identify future efforts necessary for drainage planning and flood control.
3. City's Responsibilities.
 - 3.01 The City shall publish a request for qualifications ("RFQ") for the Plan in accordance with the Professional Services Procurement Act, which RFQ shall include the scope of services described in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes.
 - 3.02 Within five (5) days after obtaining the statement of qualifications from those firms that respond to the RFQ, the City shall provide such statements to the District for review and ranking.
 - 3.03 Within fifteen (15) days after providing the statements to the District, the City shall rank the firms that responded to the RFQ on the basis of demonstrated competence and qualifications and share the results of its rankings with the District in writing.
 - 3.04 Based upon the rankings of both the City and the District, the City will select the most highly qualified firm and shall attempt to negotiate a contract with the selected firm at a fair and reasonable price. If a satisfactory contract cannot be negotiated with such firm, the City shall use the process described in Section 2254.004 of the Professional Services Procurement Act until a contract is negotiated at a fair and reasonable price.
 - 3.05 Should the City be unable to negotiate a contract at a fair and reasonable price in accordance with the Professional Services Procurement Act, the City may terminate this Agreement without penalty and both parties shall be relieved of all obligations hereunder.
 - 3.06 Once a contract is executed, the City will provide the engineering firm with the best information it has in order for the firm to perform the scope of services included in Exhibit "A."

- 3.07 The contract negotiated will include provisions for the District to review and provide comments to the Plan at the same intervals as the City.
4. District's Responsibilities.
- 4.01 Within fifteen (15) days after receiving the statement of qualifications from the City, the District shall rank the firms that responded to the RFQ on the basis of demonstrated competence and qualifications and share the results of its rankings with the City in writing.
- 4.02 Within fifteen (15) days of receiving a copy of the fully executed contract for the Plan, the District shall pay the City FOUR HUNDRED THOUSAND AND NO/100 DOLLARS (\$400,000.00).
- 4.03 Once a contract has been executed, the District will provide the engineering firm with the best information it has in order for the firm to perform the scope of services included in Exhibit "A."
- 4.04 All monies to be paid by the District in the performance of this Agreement shall be made from its current, available revenues.
5. Term. The term of this Agreement shall commence on the date of execution of this Agreement and shall end once the Plan has been accepted by the City and the District. The City or the District may terminate this Agreement, with or without cause, upon sixty (60) days' written notice to the other party until such time as the professional services agreement for the Plan is executed by the City. If either party terminates this Agreement prior to the City's entering into the professional services agreement for the Plan, the obligations of both parties shall cease. After the professional services agreement is executed, the City or the District may terminate this Agreement with cause, upon sixty (60) days' written notice to the other party and the terminating party shall be obligated to pay for all services provided in furtherance of this professional services agreement up to the date of the termination notice. If the District is entitled to a refund due to a breach of this Agreement by the City, such refund shall be paid within thirty (30) days after the termination date of this Agreement.
6. Notice. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been mailed by certified mail, return receipt requested, in a United States Post Office, addressed to the parties at the following address:
- | | |
|---|---|
| <u>City:</u> | <u>District:</u> |
| City of Friendswood | Galveston County Consolidated Drainage District |
| 910 S. Friendswood Drive | 1605 Whitaker Drive |
| Friendswood, TX 77546 | Friendswood, TX 77546-4178 |
| Attn: City Manager | Attn: Operations Manager |
| Email: fwdcity@friendswood.com | Email: janderson@gccdd.dst.tx.us |

A copy of any notice provided under this section shall also be emailed at the time of posting to the email addresses of the persons set out above.

7. Complete Agreement. This instrument contains the entire agreement between the City and the District relating to the rights herein granted and the obligations herein assumed. Any modifications concerning this instrument shall be of no force or effect, excepting a subsequent modification in writing, signed by both the City and the District.
8. Severability. If any provision of this Agreement is construed to be illegal or invalid, this will not affect the legality or validity of any of the provisions hereof. The illegal or invalid provisions will be deemed stricken from this Agreement and deleted to the same extent and effect as if never incorporated herein.
9. No Joint Venture; No Third-Party Beneficiary. This Agreement is not intended to create, nor should it be construed as creating, a partnership, association, joint venture, or trust. 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.
10. Force Majeure. Force Majeure. Neither party shall be liable for any damage, delay or loss due to Force Majeure. 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, pandemics, 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 a party, or any other causes not reasonably within the control of the party.
11. 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.
12. Authority to Bind. Each party represents and warrants that it has been authorized by its respective governing body. 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.
13. 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.

EXECUTED in duplicate originals on the dates indicated.

CITY OF FRIENDSWOOD

GALVESTON COUNTY
CONSOLIDATED DRAINAGE
DISTRICT

MORAD KABIRI, City Manager (Date)
ATTEST:

KEVIN HOLLAND, President (Date),

LETICIA BRYSCH, City Secretary

RUSTY BURKETT, Secretary

H:\Contracts\Galveston County Consolidated Drainage District - ILA for Master Drainage Agreement\Friendswood - GCCDD Interlocal Agreement 06012023.docx

Exhibit "A"

Scope of Work Comprehensive Drainage Plan

SECTION I: BASE MODEL DEVELOPMENT

Task 1: Public Involvement

- 1.1 Confirm requirements of public involvement for funding source.
- 1.2 Prepare a Citizen Action Plan.
- 1.3 Plan, Organize, Run, and Document Public Meetings (Three Max).

Task 2: Study Coordination and Project Management

- 2.1 Conduct and document kickoff meeting with City and other applicable agencies.
- 2.2 Coordination meetings with the City (up to six).
- 2.3 Coordinate with regulatory agencies (i.e., GCCDD, Galveston County, Harris County, FEMA).
- 2.4 Perform general project management (assumed nine months).

Task 3: Data Collection

- 3.1 Develop comprehensive list of data needed.
- 3.2 Collect data from City and other agencies as needed. This data collection should include available data from the City of Friendswood, City of Houston, Harris County, TxDOT, FEMA, and available drainage data from others including drainage plans, reports, hydrologic models, hydraulic models, maps, as-builts, etc.
- 3.3. Review current ordinances addressing drainage and current methods used to fund drainage maintenance and improvements. Deficiencies in the available data will be identified and used to assist in the direction of future data collection.
- 3.4 Utilize LiDAR to supplement missing information.
- 3.5 Sort, organize, and document all data acquired.
- 3.6 Determine areas of missing information and develop plan to acquire data.
- 3.7 Perform field visits as needed for additional data.
- 3.8 Authorize survey for critical areas where additional information is needed.
- 3.9 Update the GIS inventory of the existing drainage facilities including existing and planned storm sewer and outfall drainage facilities, communication with the entities and from the field reconnaissance.

Task 4: Model Development (1D/2D SWMM, InfoWorks, Etc.)

- 4.1 Build initial 1D/2D or 2D model(s) utilizing existing model inventory.
- 4.2 Verify existing model information with new data collected including survey, as-builts, LiDAR
- 4.3 Update the overall drainage area boundary and identify the sub-watershed boundaries. Previous hydraulic and hydrologic studies will be reviewed to define the overall watershed boundaries. These overall boundaries will be adjusted to match the current information and surveys.
- 4.4 Anticipate future development and ultimate development conditions including projected future land use and development changes within the areas after discussions with the City.
- 4.5 Incorporate Atlas 14 rainfall.
- 4.6 Incorporate Clear Creek 1D/2D model boundary information.

- 4.7 Troubleshoot modeling errors.
- 4.8 Calibrate/Validate Model based on available data.
- 4.9 Run 5-, 25-, 100-, 250-, 500-year storm analyses for existing and future land use conditions.
- 4.10 Run historical storm events for existing and future land use conditions including Hurricane Claudette, Hurricane Harvey, and Tropical Storm Allison.
- 4.11 Identify level of service and design frequencies for existing facilities.
- 4.12 Run 5-, 25-, 100-yea, 250-, and 500-year storm analyses for each proposed project site (existing condition). Run Hurricane Harvey and Tropical Storm Allison for each proposed project site(existing condition).

SECTION 2: ALTERNATIVE DEVELOPMENT

Task 5: Model Development (1D/2D SWMM, InfoWorks, Etc.)

- 5.1 Compile list of currently proposed projects (all entities) and identify those that are unfunded.
- 5.2 Analyze the capacity of upstream channels and drainage facilities to identify existing and future drainage problem areas.
- 5.3 Consult with City for locations and projects they deem critical.
- 5.4 Develop alternatives to resolve problem areas.
- 5.5 Perform feasibility analysis of alternative projects.
- 5.6 Utilize modeling results to further filter out projects.
- 5.7 Prepare cost estimate for up to 15 selected project alternatives. (Split focus on riverine and urban flooding).
- 5.8 Prepare a list identifying time estimates, partnering opportunities, and repetitive loss structures associated for up to 15 selected project alternatives.
- 5.9 Determine cost and benefit of each selected project alternative.
- 5.10 Develop and perform prioritization matrix to rank up to 15 selected project alternatives.

Task 6: Study Documentation

- 6.1 Outline & Exhibit Template.
 - 6.1.1 Prepare Outline.
 - 6.1.2 Prepare Exhibit Template.
 - 6.1.3 Perform QAQC.
 - 6.1.4 Submit to City for Review.
- 6.2 Draft CDP Report.
 - 6.2.1 Address comments from the outline and exhibit template review
 - 6.2.2 Prepare draft report.
 - 6.2.3 Perform QAQC.
 - 6.2.4 Submit to City for Review.
- 6.3 Final CDP Report.
 - 6.3.1 Address comments from draft report review.
 - 6.3.2 Prepare final report.
 - 6.3.3 Perform QAQC.
 - 6.3.4 Submit to City for Review.
 - 6.3.5 Address Last comments from City.
 - 6.3.6 Print & Deliver 5 hard copies of final report and an electronic submittal.

SECTION 3: RIGHT OF WAY AND EASEMENT ASSESSMENT

Task 7: Galveston County Consolidated Drainage Easement Determination

- 7.1 Determination of GCCDD's Atlas 14 100-Year and 500-Year "Regulatory" Floodway.
- 7.2 Data Collection to include:
 - Existing Easement Information from GCCDD and COF,
 - Easement Access Information,
 - Easement Rules from GCCDD's Criteria Manual Appendix C, and
 - Additional Data.
- 7.3 Determination of Suggested Right of Way / Easement Reaches and Widths for all Creeks and tributaries within Galveston County Consolidated Drainage District's Boundary
- 7.4 Technical Memorandum Discussing Findings.
- 7.4 Update to Appendix C of GCCDD's Design Criteria Manual.

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: July 10, 2023

Date submitted: 06/07/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for flood mitigation improvements at 23 Wilderness Trail.

Originating Department: Engineering

Degree of importance:

SUMMARY / ORIGINATING CAUSE

At its May 2023 meeting, City Council approved the purchase of 2.019 acres located at 23 Wilderness Trails in Friendswood. The property was purchased at a fair market value of \$830,000.

The Galveston County Consolidated Drainage District (GCCDD) has expressed its interest in being a partner on the cost of the property in consideration of access to Chigger Creek. City and GCCDD staff have prepared an Interlocal Agreement in which the GCCDD would compensate the City \$295,000 for a 20-foot access corridor off Wilderness Trails (approx. 0.13 ac) and approximately 0.58 acres adjacent to the creek.

Upon execution of the agreement, the City will have 23 Wilderness Trails platted to show the subdivision of this land between the two entities.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval

ATTACHMENTS

1. Friendswood - GCCDD Interlocal Agreement
2. 23WildernessTrl

**INTERLOCAL AGREEMENT BY
AND BETWEEN
CITY OF FRIENDSWOOD AND
GALVESTON COUNTY CONSOLIDATED
DRAINAGE DISTRICT**

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

This Interlocal Agreement ("Agreement") is made and entered into as of the ____ day of July, 2023, by and between the City of Friendswood, a home rule municipal corporation located in Galveston and Harris Counties, Texas (the "City"), and the Galveston County Consolidated Drainage District, a conservation and reclamation district organized and existing pursuant to Article XVI, Section 59 of the Constitution of the State of Texas (the "District"), each party acting by and through their respective governing bodies.

WITNESSETH:

WHEREAS, pursuant to Chapter 791 of the Texas Government Code (the "Act"), local governments are authorized to contract among themselves for the provisions of governmental functions and services; and

WHEREAS, the City and the District are each "local governments," as defined in the Act; and

WHEREAS, the corporate limits of the City includes territory in both Galveston and Harris Counties, Texas; and

WHEREAS, that portion of the City that is located within Galveston County is also located within the corporate boundaries of the District; and

WHEREAS, on May 3, 2023, the City acquired the property located at 23 Wilderness Trail, Friendswood, Galveston County, Texas, for roadway, utility and drainage infrastructure improvements; and

WHEREAS, the District was created and exists for the purpose of reclamation and drainage of flooded lands and other lands needing drainage within the District; and

WHEREAS, in furtherance thereof, the District, which has the power of eminent domain, is empowered to acquire, construct, improve, and maintain facilities necessary to carry out its mandated purpose; and

WHEREAS, the District desires to acquire that portion of 23 Wilderness Trail, as depicted in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes, for drainage and related infrastructure improvements (the "Property"); and

WHEREAS, the City and the District (collectively the "Parties"; individually a "Party") have determined the sale of the Property, on which drainage facilities and other public infrastructure may be built, is a governmental function in which the contracting parties are mutually interested; NOW THEREFORE,

FOR AND IN CONSIDERATION of the mutual obligations and benefits to be derived hereunder, the City and the District do hereby find, determine, and agree as follows:

1. Findings. The facts and matters set forth in the preamble of this Agreement are hereby found to be true and correct.
2. Purpose. The purpose of this Agreement is to promote and protect public health, safety, and welfare by minimizing public and private losses resulting from flood conditions through the acquisition of Property on which drainage facilities and other public infrastructure may be built.
3. City's Responsibilities.
 - 3.01 After receipt of the consideration expressed in Section 4.01 and the approval of the plat described in Section 3.02, the City will convey the Property or an interest therein, as shown in Exhibit "A," to the District for the construction and maintenance of detention facilities for flood control, floodplain management, and flood damage prevention purposes (the "Drainage Improvements"). The portion of the Property to be conveyed in fee will be conveyed via the deed without warranty, which is attached as Exhibit "B" and incorporated herein for all intents and purposes. The portion of the Property that will be subject to an easement will be conveyed via the plat, which plat shall reserve the primary right of use of the easement area to the City for roadway and utility purposes.
 - 3.02 Upon receipt of the consideration expressed in Section 4.01, the City, at its sole cost and expense, will engage a registered public land surveyor to prepare a plat to divide the Property as depicted in Exhibit "A," with the easements as referenced in Section 3.01. Once the plat is received, the City shall seek to have the same approved by all applicable governmental authorities with jurisdiction over the plat. Once the plat is approved by such governmental authorities, the City will cause the same to be filed in the records of the Galveston County Clerk.
 - 3.03 Within fifteen (15) days after the filing of the plat in the records of Galveston County Clerk, the City shall execute the deed without warranty, which is attached as Exhibit "B" and cause the same to be filed in the records of the Galveston County Clerk.
4. District's Responsibilities.
 - 4.01 On or before July 31, 2023, the District shall pay the City a total of TWO HUNDRED NINETY-FIVE THOUSAND AND NO/100 DOLLARS (\$295,000.00) for the Property or an interest therein, in accordance with Section 3.01.
 - 4.02 After the acquisition of the conveyance of the Property, whether in fee or easement, the District shall, at its sole cost and expense, create a drainage model highlighting the improvements to the floodplain as a result of installing the Drainage Improvements.
 - 4.03 Upon completion of the model, the District shall, at its cost and expense, design and subsequently construct the Drainage Improvements on the Property in accordance with all applicable laws, rules and regulations. The District shall provide engineering services and related support services necessary for the preliminary engineering report (the "PER"), and preparations of the plans, specifications, estimates and a project manual for the construction of the Drainage Improvements (the "Construction

Documents"). The District shall submit the PER and the Construction Documents to the City for the City's review and comment when approximately 50, 90 and 100 percent complete. The City shall provide comments to the District within twenty (20) working days or the PER and Construction Documents will be deemed approved. The District shall incorporate the City's comments into the PER and Construction Documents.

- 4.04 The District will cause to be inserted in the Construction Documents for the Drainage Improvements and any subsequent contract for the maintenance thereof, an agreement that the contractor will indemnify, defend, protect, covenant not to sue, release, and save and hold harmless the District and the City and all their representatives from all suits, actions, or claims of any character brought on account of any injuries or damages sustained by any person or property in consequence of any neglect in safeguarding the work or through the use of unacceptable materials in the construction of the Drainage Improvements or any associated improvements, or on account of any act of omission by the contractor. The District will require its contractor(s) to procure and maintain for the duration of the construction of the Drainage Improvements and any subsequent maintenance thereof, insurance coverages of types and amounts comparable to those required by the District for other similar projects, including but not limited to commercial general liability, business auto, and workers' compensation policies; to name the District and the City as additional insured parties on all liability insurance policies; to provide a waiver of subrogation in favor of the District and the City for all liability policies and on the contractor's workers' compensation policy; and to provide the District with certificates evidencing such coverage upon request.
- 4.05 The District will award the construction contract for the Drainage Improvements in accordance with competitive bidding laws applicable to the District. The District's determination of the lowest responsible bidder, or best value proposer, if applicable, for the Drainage Improvements shall be final. The City shall have access at all reasonable times to the construction site and to all relevant drawings, specifications, Contract Documents, and records to verify that the Drainage Improvements are constructed in compliance with this Agreement. The District will include the City in all project design and construction progress meetings.
- 4.06 Prior to the construction and any subsequent maintenance of the Drainage Improvements, the District shall obtain payment and performance bonds from its contractor(s) in the full amount of the contract price in accordance with state law. The City shall have no responsibility for administration of the construction contract and shall incur no obligation to any contractor thereby.
- 4.07 Once the Drainage Improvements are complete, the District shall restore that portion of the Property, which are not part of the Drainage Improvements, to the condition it was in prior to the District's construction activities and shall thereafter maintain the Drainage Improvements and any pilot channels/ancillary drainage components in perpetuity.
- 4.08 Within thirty (30) days of completion of the construction of the Drainage Improvements, the District shall provide the City with record drawings of the Drainage Improvements.

4.09 All monies to be paid by the District in the performance of this Agreement shall be made from its current, available revenues.

5. Term. The term of this Agreement, except for any obligations stated in this Agreement to be perpetual or in perpetuity, is for five (5) years; however, if the Drainage Improvements have not been constructed within such period of time, the City and the District may extend this Agreement for additional one-year periods until the construction is complete. The City or the District may terminate this Agreement, with or without cause, upon sixty (60) days' written notice to the other Party until such time as the Property or an interest therein is conveyed to the District. If the City terminates this Agreement without cause or the District terminates this Agreement with cause during such period in accordance with this section, the City shall refund the monies paid by the District pursuant to Section 4.01. It is expressly understood and agreed that Sections 4.05, 4.06 and 4.07 of this Agreement shall not expire but shall continue in perpetuity.
6. Notice. Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been mailed by certified mail, return receipt requested, in a United States Post Office, addressed to the parties at the following address:

City:
City of Friendswood
910 S. Friendswood Drive
Friendswood, TX 77546
Attn: City Manager
fwdcity@friendswood.com

District:
Galveston County Consolidated Drainage District
1605 Whitaker Drive
Friendswood, TX 77546-4178
Attn: Operations Manager
Email: janderson@gccdd.dst.tx.us

A copy of any notice provided under this section shall also be emailed at the time of posting to the email addresses of the persons set out above.

7. Complete Agreement. This instrument contains the entire agreement between the City and the District relating to the rights herein granted and the obligations herein assumed. Any modifications concerning this instrument shall be of no force or effect, excepting a subsequent modification in writing, signed by both the City and the District.
8. Severability. If any provision of this Agreement is construed to be illegal or invalid, this will not affect the legality or validity of any of the provisions hereof. The illegal or invalid provisions will be deemed stricken from this Agreement and deleted to the same extent and effect as if never incorporated herein.
9. No Joint Venture; No Third-Party Beneficiary. This Agreement is not intended to create, nor should it be construed as creating, a partnership, association, joint venture, or trust. 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.
10. Force Majeure. Force Majeure. Neither Party shall be liable for any damage, delay or loss due to Force Majeure. 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, pandemics, landslides, lightning, 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 a Party, or any other causes not reasonably within the control of the Party.

11. 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.
12. Authority to Bind. Each Party represents and warrants that it has been authorized by its respective governing body. 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.
13. 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.

EXECUTED in duplicate originals on the dates indicated.

CITY OF FRIENDSWOOD

GALVESTON COUNTY CONSOLIDATED
DRAINAGE DISTRICT

MORAD KABIRI, City Manager (Date)

KEVIN HOLLAND, President (Date)

ATTEST:

ATTEST:

LETICIA BRYSCH, City Secretary

Lonnie Moffitt - Secretary 6-27-23

[illegible]

Exhibit "B"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DEED WITHOUT WARRANTY

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF GALVESTON §

THAT the CITY OF FRIENDSWOOD, TEXAS, a municipal corporation located in Galveston and Harris Counties, Texas ("GRANTOR"), for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid by the GRANTEE herein named, the receipt and sufficiency of which are acknowledged by Grantor, has GRANTED, SOLD and CONVEYED, and by these presents does GRANT, SELL, and CONVEY to the GALVESTON COUNTY CONSOLIDATED DRAINAGE DISTRICT, a conservation and reclamation district organized and existing pursuant to Article XVI, Section 59 of the Constitution of the State of Texas ("Grantee"), the property more particularly described in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes (the "Property").

GRANTOR EXPRESSLY DISCLAIMS ALL WARRANTIES OF ANY NATURE, KIND OR CHARACTER WHATSOEVER, EXPRESS OR IMPLIED, REGARDING THE PHYSICAL AND ENVIRONMENTAL CONDITION OF THE PREMISES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND GRANTEE ACCEPTS SUCH PREMISES IN AN "AS IS" CONDITION, WITH ALL FAULTS.

GRANTEE, BY ITS EXECUTION OF THIS DEED, EXPRESSLY WAIVES ANY RIGHT OR CLAIM AGAINST GRANTOR FOR DAMAGES, RESCISSION OR OTHER REMEDY AT LAW OR IN EQUITY WITH RESPECT TO OR RESULTING FROM THE PHYSICAL CONDITION OF THE PROPERTY AND THE IMPROVEMENTS, IF ANY THEREON, INCLUDING, WITHOUT LIMITATION, THE ENVIRONMENTAL CONDITION OF THE PROPERTY AND THE FACT THAT PORTIONS OF THE PROPERTY MAY BE LOCATED WITHIN THE 100-YEAR FLOOD PLAIN. THE WAIVER AND EXCULPATION PROVIDED ABOVE SHALL BE BINDING ON ALL SUCCESSORS AND ASSIGNS OF GRANTEE AND ALL SUBTENANTS OF AND INVITEES ON THE PROPERTY.

GRANTOR excludes and excepts any warranties, express or implied, regarding the Property, including, without limitation, any warranties arising by common law or Section 5.023 of the Property Code or its successor.

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances belonging in any way to the Property, subject to the provisions stated above, to Grantee, his heirs, representatives and assigns, its successors and assigns forever, without warranty of any kind.

Executed this ____ day of _____, 2023.

GRANTOR:
CITY OF FRIENDSWOOD

MORAD KABIRI, City Manager

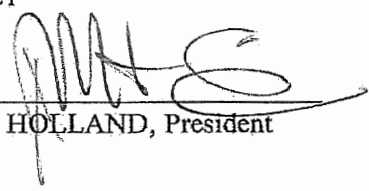
STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

BEFORE ME, _____, the undersigned authority, on this day personally appeared MORAD KABIRI, City Manager 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 executed the same for the purposes and consideration therein expressed in the capacity stated, and as the act and deed of the City of Friendswood.

TO CERTIFY WHICH, witness my hand and seal of office this the ____ day of _____, 2023.

NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

GRANTEE:
GALVESTON COUNTY
CONSOLIDATED DRAINAGE
DISTRICT



KEVIN HOLLAND, President

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

BEFORE ME, Kathy Grace the undersigned authority, on this day personally appeared KEVIN HOLLAD, President of the Galveston County Consolidated Drainage District, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same in the capacity stated, and as the act and deed of the Galveston County Consolidated Drainage District.

TO CERTIFY WHICH, witness my hand and seal of office this the 26 day of July, 2023.

K Grace
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

RETURN TO GRANTEE:
GALVESTON COUNTY DRAINAGE DISTRICT
ATTN: OPERATIONS MANAGER
1605 WHITAKER DRIVE
FRIENDSWOOD, TX 77546-4178

GRANTOR:
CITY OF FRIENDSWOOD
ATTN: OFFICE OF THE CITY SECRETARY
910 S. FRIENDSWOOD DR.
FRIENDSWOOD, TX 77546

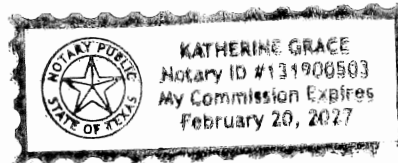


Exhibit “A”

[TO BE UPDATED WITH LOT AND BLOCK INFORMATION OF THE PLAT]



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: July 10, 2023

Date submitted: 06/22/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider ratifying the purchase of office furniture for the Blackhawk Building Renovation Project from Hallmark Office Products, Inc., through The Interlocal Purchasing System.

Originating Department: Engineering

Degree of importance:

SUMMARY / ORIGINATING CAUSE

As the remodel of 15355 Blackhawk Boulevard reaches a point where staff may begin moving into the new offices, staff has begun the process of procuring furniture, fixtures, and equipment (FFE). Included in this Hallmark Office Products quote for a furniture package for the building is that which will furnish the new Engineering suite, a Human Resources office, a new IT office, and large conference room. This furniture will replace broken and outdated office furniture, items salvaged after Hurricane Harvey, and will replace hand-me-down furniture that has been used at previous departments within the City. The total quoted amount is \$92,237.19. The City's Public Works Department is in the process of making its furniture selections which will be purchased later.

Purchase of this furniture is through the TIPS purchasing cooperative. Delivery time is estimated 4-6 weeks.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval

ATTACHMENTS

1. Hallmark Office Product Proposal

HALLMARK

OFFICE PRODUCTS, INC.

5650 Guhn Rd Ste 124 • Houston, TX 77040 • 713.688.1333 • f. 713.688.1412 • www.hallmarkoffice.com

June 22, 2023

City of Friendswood Public Works
15355 Blackhawk
Friendswood TX. 77546
281-996-3380

Hailee Medwedeff

Blackhawk Building Furniture

Description	Qty	Price	Ext Price
LogiFlex Quote#S-172246-3 11 offices 1 collaboration	1	\$ 59,031.50	\$ 59,031.50
Conference room per the quote			\$ -
ESI dual monitor arms with power hub Triumph HAT	1	\$ 2,301.01	\$ 2,301.01
			\$ -
Indiana Clutch Chair Hi back	16	\$ 1,035.90	\$ 16,574.40
Indiana Clutch Chair Mid back	8	\$ 983.25	\$ 7,866.00
Indiana Clutch Chair Hi back	1	\$ 1,120.95	\$ 1,120.95
			\$ -
Delivery and Installation	1	\$ 5,343.33	\$ 5,343.33
			\$ -
Total			\$ 92,237.19

The above items are non-cancelable and non-returnable once order is placed with the factory. Please allow 8 to 13 weeks for delivery. a 50% deposit is required to place order. Pricing includes delivery, assembly, and installation during regular business hours (8am - 5pm, Monday - Friday). If you have any questions, please contact me at 713-560-5526.

Thank you,
Fred Wolff

Hallmark Office Products

Page 1 of 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: July 10, 2023

Date submitted: 06/22/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the final acceptance of the Lift Station #23 Re-construction Project.

Originating Department: Engineering

Degree of importance:

SUMMARY / ORIGINATING CAUSE

The City began its one-year maintenance period for the Lift Station #23 Re-construction Project in Febraury 2022. The maintenance bond has reached its obligation. This agenda item is to authorize the final acceptance of the Lift Station #23 Re-construction and to formaly release the bond.

City Staff conducted a one-year warranty inspection and found everything to be in working order.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

R&B Group, Inc. will have its bond released immediately upon final acceptance by the City Council.

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Lift Station 23 Maintenance Bond
2. 00645 - Release of Bond

RELEASE OF BOND

Date: July 10, 2023

Project Name: Lift Station #23 Re-Construction

TO: R&B Group, Inc.
5411 Killough St.
Houston, TX 77086

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 February 7, 2022, for the acceptance of the One-Year Maintenance Period. The City Council accepts the One-Year Maintenance as complete and renders this obligation null and void, releasing the One-Year Maintenance Bond from The Guarantee Company of North America USA, One Town Square, Suite 1470, Southfield, MI 48076, which is enclosed.

Jildardo Arias, PE, CFM
Director of Engineering, City Engineer

JA/hv

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: July 10, 2023

Date submitted: 06/22/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing a license agreement to allow a portion of private fencing to be constructed within the public right-of-way fronting 307 W. Spreading Oaks.

Originating Department: Public Works

Degree of importance: Elective

SUMMARY / ORIGINATING CAUSE

The homeowners at 307 W. Spreading Oaks recently completed construction of their new home. The address in question lies directly adjacent to a drainage ditch that channelizes storm run off for the area in question. In an effort to aim in addressing a potential existing fall hazard and also better secure their property, the homeowners have requested and are proposing to extend their private rod-iron fence across the front of the drainage ditch and slightly within the public right-of-way. The fence will be directly installed adjacent to the existing headwall of the existing box culverts going across and beneath W. Spreading Oaks. There will not be any impact to city budget as the proposed install will be paid for and maintained by the homeowners as per the license agreement. In addition, and should the emergency need arise, the homeowners have been informed the fence would have to be immediately removed by them and/or will be immediately removed by the City to provide access/address any obstructions or repairs to the box culverts within the public right-of-way.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

No imminent consequences to the public as the proposed new install will sit back further than other trees, utility poles, and mailboxes already existing on this side of the right of way in question. Will provide an improved safeguard to any potential slips / falls into the drainage ditch.

RECOMMENDATIONS

City staff recommends approval.

ATTACHMENTS

1. License Agreement (signed copy)
2. Exhibit A to License Agreement
3. 1295 Form (filled out)

LICENSE AND INDEMNITY AGREEMENT

STATE OF TEXAS §
 §
COUNTY OF GALVESTON §

WHEREAS, John O'Brien (the "Licensee") owns Lot 2, Block 1 of the Final Plat of Johnson Hills, a subdivision in Galveston County, Texas, according to the map of plat thereof under Clarksville Number 201700803 of the map or plat records of Galveston County, being all of that certain tract of land conveyed to John O'Brien (the "Property"); and

WHEREAS, the Licensee filed a request for a license agreement in order to use publicly owned property for private purposes, namely to install a rod iron fence across front of said drainage ditch to address safety fall concerns, located at 307 W. Spreading Oaks, Friendswood, TX 77546; and

WHEREAS, on June 5, 2023, the City Council considered the Request and authorized the issuance of this License and Indemnity Agreement (the "Agreement") for the following purposes only:

The use of public right-of-way along W. Spreading Oaks, Friendswood, Galveston County, Texas, as more specifically described in Exhibit "A," which is attached hereto and incorporated herein for all intents and purposes, (the "Right-of-Way") for installation of a rod iron fence across the front of said drainage ditch and adjacent to the existing concrete head wall (the "Improvement"); and

NOW, THEREFORE, the City of Friendswood (the "City") and Licensee, in consideration of the promises, covenants, and conditions hereby mutually agree as follows:

1. **LICENSE.**

- 1.1 *License.* Subject to the terms and conditions herein, the City hereby grants to the Licensee, for her non-exclusive use, the privilege, license and authority to use the Right-of-Way for the Improvement as indicated herein. This Agreement is expressly contingent upon the Licensee's strict adherence with all terms and conditions contained herein.
- 1.2 *Right of access.* The City reserves the right to enter upon and have access to any portion of the Right-of-Way at any and all times on any matters relating to this Agreement.
- 1.3 *Subordination.* The license granted pursuant to Section 1.1 is made subordinate to the right of the City to use the Right-of-Way for a public purpose. It is understood and agreed that should the City deem it in the public interest to use the above area, or a portion thereof, for a public purpose, or for any utility service which will require the use of Right-of-Way, then in that event, the City shall give the Licensee thirty (30) days' advance written notice of the termination of this Agreement. The determination by the City Manager as to the public necessity of the use of the Right-of-Way shall be final and binding upon the Licensee and the City.
- 1.4 *No Property Right Granted.* This Agreement does not establish any real property rights, franchises or other rights whatsoever in real estate to the Licensee. This Agreement

provides limited rights to use and limited rights for access to the Right-of-Way, subject to revocation upon the terms and conditions of this Agreement.

2. USE.

- 2.1 *Permitted use.* Throughout the term hereof and subject to the conditions specified herein, Licensee shall use the Right-of-Way only for the installation, repair and maintenance of the Improvement. Any use of the Right-of-Way not specified in this Section 2.1 is expressly prohibited and shall constitute an Event of Default.
- 2.2 *Limitation of use.* The Licensee understands and agrees that at all times during the term of this Agreement, the Licensee must maintain the Improvement, approved by the City and installed in accordance with this Agreement. Failure to install and maintain in accordance with this Section 2.2 shall constitute an Event of Default.
- 2.3 *Not permitted uses.* The Licensee understands and agrees that nothing shall be erected on, over or above the Right-of-Way other than the Improvement, which shall meet and be maintained to meet the requirements of all applicable codes of the City.

3. REMOVAL OF IMPROVEMENT AND RESTORATION OF THE RIGHT-OF-WAY.

- 3.1 *Temporary Removal.* The Licensee agrees to temporarily remove the Improvement or cease using the same for a temporary period of time at request of the City, if same obstructs the City's maintenance or construction activity within the Right-of-Way or the property adjacent thereto. The temporary removal or cessation of use shall be at the Licensee's sole cost and expense. At no time shall the City be liable for such costs.
- 3.2 *Emergency removal.* The Licensee shall remove, remedy or otherwise abate any condition on the Right-of-Way, which the City believes, in the sole discretion of the City Manager, is a safety hazard or a nuisance. Such removal, remedy or abatement as specified by the City must be performed within forty-eight (48) hours of being notified by the City of the need for the emergency removal. The removal, remedy and/or abatement shall be at the Licensee's sole cost and expense. At no time shall the City be liable for such costs.
- 3.3 *Removal at Expiration or Termination of Agreement.* The Licensee shall remove the Improvement or any portion thereof, as requested by the City Manager, at the expiration or termination of this Agreement. The removal shall be at the Licensee's sole cost and expense. At no time shall the City be liable for such costs.
- 3.4 *Restoration.* Immediately after removal of all or a portion of the Improvement, the Licensee shall restore the Right-of-Way to same or better condition which the Right-of-Way was in on June 5, 2023, in accordance with the requirements of the Director of Public Works and/or Building Official, as applicable.
- 3.5 *Failure to Remove and/or Restore.* Should the Licensee fail to remove the Improvement and/or restore the Right-of-Way in accordance with Section 3 of this Agreement, the City shall have the right (i) to remove the Improvement or any portion thereof, which is not timely removed by the Licensee, and (ii) to restore the Right-of-Way, which is not timely restored by the Licensee.

- 3.5.1 The City shall assess the costs of the removal and/or restoration plus an administrative fee of 10% of such cost to the Licensee.
- 3.5.1 The Licensee shall pay the costs and the fee within thirty (30) days of receiving an invoice therefor.
- 3.5.2 Failure to timely pay the invoiced amount shall constitute an Event of Default and the City shall have the right to place a lien on the Property for the associated cost and administrative fee, which lien shall accrue interest at the rate of twelve percent (12%) per annum or the maximum rate permitted by law.

4. TERM/TERMINATION.

- 4.1 *Term.* The term of this Agreement will be for ten (10) years, and will commence June 5, 2023, ("Commencement Date") and will terminate on June 5, 2033, unless sooner terminated as provided in this Agreement.
- 4.2 *Termination for Cause.* This Agreement may be terminated by either party for cause for an Event of Default or a violation of any provision of this Agreement, which is not cured by the non-breaching party within thirty (30) days after receiving written notice of the Event of Default or violation. In the event of termination for cause, the Improvement shall be removed and the Right-of-Way shall be restored in accordance with Section 3 hereinabove. It is expressly understood and agreed that any fee paid pursuant to Section 5.3 shall not be refunded to the Licensee.
- 4.3 *Termination for convenience.* This Agreement may be terminated by either party for convenience upon giving ninety (90) days' written notice of such termination. In the event of termination for convenience, the Improvement shall be removed and the Right-of-Way shall be restored in accordance with Section 3 hereinabove. It is expressly understood and agreed that any fee paid pursuant to Section 5.3 shall not be refunded to the Licensee, unless this Agreement is terminated for convenience by the City and the Licensor requests a refund. In such an event, the refund shall be prorated based upon the number of months left in the term for which the Licensee has paid in advance.
- 4.4 *Effect of Termination.* Upon the termination of this Agreement, the license granted herein shall become null and void.

5. CONDITIONS.

- 5.1 *Compliance with Law.* This Agreement is subject to all state and federal laws, the provisions of the Charter of the City of Friendswood as it now exists or as it may hereafter be adopted or amended, and the ordinances of the City of Friendswood now in effect or those which may hereafter be passed, adopted, or amended.
- 5.2 *Permits Required.* Licensee must apply for and receive any necessary permits from the Building Department, Public Works Department, or other pertinent City boards or departments.

- 5.3 *Annual Fee.* The Licensee shall pay to City an annual fee for the license granted herein. The fee shall be TEN DOLLARS (\$10) per year, payable in advance to the City of Friendswood, Texas. Failure to timely pay shall constitute an Event of Default.

6. INDEMNIFICATION, RELEASE, AND INSURANCE.

- 6.1 *Disclaimer of liability.* During the term of this Agreement, the City shall not at any time be liable for injury or damage occurring to any person or property from any cause whatsoever arising out of the Licensee's construction, maintenance, repair, use, or condition of the Right-of-Way and/or any improvements thereon.
- 6.2 *Assumption of risk.* By taking possession of the Right-of-Way, the Licensee accepts the Right-of-Way in the condition existing as of the Commencement Date. The City makes no representation or warranty with respect to the condition of the Right-of-Way and the City shall not be liable for any latent or patent defect in the Right-of-Way. The Licensee undertakes and assumes for his officers, agents, contractors and subcontractors, employees, customers and the public (collectively "Licensee" for the purpose of this section), all risk of dangerous conditions whether patent or latent, obvious or undiscoverable, and regardless of whether the City should have known of such dangerous conditions, if any, on or about the Right-of-Way.
- 6.3 *No liens.* The Licensee agrees that no claim or lien may be filed against Right-of-Way for work, labor, materials or supplies provided or supplied to the Licensee, concerning the installation, construction, maintenance or use of the Right-of-Way or the Improvement. Should such claim or lien be filed, the Licensee, upon the written request of the City, shall cause such claim or lien covering the Right-of-Way to be discharged or bonded within thirty (30) days following such request to the satisfaction of the City Manager.

6.4 INDEMNIFICATION.

THE LICENSEE AGREES TO AND SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND THE CITY, ITS OFFICERS, AGENTS AND EMPLOYEES FROM AND AGAINST ANY AND ALL CLAIMS, LOSSES, DAMAGES, CAUSES OF ACTION, SUITS, AND LIABILITY OF EVERY KIND, INCLUDING ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEYS' FEES, FOR INJURY TO OR DEATH OF ANY PERSON, OR FOR DAMAGE TO ANY PROPERTY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, THE CONDUCT OR MANAGEMENT OF THE LICENSEE'S ACTIVITIES, OR FROM ANY ACT OR OMISSION BY THE LICENSEE, ITS AGENTS, SERVANTS, EMPLOYEES, SUBCONTRACTORS, GUESTS, OR INVITEES, ON OR ABOUT THE RIGHT-OF-WAY, WHERE SUCH INJURIES, DEATH OR DAMAGES ARE CAUSED BY (I) THE JOINT NEGLIGENCE OF THE CITY AND ANY

OTHER PERSON OR ENTITY AND/OR (II) THE SOLE OR JOINT NEGLIGENCE OF THE LICENSEE, ITS OFFICERS, AGENTS, CONTRACTORS, EMPLOYEES, INVITEES AND/OR GUESTS. IT IS THE EXPRESSED INTENTION OF THE PARTIES HERETO, BOTH THE LICENSEE AND THE CITY, THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY THE LICENSEE TO INDEMNIFY AND PROTECT THE CITY FROM THE CONSEQUENCES OF (I) THE CITY'S OWN NEGLIGENCE, WHERE THAT NEGLIGENCE IS A CONCURRING CAUSE OF THE RESULTING INJURY, DEATH OR DAMAGE AND/OR THE (II) THE NEGLIGENCE OF THE LICENSEE, ITS OFFICERS, AGENTS, EMPLOYEES INVITEES AND/OR GUESTS. FURTHERMORE, THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH SHALL HAVE NO APPLICATION TO THE CITY FOR ANY CLAIM, LOSS, DAMAGE, CAUSE OF ACTION, SUIT AND LIABILITY WHERE THE INJURY, DEATH OR DAMAGE RESULTS FROM THE SOLE NEGLIGENCE OF THE CITY, UNMIXED WITH THE FAULT OF ANY OTHER PERSON OR ENTITY.

In the event that any action or proceeding is brought against the City by reason of any matter from which the City is indemnified herein, THE LICENSEE further agrees and covenants to defend the action or proceeding by legal counsel acceptable to the City. It is expressly agreed and understood by the parties hereto that the indemnity provided in this section shall survive the expiration or earlier termination of this Agreement.

- 6.5 *Release.* The Licensee assumes full responsibility for all Licensee's actions as well as those of her officers, contractors, agents or volunteers while on the Right-of-Way and hereby releases, relinquishes and discharges the City, its officers, agents, and employees from all claims, demands, and causes of action of every kind and character, including the cost of defense thereof, for any injury to or death of any person (whether they be either of the parties hereto, their employees, or other third parties) and any loss of or damage to property (whether the property be that of either of the parties hereto, their employees, or other third parties) that is caused by or alleged to be caused by, arising out of, or in connection with this Agreement. This release shall apply regardless of whether said claims, demands, and causes of action are covered in whole or in part by insurance.
- 6.6 *No Consent to Litigation.* By this Agreement, the City does not consent to litigation or suit, and the City hereby expressly revokes any consent to litigation that it may have granted by the terms of this Contract or any other contract or agreement, any charter, or applicable state law. Nothing herein shall be construed so as to limit or waive the City's sovereign immunity.

6.7 *Insurance.* Throughout the term of this Agreement, The Licensee shall maintain insurance coverage of the type and amount hereinafter indicated. The Licensee shall provide to the City an insurance certificate evidencing the following coverage in the minimum limit indicated hereinbelow:

- Commercial General Liability
 - General Aggregate: \$1,000,000
 - Per Occurrence: \$500,000
 - The City, its officials and employees are to be added as additional insured to this commercial general liability policy.
 - A waiver of subrogation in favor of the City shall also be required on such policy.
 - Coverage shall be broad form CGL.
 - No coverage exclusions shall be deleted from standard policy without notification of individual exclusions being attached for review and acceptance.

Prior to or upon the execution of this Agreement and before commencing any of the work, The Licensee shall file with the City valid Certificates of Insurance and endorsements acceptable to the City. Such certificates shall contain a provision that coverages afforded under the policies will not be canceled, suspended, voided, or reduced until at least thirty (30) days' prior written notice has been given to the City via certified mail, return receipt requested. Prior to the end of each coverage period during the term of this Agreement, new Certificates of Insurance must be filed with the City evidencing continuation of coverage.

The following are general requirements, which are applicable to the required policy:

- All insurance coverage required herein shall be written by a carrier with an A.M. Best Rating of A:VII or higher in accordance with the current Best Key Rating Guide.
- Only insurance carriers licensed and admitted to do business in the State of Texas will be accepted.
- Deductibles shall be listed on the Certificate of Insurance and are acceptable only on a per occurrence basis.
- Claims-made policies will not be accepted.
- The CITY, its officers, agents and employees are to be added as "Additional Insureds" to the policy. The coverage shall contain no special limitation on the scope of protection afforded to the CITY, its officers, agents or employees.
- A waiver of subrogation in favor of the CITY must be included.
- Upon request, certified copies of all insurance policies and/or certificates of insurance shall be furnished to the CITY at no cost to the CITY.

6.8 *No Arbitration.* Notwithstanding anything to the contrary contained in this Agreement, the City and the Licensee hereby agree that no claim or dispute between the City and THE

LICENSEE arising out of or relating to this Agreement shall be decided by any arbitration proceeding including, without limitation, any proceeding under the Federal Arbitration Act (9 U.S.C. Sections 1-14), or any applicable State arbitration statute, including, but not limited to, the Texas General Arbitration Act, provided that in the event that the City is subjected to an arbitration proceeding notwithstanding this provision, The Licensee consents to be joined in the arbitration proceeding if the Licensee's presence is required or requested by the City for complete relief to be recorded in the arbitration proceeding.

7. GENERAL PROVISIONS

- 7.1 *Entire Agreement.* This Agreement constitutes the entire agreement between the City and Licensee. No agreements, modifications, implied or otherwise, shall be binding on any of the parties unless set forth in writing and signed by both parties.
- 7.2 *Severability.* The phrases, clauses, sentences, paragraphs and sections of this Agreement are severable; and, if any phrase, clause, sentence paragraph, or section of this Agreement should be declared invalid by the final decree or judgment of any court of competent jurisdiction, such as invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Agreement.
- 7.3 *Notice.* Any notice required to be given pursuant to the terms and provisions of this Agreement shall be in writing and mailed by certified or registered mail, addressed as set forth below or at such other address as may be specified by written notice:

CITY OF FRIENDSWOOD
Attn: City Manager
910 S. Friendswood Dr.
Friendswood, TX 77546

LICENSEE
John O'Brien
307 W. Spreading Oaks
Friendswood, TX 77546

- 7.4 *Choice of Law.* The City and Licensee agree that this Agreement shall be constructed in accordance with the laws of the State of Texas.
- 7.5 *Venue.* Exclusive venue for any dispute out of this Agreement shall lie in a court of competent jurisdiction in Galveston County, Texas.
- 7.6 *Assignment.* This Agreement shall not be assigned without the prior written consent of City.
- 7.7 *Construction.* Both parties have participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this Agreement.
- 7.8 *Non-Waiver.* Failure of either party hereto to insist on the strict performance of any of the agreements contained herein or to exercise any rights or remedies accruing hereunder upon

default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by an appropriate remedy, strict compliance with any other obligation hereunder to exercise any right or remedy occurring as a result of any future default or failure of performance.

- 7.9 *Remedies Cumulative.* No right or remedy granted herein or reserved to the City is exclusive of any other right or remedy herein by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Agreement may be waived without consent of the City. Forbearance or indulgence by the City shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.
- 7.10 *Construction.* The article and section headings are used in this Agreement for *convenience* and reference purposes only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement and shall have no meaning or effect upon its interpretation
- 7.11 *Agreement Read.* The parties acknowledge that they have read, understand and intend to be bound by the terms and conditions of this Agreement.
- 7.12 *Multiple Originals.* It is understood and agreed that this Agreement may be executed in a number of identical counterparts each of which shall be deemed an original for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year opposite their signatures.

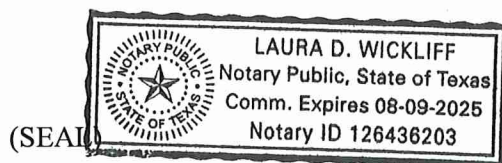
LICENSEE

 5-24-2023
JOHN O'BRIEN (Date)

THE STATE OF TEXAS §
§
COUNTY OF GALVESTON §

BEFORE ME, the undersigned authority, on this day personally appeared John O'Brien, whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 24th day of May 2023.




Notary Public In and For the State of Texas
My Commission Expires: 8-9-2025

CITY OF FRIENDSWOOD

MORAD KABIRI, City Manager (Date)

ATTEST:

LETICIA BRYSCH, City Secretary

H:\Contracts\Spreading Oaks License Agreement\307 W. Spreading Oaks License Agreement.docx

WEST SPREADING OAKS DRIVE
(60' R.O.W.)

SAVE & EXCEPT 10'X330'
VOL. 689, PG. 250-251
G.C.D.R.

TBM "A"

FOUND 5/8" IP
N 49°42'36" W
0.76'

25' B.L.

10' U.E.
C.F.No. 2020011186
O.P.R.G.C.Tx.

30' RCP FL
ELEV. 19.54 NE
3' X 10' RCB
FL ELEV. 18.76 NW

PLANTER
CLEAR CREEK D.D.E
VOL. 18, PG. 184
G.C.M.R.

HERBERT, ADELAIDE ANN
5 & 6 PT OF LOT 4 (4-2) LIBERTY TREE ESTATES
G.C.C.F. #2009074139

FFE=29.64

HILL ARDEN III & JAMIE
LOT 1 BLOCK 1
23.664 ACRES
C.F. No. 2017055526

LOT
BLOCK 1
(VACANT)

30' D.E
VOL. 15, PG. 148
G.C.M.R.

TAYLOR CARMAC D JR

SAVE & EXCEPT
VOLUME-3061
PAGE-5(7840707)
G.C.D.R.

ST
(60')

16' U.E.
Vol. 3063 Pg. 734
G.C.D.R.

MICHAEL, CHARLES J & REGINA
ABST 151 PAGE 5, LOT 6 PERRY GROVE
G.C.C.F. #19035815

LYNCH, JOHN F. & SHARON B. TI
ABST 151 PAGE 5 LOT 7 PERRY GROVE
G.C.C.F. #2015015461

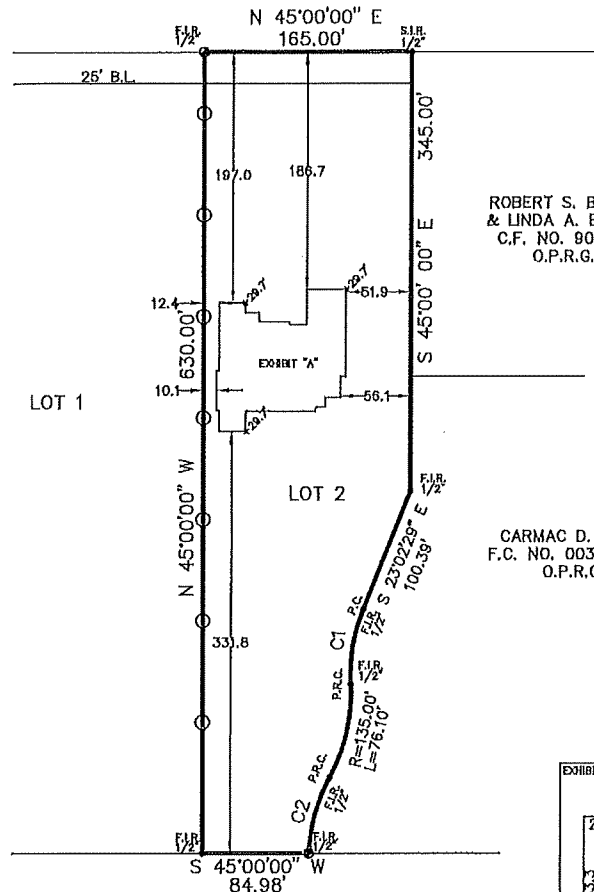
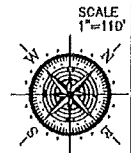
LEGEND * ITEMS THAT MAY APPEAR IN * DRAWING BELOW M.U.E. = MINOR UTILITY EASEMENT U.E. = UTILITY EASEMENT A.E. = AERIAL EASEMENT D.E. = DRAINAGE EASEMENT S.S.E. = SANITARY SEWER EASEMENT S.W.E. = STORM SEWER EASEMENT W.L.E. = WATER LINE EASEMENT --- = NOT TO SCALE	F.I.R. = FOUND IRON ROD F.I.P. = FOUND IRON PIPE S.I.R. = SET IRON ROD W.P. = WOODEN POST M.P. = METAL POST C.F.# = CUREY'S FILE NUMBER P.O.B. = POINT OF BEGINNING P.O.D. = POINT OF BEGINNING B.L. = BUILDING LINE F.T.D. = FOUND D.B.S. = DEARS	P.A.E. = PERMANENT ACCESS EASEMENT P.U.E. = PUBLIC UTILITY EASEMENT W.S.E. = WATER & SEWER EASEMENT E.E. = ELECTION EASEMENT P.C. = POINT OF CURVATURE P.T. = POINT OF TANGENCY P.A.C. = POINT OF ANGLE CURVATURE P.C.C. = POINT OF COMPOUND CURVATURE P.P. = POWER POLE U.T. = UNABLE TO SET S.F.J.P. = SEARCHED FOR, NOT FOUND	○ = CONTROL MONUMENT ● = PROPERTY CORNER --- = PROPERTY LINE --- = EASEMENT LINE --- = BUILDING SETBACK LINE --- = BUILDING WALL	--- = WOODEN FENCE --- = CHAIN LINK FENCE --- = METAL FENCE --- = WIRE FENCE --- = VINYL FENCE
--	--	--	---	--

C1: R=135.00' L=60.08'
C2: R=135.00' L=62.60'

HIGH NATURAL GRADE = 25.98'
TOP OF PAD ELEVATION = 28.62'
TOP OF FORM ELEV. = 29.73'

307 WEST SPREADING OAKS
(60' R.O.W.)

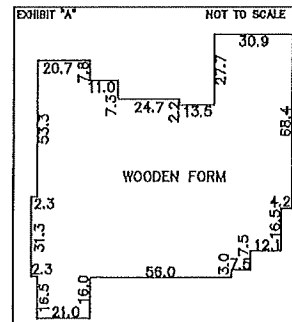
CENTRELINE OF STREET ELEVATION = 28.9'



ROBERT S. BRIDGES
& LINDA A. BRIDGES
C.F. NO. 9023095
O.P.R.G.C.

CARMAC D. TAYLOR
F.C. NO. 003-50-0776
O.P.R.G.C.

CHARLES J. MICHAEL
C.F. NO. 9035815
O.P.R.G.C.



Reviewed & Accepted by: _____ Date _____ f _____ Date _____

NOTES:
 - BEARING BASIS: PLAT
 - SUBJECT TO ANY AND ALL RECORDED AND UNRECORDED EASEMENTS
 - SURVEYOR HAS NOT INDEPENDENTLY ABSTRACTED PROPERTY
 - UNDERGROUND UTILITY INSTALLATIONS, UNDERGROUND IMPROVEMENTS, FOUNDATIONS AND/OR OTHER UNDERGROUND STRUCTURES WERE NOT LOCATED BY THIS SURVEY
 - THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY, IT IS NOT TRANSFERABLE TO ADDITIONAL INSTITUTIONS OR SUBSEQUENT OWNERS
 - SUBJECT TO ZONING AND BUILDING ORDINANCES ENFORCED BY LOCAL MUNICIPALITIES
 - THIS SURVEY WAS COMPLETED WITHOUT THE BENEFIT OF A TITLE REPORT/COMMITMENT, ADDITIONAL BUILDING SETBACK LINES, EASEMENTS OR RIGHTS-OF-WAY MAY APPLY

LEGAL DESCRIPTION

LOT 2, BLOCK 1 OF THE FINAL PLAT OF JOHNSON HILLS, A SUBDIVISION IN GALVESTON COUNTY, TEXAS ACCORDING TO THE MAP OR PLAT THEREOF UNDER CLARKSVILLE NUMBER 201700803 OF THE MAP OR PLAT RECORDS OF GALVESTON COUNTY, TEXAS.

JOHN O'BRIEN
KARI O'BRIEN

ADDRESS

307 WEST SPREADING OAKS



I DO HEREBY CERTIFY THAT THIS SURVEY WAS THIS DAY MADE ON THE GROUND OF THE PROPERTY LEGALLY DESCRIBED HEREON (OR ON ATTACHED SHEET), AND THERE ARE NO ENCROACHMENTS EXCEPT AS SHOWN, AND WAS DONE BY ME OR UNDER MY SUPERVISION, AND CONFORMS TO OR EXCEEDS THE CURRENT STANDARDS AS ADOPTED BY THE TEXAS BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

JOB # 2111140

DATE 11-8-2021

GF# N/A

PRO-SURV

P.O. BOX 1366, FRIENDSWOOD, TX 77540
PHONE: 281-988-1113 FAX: 281-988-0012
EMAIL: orders@prosurv.net
T.B.P.E.L.S. FIRM #10119300

ONLY SURVEY MAPS WITH THE SURVEYOR'S ORIGINAL SIGNATURE ARE GENUINE TRUE AND CORRECT COPIES OF THE SURVEYOR'S ORIGINAL WORK AND DESIGN

© 2020 PRO-SURV - ALL RIGHTS RESERVED

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: July 10, 2023

Date submitted: 06/15/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider authorizing the one-time purchase of two (2) transit buses/ vans, one with a wheelchair lift and one without, from Sunset Vans (Bid No. 2023-12).

Originating Department: Parks and Recreation

Degree of importance: The Friendswood Senior Citizen Program cannot offer daily pick-up for local residents or regular trips without the purchase of a vehicle for transportation.

SUMMARY / ORIGINATING CAUSE

This item authorizes the one-time purchase of two (2) transit buses/ vans, one with a wheelchair lift and one without, from Sunset Vans in the amount of \$175,932.82.

The current Senior Citizen Program 24 passenger bus, part of a TxDOT Section 5310 Program grant, has been in the shop since February, 2023 and is in need of several repairs, including a new motor and complete air conditioning system. The estimation for the repairs is over \$23,000 for the bus that is 11-years old with over 80,000 miles and has an appraised value of \$2,500.

The Parks & Recreation Department (the "Department") researched two options to procure new transportation for the Senior Citizen Program with said options being listed below:

- Option 1: Staff made various calls to multiple companies seeking another bus, similar in size and features, but found that there was nothing in stock and the timetable to receive a new bus would be a 15-18 month wait.
- Option 2: Staff sought for two (2) large passenger vans, one with a wheel-chair lift and one without a wheel-chair lift with a total seating capacity of 24-27 passengers between the two vans. The timetable to receive a new passenger van, not currently in stock, is 6-9 months.

The Department decided to move forward with Option 2 and put out Bid No. 2023-12 to find available vans in stock in order to minimize the waiting period. The two-van approach is becoming commonplace in several municipalities as it allows the program more flexibility for small trips and daily pick-ups, which would save funds spent on fuel. Additionally, if the van was ever in the repair shop, the program would still have another passenger van for transportation. When a van is not needed for a trip, other departments could also use one of the passenger vans for occasional use; such as, travel to a training/conference. Also, passenger vans, up to 15 people, do not require a CDL drivers license, which sometimes makes it more difficult to find/hire staff with a CDL license.

The City advertised Bid No. 2023-12 on June 7, 2023 and June 14, 2023, for a contract to be awarded based upon the best value to the City, including price and delivery. Three bids were received and opened on June 22, 2023, at 2:00 p.m. Based upon a review of the bids, the Department believes that Sunset

Vans will provide the vehicles at the best value to the City. While Sunset Vans did not provide the lowest purchase price, it did provide the lowest purchase price with an acceptable delivery date. Sunset Vans will guaranty delivery of the vehicles within 3 to 4 weeks, thus greatly reducing the City's wait time by 5 to 8 months.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Consequences

Many of the city's senior citizens would otherwise be home bound if the Senior Center's transportation program did not exist. Currently, there are no other public transportation options in the city for this population. The inability to provide transportation would result in a decrease in the senior population's overall health, due to lack of activities provided by the Senior Center, such as health and fitness activities, educational programs, social opportunities and cultural experiences.

Benefit to Community

The Friendswood Senior Center provides a variety of trips and services for senior residents. These trips include field trips to places of interest such as the George Bush Library, Minute Maid Park, Houston Ship Channel Tour and the Blue Bell Ice Cream Factory. Other trips offered are designed to assist our senior population with their daily living tasks such as grocery shopping. Currently, the program schedules trips to grocery stores, discount centers and shopping malls. The Friendswood Senior transportation program is also used to transport volunteers and the disabled during city-wide events such as the 4th of July Festivities and Santa in the Park.

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. Bid Tabulation Sheet 2023-12
2. 2023-12 Blue Star Bus Sales Bid
3. 2023-12 Creative Bus Sales Bid
4. 2023-12 Sunset Vans Bid

RFP/BID OPENING SCHEDULED TO BE AWARDED:

DATE: June 22, 2023

TIME: 2:00 PM

BID: 2023-12 – One Time Purchase of a 2022 or 2023 Transit Bus/Van (1) with and (1) without a Wheelchair Lift

ADDENDA ISSUED:

Addendum No.	Date Issued
N/A	

No.	Company/Address	Bid Bond	With Wheelchair Lift Base Bid + A/H.	Without Wheelchair Lift Base Bid + A/H.
1	Sunset Vans Inc.		89,518.6	86,390.96
2	Creative Bus Sales		89,416.00	84,837.00
3	Blue Star Bus Sales		78,840.00	58,850.00
4				
5				
6				
7				

CSO & Departmental Representatives:
Linda Newsted, Administrative Assistant
Jeff Spears, Purchasing

THIS BID TABULATION RECEIVED BY THE CITY OF FRIENDSWOOD IS FOR INFORMATIONAL PURPOSES ONLY.

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: July 10, 2023

Date submitted: 06/05/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the ad valorem tax report for May 2023.

Originating Department: City Manager

Degree of importance:

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. Gal Co Tax May 23



Cheryl E. Johnson, PCC, CTOP
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



June 8, 2023

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 May, 2023 is true and correct.

Under my hand and seal this 8th day of June, 2023.



Cheryl E. Johnson
on behalf of Cheryl E. Johnson
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
Bay Colony West MUD

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

Non Entity Partners (as appropriate):

Clear Creek Independent School District
Friendswood Independent School District
Santa Fe Independent School District
Texas City Independent School District
GC Consolidated Drainage District
Flamingo Isles MUD
Galveston Co Management Dist #1
Galveston County MUD No. 1
Galveston County MUD No. 2
Galveston County MUD No. 3
Galveston County MUD No. 6
Galveston County MUD No. 14
Galveston County MUD No. 15
Galveston County MUD No. 29
Galveston County MUD No. 30
Galveston County MUD No. 31

Galveston County MUD No. 32
Galveston County MUD No. 39
Galveston County MUD No. 43
Galveston County MUD No. 45
Galveston County MUD No. 46
Galveston County MUD No. 52
Galveston County MUD No. 54
Galveston County MUD No. 56
Galveston County MUD No. 66
Galveston County MUD No. 68
South Shore Harbour MUD No. 2
South Shore Harbour MUD No. 3
South Shore Harbour MUD No. 6
South Shore Harbour MUD No. 7
WCID No. 8
West Ranch Management Dist. #1

06/02/2023 09:16:49 42291054
TC298-D SELECTION: DEPOSIT
RECEIPT DATE: ALL
LOCATION: ALL

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
FROM: 05/01/2023 THRU 05/31/2023
JURISDICTION: 0337 FRIENDWD CITY

PAGE: 34
INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
2022	M & O	.388560	99,095.25	.00	6,557.17	.00	105,652.42	.00	.00	.00	105,652.42
	I & S	.098754	25,185.47	.00	1,666.42	.00	26,851.89	.00	.00	.00	26,851.89
	TOTAL	.487314	124,280.72	.00	8,223.59	.00	132,504.31	.00	.00	.00	132,504.31
2021	M & O	.385147	2,101.60	.00	1,031.60	.00	3,133.20	842.24	.00	.00	3,975.44
	I & S	.102167	557.50	.00	273.66	.00	831.16	.00	.00	.00	831.16
	TOTAL	.487314	2,659.10	.00	1,305.26	.00	3,964.36	842.24	.00	.00	4,806.60
2020	M & O	.392153	2,141.45	.00	339.24	.00	2,480.69	41.01	.00	.00	2,521.70
	I & S	.095161	519.63	.00	82.32	.00	601.95	.00	.00	.00	601.95
	TOTAL	.487314	2,661.08	.00	421.56	.00	3,082.64	41.01	.00	.00	3,123.65
ALL	M & O		103,338.30	.00	7,928.01	.00	111,266.31	883.25	.00	.00	112,149.56
ALL	I & S		26,262.60	.00	2,022.40	.00	28,285.00	.00	.00	.00	28,285.00
ALL	TOTAL		129,600.90	.00	9,950.41	.00	139,551.31	883.25	.00	.00	140,434.56
DLQ	M & O		4,243.05	.00	1,370.84	.00	5,613.89	883.25	.00	.00	6,497.14
DLQ	I & S		1,077.13	.00	355.98	.00	1,433.11	.00	.00	.00	1,433.11
DLQ	TOTAL		5,320.18	.00	1,726.82	.00	7,047.00	883.25	.00	.00	7,930.25
CURR	M & O		99,095.25	.00	6,557.17	.00	105,652.42	.00	.00	.00	105,652.42
CURR	I & S		25,185.47	.00	1,666.42	.00	26,851.89	.00	.00	.00	26,851.89
CURR	TOTAL		124,280.72	.00	8,223.59	.00	132,504.31	.00	.00	.00	132,504.31

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2020 951052523T	1035020000003	202302	0.54-	0.00	0.16-	0.00 CERT	0.00	0.70-TR
2020 951050323T	H0884134	202301	15.43-	0.00	2.47-	0.00 HS24	0.00	17.90-TR

2020 TOTAL

15.97-

2.63-

0.00

0.00

18.60-

2021 951052523T	1035020000003	202302	5.61-	0.00	0.73-	0.00 CERT	0.00	6.34-TR
2021 RF230517	1057850000017	202112	0.00	0.00	0.00	0.00 HK21	182.51-	182.51-RF
2021 RF230517	1057850000017	202112	182.51-	0.00	0.00 HK21	0.00 HK21	182.51-	0.00 RF
2021 RF230517	1098340000001	202112	225.48-	0.00	0.00	0.00 HK21	225.48	0.00 RF
2021 RF230517	1098340000001	202112	0.00	0.00	0.00	0.00 HK21	225.48-	225.48-RF
2021 RF230517	1277950060001	202112	0.00	0.00	0.00	0.00 HK21	121.83-	121.83-RF
2021 RF230517	1277950060001	202112	121.83-	0.00	0.00	0.00 HK21	121.83	0.00 RF
2021 RF230510	184202	202112	0.00	0.00	0.00	0.00 21S1	413.14-	413.14-RF
2021 RF230510	184202	202112	413.14-	0.00	0.00	0.00 21S1	413.14	0.00 RF
2021 RF230510	200688	202112	710.33-	0.00	0.00	0.00 21S1	710.33	0.00 RF
2021 RF230510	200688	202112	0.00	0.00	0.00	0.00 21S1	710.33-	710.33-RF
2021 RF230510	231849	202112	0.00	0.00	0.00	0.00 21S1	121.82-	121.82-RF
2021 RF230510	231849	202112	121.82-	0.00	0.00	0.00 21S1	121.82	0.00 RF
2021 RF230510	306907	202112	0.00	0.00	0.00	0.00 21S1	384.69-	384.69-RF
2021 RF230510	306907	202112	384.69-	0.00	0.00	0.00 21S1	384.69	0.00 RF
2021 RF230510	351199	202205	121.83-	0.00	15.84-	0.00 21S1	137.67	0.00 RF
2021 RF230510	351199	202205	0.00	0.00	0.00	0.00 21S1	137.67-	137.67-RF
2021 RF230510	720765	202112	0.00	0.00	0.00	0.00 21S1	830.89-	830.89-RF
2021 RF230510	720765	202112	830.89-	0.00	0.00	0.00 21S1	830.89	0.00 RF
2021 RF230510	733990	202112	0.00	0.00	0.00	0.00 21S1	372.72-	372.72-RF
2021 RF230510	733990	202112	372.72-	0.00	0.00	0.00 21S1	372.72	0.00 RF

2021 TOTAL

3,490.85-

16.57-

0.00

0.00

3,507.42-

2022 RF230517	1000420000007	202212	961.79-	0.00	0.00	0.00 HK09	961.79	0.00 RF
2022 RF230517	1000420000007	202212	0.00	0.00	0.00	0.00 HK09	961.79-	961.79-RF
2022 RF230517	1000450000004	202301	0.00	0.00	0.00	0.00 HK09	215.25-	215.25-RF
2022 RF230517	1000450000004	202301	215.25-	0.00	0.00	0.00 HK09	215.25	0.00 RF
2022 951052523T	1035020000003	202303	7.08-	0.00	0.57-	0.00 CERT	0.00	7.65-TR
2022 951052523T	1035020000003	202303	73.34-	0.00	6.60-	0.00 CERT	0.00	79.94-TR
2022 951052523T	1035020000003	202302	72.86-	0.00	5.10-	0.00 CERT	0.00	77.96-TR
2022 RF230517	1057840000012	202212	0.00	0.00	0.00	0.00 HK09	105.64-	105.64-RF
2022 RF230517	1057840000012	202212	105.64-	0.00	0.00	0.00 HK09	105.64	0.00 RF
2022 RF230517	1057850000017	202212	0.00	0.00	0.00	0.00 HK09	264.28-	264.28-RF
2022 RF230517	1057850000017	202212	264.28-	0.00	0.00	0.00 HK09	264.28	0.00 RF
2022 RF230517	1098340000001	202301	0.00	0.00	0.00	0.00 HK09	268.69-	268.69-RF
2022 RF230517	1098340000001	202301	268.69-	0.00	0.00	0.00 HK09	268.69	0.00 RF
2022 RF230517	1184320010004	202301	0.00	0.00	0.00	0.00 HK09	4,898.25-	4,898.25-RF

YEAR	DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2022	RF230517	1184320010004	202301	4,898.25-	0.00	0.00	0.00 HK09	4,898.25	0.00 RF
2022	RF230517	1200270020018	202301	0.00	0.00	0.00	0.00 HK09	121.82-	121.82-RF
2022	RF230517	1200270020018	202301	121.82-	0.00	0.00	0.00 HK09	121.82	0.00 RF
2022	RF230517	1206360020004	202211	0.00	0.00	0.00	0.00 HK08	547.57-	547.57-RF
2022	RF230517	1206360020004	202211	547.57-	0.00	0.00	0.00 HK08	547.57	0.00 RF
2022	RF230517	1209130010016	202301	372.31-	0.00	0.00	0.00 HK09	372.31	0.00 RF
2022	RF230517	1209130010016	202301	0.00	0.00	0.00	0.00 HK09	372.31-	372.31-RF
2022	RF230517	1224860010001	202212	0.00	0.00	0.00	0.00 HK09	121.83-	121.83-RF
2022	RF230517	1224860010001	202212	121.83-	0.00	0.00	0.00 HK09	121.83	0.00 RF
2022	RF230517	1254280030005	202212	444.13-	0.00	0.00	0.00 HK09	444.13	0.00 RF
2022	RF230517	1254280030005	202212	0.00	0.00	0.00	0.00 HK09	444.13-	444.13-RF
2022	951051523T	1254280070001	202212	1,657.03-	0.00	0.00	0.00 CERT	0.00	1,657.03-TR
2022	RF230517	1277950060001	202301	139.63-	0.00	0.00	0.00 HK09	139.63	0.00 RF
2022	RF230517	1277950060001	202301	0.00	0.00	0.00	0.00 HK09	139.63-	139.63-RF
2022	RF230511	167898	202301	0.00	0.00	0.00	0.00 22S0	240.77-	240.77-RF
2022	RF230511	167898	202301	240.77-	0.00	0.00	0.00 22S0	240.77	0.00 RF
2022	RF230511	168079	202301	244.98-	0.00	0.00	0.00 22S0	244.98	0.00 RF
2022	RF230511	168079	202301	0.00	0.00	0.00	0.00 22S0	244.98-	244.98-RF
2022	RF230511	168204	202212	0.00	0.00	0.00	0.00 22S0	56.71-	56.71-RF
2022	RF230511	168204	202212	56.71-	0.00	0.00	0.00 22S0	56.71	0.00 RF
2022	RF230511	168636	202301	0.00	0.00	0.00	0.00 22S0	287.04-	287.04-RF
2022	RF230511	168636	202301	287.04-	0.00	0.00	0.00 22S0	287.04	0.00 RF
2022	RF230511	169207	202301	0.00	0.00	0.00	0.00 22S0	115.80-	115.80-RF
2022	RF230511	169207	202301	115.80-	0.00	0.00	0.00 22S0	115.80	0.00 RF
2022	RF230511	184202	202301	419.45-	0.00	0.00	0.00 22S0	419.45	0.00 RF
2022	RF230511	184202	202301	0.00	0.00	0.00	0.00 22S0	419.45-	419.45-RF
2022	902050123T	200452	202301	8,005.66-	0.00	0.00	0.00 CERT	0.00	8,005.66-TR
2022	86405523CHC	200493	202305	1,542.68-	0.00	200.55-	0.00 CERT	0.00	1,743.23-TR
2022	951052423T	200546	202304	1,158.05-	0.00	127.38-	0.00 22S1	0.00	1,285.43-TR
2022	RF230511	200688	202301	0.00	0.00	0.00	0.00 22S0	991.57-	991.57-RF
2022	RF230511	200688	202301	991.57-	0.00	0.00	0.00 22S0	991.57	0.00 RF
2022	RF230511	200922	202302	0.00	0.00	0.00	0.00 22S0	379.51-	379.51-RF
2022	RF230511	200922	202302	354.68-	0.00	24.83-	0.00 22S0	379.51	0.00 RF
2022	RF230511	201579	202212	0.00	0.00	0.00	0.00 22S0	163.91-	163.91-RF
2022	RF230511	201579	202212	163.91-	0.00	0.00	0.00 22S0	163.91	0.00 RF
2022	RF230511	201664	202301	0.00	0.00	0.00	0.00 22S0	186.35-	186.35-RF
2022	RF230511	201664	202301	0.00	0.00	0.00	0.00 22S0	186.35	0.00 RF
2022	951052623T	201799	202304	257.71-	0.00	28.35-	0.00 CERT	0.00	286.06-TR
2022	RF230511	203109	202301	0.00	0.00	0.00	0.00 22S0	327.90-	327.90-RF
2022	RF230511	203109	202301	327.90-	0.00	0.00	0.00 22S0	327.90	0.00 RF
2022	902050123T	219137	202301	1,334.13-	0.00	0.00	0.00 CERT	0.00	1,334.13-TR
2022	RF230511	219330	202301	0.00	0.00	0.00	0.00 22S0	265.33-	265.33-RF
2022	RF230511	219330	202301	265.33-	0.00	0.00	0.00 22S0	265.33	0.00 RF
2022	951053123T	219342	202305	1,079.00-	0.00	140.27-	0.00 22S1	0.00	1,219.27-TR
2022	RF230511	231849	202212	225.43-	0.00	0.00	0.00 22S0	225.43	0.00 RF

YEAR	DEPOSIT	ACCOUNT NUMBER	REF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2022	RF230511	231849	202212	0.00	0.00	0.00	0.00 22S0	225.43-	225.43-RF
2022	951050823T	241328	202304	162.85-	0.00	0.00	0.00 CERT	0.00	162.85-TR
2022	951052323T	288608	202303	243.76-	0.00	0.00	0.00 CERT	0.00	243.76-TR
2022	RF230511	306907	202301	0.00	0.00	0.00	0.00 22S0	389.86-	389.86-RF
2022	RF230511	306907	202301	389.86-	0.00	0.00	0.00 22S0	389.86	0.00 RF
2022	RF230511	306972	202301	445.59-	0.00	0.00	0.00 22S0	445.59	0.00 RF
2022	RF230511	306972	202301	445.59-	0.00	0.00	0.00 22S0	445.59-	445.59-RF
2022	RF230511	351199	202304	0.00	0.00	0.00	0.00 22S0	255.94-	255.94-RF
2022	RF230511	351199	202304	230.57-	0.00	25.37-	0.00 22S0	255.94	0.00 RF
2022	RF230511	355474	202301	0.00	0.00	0.00	0.00 22S0	1,026.96-	1,026.96-RF
2022	RF230511	355474	202301	1,026.96-	0.00	0.00	0.00 22S0	1,026.96	0.00 RF
2022	RF230511	357186	202301	325.12-	0.00	0.00	0.00 22S0	325.12	0.00 RF
2022	RF230511	357186	202301	0.00	0.00	0.00	0.00 22S0	325.12-	325.12-RF
2022	951052423T	361965	202304	407.17-	0.00	28.50-	0.00 CERT	0.00	2,226.78-
2022	RF230511	371022	202212	0.00	0.00	0.00	0.00 22S0	2,226.78-	2,226.78-RF
2022	RF230511	371022	202212	2,226.78-	0.00	0.00	0.00 22S0	2,226.78	0.00 RF
2022	RF230511	387543	202212	121.82-	0.00	0.00	0.00 22S0	121.82	0.00 RF
2022	RF230511	387543	202212	0.00	0.00	0.00	0.00 22S0	121.82-	121.82-RF
2022	951052423T	387687	202304	477.92-	0.00	33.45-	0.00 CERT	0.00	511.37-TR
2022	RF230511	399845	202212	121.83-	0.00	0.00	0.00 22S0	121.83	0.00 RF
2022	RF230511	399845	202212	0.00	0.00	0.00	0.00 22S0	121.83-	121.83-RF
2022	951050323T	414800	202302	2,550.99-	0.00	178.57-	0.00 CERT	0.00	2,729.56-TR
2022	951052423T	436271	202304	508.51-	0.00	55.94-	0.00 CERT	0.00	564.45-TR
2022	RF230511	508824	202301	463.92-	0.00	0.00	0.00 22S0	463.92	0.00 RF
2022	RF230511	508824	202301	0.00	0.00	0.00	0.00 22S0	463.92-	463.92-RF
2022	RF230511	516469	202211	0.00	0.00	0.00	0.00 22S0	226.60-	226.60-RF
2022	RF230511	516469	202211	226.60-	0.00	0.00	0.00 22S0	226.60	0.00 RF
2022	RF230511	516471	202211	0.00	0.00	0.00	0.00 22S0	215.05-	215.05-RF
2022	RF230511	516471	202211	215.05-	0.00	0.00	0.00 22S0	215.05	0.00 RF
2022	RF230511	516472	202211	599.20-	0.00	0.00	0.00 22S0	599.20	0.00 RF
2022	RF230511	516472	202211	0.00	0.00	0.00	0.00 22S0	599.20-	599.20-RF
2022	RF230511	516830	202301	0.00	0.00	0.00	0.00 22S0	1,135.76-	1,135.76-RF
2022	RF230511	516830	202301	1,135.76-	0.00	0.00	0.00 22S0	1,135.76	0.00 RF
2022	RF230511	525043	202211	54.09-	0.00	0.00	0.00 22S0	54.09	0.00 RF
2022	RF230511	525043	202211	0.00	0.00	0.00	0.00 22S0	452.23-	452.23-RF
2022	RF230511	525044	202211	452.23-	0.00	0.00	0.00 22S0	452.23	0.00 RF
2022	RF230511	525045	202211	0.00	0.00	0.00	0.00 22S0	182.74-	182.74-RF
2022	RF230511	525045	202211	182.74-	0.00	0.00	0.00 22S0	182.74	0.00 RF
2022	RF230511	610680	202301	656.69-	0.00	0.00	0.00 22S0	656.69-	656.69-RF
2022	RF230511	610680	202301	0.00	0.00	0.00	0.00 22S0	656.69	0.00 RF
2022	951050823T	706972	202304	97.98-	0.00	0.00	0.00 CERT	0.00	97.98-TR
2022	RF230511	720765	202212	867.76-	0.00	0.00	0.00 22S0	867.76	0.00 RF
2022	RF230511	720765	202212	0.00	0.00	0.00	0.00 22S0	867.76-	867.76-RF
2022	RF230511	722222	202211	191.70-	0.00	0.00	0.00 22S0	191.70	0.00 RF

YEAR	DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2022	RF230511	722222	202211	0.00	0.00	0.00	0.00 22S0	191.70-	191.70-RF
2022	RF230511	722223	202211	0.00	0.00	0.00	0.00 22S0	571.76-	571.76-RF
2022	RF230511	722223	202211	571.76-	0.00	0.00	0.00 22S0	571.76	0.00 RF
2022	RF230511	722226	202211	0.00	0.00	0.00	0.00 22S0	146.58-	146.58-RF
2022	RF230511	722226	202211	146.58-	0.00	0.00	0.00 22S0	146.58	0.00 RF
2022	RF230511	722227	202211	0.00	0.00	0.00	0.00 22S0	233.32-	233.32-RF
2022	RF230511	722227	202211	233.32-	0.00	0.00	0.00 22S0	233.32	0.00 RF
2022	RF230511	722229	202211	211.00-	0.00	0.00	0.00 22S0	211.00	0.00 RF
2022	RF230511	722229	202211	0.00	0.00	0.00	0.00 22S0	211.00-	211.00-RF
2022	RF230511	733971	202301	0.00	0.00	0.00	0.00 22S0	201.77-	201.77-RF
2022	RF230511	733971	202301	201.77-	0.00	0.00	0.00 22S0	201.77	0.00 RF
2022	RF230511	733976	202212	445.68-	0.00	0.00	0.00 22S0	445.68	0.00 RF
2022	RF230511	733976	202212	0.00	0.00	0.00	0.00 22S0	445.68-	445.68-RF
2022	RF230511	733990	202212	0.00	0.00	0.00	0.00 22S0	393.22-	393.22-RF
2022	RF230511	733990	202212	393.22-	0.00	0.00	0.00 22S0	393.22	0.00 RF
2022	RF230511	733991	202301	311.99-	0.00	0.00	0.00 22S0	311.99	0.00 RF
2022	RF230511	733991	202301	0.00	0.00	0.00	0.00 22S0	311.99-	311.99-RF
2022	951050823T	739802	202210	13.06-	0.00	0.00	0.00 CERT	0.00	13.06-TR
2022	RF230511	742326	202302	0.00	0.00	0.00	0.00 22S0	130.36-	130.36-RF
2022	RF230511	742326	202302	121.83-	0.00	8.53-	0.00 22S0	130.36	0.00 RF
2022	951050323T	H0884134	202301	226.93-	0.00	0.00	0.00 HS05	0.00	226.93-TR
2022 TOTAL				44,789.24-	0.00	864.01-	0.00	0.00	45,653.25-
TOTAL REVERSALS				48,296.06-	0.00	883.21-	0.00	0.00	49,179.27-

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
SUMMARY OF PAYMENTS AND REVERSALS
FROM: 05/01/2023 THRU 05/31/2023
JURISDICTION: 337 FRIENDMD CITY

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT
2020 TOTAL			2,677.05	0.00	424.19	41.01	0.00	3,142.25
2021 TOTAL			6,149.95	0.00	1,321.83	842.24	0.00	8,314.02
2022 TOTAL			169,069.96	0.00	9,087.60	0.00	0.00	178,157.56
TOTAL PAYMENTS			177,896.96	0.00	10,833.62	883.25	0.00	189,613.83
2020 TOTAL			15.97-	0.00	2.63-	0.00	0.00	18.60-
2021 TOTAL			3,490.85-	0.00	16.57-	0.00	0.00	3,507.42-
2022 TOTAL			44,789.24-	0.00	864.01-	0.00	0.00	45,653.25-
TOTAL REVERSALS			48,296.06-	0.00	883.21-	0.00	0.00	49,179.27-
TOTAL FOR UNIT			129,600.90	0.00	9,950.41	883.25	0.00	140,434.56

FISCAL START: 08/01/2022 END: 07/31/2023 JURISDICTION: 0337 FRIENDMD CITY

CURRENT YEAR	CERT TAXABLE VALUE		ADJUSTMENTS		ADJ TAX VALUE		TAX RATE		TAX LEVY		PAID ACCTS	
	4,778,686,394		118,389,927		4,897,076,321	0	00.487314		22,783,421.76		17,046	

YEAR	TAXES DUE	MONTH ADJ	ADJUSTMENT YTD	LEVY PAID	PAID YTD	BALANCE	COLL %	YTD UNCOLL
------	-----------	-----------	----------------	-----------	----------	---------	--------	------------

2022	22,218,569.13		564,852.63	22,249,575.63	22,249,575.63	533,846.13	97.66	0.00
2021	183,112.68	62,175.50-	62,175.50-	65,156.32	65,156.32	55,780.86	53.88	0.00
2020	40,724.70	30,902.38-	30,902.38-	19,448.96-	19,448.96-	29,271.28	98.01-	0.00
2019	31,463.95	9,859.35-	9,859.35-	202.94-	202.94-	21,807.54	.94-	0.00
2018	20,734.77	37.21-	37.21-	4,783.90	4,783.90	15,913.66	23.11	0.00
2017	13,655.17	.00	0.00	12.53	12.53	13,642.64	.09	0.00
2016	12,123.04	.00	0.00	5.51	5.51	12,117.53	.05	0.00
2015	11,833.72	.00	0.00	6.96	6.96	11,826.76	.06	0.00
2014	12,474.54	.00	0.00	0.00	0.00	12,474.54		0.00
2013	9,677.98	.00	0.00	0.00	0.00	9,677.98		0.00
2012	9,566.41	.00	0.00	0.00	0.00	9,566.41		0.00
2011	6,897.31	.00	0.00	0.00	0.00	6,897.31		0.00
2010	3,613.44	.00	0.00	0.00	0.00	3,613.44		0.00
2009	5,164.80	.00	0.00	0.00	0.00	5,164.80		0.00
2008	4,281.97	.00	0.00	0.00	0.00	4,281.97		0.00
2007	1,321.11	.00	0.00	0.00	0.00	1,321.11		0.00
2006	2,707.18	.00	0.00	269.28	269.28	2,437.90	9.95	0.00
2005	1,298.61	.00	0.00	128.00	128.00	1,170.61	9.86	0.00
2004	640.47	.00	0.00	0.00	0.00	640.47		0.00
2003	647.12	.00	0.00	0.00	0.00	647.12		0.00
2002	512.76	.00	0.00	0.00	0.00	512.76		0.00
2001	263.32	.00	0.00	0.00	0.00	263.32		0.00
****	22,591,284.18		461,878.19	22,300,286.23	22,300,286.23	752,876.14		0.00
CURR	22,218,569.13		564,852.63	22,249,575.63	22,249,575.63	533,846.13		0.00
DELQ	372,715.05	102,974.44-	102,974.44-	50,710.60	50,710.60	219,030.01		0.00

ALL PROPERTY

JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2022	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 05/31/2023
LAND VALUE	6,593,325,295	6,593,325,295	51,742,401	619,160-	51,123,241	6,644,448,536
AG EXCLUSION	32,486,183	32,486,183	204,746	0	204,746	32,690,929
IMPROVEMENTS	873,775,097	873,775,097	159,397,057	49,382,111-	110,014,946	983,790,043
APPRAISED VALUE	6,593,325,295	6,593,325,295	211,139,458	50,001,271-	161,138,187	6,754,463,482
EXEMPTIONS	1,782,152,718	1,782,152,718	49,706,091	6,957,831-	42,748,260	1,824,900,978
TAXABLE VALUE	4,778,686,394	4,778,686,394	161,433,367	43,043,440-	118,389,927	4,897,076,321
LEVY	22,218,569.13	22,218,569.13	1,151,606.35	586,753.72-	564,852.63	22,783,421.76
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE						
EXEMPTION COUNTS:						
HOMESTEADS	10,595	10,595	343	174	177	10,772
OVER 65	3,475	3,475	88	58	63	3,538
DISABLED	180	180	5	5	5	185
VETERAN	253	253	10	4	4	257
TOTAL EXEMPT	84	84	0	0	0	84

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2021
JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2022	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 05/31/2023
LAND VALUE	5,827,810,207	5,827,810,207	0	41,048-	41,048-	5,827,769,159
AG EXCLUSION	33,691,313	33,691,313	0	0	0	33,691,313
IMPROVEMENTS	775,157,465	775,157,465	1,504,253	8,643,208-	7,138,955-	768,018,510
APPRAISED VALUE	5,827,810,207	5,827,810,207	1,504,253	8,684,256-	7,180,003-	5,820,630,204
EXEMPTIONS	1,579,451,702	1,579,451,702	987,783	4,831,509	5,819,292	1,585,270,994
TAXABLE VALUE	4,214,667,192	4,214,667,192	516,470	13,515,765-	12,999,295-	4,201,667,897
LEVY	183,112.68	183,112.68	2,780.49	64,955.99-	62,175.50-	120,937.18
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	10,298	10,298	0	46	46	10,344
OVER 65	3,255	3,255	0	16	16	3,271
DISABLED	181	181	0	1	1	182
VETERAN	240	240	0	4	4	244
TOTAL EXEMPT	84	84	0	0	0	84

ALL PROPERTY

	CERTIFIED ROLL	ROLL AS OF 08/01/2022	SUPPLEMENTS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 05/31/2023
LAND VALUE	5,043,274,252	5,043,274,252	0	0	0	5,043,274,252
AG EXCLUSION	27,337,308	27,337,308	0	0	0	27,337,308
IMPROVEMENTS	706,413,340	706,413,340	1,361,452	5,939,479-	4,578,027-	701,835,313
APPRAISED VALUE	5,043,274,252	5,043,274,252	1,361,452	5,939,479-	4,578,027-	5,038,696,225
EXEMPTIONS	1,218,139,975	1,218,139,975	794,384	1,026,594	1,820,978	1,219,960,953
TAXABLE VALUE	3,797,796,969	3,797,796,969	567,068	6,966,073-	6,399,005-	3,791,397,964
LEVY	40,724.70	40,724.70	2,763.40	33,665.78-	30,902.38-	9,822.32
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE						
EXEMPTION COUNTS:						
HOMESTEADS	10,220	10,220	0	15	15	10,235
OVER 65	3,163	3,163	0	6	6	3,169
DISABLED	182	182	0	0	0	182
VETERAN	221	221	0	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

PAGE: 233
INCLUDES AG ROLLBACK

	CERTIFIED ROLL	ROLL AS OF 08/01/2022	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 05/31/2023
LAND VALUE	4,537,437,822	4,537,437,822	0	0	0	4,537,437,822
AG EXCLUSION	24,683,691	24,683,691	0	0	0	24,683,691
IMPROVEMENTS	645,931,872	645,931,872	0	2,183,270-	2,183,270-	643,748,602
APPRAISED VALUE	4,537,437,822	4,537,437,822	0	2,183,270-	2,183,270-	4,535,254,552
EXEMPTIONS	1,018,439,121	1,018,439,121	0	187,588-	187,588-	1,018,251,533
TAXABLE VALUE	3,494,315,010	3,494,315,010	0	1,995,682-	1,995,682-	3,492,319,328
LEVY	31,463.95	31,463.95	*00	9,859.35-	9,859.35-	21,604.60
UNCOLLECTIBLE	.00	.00	*00	*00	*00	.00
RECEIVABLE					*00	
EXEMPTION COUNTS:						
HOMESTEADS	10,000	10,000	0	1-	1-	9,999
OVER 65	2,975	2,975	0	1-	1-	2,974
DISABLED	181	181	0	0	0	181
VETERAN	205	205	0	0	0	205
TOTAL EXEMPT	74	74	0	0	0	74

ALL PROPERTY

JURISDICTION: 0337 FRIENDWD CITY

	CERTIFIED ROLL	ROLL AS OF 08/01/2022	SUPPLEMENTS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 05/31/2023
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	0	0	23,842,910
IMPROVEMENTS	617,900,409	617,900,409	0	1,990-	1,990-	617,898,419
APPRAISED VALUE	4,207,374.518	4,207,374.518	0	1,990-	1,990-	4,207,372,528
EXEMPTIONS	891,117,422	891,117,422	0	5,000	5,000	891,122,422
TAXABLE VALUE	3,292,414,186	3,292,414,186	0	6,990-	6,990-	3,292,407,196
LEVY	20,734.77	20,734.77	.00	37.21-	37.21-	20,697.56
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE						.00
EXEMPTION COUNTS:						
HOMESTEADS	10,001	10,001	0	0	0	10,001
OVER 65	2,897	2,897	0	0	0	2,897
DISABLED	0	0	0	0	0	0
VETERAN	204	204	0	1	1	205
TOTAL EXEMPT	0	0	0	0	0	0

Summary of Jurisdiction Remittances Processed Property Tax File

For Remitted Deposit Dates 05/01/2023 thru 05/31/2023 as of 06/05/2023

Batch Seq
4292452

Report run on: June 5, 2023 2:09 PM

Tax Unit		M & O Total	I & S Total	TIF Levy	TIF Interest	Fee Total	Total
337 FRIENDWD CITY							
ACH 82762	Print Date:05/08/2023						
	Current	30,893.42	7,851.72	0.00	0.00	0.00	38,745.14
	Delq	2,264.16	600.58	0.00	0.00	0.00	2,864.74
Last Deposit Date	05/05/2023	\$33,157.58	\$8,452.30	\$0.00	\$0.00	\$0.00	\$41,609.88
ACH 82805	Print Date:05/15/2023						
	Current	12,889.76	3,275.91	0.00	0.00	0.00	16,165.67
	Delq	(1,477.82)	(392.46)	0.00	0.00	0.00	(1,870.28)
Last Deposit Date	05/12/2023	\$11,411.94	\$2,883.45	\$0.00	\$0.00	\$0.00	\$14,295.39
ACH 82843	Print Date:05/23/2023						
	Current	11,239.60	2,856.62	0.00	0.00	0.00	14,096.22
	Delq	4,554.31	1,152.52	0.00	0.00	0.00	5,706.83
Last Deposit Date	05/19/2023	\$15,793.91	\$4,009.14	\$0.00	\$0.00	\$0.00	\$19,803.05
ACH 82887	Print Date:05/30/2023						
	Current	33,557.54	8,528.73	0.00	0.00	0.00	42,086.27
	Delq	(5.57)	(1.47)	0.00	0.00	0.00	(7.04)
Last Deposit Date	05/26/2023	\$33,551.97	\$8,527.26	\$0.00	\$0.00	\$0.00	\$42,079.23
ACH 82932	Print Date:06/05/2023						
	Current	17,072.10	4,338.91	0.00	0.00	0.00	21,411.01
	Delq	278.81	73.94	0.00	0.00	0.00	352.75
Last Deposit Date	05/31/2023	\$17,350.91	\$4,412.85	\$0.00	\$0.00	\$0.00	\$21,763.76
Total:		\$111,266.31	\$28,285.00	\$0.00	\$0.00	\$0.00	\$139,551.31

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: July 10, 2023

Date submitted: 04/25/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the minutes of the City Council Regular Meeting held on May 1, 2023.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the City Council to approve the minutes of the City Council Regular Meeting held on May 1, 2023.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. May 1, 2023, Draft CC Meeting Minutes

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
MAY 1, 2023**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, MAY 1, 2023, AT 6:00 P.M. IN THE COUNCIL CHAMBERS, FRIENDSWOOD CITY HALL, LOCATED AT 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

Steve Rockey	Councilmember
Sally Branson	Councilmember
Trish Hanks	Councilmember
John Scott	Councilmember
Brent Erenwert	Mayor Pro Tem
 Mike Foreman	 Mayor
 Morad Kabiri	 City Manager
Karen Horner	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 6:00 P.M.; all members were present with the exception of Councilmember Griffon who was absent.

2. INVOCATION

The invocation was led by Rabbi Peter Kessler from Congregation B’Nai Israel.

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. COUNCIL COMMENTS AND REPORTS

Councilmember Rockey stated that the Library is having a ceramic and craft show, this Saturday from 12:00 P.M. to 5:00 P.M., all are welcome to attend.

Councilmember Hanks stated he was glad that the Council recognized Jewish Heritage Month and thanked everyone who attended today’s recognition.

Councilmember Scott indicated that the special Council meeting scheduled for May 17th should be to recognize the incoming councilmembers and not those that are leaving, like him. Councilmember Scott thanked the citizens of Friendswood for trusting in him to serve as their representative for the last 12 years and stated this has been one of the biggest honors and privileges of his life. He stated when he first started

on the council his children were little kids, and now they are in college. Councilmember Scott closed his comments by noting that this was a wonderful community that has successfully maintained its values and traditions and is very honored to feel proud of those efforts.

Councilmember Erenwert noted he wanted to express his gratitude in recognizing this month of May as Jewish Heritage month, particularly being a descendent of Holocaust survivors. He stated that he is proud to live and serve this community and its commitment to service others.

Mayor Foreman expressed his gratitude to Mayor Pro Tem Erenwert and Councilmember Rockey's wife, Dr. Susan Steinberg, for their work in putting together today's event in recognition of Jewish Heritage month in the City of Friendswood.

5. PUBLIC COMMENT

Mr. Jeff Wilson requested to speak before the Council regarding the purchase of 23 Wilderness Trail and noted that he was against the purchase of this property as: (1) it was too expensive, and (2) he was not in favor of using that land for the future expansion of Friendswood Parkway.

Dr. Rebecca Hillenburg requested to speak to the Council regarding the protection of the oak trees that are legacies in Friendswood. She stated that they had recently introduced a group called Tree Legacy in Friendswood that looks at the preservation, restoration, and reclamation of significant trees in Friendswood.

6. COMMITTEES OR SPECIAL REPORTS

A. Receive the Animal Shelter Advisory Committee's Annual Report.

City Manager Morad Kabiri stated that the Animal Shelter Advisory Committee submitted its Annual Report to the Council via the agenda packet for the Council's review and would have no formal presentation that evening.

7. WORK SESSION TOPICS

A. Discuss banners across South Friendswood Drive.

City Manager Morad Kabiri presented the item and stated that this item was brought forward at the request of Councilmember Rockey. Mr. Kabiri noted that there have been a few issues with a number of requests for banners to be placed across FM 518; such as, conflicts with a number of requests for banner placements for the same time frame, delays in getting information from other agencies, entities asking for extensions on the time frame, and safety concerns for the staff. Mr. Kabiri noted that just last month there was a banner that tore off and flew into the inlet storm sewer on FM 518, which thankfully staff were able to salvage before the rainstorm and prevented any potential damage.

Mr. Kabiri noted that FM 518 is a state roadway, which is overseen by the Texas Department of Transportation (TDOT), this oversight includes anything that is done within its right of way. Thus, in order to put banners up on FM 518, staff must coordinate with them to make sure that, (1) it is permissible

and, (2) that they have visibility with the banner being put up on their roadway. He further noted that anyone that is interested in having a banner placed on this roadway must apply for a permit from the City of Friendswood. The City's process includes: (1) verification that there is adequate space, as there are only two slots available at any given time, and (2) that the banner placements still provide the clearance required for taller vehicles that travel on this roadway. Additionally, there is the component of staff and equipment availability to put up and bring down these banners during the requested time frame. Mr. Kabiri also noted that these banner placements require multiple staff members, a bucket truck, traffic control, along with an administratively onerous permitting process, which is not covered by the existing \$25.00 permit fee.

Mr. Kabiri note that the Council has three options for their review and consensus, but his recommendation would be to cease hanging the banners altogether and instead expand the Stevenson Park Reader Board Sign along with the LED reader board that is located at the Library to promote events that are typically found in the banners.

Councilmember Rockey stated that he had requested the placement of this item for discussion and noted that he had seen the challenges and effort that goes into getting these banners up, and felt that in this day of age, social media and all the other things, he did not know how effective these banners were in getting the word out anymore and recommended the cessation of hanging the banners.

Mayor Foreman stated that he was a proponent of the banners and liked that small town feel that they provided. He stated that he wanted to keep the banners and also expand the reader board in Stevenson Park because at this item it is rather small. Mayor Foreman also stated that he felt that the \$25.00 fee was too low and needed to be increased to help cover more of the City's operational costs associated with these banners.

Councilmember Branson noted that she agreed with Mayor Foreman and recommended that the fee be such that it covered the costs of the banner placements. She also liked the idea of offering up or expanding on the use of the reader boards but noted that the message scrolling should be slowed down in order to allow people to actually read the message.

Councilmember Scott stated that he was not in favor of doing away with the banners.

Councilmember Hanks stated that she wanted to keep the banners and noted that while she agreed that the fee was too low at \$25.00, it should not be increased to cover the entire costs of the staff and equipment used to put the banners up as that can be several hundreds of dollars and many of these applicants were also taxpayers.

Mayor Pro Tem Erenwert stated that he understood both sides of the argument and felt that if the banners were eliminated, he wanted the Council to retain the right to place and extend the use of banners as desired.

Mr. Kabiri stated that per the Council's comments, they want to (1) keep the banners, (2) extend the use of the reader boards, and (3) have staff bring back an amendment to the ordinance in order to increase the permit fee.

8. Zone Classification Change from Single Family Residential to Community Shopping Center 801 W. Parkwood Avenue.

- A. Conduct a public hearing regarding a request for a zone classification change located at 801 W. Parkwood Ave., a 6.3951-acre tract of land within the Whitney Subdivision and the Sarah McKissick League Survey, Abstract No. 151, City of Friendswood, Galveston County, Texas, to change from Single Family Residential (SFR) to Community Shopping Center (CSC).**

Mayor Foreman opened the public hearing at 6:25 p.m.

Director of Community Development Aubrey Harbin presented the item and stated that this property is 6.3951 acres of land located along FM 528 between Friendswood Plaza Shopping Center at 709 West Parkwood Avenue and Sugar Creek. The property is currently zoned Single Family Residential, and the request is to change its zoning designation to that of Community Shopping Center.

Ms. Harbin noted that the City's Future Land Use Map (FLUM) that was amended in 2021, identifies the property as retail in order to further the City's economic goals. She further noted that any future development would be subject to the zoning ordinance requirements for a Community Overlay District to include the screening for commercial zoned property adjacent to residential zoned property to include an 8-foot opaque fence and a landscape buffer with a tree every 25 feet. Since this property is in the Community Overlay District, the landscape buffers would be required to be 15 feet instead of 10.

The Planning and Zoning Commission held its public hearing on Thursday, April 13th, and voted five to zero in favor of the requested zone change, with two members being absent. The property owner attended the meeting, and no public comments were received either in favor or in opposition to the request.

The rezoning applicant, Ms. Ruth Anne Manison Prince, requested to speak on behalf of her family in support of the rezoning and assured the Council and public that they would do their best to work with any future buyers to ensure that any plans include something beneficial for Friendswood while maintaining the neighbors' privacy.

Mr. George Cushing signed up to speak on this item and voiced his opposition to this rezoning.

Ms. Karen Manison Daley signed up to speak on this item on behalf of Mike Mossek, who could not attend the meeting in support of the zone change request.

Mr. Harold Benson signed up to speak on this item in support the proposed changes.

With there being no other speakers, Mayor Foreman closed the public hearing at 6:32 p.m.

- B. Consider an ordinance amending the Official Zoning Map of the City of Friendswood to change the zoning classification of the property located at 801 W. Parkwood Ave., being a 6.3951-acre tract of land within the Whitney Subdivision and the Sarah McKissick League Survey, Abstract No. 151, City of Friendswood, Galveston County, Texas, from Single Family Residential (SFR) to Community Shopping Center (CSC).**

Councilmember Griffon, who had an excused absence from the meeting, requested that his prepared statements be read into the record by City Manager Morad Kabiri. Mr. Kabiri read the following:

I am sorry I cannot be there with you this evening, especially since this is John Scott's last meeting. I wish I could be there to thank him in person for his 12 honorable years of dedicated volunteer service to the residents of Friendswood and our community. Thank you, John Scott. Honorable Mayor, council, and citizens I write this statement in support of the zone change for the property at 801 West Parkwood Avenue. I believe this change is consistent with what this council did for the Kenton Harris family by placing their property under the canopy of the downtown district and changing it from single-family residential to commercial. This past month we were presented with the complete audit of the city's financial statement for the fiscal year ending September 30th, 2022. In it we read sales and alcohol tax revenue remain strong during the fiscal year 2022, providing a 12.72% increase for the year, from 9.9 million to 11.2 million. We should all be applauding this increased activity for it lessens the burden of running our city, for our residents on the Ad Valorem taxes, and it's keeping with the 2020 vision plan prior council's championed since 2006. And lessening the tax burden on our residents is what John Scott's been championing for the past 12 years. I wholeheartedly agree with the Planning and zoning commission's recommendations and urge my colleagues to support the zone change.

A motion was made by Mayor Foreman and seconded by Councilmember Branson to approve Ordinance No. 2023-10, related to item 8.B., as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: Mayor Pro Tem Erenwert.

Other: Councilmember Robert J. Griffon (Absent)

The item passed.

ORDINANCE NO. 2023-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRIENDSWOOD TO CHANGE THE CLASSIFICATION OF THE PROPERTY LOCATED AT 801 W. PARKWOOD AVENUE, MORE PARTICULARLY DESCRIBED AS A 6.3951-ACRE TRACT OF LAND BEING THE REMAINDER OF A 19-ACRE TRACT OF LAND BEING THE NORTHWEST ½ OF LOTS 2 & 3, WHITNEY SUBDIVISION, ACCORDING TO THE MAP OR PLAT RECORDED IN PLAT REC. 5, MAP NO. 6 OF THE GALVESTON COUNTY MAP RECORDS AND BEING ALL OF A 2.009-ACRE HOMESTEAD TRACT OF LAND DESCRIBED IN GALVESTON COUNTY CLERK'S FILE NO. 8204830 IN THE SARAH MCKISSICK LEAGUE, ABSTRACT NO. 151, CITY OF FRIENDSWOOD, GALVESTON COUNTY,

TEXAS, FROM SINGLE FAMILY RESIDENTIAL (SFR) TO COMMUNITY SHOPPING CENTER (CSC); PROVIDING A MAXIMUM PENALTY OF TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00); REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY, PUBLICATION AND AN EFFECTIVE DATE.

9. ZONE CLASSIFICATION CHANGE REQUEST FROM SINGLE FAMILY RESIDENTIAL TO DOWNTOWN DISTRICT WITH A SPECIFIC USE PERMIT TO ALLOW NAICS USE#8131, RELIGIOUS ORGANIZATIONS AND NAICS USE#624, SOCIAL ASSISTANCE 502 S. FRIENDSWOOD DRIVE AND 107 W. SPREADING OAKS.

- A. Conduct a public hearing regarding a request for a zone classification change located at 502 S. Friendswood Drive and 107 W. Spreading Oaks, 6.0551 acres out of Lots 1, 2, 4 and 8, Block 12, Friendswood, Friendswood, Galveston County, Texas, according to the plat thereof as filed in Plat Book 7, Page 21, Galveston County Map Records, to change from Single Family Residential (SFR) to Downtown District (DD) with a Specific Use Permit to allow NAICS Use #8131, Religious Organizations and NAICS Use #624, Social Assistance.**

Mayor Foreman opened the public hearing at 6:37 p.m.

Director of Community Development Aubrey Harbin presented the item, and stated the subject property is commonly known as Friends Church. She noted that this item is a cleanup to the zoning and there are no other changes proposed at this time. Ms. Harbin stated that the current zoning for this property is Single Family Residential with an SUP that has no ordinance to back it up and is located within the boundary of the Downtown District. She noted that the goal for this item is to get all properties located in these boundaries changed to the appropriate Downtown District. She further clarified that religious organizations are allowed in this District with a Specific Use Permit.

Mr. Don Powell, representative of the Friends Church Facilities Committee stated since March 1st and August 1st, the church has lost three of their four pastoral staff, and as a result the leadership decided to put on hold the actual renovations of the education building for Family Promise, but still requested that the rezoning in question move forward.

Mayor Foreman closed the public hearing at 6:40 p.m.

- B. Consider an ordinance amending the Official Zoning Map of the City of Friendswood to change the zoning classification of the property located at 502 S. Friendswood Drive and 107 W. Spreading Oaks, being 6.0551 acres out of Lots 1, 2, 4 and 8, Block 12, Friendswood, Galveston County, Texas, according to the plat thereof as filed in Plat Book 7, Page 21, Galveston County Map Records, Friendswood, Galveston County, Texas, from Single Family Residential (SFR) to Downtown District (DD) and granting a Specific Use Permit to allow NAICS Use #8131 "Religious Organizations" and NAICS Use #624 "Social Assistance" for such property.**

In response to Councilmember Rockey requested for clarification on the social assistance use, Ms. Harbin noted that the NAICS code is a category that allows a church to have some “uses” that fall under the umbrella of the church. However, the church is requesting that the use in question be formalized in order to better decide on whether people would be staying on the property during the day, and if these types of accommodations would extend beyond the normal operations of the church.

A motion was made by Councilmember Branson and seconded by Mayor Pro Tem Erenwert to approve Ordinance No. 2023-11, related to item 8.B., as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

ORDINANCE NO. 2023-11

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF FRIENDSWOOD TO CHANGE THE CLASSIFICATION OF THE PROPERTY LOCATED AT 502 S. FRIENDSWOOD DRIVE AND 107 W. SPREADING OAKS AVENUE, BEING 6.0551 ACRES OUT OF LOTS 1, 2, 4 AND 8, BLOCK 12, FRIENDSWOOD, ACCORDING TO THE PLAT THEREOF AS FILED IN PLAT BOOK 7, PAGE 21 GALVESTON COUNTY MAP RECORDS, FRIENDSWOOD, GALVESTON COUNTY, TEXAS, FROM SINGLE FAMILY RESIDENTIAL (SFR) TO DOWNTOWN DISTRICT (DD); GRANTING A SPECIFIC USE PERMIT FOR NAICS USE NO. 8131 "RELIGIOUS ORGANIZATIONS" AND NAICS USE NO. 624 "SOCIAL ASSISTANCE" FOR SUCH PROPERTY; PROVIDING A MAXIMUM PENALTY OF TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00); REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY, PUBLICATION AND AN EFFECTIVE DATE.

10. CITY MANAGER’S REPORT

A. Present an update regarding the City receiving the GFOA Distinguished Budget Presentation Award.

City Manager Morad Kabiri presented the item and recognized the Administrative Services Office for receiving the GFOA Distinguished Budget Presentation Award for the 20th consecutive year along with a special recognition for the last two years in a row.

B. Present election day information for the City of Friendswood, May 6, 2023, General Election.

City Manager Morad Kabiri presented the item and stated that Saturday, May 6th is the City's election day, and encouraged everyone to get out and vote.

C. Present an update regarding the Friendswood Police Department entering into an agreement with the Galveston County Health District to receive Naloxone along with training on how to use the life-saving medication.

City Manager Morad Kabiri presented the item and stated the Police Department recently partnered with the Galveston County Health District to receive 100 units of Narcan to administer for any overdoses while out in the field.

D. Recognize Keep Friendswood Beautiful board member, Kaye Corey for being awarded the 2023 O.P Schnabel Volunteer of the Year Award.

City Manager Morad Kabiri presented the item and recognized Kaye Corey for being awarded the 2023 O.P Schnabel Volunteer of the Year Award.

E. Recognize the Director and Deputy Director of Information Technology for their recent Cybersecurity efforts.

City Manager Morad Kabiri presented the item and stated James O'Brien was recently selected to the State's Cyber Security Task Force and Deputy Director Jim Greenwood recently completed some of his cyber security certifications.

Lastly, there was a report issued errantly by Channel 39, CW39, suggesting that the City of Friendswood was under boil water notice, which is not correct. The boil water notice is for Harris County MUD 55 and not Friendswood.

11. BUSINESS ITEMS

A. Consider authorizing a Janitorial Services Agreement with American Janitorial Services Ltd. (RFP 2023-07).

A motion was made by Councilmember Scott and seconded by Mayor Pro Tem Erenwert, to authorize a Janitorial Services Agreement with American Janitorial Services Ltd. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

B. Consider approving an Emergency Dispatching Services Agreement between the City and Harris County Municipal Utility District No. 55.

This item approves an Emergency Dispatching Services Agreement between the City and Harris County Municipal Utility District No. 55.

On March 1, 2023, the City provided 180 days' notice of termination of the following agreements in anticipation of this proposed agreement with Harris County Municipal Utility District No. 55 ("HCMUD 55"):

- Emergency Dispatching Services Agreement with Forest Bend Volunteer Fire Department and
- Emergency Dispatching services Agreement with Windsor EMS, Inc.

Contract Year	Monthly Amount Due
Year 1 (June 1, 2023 – May 31, 2024)	\$7,051
Year 2 (June 1, 2024 – May 31, 2025)	\$7,922
Year 3 (June 1, 2025 – May 31, 2026)	\$8,334

The proposed agreement is similar to the above-referenced agreements but covers the dispatching of fire personnel as well as emergency medical services personnel within HCMUD 55's territory. Additionally, the agreement provides for a fee increase in an attempt to better reflect the City's cost of providing these services. Specifically, the monthly fees are as follows:

A motion was made by Councilmember Scott and seconded by Mayor Pro Tem Erenwert to authorize an Emergency Dispatching Services Agreement between the City and Harris County Municipal Utility District No. 55, related to item 11.B., as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

C. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for the acquisition of property for flood mitigation improvements at 23 Wilderness Trail.

This item allows the City Council to authorize an Interlocal Agreement (the "Agreement") with Galveston County Consolidated Drainage District (the "District") for the acquisition of property for flood mitigation improvements at 23 Wilderness Trail (the "Property"). The City desires to acquire the Property for the extension of utilities and other public infrastructure; and the District has determined that the Property would be useful for detention facilities.

Councilmember Griffon, who had an excused absence from the meeting, requested that his prepared statements be read into the record by City Manager Morad Kabiri. Mr. Kabiri read the following:

Honorable Mayor, Council, Citizens all, I believe this business item to consider the acquisition of 23 Wilderness Trails so important I am compelled to express for the record my support for this acquisition and my statement be placed in the minutes, as written. The owner of this property passed away a year and a half ago and her daughter, while dealing with the loss of her mother, was finalizing her estate and this property was the last big part she had to deal with. At this time, a potential developer posted their plans to develop what we all know as the Exxon property. As soon as these plans were made known to the public and the proposed plan for what would become the extension of Friendswood Parkway from FM 528 to FM 2351, condemned any chance for the daughter, April Bellard, to realize a sale of this property under such a cloud. In Friendswood where property transactions occur prior to listings is the norm, all prospective buyers evaporated. This presented a unique opportunity for the City to again purchase property along a creek for potential drainage, but more importantly ensure the city an easement of 120' needed for any future development, regardless of if it were Friendswood Parkway of any other road. Though its size does not lend itself to a valuable detention basin, it does give the city and GCCDD, if they join us, unfettered access to Chigger Creek, which has always been critical in emergency preparedness and rescue, debris and disentangling operations and lay down locations. This council unanimously gave Morad Kabiri the authority to enter good faith arm's length negotiations to purchase this property and he has executed our wishes flawlessly. It is now up to us to stand by our convictions and have the courage to follow through with what we started. Should we fail to do so would send a chilling message to our city manager and staff that we do not have the courage and conviction to stand by our decisions when the wind might blow in a different direction. I urge the mayor and my colleges to consummate this transaction as presented.

Councilmember Scott requested that a correction to Councilmember Griffon's comments be noted in the minutes to clarify that the vote to allow the City Manager to enter into negotiations for the purchase of this property was not unanimous, as he was the only dissenting vote of no.

Councilmember Hanks stated that in the 40 years that she has been in Friendswood, the city and those communities around it have grown and many things have changed. She noted that Friendswood is not a masterplan community but is instead a small city that has grown with communities right next door that are growing very quickly and causing some of the city's heartache and problems.

Councilmember Scott stated that he disagreed with this item because (i) he believes the City is paying too much for a property that has to have a home demolished on it and (ii) a part of the property is in the floodway and/or right-of-way, and on top of that the Drainage District tabled this item.

Mayor Foreman stated that he believed the Drainage District would ultimately partner with the City and regardless, the City's cost will be about \$415,000. The District is going to need a portion of this property for a drainage project and this property needs to be ready for when that happens.

Councilmember Rockey stated that the purchase of this property will be needed for the utility work, and as for as the price goes, that is in line with trending prices in Friendswood. Lastly, he noted that by buying the land, the City will be in more control over the placement of the road, should it ever be built.

A motion was made by Councilmember Rockey and seconded by Councilmember Branson, to authorize an Interlocal Agreement with Galveston County Consolidated Drainage District for the acquisition of property for flood mitigation improvements at 23 Wilderness Trail. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, and Mayor Pro Tem Brent Erenwert.

Nays: Councilmember John Scott

Other: Councilmember Robert J. Griffon (Absent)

The item passed.

D. Consider authoring an Earnest Money Contract with the Estate of Mary Ellen Colbaugh Bellard for the purchase of approximately 2.019 acres located at 23 Wilderness Trail, Friendswood, Galveston County, Texas and authorize the City Manager to close on the property.

A motion was made by Councilmember Branson and seconded by Councilmember Rockey, to approve an Earnest Money Contract with the Estate of Mary Ellen Colbaugh Bellard. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, and Mayor Pro Tem Brent Erenwert.

Nays: Councilmember John Scott.

Other: Councilmember Robert J. Griffon (Absent)

The item passed.

E. Consider authorizing an Earnest Money Contract with the Estate of Charles Crady III, for the purchase of approximately 3.4 acres described at Tract 16, Abstract 15, J Dickerson Survey, Friendswood, Harris County, Texas.

A motion was made by Councilmember Hanks and seconded by Mayor Pro Tem Erenwert, to authorize an earnest Money Contract with the Estate of Charles Crady, III. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

F. Consider awarding a construction contract for the Blackhawk Boulevard Reconstruction Phase II-B Project to Triple B Services, LLP (BID 2023-05).

The City of Friendswood's Fiscal Year 2022 application for a Partnership Project for Harris County Precinct 2 was selected for continuation of the construction of Blackhawk Boulevard from south of Pennystone Way to Geneva Drive. Harris County Precinct 2 awarded the City \$1,200,000 towards the next phase of construction of the Boulevard, Phase II-B. Upon awarding the construction bid, the City will invoice Harris County for its cost share. The City's cost share will be funded via residual bond funds from the previous Blackhawk Boulevard project, the 3/8th Cent Street Improvement Sales Tax, and water/sewer working capital. Under the terms of the Interlocal Agreement between the City and County for this project, the City prepared plans, specifications, and estimates for construction of the project. The City's Engineering Department will serve as the Project Manager and will oversee day-to-day activities.

The City opened bids for this project on April 4, 2023. There were 13 bids received, with Triple B Services, LLC being the apparent low bidder. With the assistance of the City's consulting engineer, HDR Engineering, the low bidder was thoroughly vetted, including inquiring about recent work, contacting references, and meeting with 3 key personnel for the project (company owner, project manager, and job superintendent). HDR has provided a letter recommending that the project be awarded to Triple B Services, as the lowest responsible bidder, in the amount of \$2,196,216.74.

A motion was made by Councilmember Scott and seconded by Councilmember Branson, to approve a Contract with Triple B Services, LLC for the Blackhawk Boulevard Reconstruction Phase II-B Project in the amount of \$2,196,216.74. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

G. Consider awarding the 2020 Lift Station Mitigation Package 3 / Harvey Lift Station Repairs and mitigation project to McDonald Municipal & Industrial, a Division of C.F. McDonald Electric, Inc. (Bid No. 2023-08).

The City of Friendswood sustained severe damage to many of its sanitary sewer lift stations during Hurricane Harvey. Immediate repairs were made to keep the City's sanitary sewer system operational, but eleven (11) of the lift stations were determined to require additional work to mitigate against future floods. The mitigation of these lift stations includes raising equipment and electrical components, such as generators, transfer switches, electrical services, wiring, etc., to two feet above the Harvey flood elevation. Submersible pumps and piping will be replacing above-ground pumps where applicable. Wet wells are to be equipped with sealed hatches. Eight-foot-tall wooden fences will also be installed.

The eleven lift stations were separated into four separate packages for bidding. Package No. 3 includes Lift Stations 22, 27, 28, and 31. The City recently opened bids for Package No. 3. McDonald Municipal & Industrial, a Division of C.F. McDonald Electric, Inc., was determined to be the lowest responsible bidder with a base bid of \$2,088,369 and bid of \$108,000 for additional non-mitigation items, or a total stipulated price of \$2,196,369. A combination of FEMA funds, insurance proceeds, and sewer bonds will be used to fund this project.

A motion was made by Councilmember Scott and seconded by Councilmember Hanks, to approve a construction contract with McDonald Municipal & Industrial, a Division of C.F. McDonald Electric, Inc. for the 2020 Lift Station Mitigation Package 3 / Harvey Lift Station Repairs and Mitigation Project. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

H. Consider authorizing the First Amendment to the Agreement with Harris County for the Blackhawk Property Acquisition and Rehabilitation Project.

On October 27, 2020, Harris County approved an Agreement (the "Master Agreement") with the City of Friendswood for the Blackhawk Property Acquisition and Rehabilitation Facility Project, located at 15355 Blackhawk Blvd., in Harris County Precinct No. 2. The scope of the Project is to create a public shelter for emergency events and will contribute to the City's ability to respond to emergencies during flood events. Renovations will be made to ensure the facility will meet minimum shelter requirements. The shelter space will be separated from the rest of the building and have an available space to serve as a shelter during future disasters and community facilities.

This proposed amendment amends the budget in Exhibit B by increasing funding by \$300,000 so that the total funding available under the Master Agreement is \$1,279,308.

A motion was made by Councilmember Hanks and seconded by Councilmember Branson, to approve the First Amendment to the Agreement with Harris County for the Blackhawk Property Acquisition and Rehabilitation Project. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

I. Consider authorizing the First Amendment to the Agreement with Harris County for the Forest Bend Detention Pond Project.

On June 9, 2020, Harris County approved an Agreement (the “Master Agreement”) with the City of Friendswood for the Forest Bend Detention Pond Project, which is located in Harris County Precinct No. 2 and generally bounded on the North by Ravine Dr., South by FM 528, West by Clear Creek and East by Townes Rd. The scope of the Project is to construct and maintain a new storm water detention pond on property owned by the Forest Bend HOA and benefit the surrounding homes by reducing potential flooding within the Forest Bend neighborhood.

This proposed amendment amends the budget in Exhibit B by increasing funding by \$320,000 so that the total funding available under the Master Agreement is \$3,746,022.

A motion was made by Councilmember Scott and seconded by Councilmember Branson, to approve the First Amendment to the Agreement with Harris County for the Forest Bend Detention Pond Project. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

12. PROPOSED RESOLUTIONS & ORDINANCES

- A. **Consider an ordinance amending the City’s General Budget for Fiscal Year 2022-2023 by approving “Budget Amendment VII” and providing for supplemental appropriation and/or transfer of certain funds.**

This budget amendment approves the following amendments and budget transfers:

1. **Forest Bend Detention Pond – Construction Pay Application #6, \$501,672.** Appropriate advance funding for Jerdon Enterprise Pay Application #6 for the construction of the Forest Bend Detention Pond. The City applied for and was awarded a reimbursement grant through the 2017 Community Development Block Grant – Disaster Recovery with Harris County to engineer and construct offline detention in coordination with the Forest Bend Homeowners Association. The funding source will be unassigned general fund balance and will be reimbursed once grant funding has been received from the grantor.
2. **Police Department – R.A.D. Program, \$650.** Appropriate funds donated to the Police Department Rape Aggression Defense (R.A.D.) Program. Donations were received from the citizens participating in the R.A.D. classes. Funds will be appropriated to the Police Department Patrol division for supplies related to the R.A.D. program.
3. **2017 CDBG-DR (Harris County) Grant Reimbursement, \$501,953.** Appropriate funds received from the CDBG-DR (Harris County) grant program for the Forest Bend Detention Pond construction. The City received a reimbursement of \$501,953 for construction services related to pay applications #3, #4, and #5. Advanced funding for these pay applications were originally approved at the January 9, 2023, and February 6, 2023, City Council meetings. Therefore, the funds will be appropriated back to unassigned general fund balance.
4. **Prior Year Encumbrance, \$2,000.** Appropriate funds for purchase order issued in fiscal year 2021-22 and outstanding at fiscal year-end, September 30, 2022. Goods and services for these purchase orders will be received and expensed in fiscal year 2023.
5. **Citywide / Information Technology Computer Refresh, \$500,484.** Appropriate capital lease proceeds received in FY22 for the computer refresh project. The project was approved in the FY23 adopted budget. The capital lease will be for 5 years and will be supported by the Tax Debt Service Fund.
6. **2020 Lift Station Mitigation Project – Engineering Services (Change Order), \$28,128.** Appropriate Water and Sewer working capital for a contract amendment to the 2020 Lift Station Mitigation Engineering Services contract with Five Engineering, LLC. The original contract was dated July 7, 2020. Additional funds are necessary for the bidding and construction phase of the project. The contract amendment was executed on April 4, 2023.
7. **Tank Rehabilitation Project, \$1,918,375.** Appropriate funds for the 2023 Water Tank Rehabilitation contract. Four water tanks within the City’s water distribution system have been pegged for routine maintenance and rehabilitation. Work on these tanks will include interior

and exterior paint blasting and re-coating, repair of rusted and corroded ladders, metal plates, and appurtenances, and structural repairs. The construction contract was awarded to CFG Industries at the March 6, 2023 City Council meeting. Funds will be appropriated from the 2021 Water & Sewer Bond Construction Fund.

8. **Lightning Protection System – Public Safety Building Expansion (Change Order), \$21,675.** Appropriate funds for a change order related to a lightning protection system at the Public Safety Building Expansion Project. The original contract was approved at the January 10, 2022, City Council meeting. The original protection system was inadequate to serve the existing building and expansion. The new system will adequately cover both. The funding source will be 2021 General Obligation Bond funds.
9. **Earnest Money Contract - 3.4 Acre Purchase, \$37,026.** Appropriate funds for the purchase of 3.4 acres from the Estate of Charles Crady III as described as Tract 16, Abstract 15, J. Dickerson Survey, Friendswood, Harris County, Texas. The undeveloped property lies in the 100-year flood plain and will be used for a future flood control project. The earnest money contract is on the May 1, 2023, City Council Meeting Agenda for approval. Funds will be appropriated from the 2021 General Obligation bonds.
10. **Lift Station Mitigation Project – Lift Station Package 3 (Hurricane Harvey), \$2,196,369.** Appropriate funding for additional work to 4 lift stations damaged during Hurricane Harvey. Immediate repairs were made to these lift stations. These additional repairs will mitigate against future floods. The contract for services is on the May 1, 2023, City Council Meeting Agenda for approval. The funding sources will be Water and Sewer Working Capital and 2021 Water and Sewer Bond Construction funds.
11. **City Secretary's Office – Transfer, \$3,842.** Transfer funds from the City Secretary's Office to the Parks and Recreation Department's Facilities Division for additional renovations needed in the City Secretary's suite to create an office for the Legal Assistant. The funding is being transferred from the Contract Services account.

A motion was made by Councilmember Scott and seconded by Mayor Pro Tem Erenwert to approve Ordinance No. 2023-12, related to Item 12.A, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

ORDINANCE NO. 2023-12

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2022-19, PASSED AND APPROVED AUGUST 29, 2022, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2022-23, BY APPROVING "BUDGET AMENDMENT VII" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

- B. Consider on first reading an ordinance amending Chapter 58 "Parks and Recreation," Article I "In General" of the Friendswood City Code by renumbering Section 58-96 "Exemptions from Division" and adding a new Section 58-96, entitled "Dogs," to prohibit dogs at certain city parks during athletic practice sessions, games, or league or tournament activities.**

City Manager Morad Kabiri presented the item and stated that this proposed ordinance amends Chapter 58 "Parks and Recreation," Article I "In General" of the Friendswood City Code by: renumbering Section 58-96 "Exemptions from Division" to Section 58-97 "Exemptions from Division" and adding a new section to be numbered and entitled Section 58-96, entitled "Dogs" to prohibit dogs at certain city parks during athletic practice sessions, games, or league or tournament activities. Specifically, under the proposed ordinance, dogs must be kept under restraint at all times while in City parks, other than the Friendswood Dog Park; and dogs are not allowed, under restraint or otherwise, in City parks with athletic/sports facilities during athletic practice sessions, games or league or tournament activities. Parks with these facilities currently include:

- Centennial Park,
- Renwick Park, and
- Corporal Steven Schultz Sportspark.

A motion was made by Councilmember Branson and seconded by Councilmember Rockey to approve the first reading of a proposed ordinance, related to Item 12.B.

Councilmember Hanks inquired if the ordinance, as proposed, states that the dogs must be leashed or can they also be in a kennel. She noted that she believed that as the intent of the ordinance is to have the dogs restrained, that the language should be changed to allow for leashing and kenneling. Mr. Kabiri stated that the language could be amended as requested but clarified that under no circumstances are dogs allowed in there when an athletic event or tournament is being played, whether they are restrained or not. Mr. Kabiri further noted that the current ordinance prohibits animals-at-large, so if someone is in a park with an animal, that animal has to be on a leash or in a kennel, some people even use a baby carriage. What the proposed ordinance does is add a prohibition that if, for instance, someone is at Renwick Park during a Friendswood Youth baseball tournament, pets cannot be out there at the same time due to safety concerns and there was an incident in which a pet bit a child in the dugout several years back.

This item came up recently with a dog adoption group at the Friendswood Youth Baseball opening day ceremonies, that brought pets and refused to remove the animals, even when the police was called out to have them removed. Since there was no ordinance to prohibit having pets out there, there was nothing that could be done; therefore, this item codifies an existing practice of not allowing pets at the parks during sport events, restrained or not.

A motion was made by Councilmember Hanks and seconded by Mayor Foreman to amend the ordinance language to include “by leash or kennel” as it relates to how to restrain the animals. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Sally Branson, and Mayor Pro Tem Brent Erenwert.

Nays: Councilmember Steve Rockey and Councilmember John Scott.

Other: Councilmember Robert J. Griffon (Absent)

The amendment to the proposed ordinance passed.

Mayor Foreman called for a vote on the original motion to approve the first reading of the proposed ordinance, related to Item 12. B. The vote was the following:

Ayes: None.

Nays: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Other: Councilmember Robert J. Griffon (Absent)

The item failed.

The Council discussed the confusion related to the motions and resulting votes and requested that this item be brought back at a future meeting for reconsideration.

C. Consider a resolution establishing legislative priorities for the 88th Legislative Session of the Texas Legislature

A motion was made by Councilmember Scott and seconded by Councilmember Branson to approve Resolution No. R2023-13, related to Item 12.C, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

RESOLUTION NO. R2023-13

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, ADOPTING A LEGISLATIVE AGENDA FOR THE 88th LEGISLATIVE SESSION OF THE TEXAS LEGISLATURE; AND PROVIDING FOR AN EFFECTIVE DATE.

13. CONSENT AGENDA

A motion was made by Councilmember Scott and seconded by Councilmember Branson to approve the Consent Agenda, Items 13.A through 13.N. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember John Scott, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Robert J. Griffon (Absent)

The item passed unanimously.

- A. Consider the second and final reading of an ordinance consenting to the rate adjustment requested by Waste Connections of Texas, LLC, d/b/a Waste Connections of Texas, to offset its increased cost in connection with performing services under the franchise agreement for the Collection, Hauling, Recycling and Disposal of Municipal Solid Waste and Recyclable Materials in the City of Friendswood.**

ORDINANCE NO. 2023-13

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, CONSENTING TO THE RATE ADJUSTMENT REQUESTED BY WASTE CONNECTIONS OF TEXAS, LLC, D/B/A WASTE CONNECTIONS OF TEXAS, TO OFFSET ITS INCREASED COST IN CONNECTION WITH PERFORMING SERVICES UNDER THE FRANCHISE AGREEMENT FOR THE COLLECTION, HAULING, RECYCLING AND DISPOSAL OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIALS IN THE CITY OF FRIENDSWOOD; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY, PUBLICATION AND AN EFFECTIVE DATE.

- B. Consider a resolution denying Texas-New Mexico Power Company's application to amend its distribution cost recovery factor to increase distribution rates within the City; authorizing participation with TNMP cities; authorizing the hiring of legal counsel; and finding that the City's reasonable rate case expenses should be reimbursed.**

RESOLUTION NO. R2023-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, DENYING TEXAS-NEW MEXICO POWER COMPANY'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY; AUTHORIZING PARTICIPATION WITH TNMP CITIES; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTANTS; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY TEXAS-NEW MEXICO POWER COMPANY; REQUIRING NOTICE OF THIS RESOLUTION BE SENT TO TEXASNEW MEXICO POWER COMPANY AND LEGAL COUNSEL; AND PROVIDING FOR AN EFFECTIVE DATE

- C. Consider a resolution denying CenterPoint Energy Houston Electric, LLC's application to amend its distribution cost recovery factor to increase distribution rates within the City and finding that the City's reasonable rate case expenses shall be reimbursed.**

RESOLUTION NO. R2023-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, DENYING CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S APPLICATION TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC; REQUIRING NOTICE OF THIS RESOLUTION BE SENT TO THE CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC, AND TO LEGAL COUNSEL; AND PROVIDING FOR AN EFFECTIVE DATE.

- D. Consider authorizing a Maintenance License Agreement with the Laurelfeld Homeowners Association, Inc.**

This item authorizes a Maintenance License Agreement with Laurelfeld HOA as part of a concrete street repair project within the Laurelfeld Subdivision, Laurelfeld Homeowners Association, Inc. (the "HOA") requested areas of original brick pavers installed at the time of subdivision street construction to be reconstructed with stamped and stained concrete. The HOA agreed to fund the difference between the cost of construction of the stamped/stained concrete and the cost of a standard roadway paving section.

This agreement outlines the responsibilities of both the City and the HOA in regard to maintenance, repair and reconstruction of the stamped/stained concrete section.

E. Consider authorizing the purchase of additional video surveillance to upgrade the surveillance system of the Public Safety Building through Light House Video Surveillance.

Light House Video Surveillance submitted a proposal for the installation of eight cameras planned as part of the PSB Expansion, as well as adding cameras to the exterior of the building where there were previously blind spots. Light House Video Surveillance provided its quote through H-GAC's cooperative purchasing program. This upgrade will be funded with the Police Department's Furniture, Fixtures, and Equipment funds.

F. Consider ratifying the City Manager's signature on Change Order Number 6 for the Public Safety Building Expansion Project.

CORE Construction has proposed a change order in the amount of \$238,218 to perform work such as the replacement of carpet, vinyl wall coverings, painting, the replacement of ceiling tiles, and replacement of a lighting protection system for the building. This change order will bring the final amount of the project to \$5,846,943.00, inclusive of previous change orders.

G. Consider accepting the GC Ortho, LLC, Utility Improvements Project and the commencement of the contractor's one-year maintenance period.

H. Consider accepting the 1 Parkside Drive (formerly known as 1 Hatcher Lane) Waterline Improvements Project and the commencement of the contractor's one-year maintenance period.

I. Consider rejecting all bids received for the Demolition and Removal Services Contract for Frenchman's Creek (Bid No. 2023-03)

J. Consider rejecting all bids received for the Blackhawk Emergency Shelter Project (Bid No. 2023-06)

K. Consider Approving a banner permit application for Mary Queen Catholic Church to advertise its annual Mary Queen Parish Festival.

L. Consider the selection of George W. Offenhauser, Sr., as Grand Marshal of the July 4, 2023 Parade.

M. Consider approving the ad valorem tax report for March 2023.

N. Consider approving the minutes of the City Council Regular Meeting held on April 3, 2023.

14. EXECUTIVE SESSION

A. Recess into and conduct an executive session pursuant to Section 551.071 of the Texas Government Code to seek the advice of the City Attorney regarding the Fair Housing Act.

At 7:19 P.M., Mayor Foreman recessed and convened into an executive session pursuant to Section 551.071 of the Texas Government Code to seek the advice of the City Attorney regarding the Fair Housing Act.

At 7:42 P.M., Mayor Foreman reconvened the regular meeting and announced that in accordance with Section 551.102 of the Texas Government Code, no action was taken in executive session.

15. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the May 1, 2023, City Council Regular Meeting at 7:42 P.M.

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: July 10, 2023

Date submitted: 06/06/2023

Prepared by: Glenda Faulkner, Executive Secretary

Subject: Consider approving the minutes of the City Council Regular Meeting held on June 5, 2023.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Council to review and approve the minutes of the City Council Regular Meeting held on June 5, 2023. Said minutes are attached to this item for you review and consideration.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. June 5, 2023, CC Meeting Minutes (draft)

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
JUNE 5, 2023**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, JUNE 5, 2023, AT 5:30 P.M. IN THE COUNCIL CHAMBERS, FRIENDSWOOD CITY HALL, LOCATED AT 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

Steve Rockey	Councilmember
Sally Branson	Councilmember
Trish Hanks	Councilmember
Robert J. Griffon	Councilmember
Joe Matranga	Councilmember
Brent Erenwert	Mayor Pro Tem
Mike Foreman	Mayor
Morad Kabiri	City Manager
Karen Horner	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 5:30 P.M.; all members were present with the exception of Councilmember Branson who arrived at 6:25 p.m.

2. INVOCATION

The invocation was led by Pastor McCauley Austin of Friendswood Baptist 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. COUNCIL COMMENTS AND REPORTS

Mayor Foreman stated that the Memorial Day Event, thanked all the councilmembers for attending the event. There were 150 veterans in attendance, which made for a great picture.

Councilmember Griffon apologized that he was not able to be at Councilmember Matranga's swearing-in last month, congratulated him and welcomed him to the Council.

Councilmember Matranga stated he is deeply honored for the opportunity to serve and is looking forward to contributing to this community.

5. PUBLIC COMMENT

Mr. Jason Jones requested to speak before the Council to advocate on behalf of Parks and Recreation Department to consider increasing the project budget for Centennial Park. He stated the park appears to be in need a few updates; such as:

1. extending the chain-link an additional 100+ feet,
2. changing the chain-link to something more appealing like wrought iron,
3. filling in the holes through-out the park, and
4. drainage issues.

6. COMMITTEES OR SPECIAL REPORTS

A. Receive the Library Advisory Board Annual Report

Diane Freeman Chair of the Library Board presented the Library Boards Annual Report and highlights from the past year. Below are the Board's main highlights for the past year:

1. Assisted and approved Friendswood Library 2023-2028 long-range strategic plan.
2. Served on the Galveston County Library System Advisory Council and approved the Galveston County Library System budget.
3. Assisted Friends of the Library in hosting library fundraising Galas.
4. Met with library staff for regular board meetings to advise on library services and policies.
5. Presented Outstanding Programming Award to Irina Varentsova for her volunteer art programs and coordination of Ceramics and Craft Show.
6. Assisted library with funding for a facility renovation project.
7. Raised over \$5,000 from Book Sales.
8. Sponsored programs and events throughout the year including music performances, movie nights, and youth Summer reading programs.
9. Purchased prizes for Summer Reading and other reading challenges.
10. Purchased new Library Outreach Vehicle for home delivery and other outreach projects.

The Mayor and Council thanked Ms. Freeman for the presentation and asked that she extend their gratitude to the Board, the Friends of the Library members, and many volunteers.

7. SCHEDULE OF EVENTS FOR THE UPCOMING GENERAL OBLIGATION BOND

A. Receive and discuss a Schedule of Events for the upcoming General Obligation Bond Sale.

City Manager Kabiri presented the item and introduced Mr. John Robuck, Managing Director of BOK Financial Securities Incorporated who would be presenting the information on the schedule of events. Mr. Kabiri stated that this item the culmination of the 2019 bond program, which was approved by the voters to fund an array of facilities and drainage projects, and this is the third and final sale of the remaining bonds for this program.

Mr. Robuck introduced Ms. Nikki Hill, the City's new bond counsel with McCall, Parkhurst, and Horton, LLP and thanked the Council for the opportunity to speak to them on this item. Mr. Robuck began the presentation by given the Council an overview of the Bond Buyers Index which is a snapshot of Municipal Rates for municipal bonds across the country. He noted that currently it is at a 3.67%, which is slightly higher than when they completed their report and about 1.65% above the all-time low and about 45 basis points below the historical average since 2000. Mr. Robuck stated that they are seeing some volatility in the market, mostly in response to the Federal Government and the debt ceiling discussions and they hope that with the debt ceiling issues being settled, some stability will return to the market.

Mr. Robuck then gave the Council an overview of the City's estimated debt service requirements for its General Obligation Improvement Bonds, Series 2023, as follows:

Fiscal Year Ending (9/30)	Current Total Debt Service (a)	Plus: Series 2023 GO Bonds \$30,000,000 in Proceeds			Total Debt Service Requirements
		Principal *	Interest (b)	Total	
2023	\$3,908,906				\$3,908,906
2024	3,909,206		\$1,482,263	\$1,482,263	5,391,469
2025	3,908,469	\$210,000	1,388,000	1,598,000	5,506,469
2026	3,909,669	220,000	1,377,250	1,597,250	5,506,919
2027	3,951,803	190,000	1,367,000	1,557,000	5,508,803
2028	3,953,944	195,000	1,357,375	1,552,375	5,506,319
2029	3,950,669	210,000	1,347,250	1,557,250	5,507,919
2030	3,951,025	220,000	1,336,500	1,556,500	5,507,525
2031	3,952,775	230,000	1,325,250	1,555,250	5,508,025
2032	1,587,825	680,000	1,302,500	1,982,500	3,570,325
2033	1,589,925	715,000	1,267,625	1,982,625	3,572,550
2034	1,588,200	755,000	1,230,875	1,985,875	3,574,075
2035	1,587,850	795,000	1,192,125	1,987,125	3,574,975
2036	1,411,800	860,000	1,150,750	2,010,750	3,422,550
2037	1,410,300	905,000	1,106,625	2,011,625	3,421,925
2038	1,412,825	950,000	1,060,250	2,010,250	3,423,075
2039	1,414,300	995,000	1,011,625	2,006,625	3,420,925
2040	1,414,725	1,045,000	960,625	2,005,625	3,420,350
2041	921,600	1,050,000	908,250	1,958,250	2,879,850
2042	920,150	1,105,000	854,375	1,959,375	2,879,525
2043	924,572	1,155,000	797,875	1,952,875	2,877,447
2044	924,897	1,215,000	738,625	1,953,625	2,878,522
2045	924,684	1,275,000	676,375	1,951,375	2,876,059
2046	923,950	1,340,000	611,000	1,951,000	2,874,950
2047	922,694	1,410,000	542,250	1,952,250	2,874,944
2048	920,900	1,485,000	469,875	1,954,875	2,875,775
2049	923,509	1,560,000	393,750	1,953,750	2,877,259
2050	920,522	1,645,000	313,625	1,958,625	2,879,147
2051	591,947	1,725,000	229,375	1,954,375	2,546,322
2052		1,815,000	140,875	1,955,875	1,955,875
2053		1,910,000	47,750	1,957,750	1,957,750
Totals	\$58,633,641	\$27,865,000	\$27,987,888	\$55,852,888	\$114,486,529

* Preliminary, subject to change. **Generates \$30,000,000 in construction proceeds for the City and includes estimated issuance costs.**

- (a) Excludes the City's General Obligation debt paid by Waterworks and Sewer System revenues and Capital Leases payments.
- (b) Interest estimated at current market interest rates, for illustrative purposes only.

Mr. Robuck noted that this G.O. Bonds, Series 2023, will be \$30 million over a 30-year debt period that can only be paid by property taxes. He further noted that the debt has been structured to minimize the tax rate impact and the interest cost to the City which will give the City more capacity later on as needed for the projects as the numbers decrease from \$5.5 million to \$3.5 million. Mr. Kabiri noted that the current debt service payment is \$3.9 million is not inclusive of our capital lease payments; such as, the recently purchased ambulance, that have associated short-term leases associated like the self-contained breathing apparatus are also added to that number, which increases the amount to right at \$4.5 million to debt service payment from the City's General Fund tax account.

Mr. Robuck stated that their numbers are intentionally conservative in order to over deliver on their projections. He stated that they are planning to sell \$27.8 million in bonds to generate proceeds in the amount of \$30 million, and involve some premiums so investors pass more money for those bonds of about \$2.4 million, less issuance expenses of about \$305,000, gives the City total proceeds of \$30 million that will be delivered at closing. He further noted that the estimated all costs interest rate is about 4.398%, but believes that it will be a lot lower, and the average life is about 20.09 years.

City of Friendswood, Texas	
\$27,865,000* General Obligation Improvement	
Bonds, Series 2023	
Principal Amount of the Bonds:	\$27,865,000 *
Plus: Net Premium:	2,440,744 *
Less: Expenses:	305,744 *
Underwriters' Discount	\$174,156
Financial Advisor	46,941
Bond Counsel	38,632
Rating Agencies	30,000
Attorney General Fee	9,500
Printing/Distribution	1,250
Miscellaneous	4,516
Paying Agent/Trustee	750
Total Proceeds:	\$30,000,000
"All Cost" True Interest Rate (a):	4.398%
Average Life:	20.09 Years

Mr. Robuck stated that in order to accomplish this sale, the following schedule of events would need to take place, and they are the following:

Date	Action	Role
Monday, May 29, 2023	First Draft of Preliminary Official Statement ("POS")	FA
Monday, June 5, 2023	City Council Meeting Review Financing Plan and Schedule of Events for General Obligation Improvement Bonds ("GO Bonds")	City, FA, BC
Tuesday, June 6, 2023	Second Draft POS	City, FA, BC
Week of June 12, 2023	Rating and Diligence Calls	City, FA, BC
Friday, June 16, 2023	Third Draft POS	City, FA, BC, UW
Friday, June 30, 2023	Final Draft POS	City, FA, BC, UW
Monday, July 3, 2023	Post/Distribute Final POS	BOKFS
Monday, July 10, 2023	Sale of General Obligation Bonds City Council Meeting City Council to Approve Sale of GO Bonds	City, FA, BC, UW
Tuesday, August 8, 2023	Closing/Delivery of GO Bonds	City, FA, BC, UW
Participants		
City - City of Friendswood, Texas		
FA - BOK Financial Securities, Inc. (Financial Advisor)		
BC - McCall, Parkhurst & Horton LLP (Bond Counsel)		
UW - Underwriters (To Be Determined)		

Councilmember Hanks asked when the interest rate is locked in for the sale of these bonds. Mr. Robuck noted that it is locked in on the day of pricing, so as soon as the Council reviews and approves the results, the rate will be locked down, and that is scheduled for July 10th.

Councilmember Griffon asked if it would be better to hold off on the sale of these bonds as many of the agreements related to the projects being funded by these bonds will not take place in 2023, and many of the big, funded projects like the Whitcomb project are getting pushed back even more. He asked if the City would get better market conditions by doing \$8 million now, and \$27 million later and hopefully push out some of these interest payments, and not have to increase the City's tax rate by the projected .04 cents. Mr. Kabiri stated that the City did pay a little under one million to the Harris County Flood Control and the other parties involved in that project, but in the next fiscal year, when the design phase is completed, the City will have to pay them a little over \$7 million. As it relates to the Whitcomb property, when the state begins its new fiscal year on September 1st, \$10 million will go to Harris County Flood Control District, and when that payment is made, the City will owe the District another \$2.85 million. Therefore, for fiscal year 2024, the City will owe the Harris County Flood Control District around \$10 million. Additionally, as it relates to the Tannos project on the Whitcomb property, when he gets started, the City's contribution relative to the drainage component will be \$5 million dollars. So, there are about \$15 million worth of projects that will hit the books in FY2024; however, if it is the desire of the Council to issue the balance of the debt that has been authorized in FY2025, staff can look into it, but note that the City will be paying issuance cost twice now and then.

City Manager Kabiri also noted that currently the City has a cashflow issue as a result of having to front money for grant projects that will be reimbursed at a future date, which has resulted in the City having to slightly dip into its emergency reserves. The issuance of the bonds will help with the cash flow issue particularly as we move into hurricane season.

Councilmember Hanks asked how long the City has to worry about negative arbitrage. Mr. Robuck noted that really only about five years.

Mr. Kabiri stated the issuance of these bonds will impact next year's tax rate as the City's debt service payments will increase by nearly \$2 million dollars. Councilmember Griffon stated at this time, the City is at \$4.5 million, including EMS and this sale being discussed will add about \$1.5 million every year until 2031, so with all of that, how many pennies are needed to cover the additional \$1.5 million. Mr. Kabiri stated that based on the preliminary property values, that is about 3 pennies on the dollar for the added \$1.5 million. Mr. Kabiri noted that in 2019, before these bonds were issued, the voters were told that it could impact the tax rate anywhere from five pennies to 10 cents, and thankfully, the City has not gotten anywhere near the 10 cents mark. Mayor Foreman stated that the City has not increased the tax rate yet to pay for these bonds but will be discussing that issue later on in the evening.

The Council discussed the various drainage projects under agreement and subject to the 2019 G.O. Bonds. Mr. Kabiri stated that these are all good projects that they promised the voters to get done for the City, and they are getting done, this is just the costs associated with those endeavors.

B. Consider a schedule of Events for the upcoming General Obligation Bond Sale.

A motion was made by Councilmember Griffon and seconded by Councilmember Hanks to approve the Schedule of Events for the upcoming General Obligation Bond Sale, as presented; the vote was the following.

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Mayor Pro Tem Brent Erenwert.

Nays: None.

Other: Councilmember Sally Branson (Not Present for the Vote)

The item passed unanimously.

8. WORK SESSION TOPICS

A. Receive and discuss an update regarding the Capital Improvement Projects.

Mr. Jil Arias, Director of Engineering presented this item and provided the following updates for the City's ongoing Capital Improvement Projects:

Fire Station No. 2 Reconstruction:

This project is 89% complete, the interior work continues with the transferring to permanent power, ceiling work and final painting, flooring and finishings to follow permanent power, and the target completion date is August 2023.

Blackhawk Facility Renovation & Shelter:

This project started in January 2023, staff will begin moving into new offices late June 2023, and the scope of work for the Shelter is in the process of being updated.

Blackhawk Blvd – Phase II-B:

This project was awarded to the contractor in May 2023. Staff is waiting on the franchise companies to relocate their utilities so construction can begin. The project will start at the current northern terminus of rebuilt street and will extend approximately 1115-feet (.85 lane miles).

Blackhawk Blvd – Phase II-C:

This project has been selected as one of Precinct 2's 2023 Partnership Programs. This project will complete the remainder of Blackhawk Blvd. from Pennystone Way to FM 2351, thru to FM 528.

24-inch Clear Creek Water Line Crossing:

This project's Preliminary Engineering Report is in progress and is reviewing alternatives to improve capacity in the water system and reduce water losses across the creek.

Surface Water Plant #1 Tank Replacement:

This project is for Surface Water Plant #1, Blackhawk Boulevard behind Calvary Church and staff is reviewing alternatives for the ongoing Preliminary Engineering Report.

2023 Impact Fee Assessment Study:

The Utility Impact Fee Project has kicked off and the consultant has completed its data collection and is currently in the review process. There will be “Impact Fee 101” training course for Planning & Zoning, and Council this summer.

FM 518 Curb & Ramp Project:

- TXDOT provided a punch list on May 18th – currently working through the list. If all goes as planned TxDOT will activate the signals by the end of June 2023.
- The traffic signals will be set via timing until interconnectivity via fiber optics is completed. Wire Span signals will be removed once signals are operational.
- TxDOT waiting on contractor to remobilize to finish sidewalks (with brick borders).

B. Receive and discuss an update regarding the Multi-Year Financial Plan.

Ms. Katina Hampton, Director of ASO presented the item and stated that the multi-year financial plan covers years FY2024 – 2028, with year one being the budget being worked on now and noted that all of the numbers being presented are very preliminary and conservative as the City has not received the certified values from the appraisal districts.

Ms. Hampton stated that the City’s biggest revenue is property taxes, and staff anticipates an increase in values of 7% a year, residential and commercial, with a very rough estimate of \$49 million in new construction. Ms. Hampton noted that all values being presented are very preliminary and take into consideration only the General Fund and the Tax Debt Service Fund. She also noted that the other revenues sources in the General Fund are more consumption based and are estimated to have a 2% increase based on anticipated population growth and include revenue sources like municipal court fines, intergovernmental fund transfers, permit fees, etc. City Manager Morad Kabiri stated that 7% may seem lower than the average of what some residents have seen in the increase of their property values, but the number provided is more of a collective percent in order to balance out the devaluation of some commercial properties and while \$49 million in new construction may seem like a lot, this is lower than what the City has seen in the last several years. He further noted that the only way organizations can survive off of the no new revenue rate of what used to be known as the effective tax rate is if they in a high growth area, and unfortunately Friendswood is not seeing new values being added to the ground in terms of new construction fast enough to keep up with increases in debt services and inflation.

Councilmember Rockey stated that he understood that there was a new process that commercial/office buildings can petition for their taxes and asked staff to elaborate. Mr. Kabiri that there have been quite a few inquiries about this subject and noted that there is a single office building in Friendswood that was devalued from last year at \$14 million to \$5 million this year, which is a significant impact to the City’s taxable values across the board, which represents nearly eighteen, half a million homes, so as these devaluations happen, it places a greater burden to other properties that are already on the tax rolls to make that value up. Mr. Kabiri clarified that nor the business owner, nor the taxing entity did anything wrong in this situation, and the tax assessor allowed the value to come down based on the income coming off of

the lease, which is allowed under state laws. He further noted that the City, as a taxing entity, does not have the legal right to protest that valuation.

Mayor Foreman asked is there a way to separate out the commercial and residential values. Ms. Hampton stated that there is a way to see the difference between the two by comparing the preliminary and certified values from the counties to last year's numbers. Mayor Foreman requested that staff provide Council that comparison in order to see how the City is growing on the commercial side because there will be a point where the City will not be able to build anymore residential. Mr. Kabiri stated that last year the breakdown was 14% commercial and 86% residential for values based upon land use. The recommendations have been to have 80% residential and 20% commercial, but this will always be a moving target as values change on properties.

Mayor Pro Tem Erenwert asked is there a way to forecast the values moving forward if more people start doing these types of appeals that result in significant devaluations. Mr. Kabiri noted that there is no way for staff to anticipate these changes in values, there are some things staff can calculate into its numbers, like new exemptions due to residents aging out; 65 years of age or older, protested values, properties that are purchased by non-profits or churches but if commercial properties are being devalued so significantly, this will result in a greater burden on the residential properties because the costs of services and other obligations remain the same. Mr. Kabiri stated that staff is keeping a close eye on State's special session as it relates to tax relief because it will impact the City to some extent. Ms. Hampton stated that currently an estimate \$2 billion of the City's overall property value is exempted for various reasons.

Ms. Hampton stated that the General Fund projections show a \$37.2 million in revenue, 55% of that revenue is property taxes at \$20 million, 24% or a little under \$9 million are sales taxes, non-taxable revenues are 15% and franchise taxes are 6%. Ms. Hampton noted that the sales tax revenue generated from the ½ cent sales tax approved by voters in 2016 for street improvements and FDEDC is recorded and expended in funds separate from the General Fund, so it is not included in these projections. Ms. Hampton stated that staff anticipate the need for tax increase for a little less than 53 cents, but this number is very preliminary, and staff will know more as the certified values come in. She further noted that this would mean that the City would need to use a portion of its unused tax increment, and added as an explanation that Senate Bill 2, in 2019, allowed municipalities, if they adopted less than the voter approved rate, then that delta could be banked for a three-year running period and can be adopted by the City as needed. Ms. Hampton noted that the City currently has about 9 cents in unused increments.

Councilmember Rockey asked if staff anticipates that the sales tax revenue is going to continue to increase as it has ever year. Ms. Hampton stated that staff does project that the sales tax revenue will increase but noted that staff bases projections on previous years, but remain conservative because of the volatility of the economy, inflation, mistakes in collections at the state level, and other markers. Mr. Kabiri noted that sales tax revenues are going up 10-15% per year but are not sure if that will be the case moving forward and prefers to be conservative, particularly as the commercial growth is not sufficient enough and markets are so volatile to ultimately help reduce the needed tax rate increase.

Councilmember Griffon stated that he understood being conservative on revenue projections, but noted that in the last comprehensive audit, the City's revenue from property taxes were over a million dollars more than budgeted, and the sales tax revenue came in over 11% more than projected, but that estimated

\$1.5 million in under budgeted monies could result in the reduction of some cents on the tax rate increase. Mr. Kabiri stated that staff will go back and look at the revenues noted in the Comprehensive Audit.

Councilmember Matranga stated that on the property taxes, staff is projecting \$20.565 million and wanted to know how that compared to the current year prior budget. Mr. Kabiri noted that this year's prior budget is about \$18 million and is inclusive of the additional debt service discussed in the previous item. He further noted that the City has a little under \$18 million of its property taxes that go to operations and maintenance and the remaining \$4.5 million go to debt service so this is going up to offset the additional \$2 million in debt service.

Ms. Hampton stated that as the property tax is such a large portion of the City's General Fund revenue, she wanted to give an overview of the drivers for the anticipate tax increase for the next year.

As it relates to the City's property tax revenue, it has adopted the same tax rate in FY21, FY22, and FY23 at 48.73 cents, and has an estimated 9.6 cents in unused tax rate increment (2020 – 2022) available and project using 4 cents of the tax increment for a tax rate used MYFP for FY24 of 52.94 cents.

This anticipated tax rate increase is due to the following:

- Issuance of \$30 million G.O. Bond– shift from O&M to I&S (2.3 cents);
- Increases in FV Fire Department contract and transition of EMS into the City (1.2 cents);
- Impact of Bond Projects Operating Costs; such as mowing, utilities and maintenance (0.3 cent);
- Miscellaneous Operational Increases;
- Merit increase for employees (1.2 cents);
- Increases to maintenance, supplies & services (1.3 cents); and
- Forces-at-Work (FAWs) \$1.2M (TOTAL FUNDED) (0.8 cent).

Mr. Hampton stated that the Department Heads submitted a number of decision packages that will not be funded in the proposed budget in the amount of \$4.7M.

Ms. Hampton also noted that as it relates to the planning assumptions related to expenditures, staff included a 3% increase for wage and benefits for existing personnel per each year of the plan and for non-personnel, there is a growth of a 5% increase in FY2024, a hold the 5% increase over year 2025-2028, which is based on a 5-year historical average related to expenditures. In looking at Year 1 of the Plan, staff is anticipating \$37.2 million in FY24 expenditures for the General Fund with an estimated 65% being personnel costs and the other 35% being the non-personnel costs. Lastly, Ms. Hampton noted that staff is still planning on incorporating the \$500,000 for street improvements in the General Fund.

Ms. Hampton showed a chart outlining the historical and future projections related to the General Fund and Fund Balance. The Council briefly discussed the street maintenance sales tax revenues and the street improvements funds in the General Fund and Ms. Hampton provided the Council with a quick summary of the Multi-Year Financial Plan summary to include the following:

- It maintains the 90-day operating reserve maintained in FY24;
- Projects a tax rate increase for FY2024 and a No New Revenue Rate (NNRR) through FY28;
- The Forces-At-Work and employee merit increases are included in FY24; and

- No Decision Packages are funded in the 5-year planning window with current projections and assumptions.

To close out, Ms. Hampton presented the next steps for the FY24 Budget Process, and went over the following steps and dates:

- July 28, 2024: Deliver the Proposed Budget,
- August 7, 2023, Budget Work Session,
- August 28, 2023, Hold Proposed Public Hearing,
- September 11, 2023, Hold Public Hearing on Tax Rate, and Adopt Budget and Tax Rate.

The Mayor and Council thanked Ms. Hampton and the budget team for being very clear and educational on the budget and the budget process.

9. CITY MANAGER'S REPORT

A. Present an update regarding the City's Fourth of July Celebration

City Manager Morad Kabiri presented the item stated the Grand Parade starts at 10:00 a.m. The Day Program will begin at 11:00 a.m. in Stevenson Park and the Evening Program will take place at Centennial Park with Tin Man Band at 7:30 p.m. and ending fireworks program which will begin at 9:40 p.m.

B. Present an update regarding the Waste Connections Scholarship recipients.

City Manager Kabiri presented recognized the three 2023 Waste Connection Scholarship recipients, which are the valedictorian of each high school located in Friendswood, and they are:

- Friendswood High School – Madison Ressler,
- Clear Brook High School – Thomas Jennische, and
- Clear Sprints High School – Aiden Clarkson.

10. BUSINESS ITEMS

A. Consider awarding the Demolition and Removal Services Contract for Frenchman's Creek to Grant Mackay Demolition Co. (Bid 2023-10)

A motion was made by Councilmember Hanks and seconded by Councilmember Branson, to authorize a Demolition and Removal Services Contract for Frenchman's Creek Agreement with Grant Mackay Demolition Co., The vote was the following.

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Mayor Pro Tem Brent Erenwert.

Nays: None.

The item passed unanimously.

11. PROPOSED RESOLUTIONS & ORDINANCES

A. Consider an ordinance amending the City's General Budget for Fiscal Year 2022-2023 by approving "Budget Amendment VIII" and providing for supplemental appropriation and/or transfer of certain funds.

This budget amendment approves the following amendments and budget transfers:

1. **Vehicle Replacement Plan (VRP), \$20,545.** Appropriate additional funding needed for replacement of Public Works bucket truck (PW56). The total amount over budget is \$20,545 due to inflation. However, proceeds from the transfer of PW55 to the Police Department (\$17,000) will be used to supplement the cost of the new bucket truck. The remaining amount (\$3,545) will be appropriated from Public Works Street's Division Vehicle Maintenance in the General Fund.
2. **2017 CDBG-DR (Harris County) Grant Reimbursement, \$457,826.** Appropriate funds received from the CDBG-DR (Harris County) grant program for the Forest Bend Detention Pond construction. The City received a reimbursement of \$457,826 for construction services related to pay application #6. Advance funding for this pay application was originally approved at the May 1, 2023 City Council meeting. Therefore, the funds will be appropriated back to unassigned general fund balance.
3. **2017 CDBG-DR (Galveston County) Grant Reimbursement, \$63,924.** Appropriate funds received from the CDBG-DR (Galveston County) grant program for the Deepwood Flood Control Project engineering. The City received a reimbursement of \$63,924 for engineering services related to prior year engineering expenses. Advance funding was originally approved at the October 5, 2021 City Council Meeting. Therefore, the funds will be appropriated back to unassigned general fund balance.
4. **Forest Bend Detention Pond – Construction Pay Applications #7 & #8, \$914,451.** Appropriate advance funding for Jerdon Enterprise Pay Applications #7 & #8 for the construction of the Forest Bend Detention Pond. The City applied for and was awarded a reimbursement grant through the 2017 Community Development Block Grant – Disaster Recovery with Harris County to engineer and construct offline detention in coordination with the Forest Bend Homeowners Association. The funding source will be unassigned general fund balance and will be reimbursed once grant funding has been received from the grantor.
5. **Blackhawk Shelter Engineering Change Order, \$13,000.** Appropriate funds for a change order related to additional engineering costs to revise the bid documents with a modified scope for construction of the Blackhawk Shelter. A reduction in the project scope is required so that the project does not exceed the grant funds available. The construction project will be rebid with the reduced scope of work. Funds will be appropriated from the 2021 General Obligation bonds.
6. **Police Department - Vehicle Insurance Reimbursement, \$23,774.** Appropriate insurance proceeds received from TML-IRP related to the loss of P429. Proceeds will be appropriated to cover a portion of the replacement vehicle, P440, and for the towing costs related to P429.

7. **Police Department - Vehicle Insurance Reimbursement, \$9,923.** Appropriate insurance reimbursement received from TML-IRP. Funding will be appropriated to the patrol division vehicle maintenance account for repairs made to unit P437.
8. **Fire Marshal Office Vehicle Upfitting, \$5,922.** Transfer funds from the Fire Marshal operating budget to the Vehicle Replacement Fund. Additional funds are needed to cover the equipment costs associated with upfitting Unit FM16. Funds will be transferred to the Vehicle Replacement Fund from the Fire Marshal vehicle maintenance account.
9. **Keep Friendswood Beautiful – Spring Sparkle, \$1,087.** Appropriate funds received from the KFB Spring Sparkle event. The appropriation will be recorded in the Keep Friendswood Beautiful division operating maintenance budget for landscaping.
10. **Friends of the Library Vehicle Donation, \$44,437.** Appropriate donation received from Friends of the Library for the purchase of a vehicle. Funds will be appropriated to the Library Department's vehicle account.
11. **Creek Community Swim Association Donation, \$4,000.** Appropriate donation received from the Creek Community Swim Association (FAST Swim Team) for pool improvements. The donation proceeds will go towards the purchase of cooling cannon (pool cooler) at Stevenson Park. Funds will be appropriated to the capital operating equipment budget for Stevenson Park.
12. **Opioid Abatement Settlement, \$5,353.** Appropriate a portion of settlement proceeds for training and equipment related to the opioid crisis. The City received \$44,052.39 in proceeds from the Opioid Abatement Settlement on March 16, 2023. Funds will be appropriated to the Police Department Payroll (\$2,548) and Operating Equipment (\$2,805) budgets.
13. **Friendswood Colts Donation, \$3,000.** Appropriate donation received from the Friendswood Colts youth football organization. The donation will go towards the purchase of practice benches at Centennial Park. The appropriation will be recorded in the Parks division operating equipment budget.
14. **Police Department Vehicle Insurance Reimbursement, \$974.** Appropriate insurance reimbursement received from TML-IRP. Funding will be appropriated to the Patrol division vehicle maintenance account for repairs made to unit P437.
15. **SCADA Server Upgrade, \$56,229.** Appropriate additional funds to cover the additional cost of the SCADA upgrade. The project was partially funded in FY22. Funds will be appropriated from Water and Sewer Working Capital.
16. **ASO/HR Office Renovations, \$6,750.** Transfer funds from Administrative Services and Human Resources operating budgets to the Facilities Division to extend partial walls to the ceiling in the ASO/HR office area. The renovation is necessary to create a private work environment for Human Resources.

17. **Friendswood Volunteer Fire Department – SCBA Packs, \$411,000.** Appropriate capital lease proceeds to purchase self-contained breathing apparatus (SCABA) for the Friendswood Volunteer Fire Department. The SCBA packs are used to protect firefighters' airways from toxic gas and other harmful particles. The capital lease was approved at the April 3, 2023 City Council meeting. The capital lease agreement is five years with the first payment due in FY23 and four remaining annual payments to be repaid with Fire/EMS donations.
18. **Fire Marshal's Office – Ambulance, \$514,000.** Appropriate capital lease proceeds to purchase an ambulance. Plans include transitioning emergency medical services (EMS) from a contracted service to a City department within the next two years. For the City to obtain the required state licensing to operate the service, the addition of a fourth ambulance marked as the "City of Friendswood Emergency Medical Services" to the vehicle fleet is necessary. The capital lease was approved at the April 3, 2023 City Council meeting. The capital lease agreement is five years with the first payment due in FY23 and four remaining annual payments to be supported by the Tax Debt Service funds.
19. **Parks & Recreation Department Tennis and Basketball Court Repairs, \$86,000.** Appropriate funds for emergency repairs to the tennis courts at Stevenson Park, and the basketball courts at Centennial Park. The courts are in poor condition and need immediate improvements. The funding source will be unassigned general fund balance.
20. **Blackhawk Boulevard Phase II-B – Construction, \$996,218.** Appropriate funds for the construction of Blackhawk Boulevard Phase II-B. The construction contract was awarded to Triple B Services, LLP at the May 1, 2023 City Council meeting. The total contract is \$2,196,217. Harris County Precinct 2 has awarded the City \$1.2 million of the contract and \$304,897 will come from Water and Sewer Working Capital for the utility infrastructure related portion of the project. The funding source for the remainder, \$691,321, will be the Street Improvement Fund.
21. **Blackhawk Boulevard Phase II-B – Materials Testing, \$36,235.** Appropriate funds for the materials testing related to the construction of Blackhawk Boulevard Phase II-B. CMT Technical

A motion was made by Councilmember Branson and seconded by Mayor Pro Tem Erenwert to approve Ordinance No. 2023-15, related to Item 11.A, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Mayor Pro Tem Brent Erenwert

Nays: None.

The item passed unanimously.

ORDINANCE NO. 2023-15

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2022-19, PASSED AND APPROVED AUGUST 29, 2022, SAME BEING AN ORDINANCE APPROVING AND ADOPTING

THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2022-23, BY APPROVING "BUDGET AMENDMENT VIII" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

12. CONSENT AGENDA

A motion was made by Councilmember Matranga and seconded by Councilmember Branson to approve the Consent Agenda, Items 13.A through 13.N. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Councilmember Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Mayor Pro Tem Brent Erenwert

Nays: None.

The item passed unanimously.

A. Consider approving an engagement letter with Gabriel, Roeder, Smith & Company for actuarial valuations and authorize the mayor to execute said document.

This item is for financial reporting purposes. Said reporting requires an actuarial valuation of 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, updated assets, 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, 2022, for fiscal year 2023 and a roll-forward valuation report will be prepared for fiscal year 2024.

B. Consider authorizing Change Order Number 1 for the Blackhawk Building Renovation Project.

This item approves Construction Master's Change Order #1 to provide audio visual equipment and installation to the Blackhawk Building's large conference room. The cost associated with this change will be to provide audio visual equipment in order for the room to host meetings in person and virtually similar in function to the conference rooms at City Hall. The contractor's original scope of work was to provide all necessary electrical and low voltage infrastructure for future audio-visual needs in the conference room. Changes to the original scope of work include labor, equipment, and materials to complete the installation of a new audio/visual system by Intergrated Technology Solutions. This purchase will be funded with the Blackhawk Building Reconstruction Project's Furniture, Fixtures, and Equipment funds.

C. Consider authorizing the final acceptance of Avalon at Friendswood's Public Improvements Lift Station Project (LS #42).

D. Consider authorizing the purchase of cascade equipment and installation of equipment for the Fire Station #2 Reconstruction Project from Municipal Emergency Services, through Sourcewell Purchasing Cooperative.

This item authorizes the purchase of cascade equipment that is needed by the Friendswood Volunteer Fire Department to fill oxygen tanks used in training and live fire situations. This proposal is for the equipment and installation of the equipment. There will be a future proposal to alter the compressor room that this equipment will be housed in to meet ventilation requirements. This purchase will be funded with the Fire Station #2 Reconstruction Project's Furniture, Fixtures, and Equipment funds.

E. Consider approving an emergency purchase of a pump for sanitary sewer Lift Station #2.

This item approves submersible Pump # 6 (which is one of our only two larger pumps at this lift station), is in need of immediate emergency repair / replacement. These pumps are critical, as they serve as the last step of pumping resource during an emergency peak flow event. Public Works staff has urgently coordinated with an approved vendor through the Buy Board Cooperative Purchasing Program, who is fortunately a vendor whom we have already conducted other separate sanitary sewer pump lift station repairs and/or purchases with. The cost to repair this specific 168hp/460V/12" discharge submersible pump is \$67,425.00 with a 20-to-26-week lead time to repair and only comes with a 1-year warranty. The cost to replace it with a new pump is \$95,725.00, with an approx. 28-week lead time and comes with a 3-year warranty covering 100% parts and labor.

F. Consider authorizing a lease agreement with Motorola Solutions for body-worn cameras for the Police Department through the Texas Department of Information Resources.

This item authorizes a five-year agreement with Motorola Solutions to lease 75 body-worn cameras, including associated equipment and services, in the amount of \$491,000 (in five equal annual installments of \$98,200). This agreement includes cloud storage for BWCs and In-Car (42 systems), warranty, and replacement of all BWC devices during the contract period. This is a contract pricing quote through Texas DIR-TSO-4101. Funding for the lease payments will need to be included in the City's General Fund operating budget for fiscal years 2024 – 2028.

G. Consider appointing Mr. Gregory Reid Wiseman as the City of Friendswood's direct appointment and re-appointing Sawyer Blackburn as an indirect appointment (nominated by the Board) to the West Ranch Management District for a four-year term, set to expire on June 1, 2027.

H. Consider appointing (i) Paul Marx, (ii) Elmer Johnson and (iii) Arden Hill to the Friendswood Downtown Economic Development Corporation for another two-year term beginning on July 1, 2023 and ending on June 30, 2025.

I. Consider appointing (i) Travis Mann and (ii) Thomas Hinckley to the Planning and Zoning Commission for a two-year term beginning July 1, 2023, and ending June 30, 2025.

- J. Consider appointing Phillip Ratisseau and Glenn Mintz as regular members and Les French as an alternate member to the Zoning Board of Adjustment for a two-year term beginning July 1, 2023, and ending June 30, 2025.**
- K. Consider appointing (i) Margaret Pickell, (ii) Dr. Donald Stran, and (iii) the City's Animal Control Supervisor to the Animal Shelter Advisory Committee for a three-year term set to begin on July 1, 2023, and end on June 30, 2026.**
- L. Consider approving the ad valorem tax report for April 2023.**
- M. Consider approving the minutes of the City Council Special Meeting held on May 17, 2023.**

13. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the June 5, 2023, City Council Regular Meeting at 6:49 P.M.

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: July 10, 2023

Date submitted: 07/05/2023

Prepared by: Leticia Brysch, City Secretary

Subject: Consider approving the minutes of the City Council Special Meeting held on June 17, 2023.

Originating Department: City Secretary

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Council to review and approve the minutes of the City Council Special Meeting held on June 17, 2023.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

Staff recommends approval.

ATTACHMENTS

1. June 17, 2023, CC Special Meeting

**MINUTES OF THE SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
JUNE 17, 2023**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A SPECIAL MEETING ON SATURDAY, JUNE 17, 2023, IN THE JOYCINA BAKER CONFERENCE ROOM, LOCATED IN THE FRIENDSWOOD PUBLIC LIBRARY, 416 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

Steve Rockey	Councilmember
Sally Branson	Councilmember
Trish Hanks	Councilmember
Robert J. Griffon	Councilmember
Joe Matranga	Councilmember
Brent Erenwert	Mayor Pro Tem
 Mike Foreman	 Mayor
 Morad Kabiri	 City Manager
Karen Horner	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 8:00 A.M.; all members were present.

2. INVOCATION

The invocation was led by City Manager Morad Kabiri.

3. PLEDGE OF ALLEGIANCE

Mayor Foreman led the Pledge of Allegiance of the United States and to the State of Texas.

4. PUBLIC COMMENT

No one signed up to speak.

5. DISCUSSIONS

A. Receive and discuss current and future City operations, plans, budgets, and goals for the City of Friendswood.

City Manager Morad Kabiri presented the item and stated that there were three main items for discussion, (1) the election of the Mayor Pro Tem and Council Board Liaison assignments, (2) the future of Emergency Medical Services (EMS) in Friendswood, and (3) the proposed FY2023-24 Municipal Budget.

Councilmember Rockey gave a brief overview of the selection process for the Mayor Pro Tem and noted that it typically goes to the longest serving councilmember who has not held the position yet. However, in this particular instance, the councilmember that would meet these criteria just got elected in May, and probably needed more time to experiencing and learning the City Council process before taking on additional duties. Mayor Foreman nominated Councilmember Rockey as the next Mayor Pro Tem because this was his last year on the Council, as he is term limited. The Council consensus was to place the election of the Mayor Pro Tem on the July 10th Council meeting agenda for action.

Mayor Foreman presented the draft assignments for the council liaisons to the City's boards and commissions. The Council reviewed and discussed the item briefly and move the following assignments forward for action on the July 10th Council meeting.

COUNCILMEMBER	COMMITTEE
Robert Griffon (Primary) Trish Hanks (Alternate)	Clear Creek Watershed Steering Committee
Sally Branson (Primary) Brent Erenwert (Alternate)	Community & Economic Development Committee
Brent Erenwert (Primary) Joe Matranga (Alternate)	4 th of July Steering Committee
Robert Griffon (Primary) Trish Hanks (Alternate)	Galveston County Consolidated Drainage District
All City Council Members	Galveston County Mayors' & Councils' Association
Mike Foreman (Primary) Steve Rockey (Alternate)	Gulf Coast Authority
Sally Branson (Primary) Mike Foreman (Alternate)	H-GAC
All City Council Members	Harris County Mayors' & Councils' Association
Trish Hanks (Primary) Brent Erenwert (Alternate)	Keep Friendswood Beautiful
Trish Hanks (Primary) Sally Branson (Alternate)	Library Board
Joe Matranga (Primary) Trish Hanks (Alternate)	Planning & Zoning Commission

COUNCILMEMBER	COMMITTEE
Robert Griffon (Primary) Mike Foreman (Alternate)	Senior Citizens Advisory Committee
Joe Matranga (Primary) Steve Rockey (Alternate)	Zoning Board of Adjustment & Appeals

Fire Marshal Brian Mansfield presented the next item and noted that the City's EMS service is currently contracted with the Friendswood Volunteer Fire Department (FVFD). He stated that in the last few years, EMS has gone from being a volunteer system to paid staffing and had successfully implemented billing services, and now staff, in conjunction with the FVFD, is assessing the steps needed to bring the EMS services into the City.

Marshal Mansfield stated that the FVFD has provided the City with 51 years of dedicated service, but it was not until 2004, that the City entered into its first contract with them for fire and EMS services. In 2017, the City solicited request for proposals for fire and EMS services, which was awarded to the FVFD, and in 2019, staff and the FVFD entered into a 5-year contract and started the billing process. This is the last year of the 5-year contract that is set to expire on October 1, 2023. The terms of said contract are the following:

FVFD is responsible for:

- providing manpower,
- operating two 24/7 ambulances,
- providing all licensed and trained personnel,
- state license, and
- providing general maintenance.

In turn, the City:

- owns all equipment and facilities,
- provides for major maintenance,
- provides IT infrastructure and services, and
- owns contract for medical billing.

Marshal Mansfield discussed the drivers for the change, i.e., bringing EMS into the City, which included:

- An increasing call for service that impacts the required staffing and the need for another ambulance to cover the service area without relying heavily on Mutual Aid Calls to surrounding cities.
- The reliance on part-time employees that already have other full-time jobs results in staffing shortages, multiple call-backs and places strain on existing staff when others cannot come in due to illnesses or emergencies.

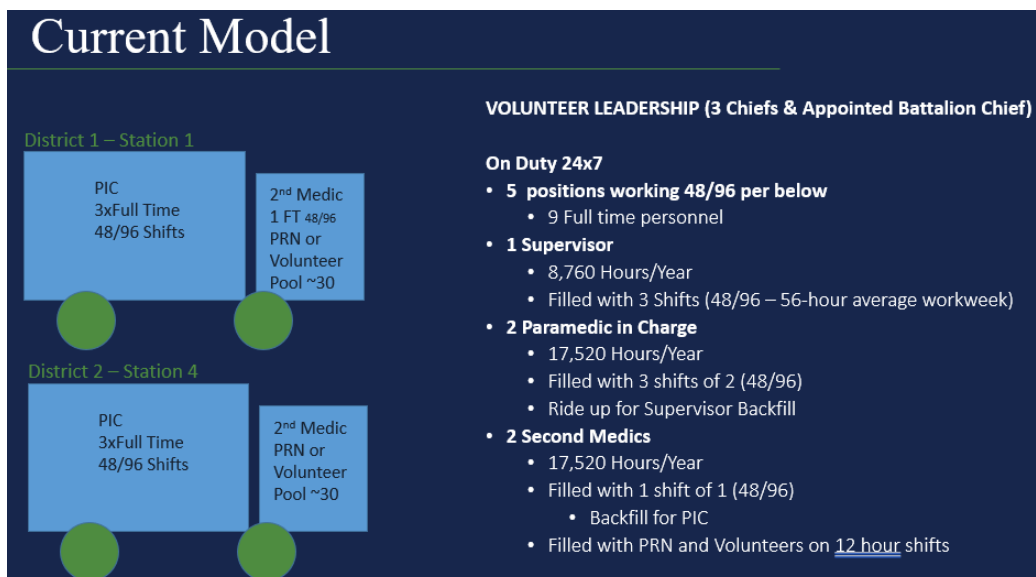
- The volunteer system is not as strong or as large as it was in the past, and with the increase in callouts and the need to retain trained and license paramedics has resulted in the EMS side of the FVFD being priority versus the firefighting side of the operation that remains fully volunteer; this then puts a strain on the volunteers and the FVFD leadership.
- The funding for the EMS staffing and services has not increased to meet the increase in call volume and the current pay is below market value so it must keep medics part-time; and the costs for having an employee part-time versus full-time is the same because the licensing and certification required for them to work is the same.

Marshal Mansfield gave a history of the EMS annual call volume:

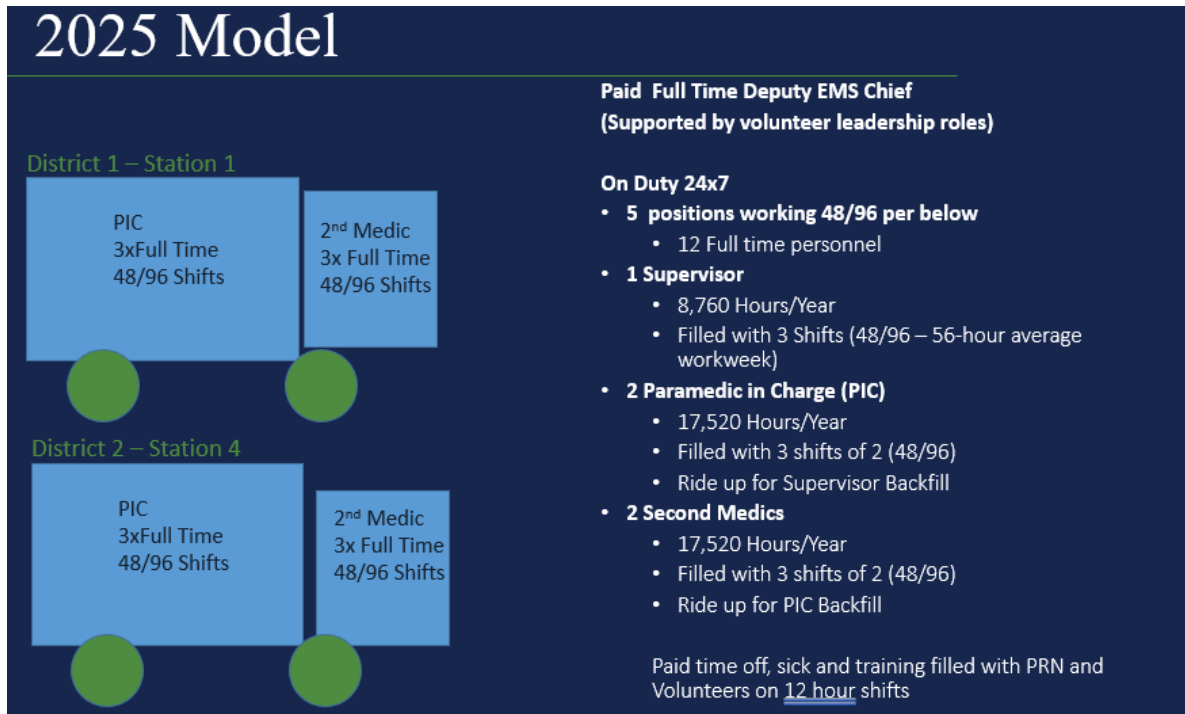
- FY 2019 (Old Contract) – 2388 calls
- FY 2020 – 3129 calls
- FY 2021 – 3678 calls
- FY 2022 – 3641 calls
- FY 2023 – 3500 est. calls.

He further outlined a what a regular day at the station would look like and noted that with 3,641 calls for service a year results in 10 daily calls (5 calls per unit), with an average time in the field being 84 minutes for an average transport and 27 minutes for a non-transport call; leaving an average return to service from a transport call as 90 minutes for a transport call and 30 minutes for a not-transfer call. Marshal Mansfield noted that with the increase in calls, medics are spending more time on calls, leaving little down time as they also have regular station duties, and all the while, these individuals still have other jobs and families. Mr. Kabiri noted that as the City's population has aged, there is an increase in calls for medical services, particularly from the nursing homes in the area.

Marshal Mansfield outlined the City's current EMS model as follows:



Marshal Mansfield also presented the Council with the proposed EMS model which would be in place in 2025:



The Council discussed the various types of Fire and EMS services provided in neighboring cities.

Mr. Kabiri noted that if the EMS was to be brought into the City, it would impact the budget being considered this year, as it creates the EMS Chief in the Fire Marshal's Office that would lead the transition of these services from volunteer into the City and would be an operational cost included in City's General Fund budget. The proposed plan for the Council's consensus included:

- EMS becoming a City Department October 2024,
- Paid leadership starting October 2023,
- Continuing to watch trends to stay ahead,
- Leveling out tax burden, and
- Supporting the doubling of FT personnel.

Additionally, in the next five years, the plan included:

- Converting Part-Time to Full-Time,
- Having Three (3) ambulances and one on stand-by, and
- Additional paid leadership.

The estimated costs for this plan the next five years were estimated as follows:

- FY2024 - \$2,209,690

- FY2025 - \$2,709,194 and
- FY2028 - \$3,856,182.

Councilmember Rockey stated that he is supportive of moving forward with the transition plan and noted that the services provided in Friendswood is unparalleled and wanted to maintain that high level of services.

Councilmember Hanks stated that Friendswood has the reputation of being of service and EMS is just an extension of that wonderful tradition. She noted they needed to maintain that service to the citizens of Friendswood.

Mayor Pro Tem Erenwert stated that he liked the accountability piece in the plan and encouraged staff to bring in as many of the existing EMS personnel as possible, so they can continue to serve the community.

Councilmember Branson stated that she agreed with the statements of the Council and wanted to maintain the high level of trust that the EMS currently has and felt the transition would allow for that accountability.

The Council's consensus was to move forward with the EMS transition plan as submitted. The Council thanks the FVFD staff and volunteers for their amazing service to the community.

At 9:04 a.m. Mayor Foreman recessed the meeting.

At 9:17 a.m. Mayor Foreman reconvened the meeting and called for the next discussion item.

Ms. Katina Hampton, Director of Administrative Services, presented the Council with an overview of the City's FY 2023-2024 preliminary proposed budget for the General Fund and the Water and Sewer Fund. Ms. Hampton began the presentation by noting that the numbers included in the proposed budget are very preliminary as the City has not yet received the appraisals from the counties, and would therefore, change as they moved through the process and would deliver them a balanced budget by August 1st, as required by the City's Charter.

Ms. Hampton gave an overview of the key points that are driving the budget, and that includes the state of the economy and inflation, which is driving up the costs of utilities, fuel, diesel, and electricity that impacts the City directly. As the City's vendors and service providers are seeing their costs go up, which translates to higher costs to the City for contract services, such as janitorial, mowing, leases, etc. She also noted that the City is seeing an increase across the board for bids and RFPs, which are coming in much higher than projected. Ms. Hampton stated that staff continues to review household and economic trends in order to create the estimated costs, so while they do the best when creating these projections, depending on the economic climate on any given day, these could change.

KEY BUDGET DRIVERS

Economic State & Inflation

- **Consumables**
 - Fuel
 - Electricity
- **Vehicles & Equipment**
 - Internal Leases for Replacements
 - No Govt Incentives
 - Supply Chain Delays

Operational Costs

- **Supplies**
 - Operating Supplies & Equipment
 - Personnel Supplies
 - Fuel
- **Services**
 - Contract Services (Janitorial, Mowing, Software, Engineering)
 - Emergency Services
 - Insurance

Ms. Hampton stated that the next largest budget driver is the City's debt service, which are payments related to the City's issuance of bonds. She stated that the debt service is for \$52 million, as approved by the voters in 2019, and noted that they had just recently approved moving forward with the sale of the last \$30 million, which is included in the proposed budget and will require a tax increase, about 2.3 cents. Mr. Kabiri noted that the City has already entered into multiple interlocal agreements in order to complete the drainage projects approved by the citizens in 2019, and this issuance is needed to cover existing financial commitments; such as the Whitcomb property project.

KEY BUDGET DRIVERS

Debt Service Obligations

- **Drainage/Flood Control Bonds**
 - \$30 Million – Issue in 2023

Insurance

- Windstorm
- Health
- Property & Liability

Decision Packages

- **Unfunded - \$4.3M**
 - Personnel, Software, Equipment
 - Engineering Studies

Tax Rate: I&S Change

Fiscal Year	Tax Rate
FY21	0.10
FY22	0.11
FY23	0.11
FY24 (est.)	0.12

Tax Rate: O&M Change

Fiscal Year	Tax Rate
FY21	0.39
FY22	0.38
FY23	0.39
FY24 (est.)	0.41

Ms. Hampton also noted all of the City's insurance rates are increasing; however, are not sure as to how much. As it relates to bond project impacts and grant project impacts, there is a projected operational budget increase in overhead costs for utilities and contract services of \$143,000 from last year's amounts.

The decision packages being presented to the Council in July are really forces at work that relate to the addition of personnel, software upgrades or increases, and equipment; the remaining decision packages were left unfunded. The decision packages that did not make it into this year's budget had an estimated total amount of \$4.3 million. Ms. Hampton also noted that the decision package did include a 2.75% merit-based increase to help employees cover the costs of increases to living expenses. This is a \$708,000 increase to the budget with \$625,000 being in the General Fund and \$83,000 being in the Water Sewer Fund. Mr. Kabiri noted that the City does not give staff a cost of living adjustment and instead provides merit increases, so those employees that do not do their job, do not get the increase.

Council requested to see the list of decision packages, those that are forces at work and those that were not funded. Councilmember Matranga asked for a list of the top five items that are forces at work that could be postponed and the top five items on the list of decision packages that were not included but could be done in the upcoming budget.

Councilmember Griffon request a breakdown of the costs of the bonds and the actual amount or cents that are required to increase in the tax rate.

Councilmember Rockey requested that staff review what the City would need to forgo if the tax revenue increase is not approved.

Councilmember Hanks requested that based on this analysis, staff create a sheet showing what would need to be cut from operations and services without the tax increase, and noted that it is important to maintain the quality of life and services that citizens have come to expect from the City.

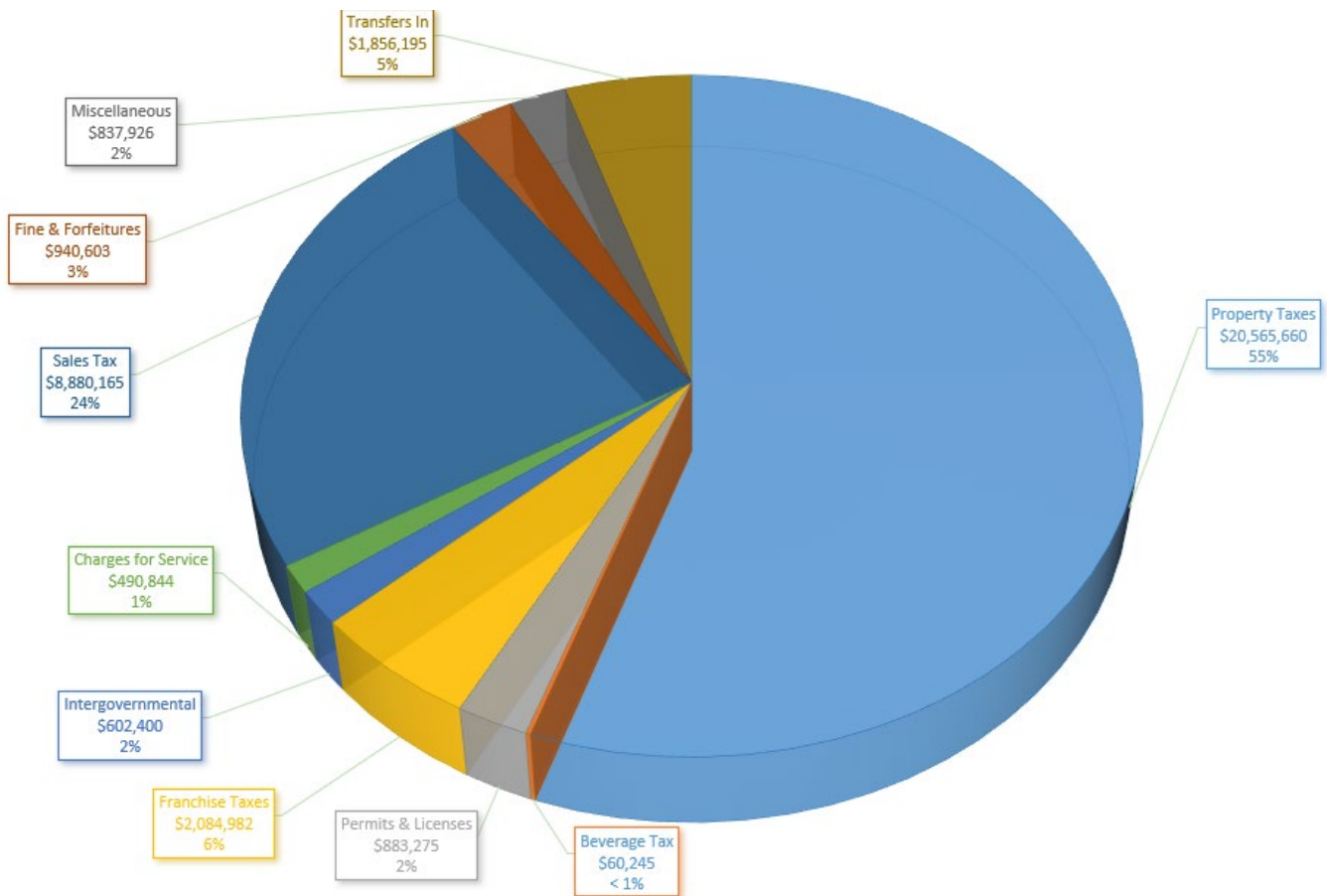
Mayor Pro Tem Erenwert stated that he did not want to begin losing good staff to other cities or industry.

Mr. Kabiri stated that staff would work on the requested exercise and bring it back to Council. He further noted that while the City is not losing staff to other cities, it has lost staff to other industries that pay much more and noted that the merit increases are there to show employees that they are valued and to stay competitive.

Ms. Hampton gave the Council an overview of the General Fund and stated that its revenues are projected at \$37.2 million using the current tax rate, and noted that the majority of the City's revenue comes from property taxes, which is a little over \$20 million. This is an increase from last year of about \$2 million. Other revenue sources include sales tax of a little under \$9 million and other miscellaneous items.

Councilmember Rockey asked that the staff look into implementing the HOT tax now that there will be a hotel in the City. Mr. Kabiri stated that staff is already working on that item and would be bringing that forward to Council with the budget. However, Mr. Kabiri noted that the HOT taxes are restricted funds that can only be used for the "heads in beds" initiative, which is the promotion of local events that will bring people to the City to use the hotels.

Ms. Hampton showed the Council the following chart illustrating the breakdown of the funds revenues:



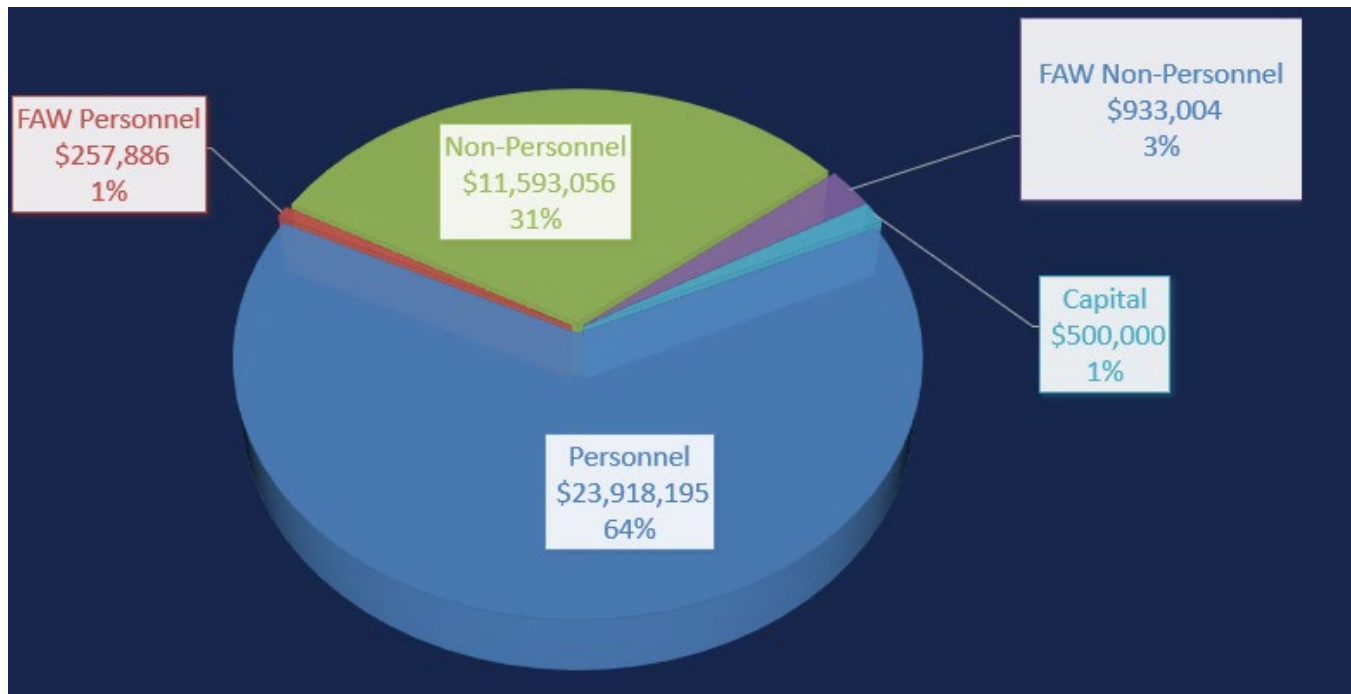
Ms. Hampton stated that the preliminary budget is being composed using a proposed tax rate of \$0.5294, which is 20/21 incremental rate provision utilized, and is four of about 10 cents that the City can use in voter-approved unused increments. She further noted that the estimated taxable value is \$5.0 billion which is an increase of \$350 million, and includes new construction, exemptions, and the over 65 freeze ceiling values. She further noted that staff is estimating \$110 million in new construction value, \$200 million in property values that are currently under protest, and \$6.1 million in tax debt service obligation, which is up an additional \$1.6 million.

Mr. Kabiri stated that the current tax rate is 48 cents, and the City has a voter approved maximum rate of 58 cents. Council was reminded, when the 2019 Bond Program was being considered, voters were told the City's overall tax rate could increase anywhere from 5 to 10 cents in order for the City to complete certain drainage and infrastructure improvements, which are being done. However, staff has done such a good job of absorbing the costs of these projects in the existing budget without having to raise the taxes, that it seems like a big increase now, but in reality, these costs have been absorbed at the expense of the City's operations and maintenance budget that can no longer be sustained. Mr. Kabiri further noted that the recommended tax increase of 4 cents is only to cover the debt service for the voter approved already existing projects and related Council approved interlocal agreements.

The Council requested that the PPT be sent to them after the meeting.

Ms. Hampton gave the Council an overview of the preliminary expenditures in the General Fund, which she estimated at \$37.2 million, with 64% of the proposed expenditures being related to personnel costs, 31% is non-personnel expenditures, 3% is forces at work – non-personnel, 1% forces at work for personnel, and 1% is related to capital purchases and is inclusive of the \$500,000 for street improvements.

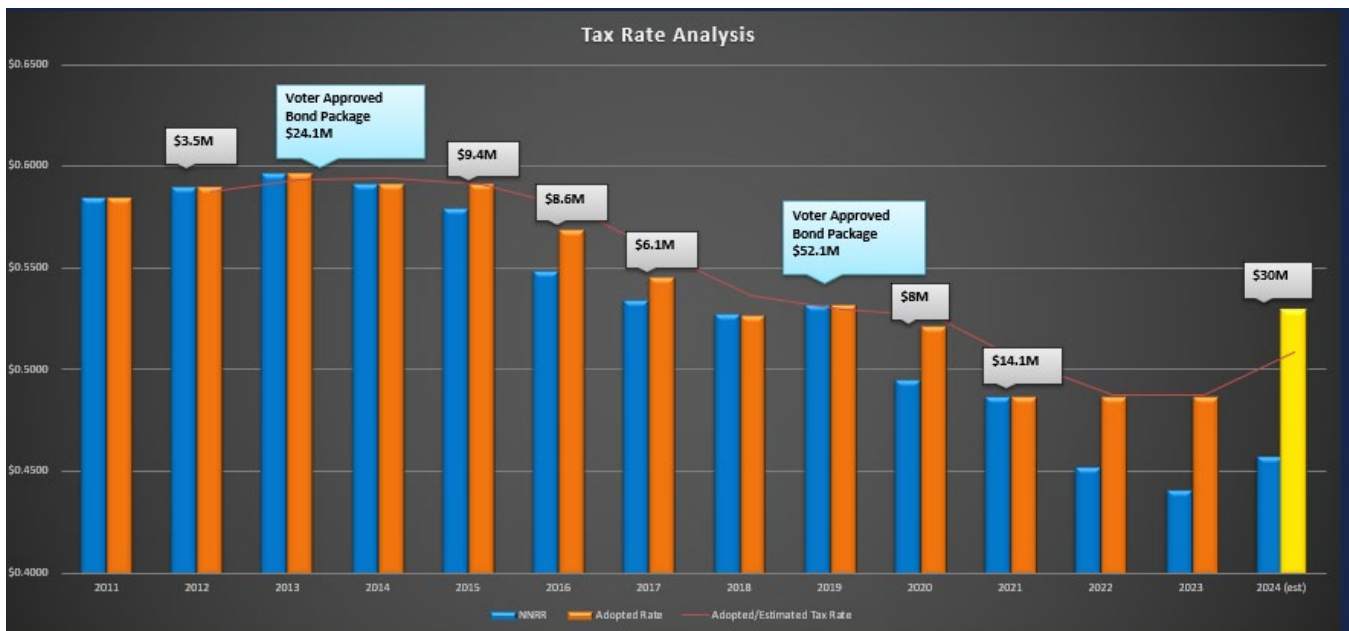
The breakdown of the General Fund expenses is noted below:



Mrs. Hampton reminded Council that per the Charter, staff must submit a balanced budget and gave an overview of the breakdown of the General Fund expenses:

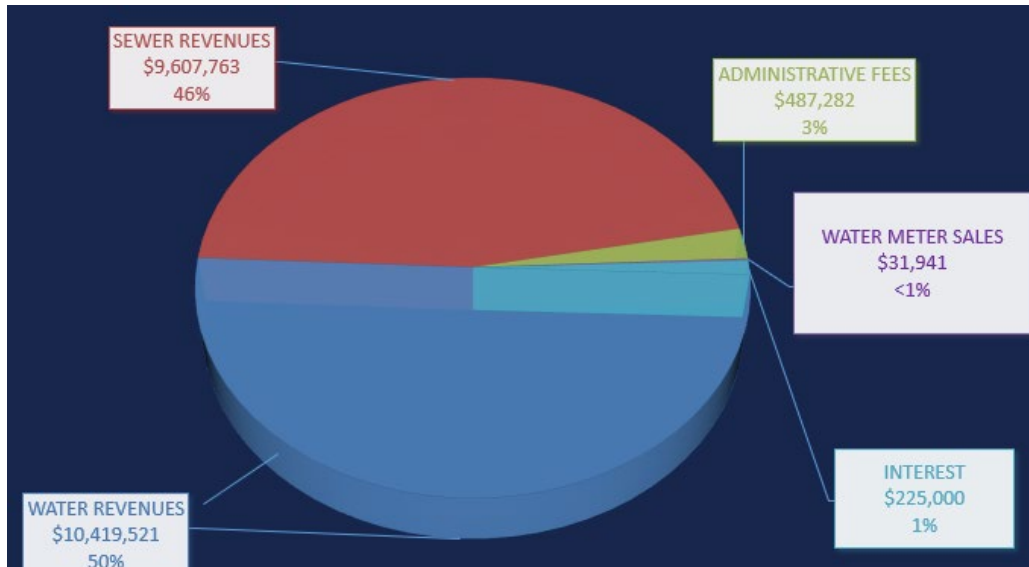
Personnel \$23.9M (up \$1M)		Non-Personnel \$12.1M (up \$1.8M)	
Merit of 2.75%		Consumables (Fuel, Elec)	
Health & Dental increase		Vehicles – Internal Lease, Replacement	
Impact of FY23 Pay Plan Adjustments		Operational Impact	
		G.O. Bonds and Grants Impact	
		Streets Improvements	
FAW \$1.2M			
Personnel	\$258K		
• Deputy EMS Chief			
• Peace Officer			
Non-Personnel	\$933K		

The last discussion on the General Fund was an overview of the tax rate analysis with O&M growth from 2011 to 2023, and it was noted that the tax rate was only raised for bond issues and not operations and maintenance. The chart discussed is listed below:

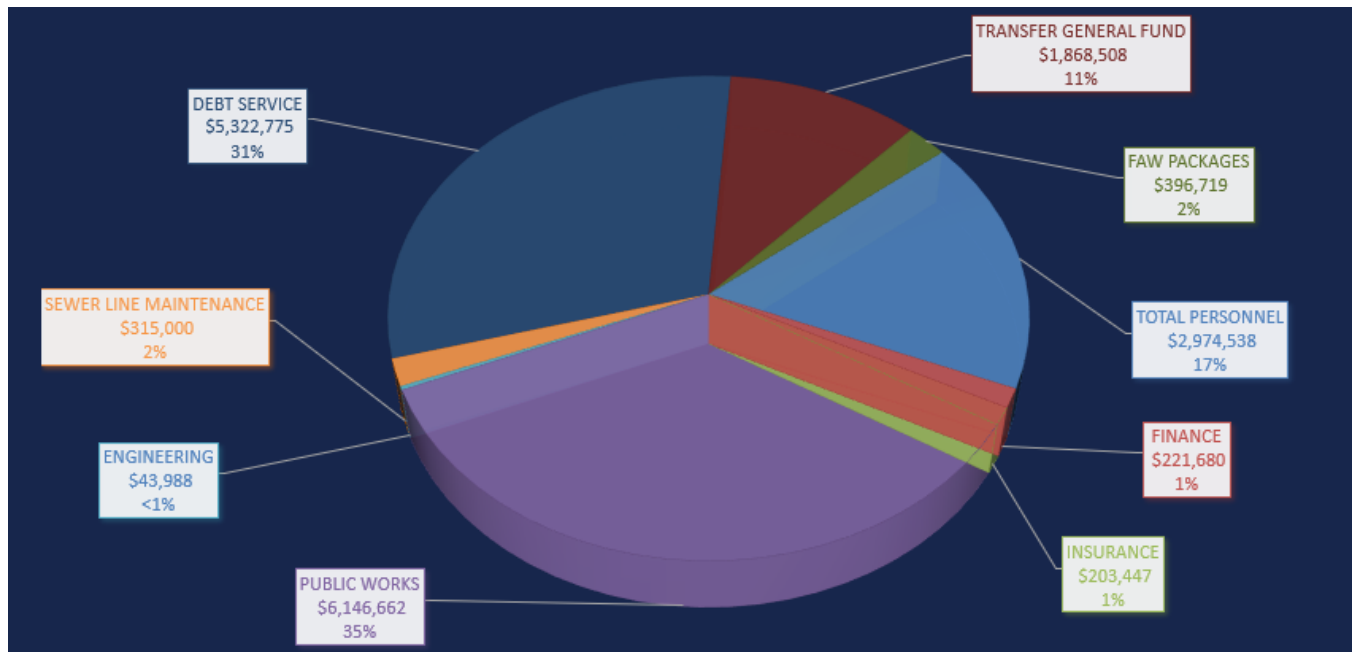


The Council requested that the tax rate analysis be sent to them via email and requested that staff complete a review of the bond debt including: how much of the debt has been paid off, what was agreed to, what was paid each year, and what debt has come off?

Ms. Hampton then gave the Council an overview of the Water Sewer Fund and stated that its revenues are projects at \$20.8 million and noted that the revenues are mostly water service fees, water meter sales, and administrative fees.



Ms. Hampton further noted that most of the expenditures in this fund are related to services and not personnel. The Water and Sewer expenditures for the upcoming year are noted below:



The Council discussed water and sewer rates, and asked staff to provide an overview of the rates versus the cost to operate the water rates. Other topics discussed include:

1. Water surface rights
2. Water quality and reporting requirements, and
3. Utility Rate Study and RFP.

Councilmember Rockey request that staff to show the changes, department by department, from what was presented to Council at the June meeting to the current proposed budget.

Councilmember Branson requested that staff provide a review of the City's expenditures from the previous three years to what is being projected. Mr. Kabiri stated that staff would adjust the multi-year financial plan to back three year and two years forward.

Councilmember Griffon, Councilmember Branson and Mayor Pro Tem Erenwert requested a paper copy of the proposed budget.

Councilmember Hanks stated that if staff removed items from the budget, she would like to see what has been scrubbed.

Ms. Hampton noted that the next steps in the process include the following key dates:

- ✓ 07/28/2023 - Proposed Budget Delivered
- ✓ 08/07/2023 - Budget Work Session
- ✓ 08/28/2023 - Proposed Budget Public Hearing (Special Meeting)
- ✓ 09/11/2023 - Public Hearing on Tax Rate
- ✓ 09/11/2023 - Budget & Tax Rate Adoption

With no further questions or comments, Mayor Foreman thanked Ms. Hampton, Mr. Kabiri, and the entire staff for their hard work on the proposed budget.

6. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the June 17, 2023, City Council Special Meeting at 11:35 A.M.

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Karen Horner, City Attorney

Subject:

Recess and convene into an executive session pursuant to Sections 551.071 and 551.087 of the Texas Government Code to deliberate offers of financial or other incentives to two business prospects the City seeks to locate, stay or expand in Friendswood and to seek the advice of the City's attorney on legal matters related thereto.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

This item allows the Council to recess and convene into an executive session pursuant to Sections 551.071 and 551.087 of the Texas Government Code to deliberate the offer of a financial or other incentive to a business and to seek the advice of the City's attorney on legal matters related thereto.

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: July 10, 2023

Date submitted: 06/23/2023

Prepared by: Karen Horner, City Attorney

Subject: Recess and convene into an executive session pursuant to Sections 551.071 and 551.076 of the Texas Government Code to deliberate the deployment or specific occasions for implementation of security personnel and to seek the advice of the City's attorney on legal matters related thereto.

Originating Department: City Attorney

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Karen Horner, City Attorney

Subject: Consider an Economic Development Agreement for the construction and build-out of a commercial educational facility.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. Economic Development Agreement - BSM Associates
2. Form 1295
3. Government Code Verification Form - BSM Associates LLC

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: July 10, 2023

Date submitted: 06/20/2023

Prepared by: Karen Horner, City Attorney

Subject: Consider an Economic Development Agreement for the build-out of 27,000 square feet of medical facilities.

Originating Department: City Attorney

Degree of importance:

SUMMARY / ORIGINATING CAUSE

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

ATTACHMENTS

1. Economic Development Agreement 07052023