MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD JULY 10, 2023

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, JULY 10, 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
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 6:00 P.M.; all members were present.

2. INVOCATION

The invocation was led by Pastor David Lorenz of First Baptist Friendswood

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

Mayor Foreman stated that the Pledge of Allegiance of the United States and to the State of Texas would be presented by the Knights Templar of Park Place Commandery Number 106.

4. COUNCIL COMMENTS AND REPORTS

Mayor Foreman recognized the staff for the wonderful 4th of July event and noted that this was the 128th consecutive 4th of July celebration, many people at the parade, and James Toney, the staff and volunteers made it a success.

Councilmember Branson stated that on June 24th, Pearland lost its Mayor Emeritus Tom Reid from Pearland, and send condolences to our neighbors to the north in Pearland.

Councilmember Griffon mentioned Galveston County Consolidated Drainage District (GCCDD) appointed Lonnie Moffitt, to the board so they are fully seated. Last month at the Clear Creek Watershed Committee Meeting, the board received a great presentation from Scott Elmer from the Harris County

Flood Control District on tunneling and are looking at eight possible tunnels for Harris County in the Houston area. Also, they have reached out to Captain Aaron Brown and Kelly Burks-Copes of the US Army Corps of Engineers Galveston District to try to get them to do a presentation on the Coastal Project so hopefully going to try to get that set up, if not by the end of this year, maybe next year.

5. PUBLIC COMMENT

There was no one signed up to speak.

6. COMMITTEES OR SPECIAL REPORTS

A. Receive the West Ranch Management District Annual Report.

Ms. Heather Trachtenberg, attorney for West Ranch Management District presented the report. Below are the main highlights:

- The residential development portion of the District is now complete; however, some commercial areas remain undeveloped.
- The new Cline Elementary School has been completed.
- The Homeowner's Association (HOA) owns and maintains most of the greenspace. The District is working with the HOA in joint projects to improve common areas, and sidewalks for the elementary school that will be completed before the beginning of school year. Other enhancements included the addition of flock safety cameras, the replacement of benches and trash receptacles at the ponds, and repairs to the Lake Mist Bridge.
- Presented a general overview of the District's historical tax rates, showing that its trend is to continue to go down.
- Presented an update on the District's ongoing drainage maintenance, and noted that in the past four years, they have spent $125,000 over and above routine maintenance costs to ensure that all the components of the drainage system continue to function properly.

Ms. Trachtenberg stated that as it relates to the District's goals, they remain focused on reducing the District's tax rate, and continuing to seek out developers interested in developing a town square. Lastly, she expressed the District's gratitude for Councilmember Matranga's work on the board.

Mayor Foreman thanked Ms. Trachtenberg for the District's report and requested that she extend those sentiments to the members of the board.

7. WORK SESSION TOPICS

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

Deputy Director Samantha Haritos presented the item and gave the following updates on the City's ongoing drainage projects.

Harold Whitaker Detention Basin Expansion: This is not a City project; however, this project does impact the City. This project is funded by the Galveston County Consolidated Drainage District and is located in the former Imperial Estates neighborhood. Ms. Haritos noted that the hydraulic modeling is happening at this item in order to see if it is feasible to increase capacity, and if so, what types of outfall and pipe replacements would be required. Additionally, an Army Corps of Engineer permit would be required for this project as it would change the outfall into the creek.

Frenchman's Creek Green Space: This project is a Community Block Grant Development Project (CDBG) project. It was part of an acquisition grant that also includes acquisitions at Deepwood and is located in the Polly Ranch Subdivision. As it related to the Friendswood side, buildings 4 and 5 have been closed out. A demolition contractor has been procured and should be starting shortly; asbestos inspection is pending. On the Galveston County side, they have completed asbestos testing and the demolition estimates will occur in the next three months. The remaining items include the hydro mulching of the project area and project closeout, which would include the HOA turning the properties over to the City and then closing out the grant with the GLO.

Forest Bend Offline Detention: Forest Bend is another Community Block Development Disaster Recovery grant and in addition to the original grant amount, the City recently received approval for an additional $300,000 from Harris County in order to complete the 53 acre-feet off-line detention that will kind of meander. In other words, it is not just one detention pond but several that will feed into each other. Additionally, there is a nice new concrete trail system and solar lighting surrounding the detention ponds. On or around June 14, this project was 83% complete with a total of 83,000 cubic yards having been excavated. Staff anticipates a fall completion for this project.

Councilmember Matranga asked who would be responsible for the maintenance of these spaces. City Manager Morad Kabiri stated that the City would be responsible for the maintenance of this area upon its completion, as it is a condition of the agreement signed with the Forest Bend HOA to utilize their property for this drainage project.

Clear Creek Utility Rack Relocation: This project is a Community Block Grant – Disaster Recovery from Hurricane Harvey (CDBG-DR). Ms. Haritos noted that the engineering for this project is complete, and the environmental assessment is pending completion. Unfortunately, this item has been delayed due to the Federal Government's 8-step review process; however, staff feels that approval will be received soon. Once the staff receive authorization to use the grant funds, construction will begin shortly thereafter.

Deepwood Flood Control: This project is a Community Block Grant – Disaster Recovery from Hurricane Harvey (CDBG-DR). The preliminary engineering report and drawings for this project are in review and the Environmental Assessment is expected to be completed by late summer/early fall 2023. Ms. Haritos noted that the construction start date is contingent upon the completion of the Deepwood Acquisition Project.

Mayor Foreman asked if the City has acquired all the necessary properties, Mr. Kabiri noted that this is a voluntary acquisition, and eminent domain cannot be used, therefore, the City has acquired as many as possible. He noted that the two biggest constraints, as it relates to this effort as well as that of Frenchmen's Creek, is that the City was allocated a certain amount of dollars to which staff needed to find a project that these funds can be used for; so, it acquired as many properties as it could within the scope of the project and funding rules. Mr. Kabiri further noted that for those individuals that were not interested in selling at the time the City approached them, the Drainage District is now working with them for the purchase of said properties, using another funding source that is not as restrictive as those from the Federal and State grants.

Three Detention Basins Along Coward's Creek: This project is located at 2 Queens Lane, 310 West Castlewood, and 301 West Castlewood. The project is part of an interlocal project with Galveston County Consolidated Drainage District (GCCDD). Ms. Haritos noted that the way in which the interlocal agreement worked is that these were City buyout properties that are being used by, with the City's permission, by GCCDD in order to build off-line detention ponds at those locations. Ms. Haritos further noted that GCCDD is reviewing the engineering of this off-line detention to make sure that everything is done according to the city's standards. The engineering and environmental work for this project has been completed; the clearing of the properties started around June 22, and staff believes that it will result in an estimated 20 to 25 acre-feet off-line detention. The construction phase of this project started onsite June 22, 2023.

Comprehensive Master Drainage Plan: Ms. Haritos noted that this project will hopefully be a joint effort between the Galveston County Consolidated Drainage District and the City. She noted that on the consent agenda for that evening, there was an interlocal agreement by which GCCDD is looking to provide up to $400,000 for the Comprehensive Urban and Riverine Flood Mitigation Plan. Once the agreement is finalized and executed, staff will put out a Request for Qualifications for a Regional Master Drainage Plan around mid to late summer 2023.

Friendswood Regional Stormwater Detention Basin: This project related to the detention pond near FM 1959 at the border of Pearland and Friendswood. This project is a regional effort in funding partnership with the City of Friendswood, Galveston County, Galveston County Consolidated Drainage District, and Harris County Flood Control District. This project is in the preliminary engineering stage which has three alternative design concepts in process, and one alternative will be recommended at a meeting in late fall 2023. Concurrently to the preliminary engineering, environmental investigations, geotechnical, the hydrology and hydraulics modeling, surveying and rough grading design are in progress as well.

Mayor and Council thanked Ms. Haritos and the Engineering staff for all of their hard work on moving these numerous and critical projects forward.

B. Receive an update concerning the 2023 State Legislative Session

Ms. Karen Horner, City Attorney presented the item and stated that in this year's State Legislative Session, they passed 1,258 bills, with 230 of those related to the city. She noted that earlier in the year, the Council established some legislative priorities and identified 60 different bills and 14 more companions that Council and staff were hoping would make it, and of those identified, two good bills passed, and five bad bills passed, and the rest just remained on the cutting room floor.

Ms. Horner gave a brief update of the 88th legislative regular session as follows:

Good:
So the good related to the Planning and Zoning (P&Z) public hearings, and the law is now clarified to show that there's only one public hearing required on a preliminary report before bringing it to the council. Another good bill related to Chapter 380 and property conveyance. She noted that the City can now convey

property via 380 agreements. She further noted that there are certain conditions that must be met as far as notices, hearings, and different things of that nature, but so long as the conveyance is for a public purpose and there are significant conditions in the agreement to make sure that public purchase is accomplished.

The bad:
A new bill requires that the City now have a third-party review, so if staff does not approve, disapprove, or do something with an application within 30 days, 15 days thereafter, a third party can review the statute and decide. She noted that the City cannot recoup any costs related to this review, and the bill also provides an appeal procedure should the applicant not be satisfied with the review. Ms. Horner noted that a bill passed that eliminates the juvenile curfew, so it will be going away. This item will be placed on the Council's next agenda in order to begin the process to repeal this ordinance. The next item relates to the reauthorization of building fees, which becomes effective on January 1st. She noted that for those building fees that have already been adopted, the City must review them every 10 years, or else they will be abolished. Therefore, between now and January 1st, staff will hold a public hearing and adopt those fees, and then move forward with that.

Really Ugly:
This item relates to the Texas Regulatory Consistency Act, which is a preemption bill. She noted that the legislature took aim at cities and appeared to really take some of the authority that the cities have away, especially home rule authorities. Ms. Horner noted that unlike general law cities, home rule cities can do anything unless expressly prohibited by statute. General law cities must look to the statute like counties do for their authority. The intent of this bill is to peel back home rule cities of their authority. The bill itself, has some express preemptions, some potential preemptions because no one really know what they mean, and it also creates a cause of action that basically flips the burden of proof. Ms. Horner noted that typically, the Council's actions are constitutionally deemed valid, and someone would have to come in and challenge that said actions were not valid. Now, this burden of proof is kind of flipped on its head now, which is an interesting thing that staff will have to take a look at and see how it moves.

Ms. Horner noted that the bill has a good provision in that if somebody has a problem with one of the ordinances or anything passed by the Council, there is a three-month review period before they would be able to file suit or go forward. So that gives the City an opportunity to take a look closer to see if the ordinance needs any revisions.

Mayor Foreman asked if this was the bill that the City of Houston is suing the state over. Ms. Horner stated that he was correct, and the City of Houston has sued that State in Travis County for a DEC action and is challenging the bill's constitutionality based on the Supreme Court's establishment of many years that when cities are preempted, it has to be done with unmistakable clarity, which in this case it is not. She further noted that even the authors of the bill have indicated they're leaving it up to the judicial system to establish what that is, and that's really not how laws should be made. Ms. Horner noted that many cities are filing amicus briefs in this suit, and everyone is following this case closely.

Ms. Horner stated that the bill's express preemptions relate to certain employment matters. Some cities have gone out and established employment regulations for others, not themselves, but for other employers that include back hiring, breaks and benefits that they were required provide, this is no longer available under this law. Another express preemption includes the breeding, care, treatment, and sale of animals, if they're licensed by the federal or state, cities cannot regulate them. Another item relates to eviction regulations, and basically cities can't restrict or prohibit or delay an eviction.

As it relates to possible preemptions, this is where the legislature said that cities can't regulate in a field of regulation that's occupied by provision of following codes:

- Agriculture Code
- Business & Commerce Code
- Finance Code
- Insurance Code
- Labor Code
- Local Government Code §229.901 (authority to regulate animal businesses)
- Natural Resources Code
- Occupations Code
- Property Code.

So, this is a big challenge because cities do not really know what that means, what is occupied? What is a field of regulation? So, these are some of the things that are involved in that suit. Fortunately, these are codes that are not dealt with a lot in municipalities, but there are certain things that Friendswood does have in each of these codes. She noted that the staff is currently reviewing these codes and will bring some changes back to for Council consideration.

As it relates to the no preemption items, cities can still regulate massage parlors, retail sale of dogs. That is until the state adopts their regulation. Roadway construction taxes, maintenance fees, and things like that, we're still good. Policies related to city employees and public awareness campaigns, payday lending and credit access businesses, that is only if a city had an ordinance in place on January 1. An interesting thing on that item is that if a city amends its existing credit access business ordinance, they run the risk of no longer being able to regulate it, so cities are stuck with whatever they had at the time.

Mrs. Horner quickly gave an overview of the following bills:

HB 1707 deals with charter schools and if the administrators have no personal interest or financial interest in the charter school, they could provide a certification to the city, and then the city would have to treat them as any other public school with the exception of impact fees. Charter schools will not be able to get the benefit of impact fees that school district does; however, besides that, the city would have to treat these charter schools like an ISD; i.e., citing and zoning things.

HB 1750/HJR126 relate dot AG operations and is subject to a constitutional amendment. This basically allows certain timber, wildlife, different ranching, and things of that nature to remain if they are currently operational in the city. The city could not regulate these uses unless it provides harm to the public health and safety, and it would have to be some sort of imminent harm, so there is a little heightened standard as well.

HB 3699 related to plans and plats. This is a very broad statute that covers a lot of different things. The city has 30 days to approve plans, and so this item removes plans from the 30-day shot-clock. It also establishes different things that are required for a plat application. And we have to provide a list of what those are and adopt that list and then also publish that on the website.

SB 929 deals with compensation for non-conforming uses, and this basically allows a non-conforming use to continue, which is currently what is done in Friendswood; however, if the city is going to change the zoning district and to make a non-conforming use, there are notice provisions. The City has to mail notice and do certain things in order to provide those impacted with notice. If perhaps the city tells them that they can no longer continue with their nonconforming use, there is a compensation provision and potentially just allow them to continue to have the nonconforming use for a certain period of time.

HB 4082 related to public works for certificates of obligation (COs) and defines 12 different things that are related to public works for which cities can issue COs and makes it so cities cannot use value-based fees. The city would have to do base its fees basically on the cost of the city to do different inspections and things of that nature, which would have to be established. This item also requires the city to provide notice of these fees and post those on its website.

SB379 deals with no sales tax allowed for no sales tax to be imposed on certain hygiene items, such as baby bottles, diapers, and different things of that nature.

SB 1340 relates to a requirement for a tax abatement database, which is the same to what is currently done with 380 agreements, which is to report these types of agreements to the state comptroller, so anybody can go and see what the city's done as far as tax abatement agreements.

SB 1999 deals with the unused increment rate. This bill will not go into effect until January 1, 2024, and basically revises the calculation of the increment rate a little. It is still for three years, but just changes how it is actually calculated.

HB 1819 repeals the city's juvenile curfew; and SB 29 prohibits cities from having any vaccine mask enclosure mandates.

SB 1445 is the TCOLE Sunset Bill, which continues TCOLE, that's the Texas commission on Law Enforcement until 2031, and establishes certain databases that they have to keep and certain requirements that they have to do. It also requires that the city's policies be substantially similar to those created by TCOLE, i.e., hiring, discipline, and things of that nature.

HB 471 deals with first responders and adds required injury leave, which basically mirrors the requirement in Section 143.073, I believe, of the Local Government Code, which is a civil service statute.

HB 1486 deals with the telecommunicator's mental health leave, which is similar to what was done last year for police officers.

HB 30 deals with law enforcement records subject to 552.108 of the Open Texas Public Information Act allows us to withhold certain law enforcement records if there was not a conviction or if there was no deferred, and this chips away at that exception.

HB 3033 relates to many changes to the Public Information Act including the chipping away of some more exceptions, requiring the city to file AG opinions via their database system and no longer via ground mail.

HB 3440 relates to agenda posting and requires them to be posted on the website as well.

As it relates to elections, the city is now required to have a website for political contribution and expenses, and each report must be on said website for five years from the date of filing and the recount deadlines have been changed.

As it relates to Purchasing, currently there are 1295 forms in place and HB 1817 just talks about how contract could be voidable if a 1295 is received after the city has provided notice and they don't respond within a reasonable period of time.

HB 2518 relates to lease terms and if the city leases any city property, there are some provisions that the City must require, such as, a performance bond, payment bonds, and different things to protect the city's properties. Should they fail to provide those, or if they go ahead and make an alteration to one of the city's facilities without providing the appropriate notice and approval first, there are now some associated criminal penalties.

HB 3485 deals with unsigned change orders and this just allows contractors not having to go forward with a change order if they do not have a sign change order in place.

Miscellaneous bills include SB 232 for the removal from office, which says that if someone's convicted of bribery or certain theft or some terms like that, they automatically forfeit their office, and SB1893 is the TikTok bill that states that cities cannot have TikTok on any city computers or any other type of electronic device.

Councilmember Rockey stated that the legislature comments that many of these bills are to make it easier for business to function in Texas, which is absolutely not true, as businesses can conduct business in cities all across the state. He noted that what he feels is really happening is that the State is trying to control certain cities, and smaller cities, like Friendswood got lumped in with the rest of them.

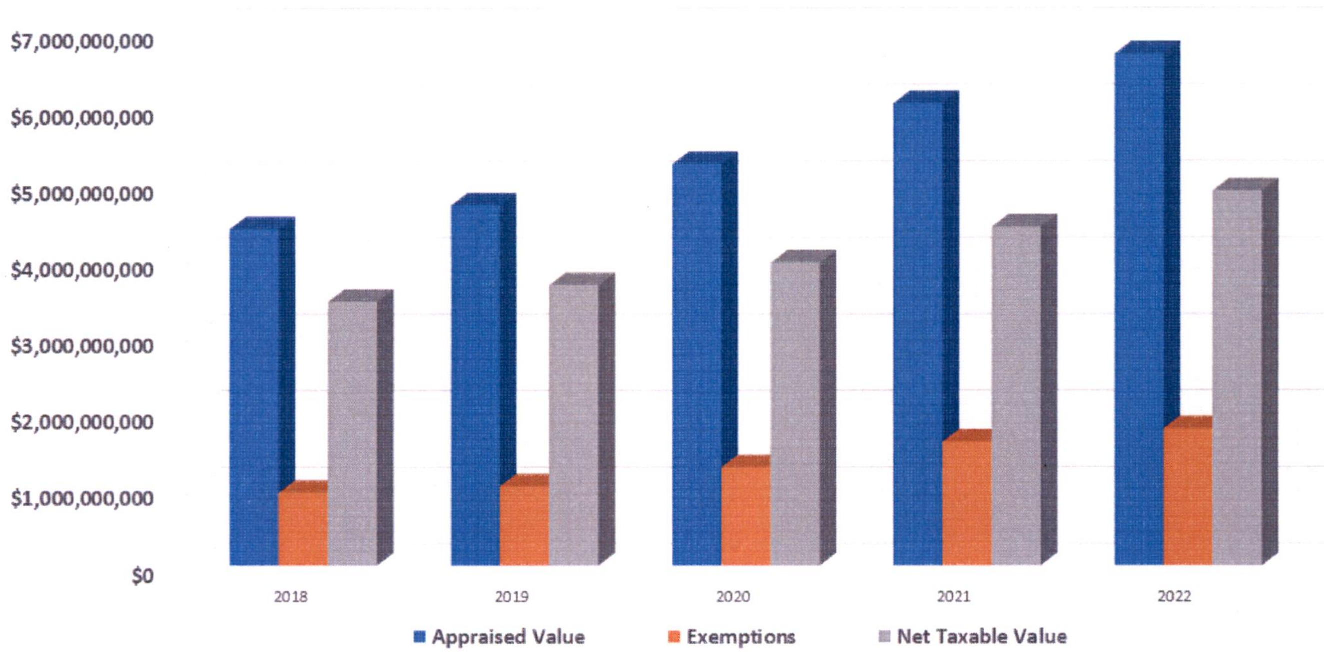
Ms. Horner concluded her presentation and noted that she is available to answer any questions should they have any. Mayor Foreman thanked Ms. Horner for her presentation and hard work.

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

City Manager Morad Kabiri presented the item and stated he would provide Council with updates relative to the 2023-2024 budget since their last budget discussion at the Council Retreat. He noted that as it relates to property taxes, there are a variety of things that go into that assessment, i.e., the value of the home, the tax rate that the various local entities adopt and then there are also the exemptions that a homeowner may or may not qualify for, depending on their circumstances.

Mr. Kabiri presented the Council with a chart outlining a five-year running tab of the City's valuations. The bar in blue represents the total appraised value, which in 2018 was roughly about $4.1 billion and in

2022, the current fiscal year for tax purposes, it was a little over $6 billion. However, each year we have exemptions that are deducted from the total valuation which determine what we collect in actual tax levy and revenue received for the City for property tax purposes.



In 2018, that value was a little under $1 billion at approximately $900 million and in 2022, it is nearly $2 billion so this is the over 65 exemptions, homestead exemptions, disabled veteran, etc. If an individual has the over 65 exemptions, their taxes are frozen, and the City does not get to collect a penny more for that property; regardless of what is done in terms of the City's rate. Mr. Kabiri noted that there is a 20% homestead exemption for properties in Friendswood if residents file their homestead, as well as a variety of other exemptions that citizens may or may not qualify for, whether it is disability or veterans' support. Mr. Kabiri further noted that one other big exemption that continues to creep up, properties that are taken off the tax rolls for churches and other nonprofit organizations because if commercial properties that were previously taxed are instead used for religious reasons, then those properties come off the tax rolls as well.

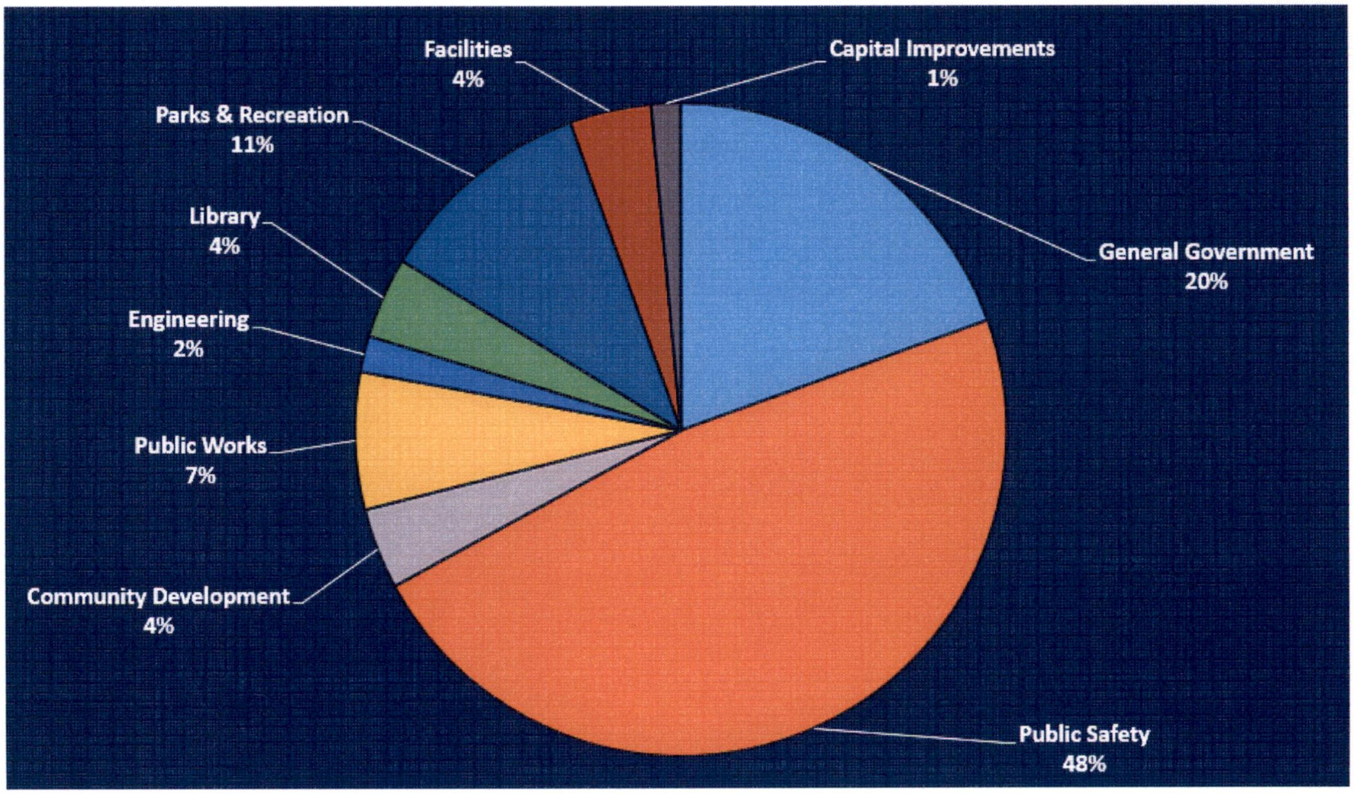
Mr. Kabiri stated that the total tax rate is made up of two components: 1) an interest and sinking component that pays the City's debt service, and 2) an operations and maintenance component that pays for the City's operational expenses, such as mowing the grass, responding to 911 calls, and so forth. He indicated that of the 52-cent tax rate that is being proposed for the fiscal year 23-24, which again, these are based on preliminary values, as staff does not have the certified values from the two counties.

He further noted that the debt service component of the tax rate is 12.21 cents and roughly $6.1 million of the revenue the City collects goes to paying debt. He noted that the debt services are related to the debt issuances that took place in prior years and is part of the voters approved bonds for certain drainage related and other projects. Mr. Kabiri noted that the remaining tax rate is made up of the City's operations and maintenance, which is 40.73 cents per $100 in valuation. Last year it was roughly a little under 39 cents and on the debt service side, it was a little around 9 cents; therefore, they are going up nearly 3 cents on the debt service and going up a penny and a half, or thereabouts, on the operations and maintenance.

Mayor Foreman asked what was the total that the City has raised the tax rate since 2019 for debt service. Mr. Kabiri responded that in that time frame the City's debt service increased from \$3.2 million to \$6.1 million, which is roughly 6 cents increase on the tax rate for debt services. However, due to staff's hard work and financial strategies, the City has been able to absorb those increases in debt services by reducing operations, which resulted in the tax rate being flat.

Councilmember Hanks ask how many pennies more of the tax rate is the City spending on debt service since that time. Mr. Kabiri responded that the City had gone up nearly 6 pennies based on valuation, etc. He further noted that the City has increased from \$3.2 million in FY2018, to \$6.1 million in FY2024, so a \$3 million increase, and currently a penny equates to half a million dollars based on the value of a penny today.

Mr. Kabiri proceeded to explain what the general fund pays for since a lot of times when people think of property taxes, it is a nebulous term that they do not know exactly what it relates to or means. He noted that in regard to the total general fund expenditures, nearly half goes to public safety, which includes Police, Fire and EMS services and the latter part goes to general government, which includes the City Manager's Office, City Secretary's office, Administrative Services, IT and HR. Mr. Kabiri noted an organization cannot have an operation with 100 plus public safety employees between Police, Fire, and EMS without the departments that offer them support services to 1) pay the salaries, 2) to do the audits, and 3) to make sure their equipment is functioning. The other categories are noted below:



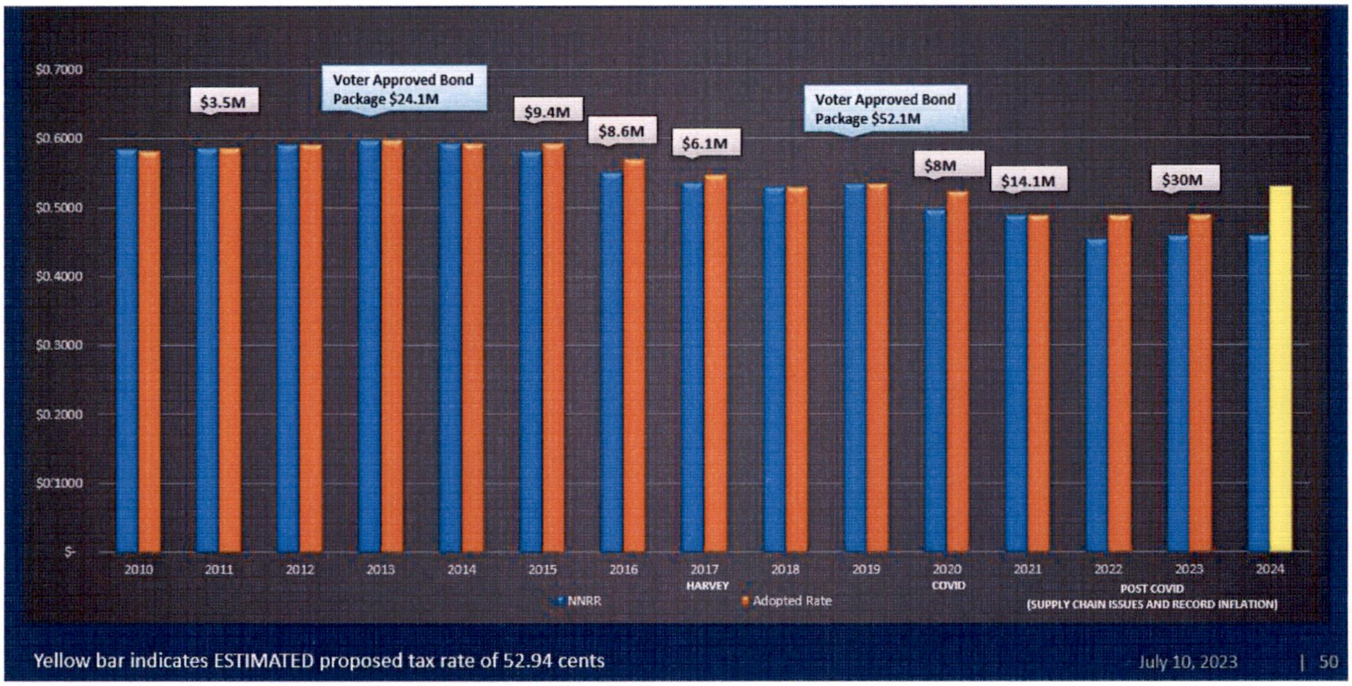
Councilmember Matranga noted that as a service organization, most of the expenses relate to its people. Mr. Manager Kabiri noted that he was correct and indicated that while staff leverages technology, when possible, to reduce the growth in the need for more people, as the city continues to grow, so will its need for personnel. He noted that for example, last November when Council adopted a ratio of police officers of 1.56 officers per 1000 in population, as the population grows, the City is supposed add officers to make sure there is appropriate coverage throughout the community. However, recently the Police Department instituted the Flock camera system and the use of cameras at a variety of locations to sort of improve the assets and the tools that police officers have in order to work more efficiently. As they employ more of those things, they can help reduce the need for personnel in the long run, but as of right now, they are predominantly a service organization that has to have to have people.

Councilmember Hanks noted that 65% of the budget is personnel related and City Manager Kabiri confirmed that of the general fund, nearly 68% is personnel related.

Councilmember Erenwert inquired if the Community Development Department budget included the funding economic development related items. Mr. Kabiri noted that Community Development represents the building permits, the planning and zoning component of the City, so they are the ones that are reviewing the plans for new construction, and for private developments, as well as their related inspections. Councilmember Erenwert noted he was thinking back on the economic side, because it takes money to make money and to grow things, so in thinking of ways to help the City's budget, it is important to consider strategies that will help bring in businesses.

Mr. Kabiri stated that a community to live off the no new revenue rate from year-to-year, they have to be in a high growth area and noted that the only additional revenue the City receives when Council adjusts the tax rate down when values go up is on new construction which was nearly nonexistent in the prior tax year. Mr. Kabiri stated that unfortunately, there is not a linear equation when it comes to property taxes, because when home valuations may go up to the state cap at 10%, there might also be commercial properties that may be devalued more significantly causing an imbalance. Mr. Kabiri stated that there was one commercial property, in particular, that went down in value at such a high rate that it was the equivalent of about eighteen, half-million homes coming off the City's tax rolls. Therefore, when calculating the no new revenue rate, many factors are taken into account, including these different fluctuations. Mr. Kabiri noted that the one thing that holds true is that the City's service obligations remain the same as operations also have a debt service obligation, and that obligation is to city employees by ensuring that their salaries are paid and given the resources to effectively operate and provide all necessary city services that are in place.

Mr. Kabiri gave Council an overview of the next slide outlining the tax rate and debt issuance over the last 15 years. He noted that the chart represented what the no new revenue rate was for each calendar year and along with the actual adopted tax rate. The bar in blue is the no new revenue rate and the bar in orange is the actual adopted tax rate for those years. Above the bars are the various tax boxes to reflect the $3.5 million, voter-approved bond programs for $24.1 million, which are debt issuances and bond programs that the city undertook. The City went out to the voters in 2013 and indicated that they wanted to do fire station number one, and a few other projects, such as street projects – Mary Ann Drive, Woodlawn Drive, Townes Road, and Blackhawk Blvd. Also included were certain park improvements in response to the City having acquired Lake Friendswood, and at that the time, $24.1 million were authorized. In the subsequent years, the debt associated with that was issued; however, each time the city issued the debts, its obligations to pay that mortgage payment continued to go up. From 2013 and subsequent years, the City adopted in most cases the no new revenue rate, which basically meant that when debt service went up, the city absorbed that cost in its operations and maintenance, or through new growth and construction that was not present in the prior year.



Mr. Kabiri listed some of the hardships encountered by the City, which included the following:

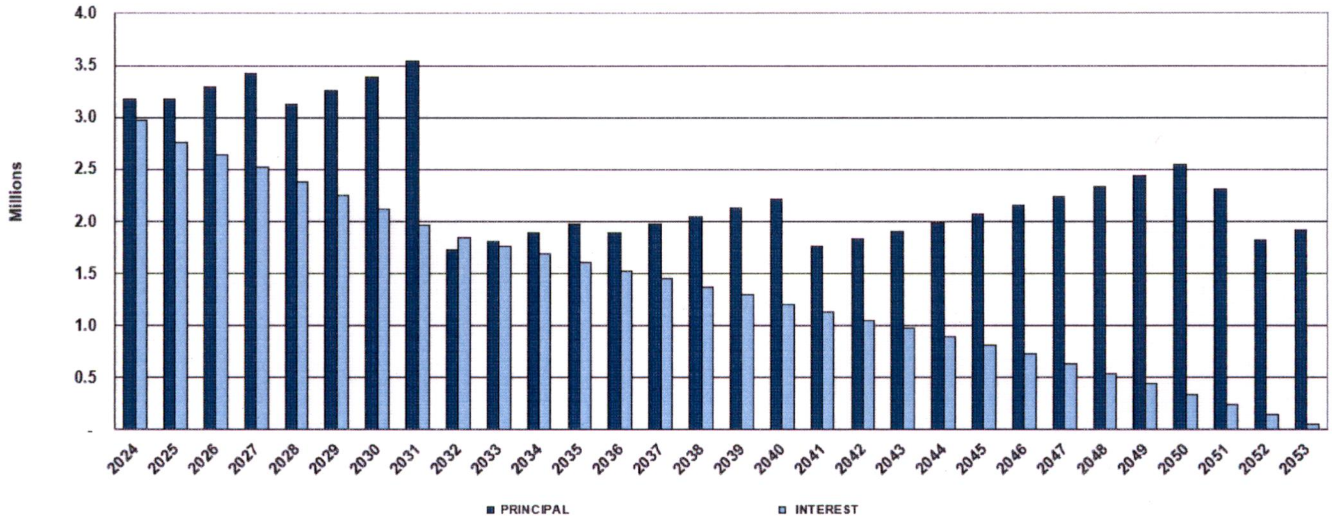
- In 2017, Hurricane Harvey had a major impact to not only on the community, but it also had a significant impact on the City's operations and finances. The City spent over $5 million in debris pickup that did not come out of tax revenue, but from the City's emergency reserve. In the subsequent years, as staff waited for federal reimbursements, the City had to absorb these costs in its operations and maintenance in order to ensure a balanced budget and that there was no issue with regard to not being able to pay bills or obligations.

- In 2019, as a result of Harvey, they went out to the voters, and approved the single biggest bond program that this city has ever had of $52.1 million. In the subsequent years, the City issued the debt associated with said bonds, which impacted the tax rate's debt service component.

- In 2020, COVID happened, which not only wreaked havoc on the economic viability across the country and across the world for that matter, but it also impacted things that can still be seen today, which is the compression on inflation. Factories shut down so, as they started back up, it was harder to get materials for the demand that existed as things started opening up and supply chains issues became a real thing. Things that at one time cost a dollar, now costs $5 or $6. A good example of that dynamic is the City's mowing contract that a year ago was $362,000 per year, and is now $700,000 a year, and this was after staff bid the contract out twice and scaled back the scope of the work in order to reduce the costs. The City continues to deal with the impacts and repercussions of COVID.

- Lastly, the City issued $8 million in 2020 for the 2019 bond program, $14 million in 2021, and tonight the Council will approve the completion of the 2019 bond program with the sale of $30 million worth of bonds, which is bigger than any previous bond program.

Mr. Kabiri referred to the General Obligation Bonds Debt Service to Maturity slide and noted that it was a static snapshot of the current debt service. The dark blue line represents the principal payments for debt while the light blue line represents the interest payments from today till 2053, when the last bit of debt is retired. Mr. Kabiri further noted that with the addition of the $30 million being approved by the Council that evening, this chart will likely change.



Mr. Kabiri noted that in 2031, the principal and interest payments drop nearly in half because of retiring old debt, but there will always be a new project to replace it. He further noted that with the amount of infrastructure out there, he could not say that the City will ever be done, as there are maintenance and repair projects being done in perpetuity because much like a home, in a City, something is going to break, and failure to maintain its infrastructure will result in more serious and expensive projects to repair and/or replace items.

Mr. Kabiri noted that in looking at an average home in Friendswood with a valuation of $450,000 and a 20% homestead exemption, the tax for this home is a little under $400,000, which equates to $1,754.28 per year using the City's current tax rate of 48.73 cents. This home, using the proposed tax rate of an estimated 52.94 cents, is an increase of about $12.63 a month and $151.56 a year. Adopting the proposed tax rate helps reduce the pressure on the operational budget by nearly $2 million, which is a significant impact to the City's to 1) pay its debt service, which is required under state law, 2) to pay existing contracts, and 3) to pay employees which make up two thirds of the City's operational cost on the general fund side.

In comparing the current fiscal year budget versus the proposed, there are a variety of components that go into it; such as personnel, supplies, maintenance, services, capital, and debt service. Mr. Kabiri stated that every year, staff works diligently to scrub their budgets through an active collaborative effort to make sure that they identify saving opportunities to maximize or leverage existing resources in order to not raise taxes. Mr. Kabiri noted that personnel costs are increasing because of the merit pool and the addition of staff; specifically, the City is bringing on an EMS Chief next year and moving part-time EMS employees to full-time in order to ensure adequate coverage on the City's emergency medical personnel side as well as the addition of a new police officer for public safety. With regard to supplies, this item has gone down slightly, but since personnel makes up the lion's share of the general fund budget, supplies are not as high an item. Maintenance costs are going up due to the City's existing obligations to maintain the additional properties brought online, whether it be mowing or expanded facilities; such as the City's Public Safety Building which has been expanded by nearly 9,000 square feet, in the form of utilities, electricity and janitorial service to name a few. The services budget has gone down slightly, which is a result of the City's push to close up the subsidizing gap with FISD for City provided school resource officers. This year, the cost for this agreement is going to be $104,000 for that subsidy, which is less than the City's cost of service in terms of personnel, but the City will continue to work to reduce the City portion to ultimately eliminated that subsidy. On the Capital side, this year, there are one-time expenditures because something needed to be replaced, a good example of that was the resurfacing of the City's tennis courts and basketball facilities. Lastly, as previously noted, the debt service is going up nearly $1.6 million from this year to next.

Mr. Kabiri went over the General Fund's forces-at-work, decision packages, and budget neutral items and noted that insurance premiums are going up, not just for the City, but for your individual households. He noted that windstorm insurance is going up significantly and property maintenance insurance is going up as well. The City is contractually obligated for Fire and EMS services with the Friendswood Volunteer Fire Department (FVFD), and staff worked with them to increase their contract cost in accordance with CPI and continue to work with them on staffing shortages relative to their part-time employee pool. Mr. Kabiri noted that their EMS is predominantly a paid service and not a volunteer service as it used to be years ago. He noted that the Fire Marshal's Office's budget includes the addition of one EMS Chief to the City's rank and file as staff begins to transition EMS services from the FVFD to the City. In the Police Department's budget is the addition of another officer but are planning to hit the position at mid-year to allow for a reduction in those costs and keep it around $63,000 for salary, benefits, and the outfitting of their equipment. Mr. Kabiri also stated that the current body worn cameras are no longer being serviced by Motorola, and staff is looking for an alternate software solution, so today more than ever, it is critical PD and emergency interactions have this recording capabilities in order to: 1) identify issues or 2) be able to go back and look at things if there is a potential problem.

Mr. Kabiri stated that in line with his comments about expanding the City's footprint as it relates to both buildings and land area that the City is required to maintain, the City is taking over maintenance of the Forest Bend Detention Pond once it is completed as well as the Bay Area Boulevard medians which are currently being maintained by the Autumn Creek Homeowner's Association. Regarding the senior bus, which will be discussed a little later tonight, the senior bus is no longer operational or repairable, therefore, the City is purchasing two vans, which are more economical and helpful in terms of transporting the seniors. However, as with all things, those vans will eventually need to be replaced as well, so they will be added to the City's vehicle replacement plan, which is in place to plan for these purchased without having a major spike in the City's tax rate when it comes time to repair and/or replace those assets.

As it relates to merit, Mr. Kabiri stated that he could not stress enough the importance of merit pay for staff. He noted that stated he would go on record that if the Council did not want to give him a raise this year, he would forgo it, but the staff needed and was deserving of a pay raise. The City of Friendswood has the lowest staffing ratio of any Houston metro area city, and there are over 100 cities in the Houston metro area, and that feat cannot be achieved without paying the employees adequately, because a lot of times they are being asked to do the job of two or three employees.

Councilmember Griffon inquired that for 2022-23, the City had the revenue available in the general fund to pay merit and if they did not raise taxes and brought in the same revenue brought in 2022-23, then we would be able to pay merit, wouldn't we? Unless they had hired one or two more people, which they are probably doing so, this is not a total add to our budget, but this is revenue we probably would have in our current budget for the general fund if we did not raise taxes at all. We would have that money for merit. City Manager Kabiri answered that when you raise someone's salary, it does not impact just that fiscal year, it impacts future fiscal years as well. In addition to that, our costs for contract services have gone up so, if we were to adopt the $48.73 tax rate, we would not have sufficient funds to pay any of these forces at work to and include merit.

Councilmember Griffon stated that Galveston (GCAD) had noted that Friendswood had about $110 million worth of new revenue from new construction, remodels, and the addition of other amenities to their homes, which results in about $503,000 to the City, which could easily pay for the majority of the merit pay without raising any taxes. He further noted that even with the reduction in commercial appraisal revenue from the Tannos property, GCAD noted that commercial appraisals were up 55%, which is not necessarily accounted for in the proposed budget. Mr. Kabiri noted that as he and staff had mentioned before, the numbers in the budget are based purely on preliminary values and would not be finalized until such time as the City received the certified rolls from the counties. He further noted that staff brings the budget to the Council early, in order to allow the time to review, discuss and identify Council's priorities, and staff always brings the worst-case scenario up front and scale back as the certified values are received. Mr. Kabiri stated that it was preferable to let the scenario get better instead of at the last minute having to announce in later August or September that the Council needs to raise taxes. The picture should get better, especially towards the end of July.

Councilmember Hanks asked if there was a requirement to publish the anticipated tax rate before it is passed. Mr. Kabiri answered there have been a number of times that the Council adopted a different tax rate than was published in the paper, but by law, the City is required to publish that tax rate notice regardless of whether it is the same or different than what is actually adopted.

Mr. Kabiri then went over the general fund unfunded decision packages slide and noted none of the items are funded today, as well as some options for the Council's review on potential budget reductions.

Councilmember Branson noted they always earmarked the $500,000 for streets and understands they have some substantial funds coming in from the street sales tax. When looking at the unfunded decision packages, several of those things are one-time expenditures, and not ongoing expenses. She expressed that she would like for Council, to consider as they come to the end of the year, if those funds have not already been used on streets, that they be used to pay for some of those unfunded items. Mr. Kabiri stated staff could definitely look at that option, and if the Council collectively wants to fund any and all of these one-time expenditures with those $500,000, to pay for those, staff will bring that back for approval. Councilmember Griffon noted that the pavement management study in Friendswood Parkway traffic impact analysis would be a very good thing to do with those $500,000 because it does something for the streets. Mr. Kabiri indicated what with the $500,000 in question, they could fund:

1) the 2023 hazard mitigation grant scoping project for Brigadoon,
2) the rectification of the city's code for $26,000;
3) the pavement management study at $100,000, and
4) the $315,000-traffic study for Friendswood Parkway.

He further noted that of the $17,385,000 currently in fund balance at the start of the fiscal year, October 1, 2022, there are a number of non-spendable prepaid items that are required to be set aside by law, including $260,000 in PEG dollars that come out of that $17 million, and right now, that running tab is at $351,000. There are the funds for the City's 90-day emergency reserve per required per City policy because that reserve is leveraged when the City goes out to the credit rating agencies for debt issuances. These agencies like to see that the City has the ability to take care of things if a rainy day were to occur, and this amount continues to grow each year with this year being estimated to $7.9 million. Additionally, Mr. Kabiri noted they have prior year encumbrances for purchase orders, and there are a number of activities that are executed by contract and when they open a purchase order for services and it exceeds one fiscal year to the next, those dollars cannot just be carried over, so those items have to be closed out and then reopen with a new purchase order the following year, which from 2022 to 2023, equates to nearly $4 million of the prior year. Mr. Kabiri also noted that the unencumbered capital, is comprised of projects that were started in one fiscal year but did not get completed so those funds are moved to the next year to ensure that the City pays for those bills, which is about $1.2 million. So, with the advanced grant funds to purchase those buyout lots that Ms. Haritos referred to earlier, the FY22 in the amount of $654,000, leaves a remaining balance at the end of all of that at roughly $3 million.

Mr. Kabiri stated that since October 1 of this year, inclusive of tonight's council meeting, Council has approved eight budget amendments that total $2.8 million, which includes grant funds that have been advanced. However, there is about $2.1 million that staff anticipates in reimbursement from the state, and the rest are onetime expenses such as the resurfacing of the courts, the Activity Building roof repair, furniture for the new spaces at Blackhawk and the Fire Station 2. The running tab with all these deductions is a little under $800,000 below the City's emergency reserve, but this will change once the City receives the anticipated reimbursements. Mr. Kabiri noted that the purpose of sharing this slide of Unassigned (Unaudited) General Fund Balance Projection is to illustrate that although the City shows it has $17 million in the bank, there are prior obligations, and it is spoken for, which actually puts the City in the red as it has dipped into its emergency reserves.

Mayor Foreman asked if it was in any particular order and City Manager Kabiri answered no, he did not list the Mayor and City Council (M&CC) items first to pick on the Mayor and Council intentionally, but that has to be at the top of the list.

Mr. Kabiri then presented the Water and Sewer Fund Forces-At-Work and Decision Packages slide and noted this is not funded by the general tax fund or the property taxes, this is paid for by your utility bills. There are operational cost increases at our wastewater treatment plant that they do not quite have the number on just yet, but they will go up. The Gulf Coast Authority has already notified staff of this already. There are insurance increases on the City's water sewer facilities that are anticipated to be at about $50,000. The other items included in this budget are as follows:

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**

After concluding his presentation, Mayor Foreman commended Mr. Kabiri, Mr. Hampton, and the Administrative Services staff for doing a fantastic job with the budget. He noted the Council is looking forward to those final numbers and have their fingers crossed that maybe staff is a little too conservative, and the numbers come in better than initially projected.

At 7:41 p.m. Mayor Foreman recessed the meeting.

At 7:51 p.m. Mayor Foreman reconvened the meeting.

8. CITY MANAGER'S REPORT

A. Provide an update on Movies in the park.

City Manager Morad Kabiri presented the item and stated that Movies In The Park series this Friday. There are five family friendly movies that will take place at the Evelyn Newman Amphitheatre at Centennial Park. He did not have an exact start time because it depends on when the sun sets, but it is a fun activity for all. There will be food vendors out there for you to get some food and refreshments during the evening.

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

City Manager Morad Kabiri presented the item and stated that Summer Reading Challenge has started. They have 1,100 kids and teens already signed up. The challenge runs through August 12 with various events and programs to promote more reading, and if interested in having your child sign up, the website is shown on the screen, it is our Friendswood library website.

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

City Manager Morad Kabiri presented the item and stated as it happens this time of year, every year, there have been a lot of shifting in the soils especially as dry as it has been so there have been a number of water main breaks that the Public Works Director René Ibarra and his team have been out attending to, 24 hours a day in some cases. They worked eight hours this past Saturday on a waterline break, they do not have a choice but to address it as quickly as possible. He commended René and his team's efforts and just asked that folks to be patient.

Lastly, Mr. Kabiri recognized the City's illustrious Police Chief Bob Wieners who was celebrating a birthday and presented him with a gift on behalf of the Council and staff.

9. BUSINESS ITEMS

A. Consider the election of the Mayor Pro Tem

Mayor Foreman nominated Councilmember Rockey for Mayor Pro Tem. No other nomination was presented.

A motion was made by Councilmember Griffon and seconded by Mayor Pro Tem Erenwert, to elect Councilmember Rockey as Mayor Pro Tem. 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.

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

A motion was made by Councilmember Erenwert and seconded by Councilmember Hanks, to approve construction contracts with Pavecon LTD. Co. for Fiscal Year 2023-2024 Striping Maintenance. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert.

Nays: None.

The item passed unanimously.

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

A motion was made by Mayor Pro Tem Rockey and seconded by Councilmember Griffon, to concur with the City Manager's appointment of Mr. Terry Prindle as the City's new Director of Information Technology. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert.

Nays: None.

The item passed unanimously.

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.

This budget amendment approves the following amendments and budget transfers:

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.

A motion was made by Councilmember Griffon and seconded by Mayor Pro Tem Erenwert to approve Ordinance No. 2023-16, related to Item 10.A, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None.

The item passed unanimously.

ORDINANCE NO. 2023-16

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.

B. Consider an ordinance authorizing the issuance and sale of City of Friendswood, Texas, General Obligation Bonds, Series 2023; approving the official statement, paying agent/registrar agreement and a deposit agreement and engaging bond counsel; calling certain outstanding bonds for redemption prior to maturity; providing for the pledge of tax receipts for the payment of the Bonds and agreeing to levy taxes to pay Bonds; and enacting other provisions relating to the issuance and sale of the Bonds.

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).

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.

A motion was made by Councilmember Hanks and seconded by Councilmember Matranga to authorize the issuance and sale of City of Friendswood, Texas, General Obligation Bonds, Series 2023; approving the official statement, paying agent/registrar agreement and a deposit agreement and engaging bond counsel; calling certain outstanding bonds for redemption prior to maturity; providing for the pledge of tax receipts for the payment of the Bonds and agreeing to levy taxes to pay Bonds; and enacting other provisions relating to the issuance and sale of the Bonds, related to Item 10.B. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None.

The item passed unanimously.

ORDINANCE NO. 2023-17

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

C. Consider a resolution adopting a Grand Marshal Selection Policy

A motion was made by Councilmember Hanks and seconded by Mayor Pro Tem Rockey to approve Resolution No. R2023-16, related to Item 10.C, with the additional amendment being added. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: None.

The item passed unanimously.

RESOLUTION NO. R2023-16

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.

11. CONSENT AGENDA

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to approve the Consent Agenda, Items 11.A through 11.M. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Robert J. Griffon, Councilmember Joe Matranga, and Councilmember Brent Erenwert.

Nays: None.

The item passed unanimously.

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.

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.

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.

Under the Agreement, The City is responsible for:

- 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.

GCCDD is responsible for:

- 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.

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 awarding the One-Time Purchase of a Transit Bus/Van With and Without a Wheelchair Lift (Bid No. 2023-12) Sunset Vans.

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.

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 into and conduct an executive session pursuant to Section 551.071 of the Texas Government Code to seek the advice of the City Attorney Financial or other incentive to a business.

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.

At 8:07 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.

At 8:50 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.

13. DISCUSSION AND POSSIBLE ACTION

A. Consider an Economic Development Agreement for the construction and build-out of a commercial education facility.

A motion was made by Councilmember Branson and seconded by Mayor Pro Tem Rockey to approve Economic Development Agreement for the Construction and build-out of a commercial education facility, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: Councilmember Griffon.

The item passed.

B. Consider an Economic Development Agreement for the build-out of 27,000 square feet of medical facilities.

A motion was made by Councilmember Griffon and seconded by Councilmember Branson to approve Economic Development Agreement for the 27,000 square feet of medical facilities, as submitted. The vote was the following:

Ayes: Mayor Mike Foreman, Councilmember Trish Hanks, Mayor Pro Tem Steve Rockey, Councilmember Sally Branson, Councilmember Joe Matranga, and Councilmember Brent Erenwert

Nays: Councilmember Griffon.

The item passed.

14. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the July 10, 2023, City Council Regular Meeting at 8:52 P.M.

Mike Foreman, Mayor

Attest:

Leticia Brysch, City Secretary

CITY OF FRIENDSWOOD
STATE OF TEXAS