



NOTICE IS HEREBY GIVEN OF A FRIENDSWOOD CITY COUNCIL REGULAR MEETING TO BE HELD AT 5:00 PM ON MONDAY, JANUARY 14, 2019, AT FRIENDSWOOD CITY HALL, COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, REGARDING THE ITEMS OF BUSINESS ACCORDING TO THE AGENDA LISTED BELOW:

1. Call to order
2. Invocation – Pastor Lynn Colby, Calvary Church
3. Pledge of Allegiance – United States and Texas (HONOR THE TEXAS FLAG; I PLEDGE ALLEGIANCE TO THEE, TEXAS, ONE STATE UNDER GOD, ONE AND INDIVISIBLE)
4. Communications from the Public
(To comply with provisions of the Open Meetings Act, the City Council may not deliberate on items discussed under this agenda item. The Council may refer this item to the City Manager or direct this item to be placed on the next regular Council agenda. PowerPoint presentations are not conducted during the citizen comment period. Out of respect for those speaking during public comment, please refrain from any outbursts or interjections to include, but not limited to, applause and/or disparaging noises from the audience. Doing so discourages others from voicing their thoughts and opinions, and disrupts the meeting.)
5. WORK SESSION
 - A. Bond Strategy
 - B. Utility Rate Study Discussion
 - C. Quarterly Capital Projects Update
6. CLOSED EXECUTIVE SESSION – (Executive Conference Room/Adjacent to Council Chambers-City Hall)

- A. Communications from the Public regarding Executive Session topics.
 - B. Council may convene into Executive Session in accordance with Texas Government Code, pursuant to Section 551.071: Consultation with Attorney about pending litigation, Cause No. 18-CV-0687; Christine Audibert v. Zoning Board of Adjustment of the City of Friendswood, Texas; in the 405th Judicial District Court of Galveston County, Texas, with possible discussion and action related thereto in open session.
7. RECONVENE INTO OPEN SESSION
8. Special Recognition and Acknowledgements
- A. Recognize Eagle Scout Candidate Troop 452 Zeke Dryer for Water Hydrant Marker Project on Blackhawk Blvd
9. Public Hearing
- To receive comments from the public, both oral and written, regarding:
- A. 2018 Update Study of Land Use Assumptions, Capital Improvements Program and Impact Fees
10. Communications from the Public
- (To comply with provisions of the Open Meetings Act, the City Council may not deliberate on items discussed under this agenda item. The Council may refer this item to the City Manager or direct this item to be placed on the next regular Council agenda. PowerPoint presentations are not conducted during the citizen comment period. Out of respect for those speaking during public comment, please refrain from any outbursts or interjections to include, but not limited to, applause and/or disparaging noises from the audience. Doing so discourages others from voicing their thoughts and opinions, and disrupts the meeting.)
11. City Manager's Report
- A. Annual Tree Give Away
 - B. Employee Service Awards
 - C. First Responder Recognition
 - D. Friendswood School Districts ranked Safest School Districts in the Houston Area
 - E. Hurricane Harvey Update
12. Communications from Committees and Special Reports
- A. Annual Report from Zoning Board of Adjustment Chair Greg Hughes
13. Discussion and possible action regarding the disposition of Bid No. 2018-21 for Construction of Greenbriar Sidewalk.
14. Discussion and possible action regarding the approval of the City Wide Traffic Study Agreement.
15. Discussion and possible action regarding the approval of an Economic

Development Agreement with Leisure Lane, LLC.

16. Resolutions

Consideration and possible action regarding the following:

- A. Resolution R2019-01: A resolution of the City Council of the City of Friendswood, Texas, authorizing and approving the 2018 Community Development Block Grant – Disaster Recovery. (CDBG-DR).
- B. Resolution R2019-02: A resolution of the City Council of the City of Friendswood, Texas, adopting the City Council Candidate Campaign Philosophy document.

17. Ordinances

Consideration and possible action regarding the following:

- A. Ordinance No. T2019-01: (Title: First reading of an ordinance amending Appendix D of the Code of Ordinances of the City of Friendswood) An ordinance of the City of Friendswood, Texas, City Council, amending Appendix D of the Friendswood City Code to establish the rates to be charged by the City for water and sewer utility services for Fiscal Years 2019-2023.
- B. Ordinance No. T2019-02: (Title: First reading of an ordinance approving the amendments to the Land Use Assumptions, the Capital Improvements Plan, the imposition of Impact Fees and amending Section 74-52(d) and Appendix D) An ordinance amending and updating Land Use Assumptions and Capital Improvements Plan and imposition of Impact Fees pursuant to the Texas Local Government Code annotated, § 395.001 et. seq.; amending the Friendswood City Code, Chapter 74 “Taxation”, Article III, Impact Fees, Section 74-52(d) and Appendix D to include updated impact fee amounts; providing a penalty in an amount not to exceed \$500 for violation of any provisions hereof by inclusion in the Code of Ordinances; repealing all ordinances or parts of ordinances inconsistent or in conflict herewith; providing for severability; and providing for publication and effective date.
- C. Ordinance No. T2019-03: (Title: First and Final reading of an ordinance adopting Budget Amendment III to the Original General Budget of the City for Fiscal Year 2018-2019 to provide for supplemental appropriation and/or transfer of certain funds) An ordinance amending City of Friendswood, Texas, Ordinance No. 2018-28, passed and approved October 1, 2018, same being an ordinance approving and adopting the City’s General Budget for Fiscal Year 2018-2019 by approving “Budget Amendment III” to the “Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2018-2019”; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.

18. Communications from the Mayor and Councilmembers

19. Consent Agenda

Consideration and possible action regarding the following:

- A. Authorizing the final acceptance of Old City Park Improvements Project into the contractor’s one-year maintenance period
- B. Approving the Blackhawk Testing contract with Terracon

- C. Accepting the December 2018 Property Tax Report
- D. Approving the minutes of the December 03, 2018, Council Meeting

20. Adjournment

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

I, MELINDA WELSH, CITY SECRETARY OF THE CITY OF FRIENDSWOOD DO HEREBY CERTIFY THAT THE ABOVE NOTICE OF MEETING OF THE FRIENDSWOOD CITY COUNCIL WAS POSTED IN A PLACE CONVENIENT TO THE GENERAL PUBLIC IN COMPLIANCE WITH CHAPTER 551, TEXAS GOVERNMENT CODE, ON JANUARY 10, 2019, AT 4:15 PM.

MELINDA WELSH, TRMC
CITY SECRETARY

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



FRIENDSWOOD CITY COUNCIL AGENDA ITEM FORM

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

Date requested for City Council consideration: January 14, 2019

Date Submitted: January 2, 2019

Dept. Clearances: Morad Kabiri

Prepared by: Morad Kabiri

Subject: Citizens Bond Advisory Group – Potential Bond Election

Originating Department: City Manager's Office

City Attorney Review: Yes

Proceeding: Worksession

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A

Amount Budgeted: N/A

Appropriation Required: N/A

Source of Funds: N/A

FINANCE APPROVAL: N/A

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

Over the last several months, the Drainage Subcommittee has met to study flooding issues that have plagued Friendswood during extreme, multi-day, rain events since 1979. As their efforts come to close and State and Federal funding become available, the need for matching dollars and a local commitment is increasingly present.

However, drainage is not the only critical piece of City infrastructure and facilities needs in the coming years. Similar to the City's last bond election in 2013, staff recommends a solicitation for citizen participation on an advisory group to evaluate the needs of the community and make recommendations concerning a future bond election. In 2013, a group of citizens met for several months and assessed the City's needs as they relate to: (1) Facilities; (2) Parks; (3) Streets & Drainage; and (4) Finance.

The breakdown of categories does not necessarily need to follow the same trend. However, citizen participation and input is vital to the development of a bond program/election.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Adoption of a well-planned approach to the bond election will benefit both Council and staff in determining the desires of the community when trying to address its needs

RECOMMENDATIONS

Staff recommends the creation of a bond advisory group to vet a potential November bond election. The introductory presentation given to the 2013 group is attached hereto for background purposes.

ATTACHMENTS

[Bond Advisory Group – 2013 Introductory Presentation](#)



City of
Friendswood
Texas

Welcome to the Citizens Bond Advisory Introductory Meeting



City of Friendswood Texas

Monday Evening TV Options



Friendswood on TRAQ

TRUST • RESPECT • ACCOUNTABILITY • QUALITY



Why Are We All Here Tonight?

- ☐ We are all invested in the City of Friendswood
- ☐ Meet other Citizens who are interested in our City
- ☐ Get to know more about the City's assets & needs
- ☐ Provide input in how limited City resources are used
- ☐ We are all interested in Friendswood and want to help it become a better place to "Live, Work, Play & Worship"



Purpose of Bond Advisory Committee

- At a recent City Council meeting, Staff discussed unfunded 5-year CIP projects:
 - o **Streets/Drainage**
 - o **Facilities**
 - o **Parks**
- Council directed City Manager to convene a group of volunteers to serve on Bond Advisory Committee



What is a municipal bond?

A bond is simply a tool that allows a municipality to borrow money and pay it back over time, with interest.

General obligation bonds: Principal and interest are supported by and paid from a City's property tax.



Why issue bonds?

- Without “cash on hand”, a City may need to amortize the payment of an expensive project or facility, similar to a family’s mortgage when purchasing a house.
- “Generational equity” – allowing all users over the life of the facility/asset to pay their share.



FISD's 2007 Bond Experience

- City Staff recently met with FISD leadership to learn of their experience.
 - o Used volunteers extensively
 - o Research, including site visits, consultant input
 - o Considerable length of time was invested
 - o Ultimately citizens recommended to the school board to call for a bond election, consisting of:
(1) Natatorium; (2) High School & Athletic facility improvements; (3) New Jr. High School



City of Friendswood Texas

City's experience in two elections in 2003 & 2009

2003 – Approved

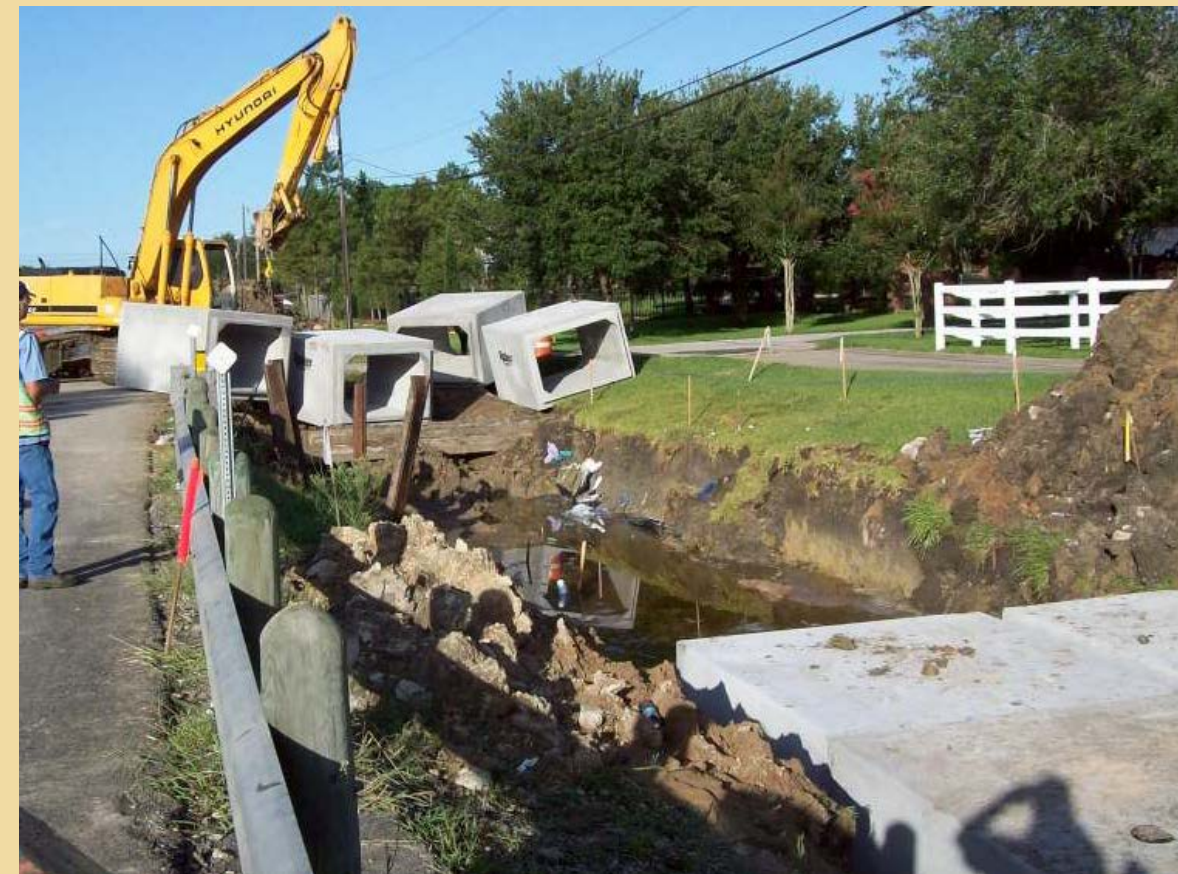
Public Safety Facilities: PSB & FS # 4 - \$7.38 Million





City's experience in two elections in 2003 & 2009

2003 – Approved
Drainage - \$5.57 million





City of Friendswood Texas

City's experience in two elections in 2003 & 2009

2003 – Approved

Streets - \$4.05 million





City of Friendswood Texas

City's experience in two elections in 2003 & 2009

2003 – Approved

Centennial Park Improvements - \$3.07 million





City's experience in two elections in 2003 & 2009

- **2009 – Did not pass**
 - o Park Improvements - \$3.1 million
 - o New library/civic center - \$6.5 million
 - o **Total** - \$9.6 million



What was the difference in the two processes?

- **Extended time in 2003 given for:**
 - o Community education
 - o Concept plans including architectural renderings & scope of project
- **More specificity in 2003 vs 2009**



Lessons learned?

- “Experience is what causes a person to make new mistakes instead of old ones.” ~Author Unknown
- “As important as it is to keep picking yourself up and brushing yourself off, it's also important to stop tripping over your own two feet.” ~Robert Brault



Possible Timeline to meet November Bond election:

February-May

Committee conducts work/research

May-June

Committee prepares presentation to CC

June-July

Present recommendations to Council

August 7

1st day to call for election

August 26

Last day to call for election

November 5

Election day



Next Steps

- Review CIP (**Facilities, Parks, Streets/Drainage**)
- **February 12** - 6:30 p.m.
 - One large group or sub-groups?
 - Future Meeting times, frequency up to the group
 - Group(s) choose a leader to report recommendations back to committee as a whole
 - Tours, meeting space, City Staff support available
- Reconvene and prepare recommendation to City Council (Council ultimately decides what to put on ballot)



Next meeting date

**Tuesday, February 12
Friendswood City Hall
6:30 p.m.**

Feedback/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: 01/14/2019

Date Submitted: 12/19/2018

Dept. Clearances: AS

Prepared by: Katina Hampton

Subject: Follow-up discussion regarding results of Cost of Service and Utility Rate Study conducted by Nelisa Heddin Consulting, LLC

Originating Department: Admin Services

City Attorney Review: N/A

Proceeding: Work Session

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$0

Amount Budgeted: \$0

Appropriation Required: \$0

Source of Funds: N/A

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

As a follow-up to the December 3, 2018 work session on the results of the utility cost of services and rate study conducted by Nelisa Heddin Consulting, LLC, staff will present a revision to the proposed rates.

Last month, Council discussed a utility rate proposal consisting of the issuance of \$39 million worth of water and sewer projects to be tackled over the next five years. Since the December meeting, staff vetted the projects further; namely removing those that are not absolutely necessary at this time or part were not part of a contractual obligation with partnering agencies in our regional plants. The new list of projects total \$32.5 million and are to be executed over the next seven years rather than five.

Furthermore, the amortization schedules for the future debt issuances have been set at a 30-year repayment schedule versus 20 years. The resultant impact reduces the a bi-monthly bill for a customer using 20,000 gallons of water and 20,000 gallons of sewer a month to less than \$200; approximately \$175 for a two-month cycle.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Approving a rate design option will ensure adequate revenue for the City's utility operations, current debt service requirements and future debt service obligations needed to maintain and/or expand the City's utility infrastructure.

RECOMMENDATIONS

Staff will make a recommendation during the meeting for Council to approve the proposed rate changes effective February 4, 2019 after two ordinance readings.

ATTACHMENTS

[Proposed Rate Schedule by Nelisa Heddin Consulting LLC – 1 8 2019](#)

[Proposed Rate Schedule by Nelisa Heddin Consulting LLC – REVISED Highlighted](#)

City of Friendswood
Water and Wastewater Department
Cost of Service and Rate Design Study Update
DRAFT

Schedule 30
Summary of Recommended Rates

Water	Current	AWWA Meter Equivalency Ratio	2023 Base Fee Using AWWA Equivalency Ratio	2019	2020	2021	2022	2023
Base Fee								
5/8"	\$ 15.50	1	\$ 23.55	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
3/4"	\$ 15.50	1.5	\$ 35.33	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
1"	\$ 15.50	2.5	\$ 58.88	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
1 1/2"	\$ 27.90	5	\$ 117.76	\$ 40.74	\$ 53.58	\$ 66.41	\$ 79.25	\$ 92.09
2"	\$ 44.95	8	\$ 188.42	\$ 65.45	\$ 85.94	\$ 106.44	\$ 126.93	\$ 147.43
3"	\$ 44.95	15	\$ 353.29	\$ 89.00	\$ 133.05	\$ 177.10	\$ 221.15	\$ 265.20
4"	\$ 44.95	25	\$ 588.82	\$ 122.65	\$ 200.34	\$ 278.04	\$ 355.73	\$ 433.43
6"	\$ 44.95	50	\$ 1,177.64	\$ 206.76	\$ 368.58	\$ 530.39	\$ 692.20	\$ 854.02
8"	\$ 44.95	80	\$ 1,884.23	\$ 307.70	\$ 570.46	\$ 833.21	\$ 1,095.97	\$ 1,358.72

Water	Current			2019	2020	2021	2022	2023
Volumetric Fee								
<u>Single Family Residential</u>								
0-3,000 Gallons	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
3,001 - 10,000 Gallons	\$ 2.90			\$ 2.90	\$ 3.21	\$ 3.21	\$ 3.21	\$ 3.21
10,001 - 25,000 Gallons	\$ 3.15			\$ 3.63	\$ 4.01	\$ 4.01	\$ 4.01	\$ 4.01
25,001 and Above	\$ 3.40			\$ 5.44	\$ 6.02	\$ 6.02	\$ 6.01	\$ 6.02
Water	Current			2019	2020	2021	2022	2023
Commercial (Includes all non-residential and multi-family residential, except sprinkler)	\$ 2.90			\$ 4.66	\$ 4.90	\$ 4.90	\$ 4.90	\$ 4.90
Water	Current			2019	2020	2021	2022	2023
<u>Sprinkler</u>								
0-3,000 Gallons	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
3,001 - 10,000 Gallons	\$ 4.00			\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
10,001 - 25,000 Gallons	\$ 4.25			\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25
25,001 and Above	\$ 4.50			\$ 5.44	\$ 6.02	\$ 6.02	\$ 6.01	\$ 6.02

Wastewater	Current			2019	2020	2021	2022	2023
Base Fee	\$ 15.00			\$ 23.00	\$ 24.15	\$ 25.36	\$ 26.63	\$ 27.96
Volumetric Fee	\$ 2.13			\$ 3.61	\$ 4.16	\$ 4.16	\$ 4.16	\$ 4.29

City of Friendswood
Water and Wastewater Department
Cost of Service and Rate Design Study
DRAFT - **REVISIONS HIGHLIGHTED**

Schedule 30
Summary of Recommended Rates

Water	Current	AWWA Meter Equivalency Ratio	2023 Base Fee Using AWWA Equivalency Ratio	2019	2020	2021	2022	2023
Base Fee								
5/8"	\$ 15.50	1	\$ 23.55	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
3/4"	\$ 15.50	1.5	\$ 35.33	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
1"	\$ 15.50	2.5	\$ 58.88	\$ 20.23	\$ 21.24	\$ 21.65	\$ 22.73	\$ 23.55
1 1/2"	\$ 27.90	5	\$ 117.76	\$ 40.74	\$ 53.58	\$ 66.41	\$ 79.25	\$ 92.09
2"	\$ 44.95	8	\$ 188.42	\$ 65.45	\$ 85.94	\$ 106.44	\$ 126.93	\$ 147.43
3"	\$ 44.95	15	\$ 353.29	\$ 89.00	\$ 133.05	\$ 177.10	\$ 221.15	\$ 265.20
4"	\$ 44.95	25	\$ 588.82	\$ 122.65	\$ 200.34	\$ 278.04	\$ 355.73	\$ 433.43
6"	\$ 44.95	50	\$ 1,177.64	\$ 206.76	\$ 368.58	\$ 530.39	\$ 692.20	\$ 854.02
8"	\$ 44.95	80	\$ 1,884.23	\$ 307.70	\$ 570.46	\$ 833.21	\$ 1,095.97	\$ 1,358.72

Water	Current			2019	2020	2021	2022	2023
Volumetric Fee								
<u>Single Family Residential</u>								
0-3,000 Gallons	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
3,001 - 10,000 Gallons	\$ 2.90			\$ 2.90	\$ 3.21	\$ 3.21	\$ 3.21	\$ 3.21
10,001 - 25,000 Gallons	\$ 3.15			\$ 3.63	\$ 4.01	\$ 4.01	\$ 4.01	\$ 4.01
25,001 and Above	\$ 3.40			\$ 5.44	\$ 6.02	\$ 6.02	\$ 6.02	\$ 6.02
Water	Current			2019	2020	2021	2022	2023
Commercial (Includes all non-residential and multi-family residential, except sprinkler)	\$ 2.90			\$ 4.66	\$ 4.90	\$ 4.90	\$ 4.90	\$ 4.90
Water	Current			2019	2020	2021	2022	2023
<u>Sprinkler</u>								
0-3,000 Gallons	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -
3,001 - 10,000 Gallons	\$ 4.00			\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00	\$ 4.00
10,001 - 25,000 Gallons	\$ 4.25			\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25	\$ 4.25
25,001 and Above	\$ 4.50			\$ 5.44	\$ 6.02	\$ 6.02	\$ 6.02	\$ 6.02

Wastewater	Current			2019	2020	2021	2022	2023
Base Fee	\$ 15.00			\$ 23.00	\$ 24.15	\$ 25.36	\$ 26.63	\$ 27.96
Volumetric Fee	\$ 2.13			\$ 2.40	\$ 4.16	\$ 4.16	\$ 4.16	\$ 4.29



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: January 14, 2019

Date Submitted: January 8, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: Update on 2013 Bond Program Projects and Other Capital Projects

Proceeding: Work Session

City Attorney Review: N/A

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A Amount Budgeted: N/A

Appropriation Required: N/A Source of Funds: N/A

FINANCE APPROVAL: N/A

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

At the February 2014 Council meeting, Council directed staff to pursue the Seven-Year plan in undertaking the 2013 Bond Program. Since that meeting, the following activities have been started relative to the bond projects (**please note, a PowerPoint presentation will be provided at the meeting Monday night for additional background**):

- **Old City Park** –The parking lot portion of the project is complete and is on the agenda for acceptance by City Council later this evening. The Contractor, Tandem Services, LLC, has started the Pavilion and the Restroom buildings and have poured the foundations for both.
- **Blackhawk Boulevard Phase II** –The City issued the notice to proceed on June 4, 2018. City Council approved three alternates on the project to allow for construction to go from Friendswood Link to Edenvale. The Contractor, Joslin Construction, has been systematically working their way down Blackhawk. They have been removing concrete, installing water and sanitary sewer lines, placing storm sewer pipe, and installing concrete pavement and driveways.
- **2018 Street Maintenance Contract** – The City issued the notice to proceed for October 8, 2018. The Contractor, Angel Brothers, has completed work on East Viejo, Moore Road, and Wilderness Trails. They are currently working on Spreading Oaks.
- **Storm Sewer Cleaning and Inspection** – The City issued the notice to proceed for October 8, 2018. The Contractor, All Points Inspection Services, has begun work on the north side of Friendswood. They are utilizing our storm sewer maps and are working in a systematic procedure. They are in the Annalea section of the City at the writing of this

document. They have completed cleaning 54,344 linear feet of the overall 294,836 linear footage of various sized pipes and boxes.

- **Greenbriar Sidewalks** – Design is complete and the bids were opened in January. This project is being presented in the Discussion and Possible Action portion of tonight’s City Council meeting.

- **Lift Station**

Lift Station 23 (FM 518 near Century Ln.) – City Council approved an amendment to the consultant’s contract based on an independent review of the wet well in August. Lockwood Andrews and Newnam, Inc. are progressing on their design with the intent on going out for bids in the spring of 2019.

- **Pool Reconstruction** – City Council approved a contract with Corworth Innovative Buildings at the October meeting for a new restroom and ticket office buildings. Construction of the pre-fabrication buildings are progressing as expected. The existing facilities were demolished in December.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

RECOMMENDATIONS

None

ATTACHMENTS

[CM Report December 2018](#)
[Seven Year Plan](#)

Capital Projects Monthly Report

December 2018

I. 2013 BOND PROJECTS – ROUND 1

Old City Park Parking Lot

PK0070

Project Manager:		<i>Tuan Nguyen</i>		
Project Funding Source:		<i>2013 Parks Fund Program</i>		
Approved Project Budget:		<i>\$400,000.00</i>		
Approved Change Orders:		<i>-\$43,407.50</i>		
Estimated Completion:				
Project Status:		<i>Design Phase</i>		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$10,500.00	\$0.00	\$10,500.00	\$10,500.00
Construction:	\$419,038.30	-\$43,407.50	\$375,630.80	\$332,349.91
Miscellaneous:	\$94,165.32	\$0.00	\$94,165.32	\$64,434.66
Testing:	\$9,300.00	\$0.00	\$9,300.00	\$5,430.75
Total:	\$533,003.62	-\$43,407.50	\$739,667.12	\$412,715.32
Contingency	\$0.00		\$0.00	\$0.00

Project is now complete and on agenda for January acceptance.

Old City Park Restrooms and Pavilion

PK0070

Project Manager:		<i>Tuan Nguyen</i>		
Project Funding Source:		<i>2013 Parks Fund Program</i>		
Approved Project Budget:		<i>\$400,000.00</i>		
Approved Change Orders:		<i>\$14,673.00</i>		
Estimated Completion:				
Project Status:		<i>Design Phase</i>		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$23,000.00	\$0.00	\$23,000.00	\$13,717.50
Construction:	\$335,530.00	\$14,673.00	\$350,203.00	\$51,899.40
Miscellaneous:	\$5,000.00	\$0.00	\$5,000.00	\$5,000.00
Testing:	\$4,162.00	\$0.00	\$4,162.00	\$816.00
Total:	\$367,692.00	\$14,673.00	\$382,365.00	\$71,432.90
Contingency	\$29,470.00		\$9,934.00	\$19,536.00

The project was awarded by City Council at the October meeting. A Pre-Construction meeting was conducted on November 13 with a Notice to Proceed date of November 26. Contractor has mobilized and the foundations for the pavilion and the restroom buildings have been poured.

Capital Projects Monthly Report

December 2018

II. CITY COUNCIL'S PRIORITY PROJECTS

1776 Park Improvements PK0052

Project Manager:		James Toney		
Project Funding Source:		PDO		
Approved Project Budget:		\$31,000.00		
Approved Change Orders:		\$0.00		
Estimated Completion:		N/A		
Project Status:		Project Planning		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:				
Construction:				
Miscellaneous:				
Testing:				
Total:				
Contingency				

Parks and Recreation Department is working with the Rotary Club and Galveston County Consolidated Drainage District) GCCDD on installing a canoe launch at this park. City Staff is investigating with the Galveston County Consolidated Drainage District potential changes in the park to create additional in line detention or a detention pond for Clear Creek and converging tributaries.

Blackhawk Boulevard Phase II GO1515

Project Manager:		Rick Watkins		
Project Funding Source:		2013 Street Bonds Phase III		
Approved Project Budget:		\$5,582,547.95		
Approved Change Orders:		\$3,565.00		
Estimated Completion:				
Project Status:		Under Design		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$849,168.95	\$0.00	\$849,168.95	\$794,757.63
Construction:	\$4,580,886.90	\$3,565.00	\$4,584,451.90	\$1,253,564.14
Miscellaneous:	\$3,301.00	\$0.00	\$3,301.00	\$3,301.00
Testing:	\$84,635.00	\$0.00	\$84,635.00	\$16,020.50
Total:	\$5,517,991.85	\$3,565.00	\$5,521,556.85	\$2,067,643.27
Contingency	\$0.00		\$0.00	\$0.00

The Concrete roadway has been installed on the West side of Blackhawk Boulevard from Edenvale Street to Whittier Oak Drive. The storm sewer and inlets continue to be installed with the main trunk line installed up to Royal Parkway. The new storm sewer main trunk line at Cedar Gully outfall area has been installed. The new 12-inch water lines have been installed from Edenvale Street to Royal Parkway with the tie-in to the existing meters being installed as they can.

Capital Projects Monthly Report

December 2018

2018 Storm Sewer Cleaning and Inspection Desilting

Project Manager:		<i>Tuan Nguyen</i>		
Project Funding Source:		<i>General Fund Balance</i>		
Approved Project Budget:		<i>\$696,336.00</i>		
Approved Change Orders:		<i>\$0.00</i>		
Estimated Completion:		<i>August 2019</i>		
Project Status:		<i>Construction Phase</i>		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$0.00	\$0.00	\$0.00	\$0.00
Construction:	\$696,335.75	\$0.00	\$696,335.75	\$117,571.88
Miscellaneous:	\$0.00	\$0.00	\$0.00	\$0.00
Testing:	\$0.00	\$0.00	\$0.00	\$0.00
Total:	\$696,335.75	\$0.00	\$696,335.75	\$117,571.88
Contingency	\$0.00		\$0.00	\$0.00

This project was set up as an action after the Hurricane Harvey storms to assess and clean the storm sewer system that were underwater. The project was awarded at the September City Council meeting and a pre-construction meeting was held on October 20 with a Notice To Proceed as of October 9. The contractor is starting in the northernmost subdivisions (Lakes of Friendswood) and working their way south. Weekly schedule provided, and progress kept up by contractor. TV-crew is right behind them. First batch of report-video has been delivered.

2018 Street Maintenance Program ST2018

Project Manager:		<i>Tuan Nguyen</i>		
Project Funding Source:		<i>2013 Parks Fund Program</i>		
Approved Project Budget:		<i>\$400,000.00</i>		
Approved Change Orders:		<i>\$0.00</i>		
Estimated Completion:				
Project Status:		<i>Design Phase</i>		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$0.00	\$0.00	\$0.00	\$0.00
Construction:	\$1,590,730.50	\$0.00	\$1,590,730.50	\$287,369.59
Miscellaneous:	\$0.00	\$0.00	\$0.00	\$0.00
Testing:	\$49,547.00	\$0.00	\$49,547.00	\$6,622.50
Total:	\$1,640,277.50	\$0.00	\$1,640,277.50	\$293,992.09
Contingency	\$0.00		\$0.00	\$0.00

The City Council approved the contract for the first year of the five-year paving program which is funded by the Street Maintenance Sales Tax that was voted on by the Citizens. In year one, the concentration is on Asphalt Street repairs and overlay. The Contract was awarded at the September City Council meeting. A pre-construction meeting was held on October 18 with a Notice to Proceed date of October 17. They have completed E. Viejo Drive, Moore Road, and Wilderness Trail and are working on clean up and striping where called for. Work is in progress on East Spreading Oaks.

Capital Projects Monthly Report
December 2018

**FY2019 Concrete Street Maintenance Repair
2019CSMR**

Project Manager:		David Blacksher		
Project Funding Source:		General Fund Balance		
Approved Project Budget:		\$500,000.00		
Approved Change Orders:		\$0.00		
Estimated Completion:				
Project Status:		Design Phase		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$0.00	\$0.00	\$0.00	\$0.00
Construction:	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous:	\$0.00	\$0.00	\$0.00	\$0.00
Testing:	\$0.00	\$0.00	\$0.00	\$0.00
Total:	\$0.00	\$0.00	\$0.00	\$0.00
Contingency	\$0.00		\$0.00	\$0.00

The Streets and Drainage Division is currently putting together the documents for its annual street repair. This year the City will be bidding out Concrete repairs.

**Greenbriar Sidewalks
SW2019**

Project Manager:		Megan Wilson		
Project Funding Source:		General Fund Balance		
Approved Project Budget:		\$200,000.00		
Approved Change Orders:		\$0.00		
Estimated Completion:				
Project Status:		Design Phase		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$0.00	\$0.00	\$0.00	\$0.00
Construction:	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous:	\$0.00	\$0.00	\$0.00	\$0.00
Testing:	\$0.00	\$0.00	\$0.00	\$0.00
Total:	\$0.00	\$0.00	\$0.00	\$0.00
Contingency	\$0.00		\$0.00	\$0.00

This project will install five-foot wide concrete sidewalks on the south side of Greenbriar Avenue from Wilderness Trail to Falling Leaf Drive. The sidewalks are currently out for bids and expect to be presented to City Council in January 2019.

Capital Projects Monthly Report
December 2018

III. Water & Sewer Bond Projects

**Lift Station #23 Replacement
WS1601**

Project Manager:		<i>Public Works Staff</i>		
Project Funding Source:		<i>Water and Sewer Working Capital</i>		
Approved Project Budget:				
Approved Change Orders:				
Estimated Completion:				
Project Status:		<i>In Design</i>		
	Original Contract Amount	Approved Change Orders	New Contract Amount	Amount Expended
Design:	\$158,800.00	\$130,700.00	\$289,500.00	\$121,715.33
Construction:	\$0.00	\$0.00	\$0.00	\$0.00
Miscellaneous:	\$55,540.00	\$0.00	\$55,540.00	\$55,540.00
Testing:	\$0.00	\$130,700.00	\$0.00	\$0.00
Total:	\$214,340.00	\$0.00	\$345,040.00	\$177,255.33
Contingency				

A Design contract was awarded during the February Council meeting. Lockwood, Andrews, and Newman were awarded the contract and have started the basic design of the Lift Station #23. As a component of design, an issue has arisen in regard to our ability to reuse the existing force main. TCEQ regulations may impact the use of the existing force main, requiring the installation of a new, smaller one. Staff is continuing to work with LAN on the design changes. Staff is working with individual contractors for an in-depth evaluation of the wet well. Staff held a Pre-Con/Coordination meeting on January 23. Inspection of the wet well occurred on February 14, 2018, the finalized report has been received and being reviewed. City staff met with LAN to discuss the best method to proceed on the project last week. An amendment to the contract was approved at the August City Council and thus design is in full engineering mode. We plan to advertise for bids in the Spring of 2019.

IV. RESIDENTIAL DEVELOPMENTS

Sterling Creek Section #3B

The Pre-Construction meeting was held on October 2, 2018 and the contractor is currently installing sanitary sewer line.

Friendswood Trails – Paving/Utilities

A preconstruction meeting was held September 25, 2017. The general contractor is Angel Brothers. Underground utilities completed. Paving is completed. All utilities tested. Minor second stage work and drainage swales in reserve still outstanding. City staff conducted a walk thru on July 30th the contractor is closing out punch list items. Staff has been meeting with the developer on a weekly basis to chart progress and address any concerns. The project was accepted at the November City Council meeting.

Capital Projects Monthly Report
December 2018

V. COMMERCIAL DEVELOPMENTS

Grease Monkey

Held the Pre-Construction meeting on November 20th. Construction is underway. Storm Sewer and general site work in progress.

The Ultimate Garage

Had the Pre-Construction meeting on September 25th. Contractor is currently doing site preparation and scheduling to do water and paving. Storm sewer has been installed. Fire hydrant at FM 2351 has been relocated. General site work in progress.

Virgata

Installing storm sewer and doing general site work.

VI. ADMINISTRATIVE & IN-HOUSE PROJECTS

Beamer Road Expansion – Project is in the scoping process.

Beamer Road Utilities – Working on coordination and pricing.

Blackhawk Building – One remaining item left, Parks and Public Works has moved in.

Capital Improvements Program – Revised Capital Improvements Program Manual approved and on the website. Working on the 2019 revision.

City Wide Traffic Study – Scoping the project and preparing for selection of Engineer.

Community Rating System – Proposed Contract with Calhoun Consultants and finishing up the 2018 FEMA CAV documents.

Flood Mitigation – In the Construction Phase.

Flood Vulnerability Study – Scoping the project and preparing for selection of Engineer.

Friendswood Lakes Boulevard – project was out for bids.

Greenbriar Sidewalk – Scoping is complete and in design. Bidding to be in December.

Pedestrian Bridge – Documentation sent to H-GAC for grant processing.

Staking property corner of 16711 Townes Road – Completed.

Utility Impact Study – Study completed and recommendation to City Council.

Right of Way Permits Approved:

2018-92- 106 & 120 Parkwood Ave - ATT

2018-93 – 5103 Encino Court - ATT

Capital Projects Monthly Report

December 2018

2018-94- 15600 Blackhawk Blvd - ATT
2018-95 – 701 W. Parkwood Ave – GTX
2018-96 – 1500 Sunset Rd – CCC
2018-97 – 1804 S Friendswood Drive – MCI
2018-98 – 105 E Parkwood Ave – CCC
2018-99 – 1206 Cowards Creek Dr – CPG
2018-100- 1310 Deepwood Dr – CCC
2018-101 – S Friendswood Dr – CCC
2018- 102 – Arbor Gate - CCC

Right of Way Permits on Hold:

None

Ordinance 300 Requests – Approved

2018-26 – New Park Signage and Public Works/Park Building Signage
2018-27 – Temporary “No Parking” signs for Cline Fest
2018-28 – W. Castlewood “Cross Traffic Does Not Stop” signs

Ordinance 300 Requests – Disapproved

2018-20 – Cedarwood Drive – Excessive Speeding
2018-23 – Shadwell Lane – Right Turn Only

Ordinance 300 Requests – Information sent

2018-25 – Falling Leaf – No Parking at Merriewood

Ordinance 300 Requests – Pending

2017 21 – Forest Bend Avenue – Sight distance
2017-28 – Briar Meadow – Cline Traffic
2018-06 – Briar Meadow – Stop Sign Clarity
2018-18 – Pine Drive – Install delineators
2018-24 – Prince George & Queensburg – Excessive Speeding

Ordinance 300 Requests – Waiting Requestor Response

2016-10 – Linson Lane – Dead End sign
2016-16 – Galloway School – Flashing Lights and Crosswalk
2016-18 – Wilderness Trails Subdivision – Excessive Speeding
2017-01 – Dominion Court – No Exit/Dead End
2017-15 – Park Water Drive – No Parking

Ordinance 300 Requests – Waiting TxDOT Response

2017-10 – Annalea – Traffic Signal
2018-03 – Request left turn Bay on South FM 518 to Magnolia Avenue
2018-07 – Bay Area Boulevard – Change Traffic Patterns
2018-08 – FM 2351 – Change Traffic Patterns
2018-09 – FM 2351 & FM 518 – Change Traffic Patterns
2018-10 – FM 2351 – Change Traffic Patterns
2018-11 – FM 528 – Change Traffic Patterns
2018-12 – FM 528 – Change Traffic Patterns
2018-13 – FM 528 & Sunset – Change Traffic Patterns
2018-14 – FM 528 & Briar Meadow – Change Traffic Patterns
2018-29 – Request for Traffic Light at Stratmore Drive and FM 518

Capital Projects Monthly Report
December 2018

Ordinance 300 Requests – Work Order – No 300 needed

2017-18 – Friendswood Lakes Boulevard – Change Speed Limit Signs

2017-29 – City Limit Sign on Bay Area Boulevard

VII. ONE-YEAR MAINTENANCE EXPIRATION

PROJECT

Arbor Gate Section 6
Friendswood Lakes Boulevard
Friendswood Trails

DATE

May 7, 2019
May 7, 2019
November 5, 2019

Seven-Year Plan Round 1	
Project	Est. Capital Cost
Prop 1 - Public Safety	
Design - Expansion of Station 4 & New Station at PSB	\$ 484,500
Prop 2 - Library	
Library Expansion	\$ 2,525,000
Prop 3 - Parks	
Centennial Park Improvements	\$ 750,000
Expansion of Existing Parks*	\$ 1,400,000
Lake Friendswood	\$ 500,000
Sportspark Improvements	\$ 1,718,000
Stevenson Park Improvements	\$ 246,500
Prop 4 - Streets	
Mary Ann Dr	\$ 549,000
Shadowbend Ave	\$ 393,000
Townes Road	\$ 273,000
Winding Road	\$ 642,000
Totals Round 1	\$ 9,481,000

Seven-Year Plan Round 2	
Project	Est. Capital Cost
Prop 1 - Public Safety	
Construction of Station 4 Expansion & New Station at PSB	\$ 6,100,000
Prop 3 - Parks	
Improvements - Other Parks	\$ 670,500
New Parkland*	\$ 2,000,000
Totals Round 2	\$ 8,770,500

Seven-Year Plan Round 3	
Project	Est. Capital Cost
Prop 4 - Streets	
Blackhawk Blvd	\$ 5,453,000
Woodlawn Dr	\$ 400,000
Totals Round 3	\$ 5,853,000

* Actual cost of new parkland will vary



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: January 14, 2019

Date Submitted: January 9, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: 2018 Update Study of Land Use Assumptions, Capital Improvements Plan & Impact Fees

Proceeding: Public Hearing

City Attorney Review: N/A

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A Amount Budgeted: N/A

Appropriation Required: N/A Source of Funds: N/A

FINANCE APPROVAL: N/A

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

Impact fees are capital recovery fees used to expand the water and sewer systems to accommodate new growth. In order to assess an impact fee, a City must use land use assumptions to determine population growth and provide details on specific capital improvement projects that will be funded with the fees collected.

The impact fees are paid at the time of building permit issuance and are based on meter size. The City first began charging impact fees in 1990. Chapter 395 of the Local Government Code requires an updated study every five years. The last update was in 2013.

The City hired Daniel Scott Engineering, LLC to update the study for 2018. The draft of the study is provided in the back-up material. As the Capital Improvement Advisory Committee (CAIC), the commission has provided a written report as their recommendation which is included with this agenda item as backup material.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Changing the amount of the impact fees affects the fees that developers are required to pay for new development; however, the funds that are collected go towards expansion of the City's water and sewer system to accommodate for the growth.

RECOMMENDATIONS

The recommended fee in the study are as follows:

\$1,407 - water

\$2,820 – sewer

\$4,227 – total for a one-inch meter.

ATTACHMENTS

[2018 Impact Fee Study](#)

[PZ CIAC rec memo 2018 Impact Fee Update 12-17-2018](#)

IMPACT FEE STUDY

2018 UPDATE STUDY OF LAND USE ASSUMPTIONS,
CAPITAL IMPROVEMENTS PLAN & IMPACT FEES

WATER SUPPLY/DISTRIBUTION AND
WASTEWATER TREATMENT/COLLECTION

CITY OF FRIENDSWOOD, TEXAS



NOVEMBER 2018

PREPARED BY:

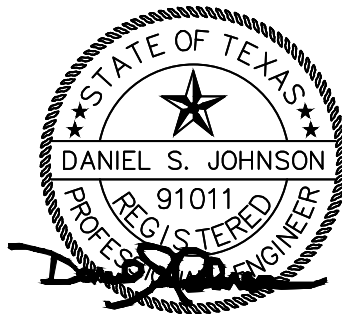
DANIEL SCOTT
ENGINEERING, LLC

19701 MORRIS AVENUE, MANVEL, TEXAS 77578
TBPE F-9827

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

JOE MATRANGA
RICHARD CLARK
BRETT BANFIELD
ERIC GUENTHER
LISA LUNDQUIST
RICHARD SASSON
MARCUS PERRY



11/27/2018

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

TABLE OF CONTENTS

I.	INTRODUCTION	5
A.	BACKGROUND	5
B.	CAPITAL IMPROVEMENTS ADVISORY COMMITTEE	6
C.	PLANNING PERIOD	6
D.	CAPITAL IMPROVEMENTS	6
E.	IMPACT FEES	6
II.	LAND USE ASSUMPTIONS	7
A.	BASIS	7
B.	SERVICE AREA	7
C.	POPULATION PROJECTIONS	8
D.	GROWTH RATE	10
III.	CAPITAL IMPROVEMENTS PLAN	11
A.	CAPITAL IMPROVEMENTS PROGRAM	11
B.	EXISTING CAPITAL IMPROVEMENTS	12
	1. WATER SUPPLY AND DISTRIBUTION	12
	2. WASTEWATER COLLECTION AND TREATMENT	13
C.	PROJECTS	14
D.	PROJECT DESCRIPTIONS	15
E.	EQUIVALENT SERVICE UNITS	17
IV.	IMPACT FEES	22
A.	ADMINISTRATIVE ITEMS	22
B.	MAXIMUM IMPACT FEE DETERMINATION	23
V.	SUMMARY AND RECOMMENDATIONS	24

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

LIST OF TABLES

1.	IMPACT FEE STUDY UPDATE SUMMARY	5
2.	US CENSUS BUREAU	8
3.	HGAC POPULATION PROJECTIONS	9
4.	1.5% ANNUAL GROWTH RATE PROJECTIONS	10
5.	WATER PROJECTS FOR EXISTING NEEDS	12
6.	WASTEWATER PROJECTS FOR EXISTING NEEDS	13
7.	CAPITAL IMPROVEMENTS PLAN	14
8.	EQUIVALENT METER TABLE	17
9.	CURRENT RESIDENTIAL METER SUMMARY	18
10.	CURRENT NON-RESIDENTIAL METER SUMMARY	19
11.	CURRENT WATER METER SUMMARY	20
12.	EQUIVALENT SERVICE UNITS	21
13.	MAXIMUM IMPACT FEES	23
14.	PREVIOUS IMPACT FEES	24

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

I. INTRODUCTION

A. BACKGROUND

The City of Friendswood, Texas has elected to adopt Water and Wastewater Impact Fees to assist in the financing of Capital Improvements for those systems that are necessitated by growth and development anticipated in the City. These Impact Fees were first adopted on June 4, 1990 by Resolution No. 90-22, in accordance with the provisions of the, then current State Law.

The State Law originally required that impact fees be reviewed and updated at least every three years from the adoption date; however, the legislation was amended to revise the maximum period to five years between required updates. Table 1 provides a historical summary of all updates to the Impact Fee Study for the City of Friendswood:

TABLE 1
IMPACT FEE STUDY UPDATE SUMMARY

Year	Revision	Resolution	Preparer
1990	Original	R90-22	Brown & Gay Engineers, Inc.
1991	Amendment	R91-4	Brown & Gay Engineers, Inc.
1993	Update #1	R93-24	Brown & Gay Engineers, Inc.
1997	Update #2	R97-48	Claunch & Miller, Inc.
2000	Update #3	R2000-40	Claunch & Miller, Inc.
2003	Update #4	R2003-47	Claunch & Miller, Inc.
2008	Update #5	R2008-17	HDR/Claunch & Miller, Inc.
2013	Update #6	R2013-11	JET Civil Consulting, LLC
2018	Update #7		Daniel Scott Engineering, LLC

In 2013, the City Council authorized JET Civil Consulting, LLC to prepare the update of the Land Use Assumptions, Capital Improvements Plan (CIP), and Impact Fee Study in accordance with Chapter 395 of the Local Government Code (Impact Fee Legislation), which is the state legislation regulating this adoption process.

In July 2018, the City authorized Daniel Scott Engineering, LLC (DSE) to prepare the required five-year update of the 2013 Study. This document includes the basis for determination of the Water and Wastewater Impact Fee per Equivalent Service Unit (ESU), based on Land Use Assumptions and the corresponding CIP.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

The City Council has appointed a Capital Improvements Advisory Committee to give policy direction, guide the public hearing process, and make a recommendation to the Council regarding the final report and fee amount. This committee consists of the Friendswood Planning and Zoning Commission (P&Z), which currently has at least one member representing the real estate industry, as required by the Impact Fee Legislation.

C. PLANNING PERIOD

The City of Friendswood is located in a high growth corridor along Interstate 45, approximately 20 miles southeast of the City of Houston, and about 30 miles northwest of the City of Galveston. The planning period for this Impact Fee Study will be for the ten-year period from 2018-2028 in accordance with requirements of the aforementioned Chapter 395. Population projections and resulting growth for the planning period can be found in the Land Use Assumptions, and details of the projects are shown in the CIP.

D. CAPITAL IMPROVEMENTS

Water and Wastewater Capital Improvements are defined as *“any facility that has a life expectancy of three or more years and are owned and operated by or on behalf of a political subdivision: water supply, treatment and distribution facilities; wastewater collection and treatment facilities.”*

Costs for system improvements necessitated by regulatory changes, maintenance requirements, or to correct deficiencies in existing developed areas are not eligible for reimbursement by impact fees and are therefore not included in the CIP developed for the purposes of this study. Many of the improvements may be financed through the issuance of bonds, and therefore finance charges can be estimated and included in the fee calculation. Acquisition of land, easements, and engineering costs for the projects are also eligible under the legislation and can be included in the calculation.

E. IMPACT FEES

This document will establish the projected number of Equivalent Service Units estimated to be added to the City of Friendswood’s water and wastewater system over the Planning Period, as well as the anticipated areas, which will require these services. The required Capital Improvements to be constructed can then be determined with cost estimates that will be utilized to calculate the proposed Impact Fees.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

II. LAND USE ASSUMPTIONS

A. BASIS

The Land Use Assumptions established herein are based on the following:

- The City's current Zoning Map
- The City's Capital Improvements Program 2017 Update
- The City's Comprehensive Plan adopted in 1998
- Vision 2020
- 2001 Groundwater Reduction Plan
- Area Growth projections provided by HGAC and other sources
- United States Census Bureau data and previous historical data
- Current growth trends experienced in the City
- Availability of vacant tracts in the City

B. SERVICE AREA

The Impact Fee Legislation defines Land Use Assumptions as: *“a description of the service area and projections of changes in land uses, densities, intensities and population in the service area over at least a ten-year period.”* The City of Friendswood has elected to define the service area for Impact Fees as the current City Limits. The legislation also allows the City to impose impact fees in the City's Extraterritorial Jurisdiction (ETJ); however, the City of Friendswood has no ETJ.

The City has elected to establish Impact Fees on a system-wide basis. Currently, the City has no standalone systems (Municipal Utility Districts) providing water and wastewater to residents and businesses.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

C. POPULATION PROJECTIONS

According to the United States Census Bureau (Table 2), the population for the City of Friendswood was estimated at 39,839 on July 1, 2017. This represents an increase of 11.3% from the 2010 Official Census (35,805), and an increase of 4,034 people in seven years. After the increase of 23.3% (6,768 people) from 2000 (29,037) to 2010 (35,805), the Census Bureau continues to document Friendswood's growth toward buildout.

Over the last 47 years of Census data, the City of Friendswood has experienced varying population increases. The City witnessed tremendous population spikes of 88.9% from 1970 to 1980, and 112.8% from 1980 to 1990, and a steady increase of about 6,300 people every decade since the 1990's. Altogether, the City has experienced an average annual population increase of 4.27% since 1970.

The 2013 Impact Fee Study incorporated an average annual increase of 1.5% for the population projection, which proved to be consistent with the 1.54% increase observed by the Census Bureau.

TABLE 2
US CENSUS BUREAU

Geography Name	Year	Household Population	% Increase	Population Increase
Friendswood	1970	5,675		
Friendswood	1980	10,719	88.9%	5,044
Friendswood	1990	22,814	112.8%	12,095
Friendswood	2000	29,037	27.3%	6,223
Friendswood	2010	35,805	23.3%	6,768
Friendswood	2017	39,839	11.3%	4,034
		ANNUAL AVERAGE		
		SINCE 1970:	4.27%	726.9
		SINCE 1980:	3.62%	787.0
		SINCE 1990:	2.09%	630.6
		SINCE 2000:	1.88%	635.4
		SINCE 2010:	1.54%	576.3

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

The City's Comprehensive Plan, Vision 2020, and the Groundwater Reduction Plan projected a build-out population of 57,400 within the combined 21 square miles of the City. Growth trends for the current decade are on a similar track with Houston Galveston Area Council (HGAC) projecting a population increase of 9,147 by 2028. The HGAC population projections for the 10-Year Planning Period are presented in Table 3.

TABLE 3
HGAC POPULATION PROJECTIONS

Place	Year	Household Population	% Increase	Population Increase
Friendswood	2015	38,435	-	-
Friendswood	2016	39,066	-	-
Friendswood	2017	39,697	-	-
Friendswood	2018	40,327	-	-
Friendswood	2019	40,958	1.6%	630.8
Friendswood	2020	41,589	1.5%	630.8
Friendswood	2021	42,853	3.0%	1,263.8
Friendswood	2022	44,117	2.9%	1,263.8
Friendswood	2023	45,380	2.9%	1,263.8
Friendswood	2024	46,644	2.8%	1,263.8
Friendswood	2025	47,908	2.7%	1,263.8
Friendswood	2026	48,430	1.1%	522.1
Friendswood	2027	48,952	1.1%	522.1
Friendswood	2028	49,474	1.1%	522.1
		ANNUAL AVERAGE: TOTAL:	2.1%	9,147

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

D. GROWTH RATE

According to the Census Bureau, the City of Friendswood has experienced an average growth rate of 1.54% per year over the last seven years. In turn, HGAC projects the City's average annual growth rate at 2.1% over the next ten years.

The 2008 Impact Fee Study used a 1.9% annual growth rate, which projected a population in 2017 of 42,988. The 2013 Impact Fee Study implemented a slightly more conservative rate of 1.5% and estimated a population in 2017 of 41,144. According to the US Census Bureau, Friendswood's 2017 population was actually estimated at 39,839, which is on target with the 2013 projection. Therefore, the recommendation of this 2018 Updated Study is to maintain the same conservative growth rate for the planning period between 2018 and 2028 at **1.5%**.

This 1.5% Growth Rate is recommended for the projection of population and resulting service units for the calculation of the Impact Fee amount. Table 4 indicates the resulting population projections by year, with a total estimated population growth of **6,492** over the next 10 years.

TABLE 4
1.5% ANNUAL GROWTH RATE PROJECTIONS

Source	Year	Household Population	% Increase	Population Increase
<i>US Census Data</i>	<i>2000</i>	<i>29,037</i>		
	<i>2010</i>	<i>35,805</i>	<i>23.3%</i>	<i>6,768</i>
	<i>2017</i>	<i>39,839</i>	<i>11.3%</i>	<i>4,034</i>
Friendswood	2018	40,436		
Friendswood	2019	41,043		607
Friendswood	2020	41,659		616
Friendswood	2021	42,284		625
Friendswood	2022	42,918		634
Friendswood	2023	43,562		644
Friendswood	2024	44,215		653
Friendswood	2025	44,878		663
Friendswood	2026	45,552		673
Friendswood	2027	46,235		683
Friendswood	2028	46,928		694
		AVERAGE: TOTAL:	1.5%	6,492

III. CAPITAL IMPROVEMENTS PLAN

A. CAPITAL IMPROVEMENTS PROGRAM

Pursuant to the City Charter, the City Manager is required to submit a Capital Improvements Program (PROGRAM) to the City Council. By agreement, this program is to be updated periodically to reflect the completion of projects, the addition of new projects, and to update project costs for financial projection and management efforts. The first PROGRAM was adopted in 1999 and has been updated in 2003, 2007, 2009, 2012, 2014, and 2017.

From the 2017 Update: *“The intent of the updated program is to identify, describe, and prioritize the infrastructure needs of the community as it grows and evolves. The overall goal of the CIP is to maintain the same high quality of life for all citizens through the timely anticipation of the City’s needs, planning of improvement projects and determining funding sources as the community grows. The program is also intended to depict financial challenges of the City’s growth and maintenance of infrastructure that characterize the City’s future and the associated funding requirements to meet these objectives. The programming portion includes formulating preliminary plans, projecting estimated project costs, setting priorities, identifying funding sources, and scheduling the implementation of the plans.”*

The City of Friendswood adopted their current Capital Improvement Projects Manual in May of 2017 by Resolution R2017-13. This Manual proposed 77 projects for water, wastewater, facilities, drainage, parks, and streets. Within those 77 projects, 7 water and 10 wastewater projects were identified for the next 5 years (2017-2021). Additionally, 23 water and wastewater projects were identified in the “Beyond 5 Year Plan.”

Since the planning period for the Impact Fee adoption process is *10 years*, all of the *eligible* water and wastewater projects from the Capital Improvements Program are included, as well as other projects anticipated within the 10-year range.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. EXISTING CAPITAL IMPROVEMENTS

1. WATER SUPPLY AND DISTRIBUTION

Historically, water supply for the City of Friendswood was served exclusively by groundwater. However, in 1975, the Harris-Galveston Subsidence District (HGSD) was created by the Texas Legislature for the purpose of preventing land subsidence and increased flooding. Under HGSD's requirements, it was determined that the City's future water supply must be converted from a majority of groundwater use to a majority of surface water use.

In January 2001, a Groundwater Reduction Plan (GRP) was developed by Klotz Associates, Inc. in order to meet the HGSD requirements. The GRP indicated that the total water supply needed for the anticipated buildout population of 57,400 would be 16.8 million gallons per day (MGD):

$$57,400 \times 136 \text{ gallons per person per day} \times 2.16 \text{ peaking factor} = 16.8 \text{ MGD}$$

Further, it determined that, in order to meet groundwater reduction goals, the appropriate mix should be 11.8 MGD surface water and 5.0 MGD groundwater. As such, the City of Friendswood has diligently purchased 12.0 MGD of water treatment capacity from the City of Houston's Southeast Water Purification Plant, La Porte Water Authority, and MUD 55.

As described in the PROGRAM, there are six (6) water projects that will be needed in the next 5 years in order to upgrade, update, and improve the existing Capital Improvements to meet the existing needs of the City. Although these projects cannot be used in the Impact Fee calculation, their inclusion in this Study is a requirement of Section 395.014 (a) (1) and (2) of the Impact Fee Legislation:

TABLE 5
WATER PROJECTS FOR EXISTING NEEDS

<u>WATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. City of Houston Water Plant Rehabilitation	\$ 3,500,000
2. Water Plant #1 Rehabilitation	\$ 1,339,000
3. 42" Water Main Replacement	\$ 12,656,000
4. Elevated Storage Tank #2 Rehabilitation	\$ 1,059,000
5. Water Plant Tank #3 Rehabilitation	\$ 706,000
6. Water Plant Tank #4 Rehabilitation	\$ 706,000
SUBTOTAL WATER	\$ 19,966,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

2. WASTEWATER COLLECTION AND TREATMENT

Since 1979, the City of Friendswood has purchased 4.875 MGD of the 9.25 MGD capacity in the Blackhawk Regional Wastewater Treatment Facility. Of the City's total capacity, 2.5 MGD was purchased in the Phase I construction to serve existing development. An additional 2.375 MGD was purchased in the Phase II expansion project to serve new development and has previously been subject to the impact fee.

In order to serve the anticipated buildout population of 57,400 people, a total capacity of 6.5 MGD will be needed:

$$\begin{aligned} 57,400 \text{ people} / 2.8 \text{ people per connection} &= 20,500 \text{ connections} \\ 20,500 \text{ connections} \times 315 \text{ gallons per connection} &= 6.5 \text{ MGD} \end{aligned}$$

Therefore, a 2.0 MGD Phase III expansion is anticipated to serve new development and was included in the 2013 impact fee calculation. Additionally, the PROGRAM identified 10 wastewater projects needed in the next 5 years in order to upgrade, update, and improve the existing Capital Improvements to meet the existing needs of the City. Although these projects cannot be used in the Impact Fee calculation, their inclusion in this Study is a requirement of Section 395.014 (a) (1) and (2) of the Impact Fee Legislation:

TABLE 6
WASTEWATER PROJECTS FOR EXISTING NEEDS

WASTEWATER PROJECTS	APPROXIMATE COST
1. Lift Station #1 Replacement	\$ 1,774,000
2. Lift Station #4 Replacement	\$ 1,774,000
3. Lift Station #17 Replacement	\$ 1,774,000
4. Lift Station #22 Replacement	\$ 2,637,000
5. Lift Station #23 Replacement	\$ 3,935,000
6. Sanitary Sewer System Assessment Phase 4	\$ 1,464,000
7. Sanitary Sewer System Assessment Phase 5	\$ 100,000
8. Sanitary Sewer System Assessment Phase 6	\$ 100,000
9. Sanitary Sewer System Assessment Phase 7	\$ 175,000
10. Sanitary Sewer System Assessment Phase 8	\$ 1,830,000
SUBTOTAL WASTEWATER	\$ 15,563,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

C. PROJECTS

As discussed, the City's Capital Improvements Program (PROGRAM) identified 77 projects for water, wastewater, facilities, drainage, parks, and streets. The Capital Improvements Plan (CIP) contained within this 2018 Updated Impact Fee Study document consists of only *eligible* water and wastewater projects from the City's PROGRAM.

Four (4) water projects and five (5) wastewater projects were identified within the PROGRAM for this CIP and are included in Table 7. The approximate subtotal costs are \$6.8M for the water projects and \$13.7M for the wastewater projects.

TABLE 7
CAPITAL IMPROVEMENTS PLAN

<u>WATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. Sixteen Inch Waterline Phase III	\$ 2,500,000
2. Beamer Road Waterline	\$ 2,043,000
3. East Waterline	\$ 1,354,000
4. South Friendswood Service Area Loop	\$ 955,000
SUBTOTAL WATER	\$ 6,852,000
<u>WASTEWATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. Beamer Road Sanitary Sewer	\$ 4,200,000
2. El Dorado/Lundy Lane Sanitary Sewer	\$ 3,880,000
3. FM 528 – Falcon Ridge to Windsong Sanitary Sewer	\$ 1,005,000
4. FM 528 – Lundy Lane to Tower Estates Sanitary Sewer	\$ 1,585,000
5. Windsong Sanitary Sewer	\$ 3,061,000
SUBTOTAL WASTEWATER	\$ 13,731,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

D. PROJECT DESCRIPTIONS

Project descriptions for the four (4) water projects and five (5) wastewater projects contained within this CIP were also included within the PROGRAM, and are provided below per the requirement of Section 395.014 (a) (3) of the Impact Fee Legislation:

Water Project #1: Sixteen Inch Waterline Phase III \$ 2,500,000

The proposed improvements would extend waterlines west from Water Plant #4 connecting to existing City waterlines in the western reaches of the City Limits. Currently, limited unlooped waterlines service various developments throughout the western region of Friendswood. This proposed water line loop would open up development opportunities along FM 528 and greatly improve water pressure.

Water Project #2: Beamer Road Waterline \$ 2,043,000

This project consists of the proposed installation of a twelve-inch waterline along Beamer Road from FM2351 to Dixie Farm Road. The proposed improvements will expand those installed in the 2010 Beamer Road utility project funded with U.S. Economic Development Administration Grant. Efforts to attract light industry and office warehouse business and development into this area are largely dependent on availability of City service infrastructure.

Water Project #3: East Waterline \$ 1,354,000

This project consists of the installation of approximately 2,850 linear feet of fourteen-inch waterline that would extend water service to the East Service Area, and then loop the line back into the existing system by installing 6,600 linear feet of twelve-inch waterline to Bay Area Boulevard. This project will provide water to the eastern most area of the City and loop the FM 528 line to the Bay Area Boulevard line.

Water Project #4: South Friendswood Service Area Loop \$ 955,000

This project would extend waterlines to existing City water-lines in the southern reaches of the City Limits. Currently, limited unlooped water lines service various developments throughout the southern region of Friendswood. The proposed water line loop would open up development opportunities along FM 528.

CITY OF FRIENDSWOOD IMPACT FEE STUDY

Wastewater Project #1:	Beamer Road Sanitary Sewer	\$ 4,200,000
------------------------	----------------------------	--------------

This project consists of the proposed installation of additional gravity sewer lines along Beamer Road toward Dixie Farm. The proposed improvements will expand those installed in the 2010 Beamer Road utility project funded with U.S. Economic Development Administration Grant. Efforts to attract light industry and office warehouse business and development into this area are largely dependent on availability of City service infrastructure.

Wastewater Project #2:	El Dorado/Lundy Lane Sanitary Sewer	\$ 3,880,000
------------------------	-------------------------------------	--------------

This project will include approximately 2,500 feet of six-inch force main, 5,000 feet of twelve-inch gravity sewer, 1,500 feet of fifteen-inch gravity sewer, and twenty manholes. The lift station will be located in the vicinity of the intersection of Lundy Lane and El Dorado Lane. Easements must be obtained for construction and installation of the Lift Station. Currently this area consists of 36 large lots and large acreage tracts, and is served by individual septic systems.

Wastewater Project #3:	\$ 1,005,000
FM528 - Falcon Ridge to Windsong Sanitary Sewer	

The purpose of this project is to provide sanitary sewer to the non-served area along FM 528 from Falcon Ridge to Windsong. The project will require construction of a Lift Station, approximately 5,700 feet of eight-inch force main, 4,800 feet of ten-inch gravity line and fourteen manholes. Easements must be obtained for construction and installation of the force main.

Wastewater Project #4:	\$ 1,585,000
FM528 – Lundy Lane to Tower Estates Sanitary Sewer	

The construction of a new sanitary sewer is required to provide services to the currently non-serviced areas along FM 528 from Lundy Lane to Tower Estates. The project will consist of approximately 3,000 feet of ten-inch gravity line, 800 feet of eight-inch line, and ten manholes.

Wastewater Project #5:	Windsong Sanitary Sewer	\$ 3,061,000
------------------------	-------------------------	--------------

This project will provide sanitary sewer to the non-served area on Windsong to FM 528. The project will also include the Wind Creek and Windwood Lane areas. This project will consist of the construction of a Lift Station, in the vicinity of Windsong and Wind Creek Lane, approximately 3,000 feet of 6-inch force main, 6,450 feet of 8-inch gravity line and 18 manholes. In addition, a utility easement will be required for the construction of the Lift Station. Currently, the area is served by individual septic systems.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

E. EQUIVALENT SERVICE UNITS

In Section 395.014 (a) (4), the Impact Fee Legislation requires that the study provide a *“definitive table establishing the specific quantity of use, consumption, generation, or discharge of a service unit for each category of capital improvements or facility expansions, and an equivalent or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial.”*

Many municipalities have determined that the method that is the most equitable and easy to administer is based on the water meter size required to support the proposed building or facility. The American Water Works Association has published tables identifying the industry standard rated flow rates for meters of various sizes.

These flow rates are compared to the standard residential meter (1” for Friendswood) as one service unit and provide an equivalency factor to determine the total impact fee. This method is recommended since it provides the most equitable determination of actual *impact* of the development on the water and wastewater systems.

Table 8 establishes Equivalency Factors for water meters based on AWWA hydraulic capacities standard to the engineering industry:

TABLE 8
EQUIVALENT METER TABLE

Actual Meter Size (inches)	AWWA Capacity (GPM)	Equivalency Factor
1	50	1
1-1/2	100	2
2	160	3
3	300	6
4	500	10
6	1000	20
8	1600	32
10	2300	46
12	4300	86

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

As of October 2018, the Utility Billing Department reported a total of 12,614 existing residential water meters in the City of Friendswood. As shown in Table 9, the majority of those meters (12,513/12,614 = 99%) are 1" in size or smaller, and therefore represent a 1:1 equivalency. However, there are also 101 residential meters that are larger than 1".

Using the Equivalency Factors determined in Table 8 above, these 12,614 residential meters represent a total of 12,760 equivalent meters:

TABLE 9
CURRENT RESIDENTIAL METER SUMMARY

Meter Size (inches)	Equivalency Factor	Residential Water Meters	Equivalent Meters
1*	1	12,513	12,513
1-1/2	2	66	132
2	3	34	109
3	6	1	6
4	10		0
6	20		0
8	32		0
10	46		0
12	86		0
Total		12,614	12,760

* Includes 3/4", 5/8", and 1" water meters.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

In addition to the residential water meters, the Utility Billing Department also identified 558 existing non-residential water meters in the City of Friendswood. As shown in Table 10, the majority of those meters (339/558 = 60%) are 1" in size or smaller, and therefore represent a 1:1 equivalency. However, there are also 219 non-residential meters that are larger than 1".

Using the Equivalency Factors determined in Table 8 above, these 558 non-residential meters represent a total of 1,140 equivalent meters:

TABLE 10
CURRENT NON-RESIDENTIAL METER SUMMARY

Meter Size (inches)	Equivalency Factor	Non-Residential Water Meters	Equivalent Meters
1*	1	339	339
1-1/2	2	50	100
2	3	141	451
3	6	18	108
4	10	7	70
6	20	2	40
8	32	1	32
10	46		0
12	86		0
Total		558	1,140

* Includes 3/4", 5/8", and 1" water meters.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

By combining the *Total Actual* and *Total Equivalent* meter data from Tables 9 and 10 for residential and non-residential water meters, Table 11 shows that approximately 8% of the current demand can be attributed to that of non-residential usage:

TABLE 1 1
CURRENT WATER METER SUMMARY

	Residential Water Meters	Non-Residential Water Meters	Total Water Meters
Total Actual Meters	12,614	558	13,172
Total Equivalent Meters	12,760	1,140	13,900
Percentage of Equivalent Meters	92%	8%	100%

In November 1998, when Vision 2020 was prepared by Kenneth Balk & Associates, the non-residential land usage at the time was observed as 8% (536 acres out of 6,759 acres). While the Vision Summary was to “*develop undeveloped land in Friendswood in general conformance to the existing zoning plan with regard to the split between residential and non-residential land as 73% Residential and 27% Commercial and Light Industrial,*” Friendswood is still predominantly a residential community.

Utilizing the 1.5% Growth Rate recommended in Section II. Land Use Assumptions, the number of Equivalent Service Units (ESU) projected to be added from 2018 to 2028 can be determined per Section 395.014 (a) (5) and (6) of the Impact Fee Legislation.

According to the HGAC data, there were 13,511 total households within the City limits of Friendswood in 2015. With a corresponding 2015 population of 38,435, this equates to a ratio of 2.84 persons per household. In the year 2020, HGAC predicts that Friendswood will have 41,589 people in 14,258 households, representing 2.92 persons per household. Averaging these HGAC data points (2.84 and 2.92) results in a density of 2.88, which directly corresponds with the 2016 Census data of 2.88 persons per household in Friendswood. Previous updates have implemented 2.80, 2.82, and 3.00, indicating that 2.88 persons per household is an appropriate value for this Study.

In addition to Friendswood’s residential population, approximately 8% of the water and wastewater usage is represented by non-residential development. Assuming a continued density of 2.88 people per household, and a corresponding increase in non-residential development of 8%, the following increase in ESU will provide the basis for determining the maximum allowable impact fee that may be charged by the City:

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

TABLE 12
EQUIVALENT SERVICE UNITS
Section 395.014 (a) (6)

Projected increase in population for planning period (Table 4):	6,492
Projected increase in population per Service Unit:	6,492/2.88
Projected increase in Residential Service Units:	2,254
Projected increase in Non-Residential Service Units (8%):	180
Equivalent Service Units for planning period (2018-2028) =	2,434 ESU

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

IV. IMPACT FEES

The impact fee amount per Equivalent Service Unit (ESU) will be determined based on the number of service units projected to be added to the systems over the 10-year planning period. The single-family residence will be considered as the standard service unit.

A. ADMINISTRATIVE ITEMS

1. The impact fee will be *assessed* (subject to future updates) at the time that a plat is filed (where applicable), and *collected* during the building permit process, as identified in the impact fee legislation.
2. Parks and temporary construction trailers will not be assessed any impact fees.
3. Houses and businesses obtaining additional meter(s) for fire line or lawn irrigation purposes only will not pay the impact fee associated with water or wastewater.
4. The Architect or Engineer for the Owner will size the water meter for the development based on industry standards.
5. Governmental buildings will not pay the water and wastewater impact fees based on the proposed assessment method.
6. Schools are exempt from payment of impact fees unless the board of trustees consents to a specific agreement in accordance with Chapter 395, Local Government Code.
7. When an existing water meter is changed out, additional impact fees will only be assessed if the meter size is increased. The fee will be based on the incremental increase in the Service Units.
8. When meters are changed out for the same size meter or a smaller meter, no Impact Fee will be assessed.
9. If an existing home is currently on a private well and/or septic system, and public water or wastewater become available:
 - a. If the homeowner connects within 1 year of the installation of the City services, they will not have to pay impact fees.
 - b. If the homeowner has not connected to City services within 1 year, they will pay the full impact fee at the time of their connection.
10. Impact fees do not include tap or meter fees; these regulations do not waive any tap or meter fees.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. MAXIMUM IMPACT FEE DETERMINATION

Chapter 395 of the Local Government Code was amended in 2001 to include that the City must provide for one of the following from Section 395.014 Paragraph (a) (7):

- (A) *a credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the Capital Improvements Plan; or*
- (B) *in the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.*

The City of Friendswood has elected to follow option (B) and provide the credit equal to 50 percent of the CIP resulting in the following maximum Impact Fees. Therefore:

TABLE 13
MAXIMUM IMPACT FEES

Total Cost of Water Projects	(Table 7)	=	\$ 6,852,000
Total Cost of Wastewater Projects	(Table 7)	=	\$ 13,731,000
Increase in Service Units	(Table 12)	=	2,434
Total Cost of Water Projects from CIP/Increase in Service Units (2018-2028)			
	$\$6,852,000 / 2,434$	=	\$ 2,815 / ESU
Total Cost of Wastewater Projects from CIP/Increase in Service Units (2018-2028)			
	$\$13,731,000 / 2,434$	=	\$ 5,641 / ESU
Maximum Water Impact Fee:	$\$ 2,815 \times 50\%$	=	\$ 1,407 / ESU
Maximum Wastewater Impact Fee:	$\$ 5,641 \times 50\%$	=	\$ 2,820 / ESU
Maximum Total Impact Fee:	$\$ 1,407 + \$2,820$	=	\$ 4,227 / ESU

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

V. SUMMARY AND RECOMMENDATIONS

The City of Friendswood, Texas has elected to adopt Water and Wastewater Impact Fees to assist in the financing of Capital Improvements for the systems that are necessitated by growth and development anticipated in the City.

- The Planning Period for this Impact Fee Study is **2018 to 2028**.
- A growth rate of **1.5%** per year is recommended for projection of population and resulting service units for the calculation of the Impact Fee amount.
- The projected population increase for this Planning Period is **6,492** people.
- The equivalent increase in service units is **2,434 ESU**.
- The Total Costs for eligible Water Projects identified in the CIP equate to **\$6,852,000**.
- The Total Costs for eligible Wastewater Projects in the CIP equate to **\$13,731,000**.
- The Maximum Water Impact Fee is **\$1,407** per ESU.
- The Maximum Wastewater Impact Fee is **\$2,820** per ESU.

TABLE 14
PREVIOUS IMPACT FEES

Year	Water	Sewer	Total
2003	\$1,892	\$967	\$2,859
2008	\$1,849	\$1,290	\$3,139
2013	\$2,088	\$840	\$2,928

The City of Friendswood has traditionally adopted the maximum calculated Impact Fee, as recommended by the Capital Improvement Advisory Committee. While a community can elect to adopt a *lesser* amount than the maximum calculated Impact Fee, they cannot adopt a *greater* amount.

Based on the information presented in this 2018 Impact Fee Study, the Capital Improvement Advisory Committee recommends that the City Council adopt the following Impact Fee rates:

RECOMMENDED WATER IMPACT FEE	=	\$1,407 / ESU
RECOMMENDED WASTEWATER IMPACT FEE	=	\$2,820 / ESU
RECOMMENDED TOTAL IMPACT FEE	=	\$4,227 / ESU

Memo

To: Mayor and City Council
From: Joe Matranga, Planning and Zoning Commission Chairman
Date: December 17, 2018
Re: **2018 Update Study for Land Use Assumptions, Capital Improvements Plan and Impact Fees**

The last update to the Land Use Assumptions, Capital Improvements Plan, and Impact Fees was conducted in 2013. Currently, the impact fees are \$2,928 (\$2,088 – water; \$840 – sewer) for a one-inch water meter. Per Chapter 395 of the Local Government Code, an update of this study is required every five years.

At a special meeting held December 6, 2018, the Planning and Zoning Commission, acting as the Capital Improvements Advisory Committee, reviewed the updated study and voted 7 to 0 to recommend approval of the final report entitled “2018 Update Study for Land Use Assumptions, Capital Improvement Plan and Impact Fees.” The Commission recommends that city council approve the adoption of a revised impact fee amount of \$4,227 (\$1,407 – water; \$2,820 – sewer) for a one-inch water meter, as recommended by the study.

The Commission will continue fulfilling its duties as the Capital Improvements Advisory Committee by monitoring and evaluating the implementation of the capital improvements plan and filing semiannual progress reports of the plan to city council.

Memo

To: **Mayor and City Council**

From: **Greg Hughes, Zoning Board of Adjustment Chair**
Ron Dyer, Zoning Board of Adjustment Vice-Chair

Date: **January 2019**

Re: **2018 Zoning Board of Adjustment Activity**

The Zoning Board of Adjustment met **six (6) times** in 2018.

FEBRUARY 6, 2018

1. **2210 S. Friendswood Dr.**, Brian Baca, designer – request to encroach 8' 6" of pavement into the required 15 foot landscape buffer along the interior side yard – being a variance from the Zoning Ordinance Section 7.5.5.e. Landscaping

- Variance request approved (4-1)

FEBRUARY 27, 2018

1. **406 Independence Dr.**, Larry & Donna Musick – request to encroach 6' 8" into the required 30 foot front yard - being a variance from the recorded Heritage Estates Section 1 Final Plat being more restrictive than the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts.

- Variance request unanimously approved

2. **505 Brandywyne Dr.**, Christine Audibert – request to encroach 9 feet into the required 25 foot front yard - being a variance from the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts

- Variance request unanimously denied

3. **505 Brandywyne Dr.**, Christine Audibert – request to encroach 9 feet into the required 25 foot front yard - being a permanent de minimus special

exception from the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts

- Variance request unanimously denied

MARCH 27, 2018

1. 503 Independence Dr., Robert Patrick Rudy – request to encroach 12-feet into the required 30 foot front yard - being a variance from the recorded Heritage Estates Section 1 Final Plat being more restrictive than the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts.

- Variance request unanimously approved

MAY 15, 2018

1. 505 Brandywyne Dr., Christine Audibert – request to allow a carport to encroach 9 feet into the required 25 foot front yard - being a variance from the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts

- Variance request unanimously denied

2. 505 Brandywyne Dr., Christine Audibert – request to allow a carport to encroach 9 feet into the required 25 foot front yard - being a permanent de minimus special exception from the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts

- Variance request unanimously denied

AUGUST 28, 2018

1. 1765 S. Friendswood Dr., Leisure Lane, LLC (David Boone and Jim Peterson) – request to allow a monument sign to be 10 feet above the highest finished grade at the front property line, which is 3 feet higher than the maximum allowable height of 7 feet above the highest finished grade at the front property line being a variance from the Sign Ordinance Section 22.c. Monument Signs

- Variance request unanimously approved

NOVEMBER 27, 2018

1. 414 N. Shadowbend, Maxwell Goodgame – request to allow a primary, residential structure to encroach the required front yard setback of 35 feet, within the existing primary footprint as shown on Exhibit B – being a variance from the recorded Imperial Estates Section 2 Final Plat being more restrictive than the Zoning Ordinance Section 7.Q.2. Regulation Matrix – Residential Districts.

- Variance request unanimously approved

HISTORICAL PERSPECTIVE:

Year	Number of ZBOA Cases
2018	9*
2017	2
2016	5
2015	3
2014	3
2013	1
2012	4

* Multiple requests for same address



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: January 14, 2019

Date Submitted: January 8, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: Greenbriar Sidewalks

Proceeding: Discussion Possible & Action

City Attorney Review: mkf

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$126,502

Amount Budgeted: \$150,000

Appropriation Required: \$0

Source of Funds: General Fund
Streets Maintenance budget

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The engineering division recently developed plans in-house to install sidewalks along Greenbriar Drive; in and around Friendswood High School. The project would consist of a five foot concrete sidewalks to be installed away from the curb where possible and abutting the street where drainage challenges are present.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

A sidewalk along Greenbriar Drive between Falling Leaf and Wilderness Trails will improve connectivity and safety for Friendswood High School and the surrounding neighborhoods.

RECOMMENDATIONS

Staff Recommends Council approve and authorize the Mayor to execute a contract with Teamwork Construction in the amount of \$126,502.00 for services to construct sidewalks along Greenbriar Drive between Falling Leaf and Wilderness Trails.

ATTACHMENTS

[Standard Agreement for Contracting Services – Greenbriar Sidewalks](#)
[Greenbriar Sidewalks – Bid Tab](#)
[Greenbriar Sidewalks Bid Opening](#)

THE STATE OF TEXAS

§
§
§

COUNTY OF GALVESTON

**STANDARD AGREEMENT FOR
CONTRACTING SERVICES**

THIS AGREEMENT, entered into as of this 14th day of January, 2019, 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 Teamwork Construction Services, Inc., 9715 Market Street, Houston, Texas 77029 (hereinafter called the "CONTRACTOR") acting herein by John Greenwood, 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:

Construction of Greenbriar Sidewalk

- 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:

Install Sidewalk on southside of Greenbriar Avenue

ARTICLE II: DESIGN PROFESSIONAL

- 2.1 This project was designed in-house and sealed by City Staff.

ARTICLE III: CONTRACT TIME

- 3.1 The Work shall be Substantially Complete within Sixty (60) 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 Ninety (90) 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 two hundred fifty Dollars (\$250.00) 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 the 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 Document 00300 – Unit Price Form.
- 5.2 TOTAL AMOUNT OF BID is One Hundred Thousand Twenty-Six Five Hundred Two Dollars and NO Cents (\$126,502.00).
- 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 Document 00940 – Contractor Payment

Application and Document 00945 – Contractor Pay Request in accordance with the General Conditions. 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 of 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 City and the Contractor concerning the Work consists of the following:

- 9.1 Document 00105 – List of Drawings (Cover Sheet and sheets numbered 2 through 11).
- 9.2 Document 00110 – Invitation to Bidders.
- 9.3 Document 00115 – Instructions to Bidders.
- 9.4 Document 00300 – Unit Price Form (Pages 1 through 7 inclusive) as included herein.
- 9.5 Document 00400 – Standard Agreement for Contracting Services (this agreement, pages 1 through 8 INCLUSIVE).
- 9.6 Document 00430 – Affidavit for Insurance, and Certificates of Insurance, included herein.
- 9.7 Document 00435 – Wage Scale for Engineering Projects.
- 9.8 Document 00445 – City of Friendswood Drug and Alcohol Policy.
- 9.9 Document 00450 – The Contractors Drug-free Workplace Policy.
- 9.10 Document 00455 – Storm Preparation Policy.
- 9.11 Document 00460 – Hazardous Communications Policy.
- 9.12 Document 00465 – Homeland Security Policy.

- 9.13 Document 00470 – Performance Bond, included herein.
- 9.14 Document 00475 – Payment Bond, included herein.
- 9.15 Document 00500 – General Conditions.
- 9.16 Document 00600 – Supplemental Conditions.
- 9.18 Document 01295 – Certificate of Interested Parties – Texas Ethics Commission (FORM 1295)
- 9.18 Technical Specifications Divisions 1 through 16, inclusive as listed in Document 00005 – Table of Contents.
- 9.19 Addenda as issued, included herein.
- 9.20 Any modification, including Change Orders, duly delivered after Execution of the Agreement.

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: MISCELLANEOUS

- 10.1 Terms used in this Agreement which are defined in the General Conditions will have the meanings indicated in the General Conditions.
- 10.2 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.
- 10.3 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.
- 10.4 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.

10.5 Other Provisions – None.

ARTICLE XI: ADDRESSES FOR GIVING NOTICES

11.1 The City:

City of Friendswood
910 S. Friendswood Drive
Friendswood, Texas 77546

11.2 The Contractor:

Teamwork Construction Services, Inc.
9715 Market Street
Houston, TX 77029

ARTICLE XII: VENUE

12.1 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.

ARTICLE XIII: VERIFICATION AND COMPLIANCE WITH STATE LAWS

By signing this Contract and the attached Certificate of Interested Parties (Form 1295) and the document relating to H.B. No. 89), the contractor verifies they are in compliance with all state laws, including Texas Government Code Chapter 2252, Subchapter F (S.B No. 252), Texas Government Code Section 2252.908 (Disclosure of Interested Parties) and Texas Government Code Chapter 2270 (H.B. No. 89); and hereby acknowledges the following:

1. CONTRACTOR is not a company engaged in business with Iran, Sudan, or a foreign terrorist organization and is not a company included on the list prepared by and maintained by the Texas State Comptroller.
2. CONTRACTOR does not boycott Israel; and
3. Will not boycott Israel during the term of this Contract.

**CITY OF FRIENDSWOOD
STANDARD CONTRACT AGREEMENT**

**CONTRACTING
SERVICES**

EXECUTED IN Three (3) counterparts (each of which is an original) on behalf of the Contractor by John Greenwood its President shown below, and on behalf of the City by Mike Foreman, its Mayor, thereto duly authorized this 14th day of January, 2019.

ACCEPTED:

PROPOSED AND AGREED TO:

CITY:

CONTRACTOR:

CITY OF FRIENDSWOOD, TEXAS

Teamwork Construction Services, Inc.

MAYOR

BY: President

DATE: _____

DATE: _____

ATTEST:

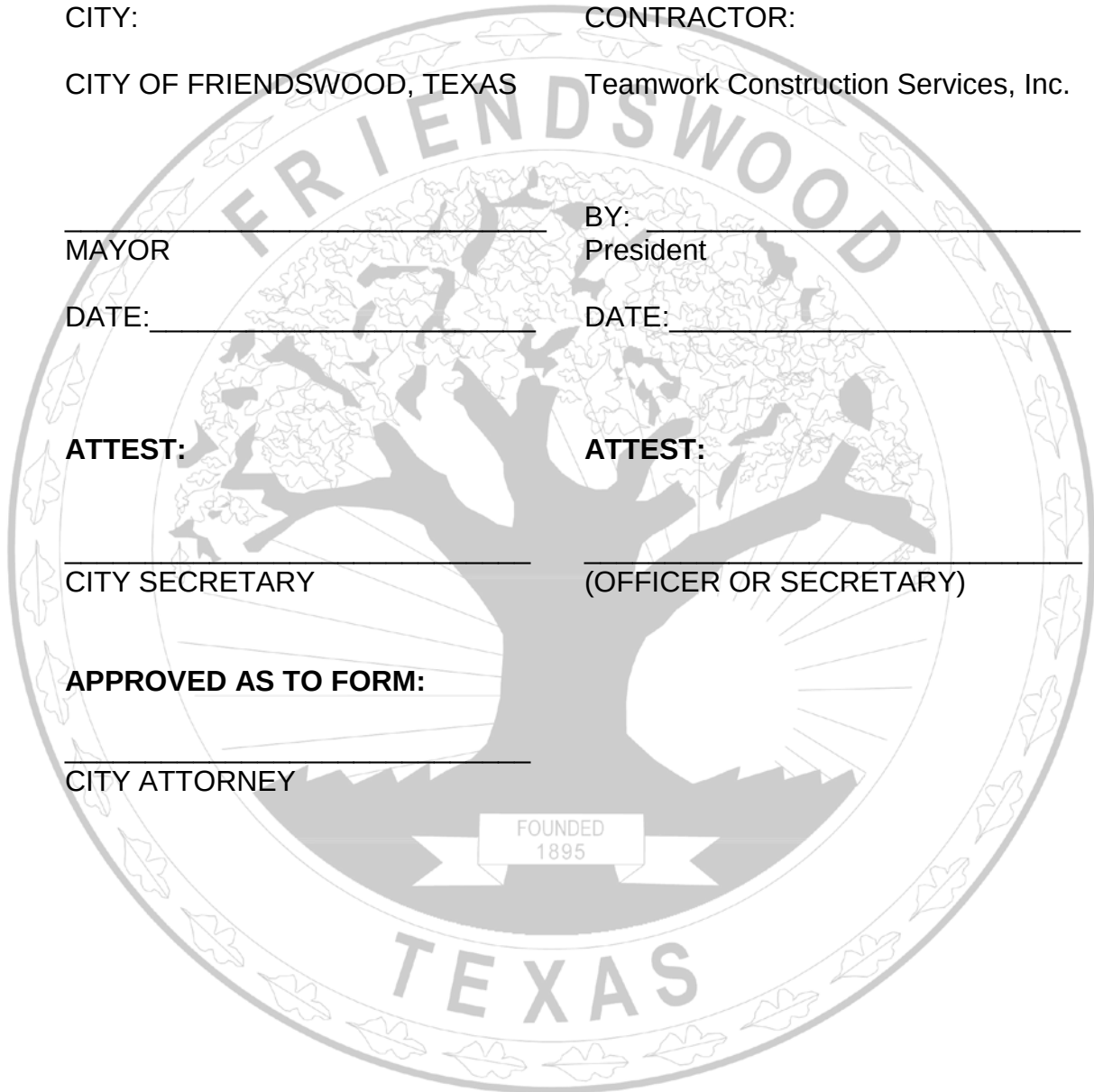
ATTEST:

CITY SECRETARY

(OFFICER OR SECRETARY)

APPROVED AS TO FORM:

CITY ATTORNEY



DOCUMENT 00065
BID TABULATION SHEET

Bid Tabulation For: Greenbrair Sidewalk											
CONTRACTOR NAME:				Stone Castle		DVL Enterprises		Tandem Services		Teamwork Construction	
Item Number	Item Description	Unit	Unit Amount	Unit Price	Extended Amount	Unit Price	Extended Amount	Unit Price	Extended Amount	Unit Price	Extended Amount
1	Five-foot sidewalk, four inch think on two inch think bed of sand, construction joints twenty foot, redwood #3 reinforcement bar, Complete In Place	SF	12240	\$7.55	\$92,412.00	\$6.00	\$73,440.00	\$5.90	\$72,216.00	\$6.05	\$74,052.00
2	Handicap ramps, w truncated dome, black background, Complete In Place	Ea	16	\$860.00	\$13,760.00	\$1,500.00	\$24,000.00	\$1,850.00	\$29,600.00	\$1,195.00	\$19,120.00
3	18" Reinforced Concrete Pipe (RCP), Class III, in cement stabilized sand, Complete in Place	LF	24	\$100.00	\$2,400.00	\$200.00	\$4,800.00	\$220.00	\$5,280.00	\$42.00	\$1,008.00
4	6" wide by 10" high retaining wall, as shown in details, Complete In Place	LF	1135	\$8.64	\$9,806.40	\$35.00	\$39,725.00	\$12.00	\$13,620.00	\$22.00	\$24,970.00
5	Cement stabilized sand fill, Complete In Place	CY	18	\$30.00	\$540.00	\$60.00	\$1,080.00	\$65.00	\$1,170.00	\$39.00	\$702.00
6	Haul off and dispose of all spoils, Complete In Place	CY	350	\$35.00	\$12,250.00	\$15.00	\$5,250.00	\$14.00	\$4,900.00	\$19.00	\$6,650.00
Total Base Bid				\$131,168.40		\$148,295.00		\$126,786.00		\$126,502.00	

END OF DOCUMENT

00065-1

BID OPENING
SCHEDULED TO BE AWARDED: January 14, 2019

DATE: January 8, 2019

TIME: 2:00 PM

BID: Construction of Greenbriar Sidewalk

BID #: 2018-21

<u>COMPANY/ADDRESS</u>	<u>BID BOND</u>	<u>BID RECEIVED</u>	<u>BID AMOUNT</u>
1. Teamwork Construction Services 9715 Market Street Houston, TX 77029	YES	01/08/19 @ 1:23 p.m.	\$126,502.00
2. Tandem Services, LLC 4425 FM 2351, Suite 5 Friendswood, TX 77546	YES	01/08/19 @ 1:29 p.m.	\$126,786.00
3. DVL Enterprises, LLC 4022 Cedar Forest Kingwood, TX 77339	YES	01/08/19 @ 1:41 p.m.	\$191,495.00
4. Stone Castle 3615 Almeda Genoa Houston, TX 77047	YES	01/08/19 @ 1:44 p.m.	\$131,168.40

CSO Representative: Susan Ballard

Departmental Representatives: Megan Wilson, George Cherepes

THIS BID TABULATION RECEIVED BY THE CITY OF FRIENDSWOOD IS FOR INFORMATIONAL PURPOSES ONLY. STAFF WILL REVIEW AND ANALYZE THE BIDS FOR ACCURACY, CHECK REFERENCES AS APPROPRIATE, AND MAKE A RECOMMENDATION FOR COUNCIL DECISION. ANY QUESTIONS REGARDING THIS INFORMATION, CONTACT THE CITY MANAGER.



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: January 14, 2019

Date Submitted: January 8, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: City Wide Traffic Study

Proceeding: Discussion Possible & Action

City Attorney Review: mkf

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$125,000

Amount Budgeted: \$0

Appropriation Required: \$125,000

Source of Funds: General Fund
Balance

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The City of Friendswood has reached a population of just over 41,000 and has grown at a steady pace for well over the past decade. In addition to growth within the City, both Pearland and League City have grown on either side of Friendswood a much faster clip. This growth, both locally and in the region, has put a significant strain on mobility within Friendswood. Council recommended in 2018, the City explore the services of transportation professionals to aide in the evaluation of our current system and to make recommendations for future improvements.

It was determined that data collection would be imperative to assess current traffic conditions. Once obtained, a professional can create and calibrate a model to simulate existing and future growth conditions. The model will aide in providing strategic system improvements such as capacity augmentation, bypass routes, and determine required timing of improvements. The professional would rank and provide approximate costs for the proposed improvements.

Staff conducted interviews of three qualified firms for this endeavor to include: Brown & Gay Engineers, Inc.; EHRA Engineering; and GC Engineering. Attached for your consideration is a professional services agreement for Engineering Services in the amount of \$125,000

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

A City Wide Traffic Study will provide a comprehensive look at our current conditions and provide recommendations for future improvements.

RECOMMENDATIONS

Staff Recommends Council approve a contract with Brown & Gay Engineers for Engineering Services to conduct a City Wide Traffic Study, authorizing the appropriation of funds and authorizing the Mayor to execute the contract.

ATTACHMENTS

[Standard Agreement for Professional Services – City Wide Traffic Study](#)

THE STATE OF TEXAS

§

COUNTY OF GALVESTON

§

§

**CONTRACT FOR
PROFESSIONAL SERVICES - ENGINEER**

THIS AGREEMENT, entered into as of this 14th day of January, 2019, by and between the City of Friendswood, Texas (hereinafter called the "CITY") acting herein by its Mayor, duly authorized by resolution of the City Council of the City of Friendswood and BGE, Inc., 10777 Westheimer, Suite 400, Houston, Texas 77042 (hereinafter called the "ENGINEER") acting herein by Rodney R. Heisch, PE, Senior Vice President hereunto duly authorized:

WITNESSETH THAT:

WHEREAS, the CITY desires to engage the ENGINEER to (1) render certain technical and professional services hereafter described in "Scope of Services" or (2) perform certain work hereafter described in "Scope of Services" for the project briefly described as City-Wide Traffic Study: NOW, THEREFORE, the Parties hereto do mutually agree as follows:

ARTICLE I: EMPLOYMENT OF ENGINEER

The CITY hereby agrees to engage the ENGINEER and the ENGINEER hereby agrees to perform the "Scope of Services" hereinafter set forth. This contract shall be performed in Galveston County, Texas.

ARTICLE II: SCOPE OF SERVICES

Engineering services in connection with preparation of plans and specifications and construction phase services including, but not limited to, all necessary design, surveying, plans, and specifications for City-Wide Traffic Study

The ENGINEER shall also prepare detailed cost estimates of authorized construction, and shall use reasonable skill and care befitting the profession in preparing cost estimates that shall reflect current, local construction costs or current wage rate.

The work is further described in detail on Attachment A – BGE, Inc. proposal dated January 8, 2019 and shall include a proposed schedule for design of the project.

The ENGINEER shall review submittals, substitutions, pay requests and/or change order requests and make recommendations to the CITY. The ENGINEER has no authority to approve any changes to the Construction

Documents, Design, Materials, Contract Amount, or Contract Time nor make any other decisions on behalf of the CITY, only the CITY has this authority, and the ENGINEER'S responsibilities are in an advisory capacity only.

Certain elements of the engineering work shall be performed as Basic Services; others shall be performed as Additional Services. Those elements of the engineering work which cannot be accurately pre-determined or controlled entirely by the ENGINEER shall be performed as Additional Services.

ARTICLE III: TIME OF PERFORMANCE

ENGINEER shall proceed immediately upon execution of this Contract with performance of the services called for under the Basic Services with completion within Two Hundred Seventy (270) calendar days after execution, unless delayed by causes outside the control of ENGINEER, and shall proceed with subsequent work only on authorization by CITY. ENGINEER shall immediately submit to CITY in writing evidence of delay satisfactory to the CITY'S reasonable discretion, upon which an extension of time equal to the period of actual delay, if approved by the CITY, shall be granted in writing.

ARTICLE IV: INFORMATION AND SERVICES TO BE FURNISHED ENGINEER

It is agreed that the CITY shall furnish, without charge, for the purpose of the Contract, information, data, reports, records, and maps as are existing, and available, for the carrying out of the work of the ENGINEER as outlined under "Scope of Services"; provided, however, the CITY makes no representation or warranty regarding the reliability of any such information, data, reports or maps. The CITY its agencies shall cooperate with the ENGINEER and will, to the fullest extent reasonably practicable, facilitate the performance of the work described in this Contract.

ARTICLE V: COMPENSATION AND METHOD OF PAYMENT

A. COMPENSATION

It is agreed that total fees for Basic Services for the work as described in Attachment A hereto (including subcontracted Engineering and other professional services) shall not exceed the sum of One Hundred Twenty-five Thousand Dollars and No Cents (\$125,000.00) unless specifically authorized by the CITY.

B. PAYMENT

ENGINEER shall invoice CITY monthly for its services and charges incurred by ENGINEER for services performed under the direction and

control of ENGINEER as described herein.

CITY agrees to pay ENGINEER at its office the full amount of each such invoice upon receipt or as otherwise specified in this Agreement. A charge of one percent per month shall be added to the unpaid balance of invoices not paid within thirty-one days (31 D) after date of invoice. The ENGINEER shall pay its subcontractors no later than the tenth day after he receives payment as required under Chapter 2251, Texas Local Government Code.

1. REIMBURSABLES – as stated in Attachment A of ENGINEER'S Proposal and shall not exceed the limits proposed. All reimbursables shall be accompanied with documentation to expenses incurred, and shall only be paid with the approval of the CITY.
2. SITE VISITS – as stated at rate and frequency in Attachment A and approved by the CITY.
3. ENGINEER shall not charge for corrections of errors and omissions, by the ENGINEER, to the design of the project.
4. ENGINEER shall be responsible for large number of change orders due to errors or omissions of Design and Construction Documents.

ARTICLE VI: RECORDS

ENGINEER shall keep accurate records, including time sheets and travel vouchers, of all time and expenses allocated to performance of Contract work. Such records shall be kept in the office of the ENGINEER for a period of not less than five years (5 Yr) and shall be made available to the CITY for inspection and copying upon reasonable request.

ARTICLE VII: OWNERSHIP OF DOCUMENTS

All documents, including original drawings, estimates, specifications, field notes and data are the property of CITY. ENGINEER may retain reproducible copies of drawings and other documents for its use.

All documents, including drawings and specifications prepared by ENGINEER are instruments of service in respect to the project. They are not intended or represented to be suitable for reuse by CITY or others on extensions of the Project or on any other project. Any reuse without written verification or adaption by ENGINEER for the specific purpose intended shall be at CITY'S sole risk and

without liability or legal exposure to ENGINEER. Any such verification or adaption shall entitle ENGINEER to further compensation at rates to be agreed upon by CITY and ENGINEER.

ARTICLE VIII: INSURANCE

All insurance shall be written by an insurer licensed to conduct business in the State of Texas, unless otherwise permitted by CITY. The City of Friendswood, its officers, agents and employees shall be named as an additional Insured. The ENGINEER shall, at his own expense, purchase, maintain and keep in force insurance that shall protect against injury and/or damages which may arise out of or result from operations under this contract, whether the operations be by himself or by any agent, subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, of the following types and limits (no insurance policy or certificate of insurance required below shall contain any aggregate policy year limit unless a specific dollar amount (or specific formula for determining a specific dollar amount) aggregate policy year limit is expressly provided in the specification below which covers the particular insurance policy or certificate of insurance):

- A.** Worker's Compensation Insurance (with Waiver of Subrogation in favor of the City of Friendswood, its officers, agents and employees), with statutory limits.
- B.** Commercial General Liability occurrence type insurance (No "XCU" restrictions shall be applicable). Products/completed operations coverage must be included.
 - 1.** Bodily injury five hundred thousand dollars (\$500,000) single limit per occurrence or five hundred thousand dollars (\$500,000) each person/ five hundred thousand dollars (\$500,000) per occurrence.
 - 2.** Property Damage one hundred thousand dollars (\$100,000) per occurrence.
 - 3.** Minimum aggregate policy year limit one million dollars (\$1,000,000).
- C.** Commercial Automobile Liability Insurance (including owned, non-owned and hired vehicles coverages).
 - 1.** Minimum combined single limit of five hundred thousand dollars (\$500,000) per occurrence for bodily injury and property damage.
 - 2.** If individual limits are provided minimum limits are three hundred thousand dollars (\$300,000) per person, five hundred thousand

dollars (\$500,000) per occurrence for bodily injury and one hundred thousand dollars (\$100,000) per occurrence for property damage.

- D. Contractual Liability Insurance covering the indemnity provision of this contract in the same amount and coverage as provided for Commercial General Liability Policy, specifically referring to this Contract by date, job number and location.
- E. ENGINEER also agrees to maintain Professional Liability Insurance coverage of one million dollars (\$1,000,000) minimum per occurrence/claim/policy year aggregate limits to protect the CITY against damages arising from the ENGINEER'S negligent or wrongful act or omission in the performance of services under this Contract. Coverage shall continue for a minimum of two years (2 Yr) after the ENGINEER'S assignment under this Contract is completed. The deductible on the policy for Professional Liability shall not exceed one hundred thousand dollars (\$100,000) as specifically approved by the CITY.

ENGINEER shall cause ENGINEER'S insurance company or insurance agent to fill in all information required (including names of insurance agencies, ENGINEER and insurance companies, and policy numbers, effective dates and expiration dates, and provide proof that the CITY is an additional insured) and to date and sign and do all other things necessary to complete and make into a valid certificate of insurance the CERTIFICATE OF INSURANCE Form attached to and made a part of this Contract, and pertaining to the above listed Items A, B, C, D, and E; and before commencing any of the work and within the time otherwise specified, ENGINEER shall file said completed Form with the CITY. None of the provisions in said Form shall be altered or modified in any respect except as herein expressly authorized. Said CERTIFICATE OF INSURANCE Form contains a provision that coverages afforded under the policies shall not be altered, modified or cancelled unless at least fifteen days (15 D) prior written notice has been given to the CITY. ENGINEER shall also file with the CITY valid CERTIFICATE(s) OF INSURANCE on like form from or for all Subcontractors and showing the Subcontractor(s) as the Insured. Said completed CERTIFICATE OF INSURANCE Form(s) shall in any event be filed with CITY not more than ten days (10 D) after execution of this Contract.

ARTICLE IX: PROFESSIONAL LIABILITY

- A. ENGINEER shall be responsible for the use and employment of reasonable skill and care befitting the profession in the designs, drawings, plans, specifications, data, reports and designation of materials and equipment provided by ENGINEER for the Project covered by this Contract. Approval by CITY shall not constitute nor be deemed a release

or waiver of the responsibility and liability of ENGINEER for the accuracy and competency of such designs, drawings, plans, specifications, data, reports and designation of materials and equipment. Contractor shall be responsible for the actual supervision of Construction operations and safety measures involving the work, his employees and the public, but the ENGINEER, on behalf of the CITY, shall advise the Contractor of any items requiring the attention and action of the Contractor after notification to the CITY. ENGINEER shall immediately make the CITY aware of any fault or defect in the project, including any errors, omissions, or inconsistencies in the ENGINEERS Documents or Instruments of Service.

- B.** If services include periodic visits to the site to observe work performed by another Contractor, ENGINEER shall be responsible for exercising reasonable care and skills befitting the profession to assure that the Contractor performs the work in general accordance with Contract Documents and to endeavor to safeguard the CITY against defects and deficiencies in the work; provided, however, ENGINEER does not guarantee or insure the work completed by the Contractor. During visits to the construction site, and on the basis of the ENGINEER'S on-site observations as an experienced and qualified design professional, ENGINEER shall keep the CITY informed on the extent of the progress of the work, and shall advise the CITY of material and substantial defects and deficiencies in the work of Contractors that are discovered by the ENGINEER or otherwise brought to the ENGINEER'S attention in the course of construction, shall not exercise whatever rights the CITY may have to disapproved work and materials as failing to conform to the Contract Documents.
- C.** In connection with the services of Resident Project Representatives, ENGINEER shall use the usual degree of care and prudent judgment in the selection of competent Project Representatives, and the ENGINEER shall use its best efforts to see that the Project Representatives are on the job to perform their required duties.
- D.** In performing these services, the ENGINEER shall not be responsible for the actual supervision of construction operations or for the safety measures that the Contractor takes or should take, except as stipulated in the Scope of Services.

ARTICLE X: INDEMNIFICATION

ENGINEER shall comply with the requirements of all applicable laws, rules, and regulations in connection with the services of ENGINEER 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. ENGINEER 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 ENGINEER'S employees. Further, ENGINEER 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 ENGINEER, its officers, agents and employees in connection with any of the work performed or to be performed under this Contract by ENGINEER or as a result of ENGINEER'S failure to use and employ reasonable skill and care befitting the profession in accordance with Paragraph 9 of this Contract. Further, ENGINEER 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 ENGINEER in the performance of this Contract.

The foregoing indemnification provision shall apply to ENGINEER regardless of whether or not said liability, loss, damages, expenses, or claims is caused in part by a party indemnified hereunder.

ARTICLE XI: ADDRESS OF NOTICE AND COMMUNICATIONS

CITY:
CITY OF FRIENDSWOOD
910 S. Friendswood Drive
Friendswood, Texas 77546
Attn: Patrick Donart, PE
Title: Public Works Director

ENGINEER:
BGE, Inc.
10777 Westheimer, Suite 400
Houston, TX 77042
Attn: Megan E. Siercks, PE
Title: Senior Project Manager

All notices and communications under this Contract shall be mailed or delivered to CITY and ENGINEER at the above addresses, respectively.

ARTICLE XII: CAPTIONS

Each paragraph of this Contract has been supplied with a caption to serve only as a guide to the contents. The caption does not control the meaning of any Paragraph or in any way determine its interpretation or application.

ARTICLE XIII: SUCCESSORS AND ASSIGNMENTS

The CITY and the ENGINEER each binds themselves and their successors, executors, administrators, and assigns to the other party of this Contract and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Except as above, neither the CITY nor the ENGINEER shall assign, sublet, or transfer its interest in this Contract without the written consent of the other. Nothing herein shall be construed as creating

any personal liability on the part of any officer or agent of any public body which may be a party hereto.

ARTICLE XIV: TERMINATION OF CONTRACT FOR CAUSE

If, through any cause, the ENGINEER shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the ENGINEER shall violate any of the covenants, agreements, or stipulations of this Contract, the CITY shall thereupon have the right to terminate this Contract by giving written notice to the ENGINEER of such termination and specifying the effective date thereof, at least five days (5 D) before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, survey, drawings, maps, models, photographs, and reports prepared by the ENGINEER under this Contract shall become the property of the CITY, and the ENGINEER shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the ENGINEER shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the Contract by the ENGINEER and the CITY may withhold any payment to the ENGINEER for the purpose of setoff until such time as the exact amount of damages due the CITY from the ENGINEER is determined.

ARTICLE XV: TERMINATION FOR CONVENIENCE OF THE CITY

The CITY may terminate this Contract at any time by giving at least thirty days (30 D) notice in writing to the ENGINEER. If the Contract is terminated by the CITY as provided herein, the ENGINEER shall be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the ENGINEER, other terms and conditions contained in Paragraph 14 of this Contract relative to termination shall apply.

ARTICLE XVI: CHANGES

The CITY may, from time to time, request changes in the scope of the services to be performed by the ENGINEER under this Contract. Such changes, including any increase or decrease in the amount of the ENGINEER'S compensation, which are mutually agreed upon by and between the CITY and ENGINEER shall be incorporated in written amendments to this Contract.

ARTICLE XVII: PERSONNEL

- A. The ENGINEER represents that it has, or shall secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the CITY.

- B.** All of the services required hereunder shall be performed by the ENGINEER or under its supervision and all personnel engaged in the work shall be fully qualified and, if applicable shall be authorized or permitted under State and local law to perform such services.
- C.** None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the CITY. Any work or services subcontracted hereunder shall be specified by written Contract or agreement and shall be subject to each provision of this Contract.

ARTICLE XVIII: REPORTS AND INFORMATION

The ENGINEER shall, at such times and in such forms as the CITY may require, furnish the CITY such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.

ARTICLE XIX: CIVIL RIGHTS

The ENGINEER shall comply with applicable requirements of Chapter 106 Civil Practice and Remedies Code of the State of Texas which prohibits discrimination on the grounds of race, religion, color, sex or national origin, while performing work on behalf of the CITY.

The ENGINEER shall carry out its work under this Contract in a manner that shall ensure full compliance by the CITY with the Statute.

ARTICLE XX: INTEREST OF ENGINEER AND EMPLOYEES

The ENGINEER covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in the study area or any parcels therein or any other interests which would conflict in any manner or degree with the performance of its services hereunder.

The ENGINEER further covenants that in the performance of this Contract, no person who has any such interest shall be employed by the ENGINEER.

ARTICLE XXI: INCORPORATION OF PROVISIONS REQUIRED BY LAW

Each provision and clause required by law to be inserted into the Contract shall be deemed to be enacted herein and the Contract shall be read and enforced as though each were included herein. If through mistake or otherwise any such provision is not inserted or is not correctly inserted, the Contract shall be amended to make such insertion upon application by either party.

A payment bond shall be required for all sub-consultants, surveyors, geotechnical engineers and for all other professional services wherein the services are not performed by employees of the Engineer's firm.

ARTICLE XXIII: VENUE

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.

ARTICLE XXIV: TIME IS OF THE ESSENCE

Time is of the essence for the completion of all work described in this contract. It is anticipated that all work will be completed within the time as stated in the Schedule from the date of execution, and that any delay in the completion of the work described herein shall constitute a breach of this contract.

ARTICLE XXV: VERIFICATION AND COMPLIANCE WITH STATE LAWS

By signing this Contract and the attached Certificate of Interested Parties (Form 1295) and the document relating to H.B. No. 89), the consultant verifies they are in compliance with all state laws, including Texas Government Code Chapter 2252, Subchapter F (S.B No. 252), Texas Government Code Section 2252.908 (Disclosure of Interested Parties) and Texas Government Code Chapter 2270 (H.B. No. 89); and hereby acknowledges the following:

1. CONSULTANT is not a company engaged in business with Iran, Sudan, or a foreign terrorist organization and is not a company included on the list prepared by and maintained by the Texas State Comptroller.
2. CONSULTANT does not boycott Israel; and
3. Will not boycott Israel during the term of this Contract.

**CITY OF FRIENDSWOOD
STANDARD CONTRACT AGREEMENT**

**PROFESSIONAL SERVICES
FOR ENGINEER**

EXECUTED IN Three (3) counterparts (each of which is an original) on behalf of ENGINEER by Rodney Heisch its Senior Vice President shown below, and on behalf of the CITY by Mike Foreman, its Mayor, thereto duly authorized this 14th day of January, 2019.

ACCEPTED:

PROPOSED AND AGREED TO:

CITY:

ENGINEER:

CITY OF FRIENDSWOOD, TEXAS

BGE, Inc.

MAYOR

BY:

Senior Vice President

DATE:

DATE:

ATTEST:

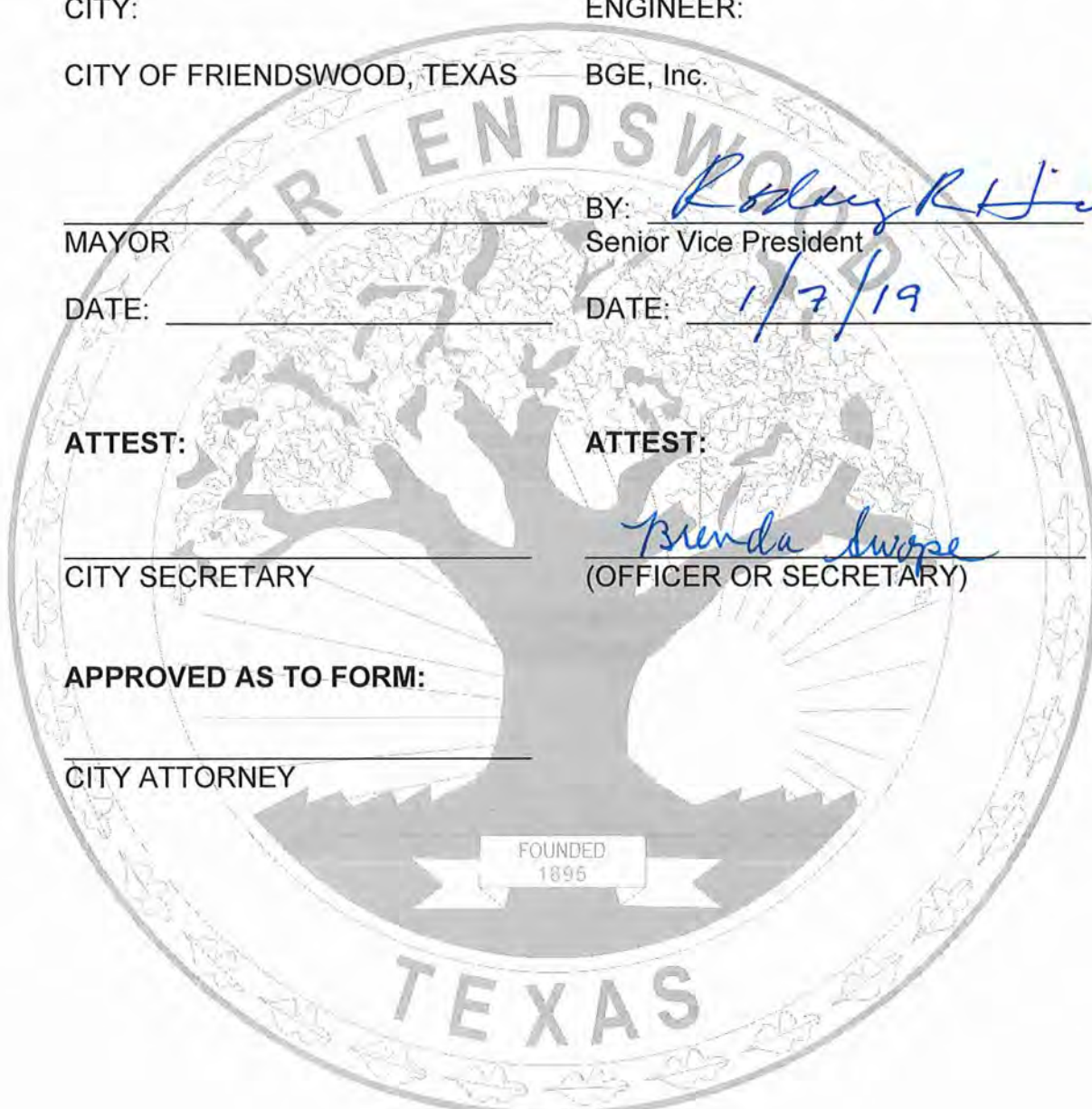
ATTEST:

CITY SECRETARY

(OFFICER OR SECRETARY)

APPROVED AS TO FORM:

CITY ATTORNEY





ATTACHMENT A

January 8, 2019

Mr. Patrick Donart, P.E., CFM
Public Works Director/City Engineer/Floodplain Administrator
City of Friendswood, Texas
910 S. Friendswood Drive
Friendswood, Texas 77546

RE: City-Wide Traffic Study

Dear Patrick:

We are pleased to have been selected to conduct the City-Wide Traffic Study for the City of Friendswood. This constitutes our proposal to provide professional engineering services to conduct the study.

Scope of Services

BGE shall conduct a city-wide traffic study; which will consist of data collection and inventory; traffic projections, modeling, and simulation; flooding route analysis and evacuation route recommendations; one public meeting and one presentation to city council; roadway/thoroughfare recommendations, construction cost estimates, and benefit/cost analysis; and report documentation. The work shall be conducted to address the following objectives of the study:

1. Data Collection – Conduct up to 15 twenty-four-hour traffic counts (bi-directional) and 30 intersection peak-hour turning movement counts (4-hour); major/boulevard/collector roadway and signalized intersection inventory to include lane geometry, traffic control devices, signal phasing and timing, and school areas; travel time studies with google trip planner and field observations; traffic projections from TxDOT and H-GAC; and information on planned projects.
2. Determine traffic conditions of the existing thoroughfare system – Conduct capacity analysis for intersection levels of service (AM/PM) and roadway levels of service (daily, AM/PM); and travel times and school areas.
3. Determine the projected growth including major traffic generators – Utilizing available traffic impact analysis studies, future planned land uses, existing and historical traffic counts, traffic projections from TxDOT and H-GAC, conduct linear regression analysis for key corridors. Develop traffic projections for roadway section average daily traffic

- (ADT) and intersections (AM/PM peak hour turning movements). Identify the candidate improvement alternatives needed to satisfy existing and future traffic conditions.
4. Evaluate existing local and thoroughfare inundation/ passability subject to major flooding – Identify flooding spots, develop alternate routes to flooding spots, and evaluate evacuation routes.
 5. Develop a traffic model mimicking existing conditions as well as future growth at various targeted years. Calibrate the traffic model utilizing available traffic data – Use Synchro traffic analysis software to analyze AM and PM peak hours for existing conditions and future conditions: 5-, 10-, and 20-year horizons. Calibrate the model with travel-time data and field observations of vehicle queuing and delay. Evaluate traffic signal timing improvements as a short-term solution.
 6. Develop simulations based on strategic system improvements such as capacity augmentation, bypass routes, and determine required timing of improvements – Determine the improvement alternatives to be analyzed. Use Simtraffic simulation software to evaluate additional traffic lanes at intersections (through and turn lanes); and use reduced traffic volumes to evaluate bypass routes. Determine the timing of improvements: short term (5 years), intermediate term (10 years), and long term (20 years).
 7. Determine upgrade requirements for evacuation routes based on items 4 and 6 above – Evaluate new roads, widening of existing roads, raising existing bridges, and access to IH 45, beltway 8 and SH 288.
 8. Rank roadway/thoroughfare improvements identified in tasks 6 and 7 based on system efficiency and effectiveness – Conduct benefit/cost analysis utilizing delay and safety benefits and the H-GAC TIP methodology. Perform a system analysis consisting of completing the street-grid network, adding parallel routes, and providing access to IH 45, Beltway 8 and SH 35.
 9. Determine approximate cost of roadway/thoroughfare improvements – Use TxDOT roadway costs per mile procedures with latest bids from BGE master-planned community projects and estimate intersection roadway/signal construction costs individually.
 10. Conduct a public meeting presenting the goals and objectives of the project and gather public input – Conduct the public meeting at mid-point of the study and make it an interactive meeting in groups with staff members.
 11. Present the study to City Council – Present the analysis results and recommendations, including the data collection and analysis; and recommendations for evacuation routes, roadway/thoroughfare improvements with benefit/cost analysis results, cost estimates, and timing (short, intermediate, and long-term).
 12. Document the study in an engineering report – Document the data collection, analysis, and recommendations in an engineering report.

Information to be Obtained from the City of Friendswood

1. Major thoroughfare plan
2. Right-of-way map
3. Letter to H-GAC requesting updated traffic projections for the study area
4. Traffic impact analyses for proposed developments in the City
5. Traffic signal timing data for City-maintained traffic signals
6. Information on planned transportation projects in the City
7. Other relevant information and studies related to the project

Fee Proposal

Our proposed fee is a lump-sum amount of \$125,000.00, based on the estimate shown in Attachment A-1.

Schedule

Our proposed schedule to complete the study is 270 calendar days from notice-to-proceed. The project schedule is shown in Attachment A-2.

Thank you for the opportunity to perform these services for the City of Friendswood. Please let me or Megan Siercks know if you have any questions at 281-558-8700.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Calvin".

Todd Calvin, P.E.
Director

Attachments:

Attachment A-1 Fee Estimate for City of Friendswood City-Wide Traffic Study
Attachment A-2 Schedule for City of Friendswood City-Wide Traffic Study

ATTACHMENT A-1

Fee Estimate for City of Friendswood City-Wide Traffic Study

TASK DESCRIPTION	PROJECT MANAGER	SENIOR ENGINEER	PROJECT ENGINEER	DESIGN ENGINEER	ENGINEER IN TRAINING	TOTAL LABOR HOURS	TOTAL COSTS
Data Collection and inventory	10	5	20	20	20	75	\$ 10,746.00
Traffic projections, modeling, and simulation	20	10	40	60	180	310	\$ 39,284.00
Flooding route analysis and evacuation route recommendations	5	5	10	20	20	60	\$ 8,346.00
Public meeting and council presentation	20	10	20	20	15	85	\$ 13,332.00
Roadway/thoroughfare recommendations, construction cost estimates, and benefit/cost analysis	20	10	20	40	40	130	\$ 18,612.00
Report documentation	20	10	20	40	40	130	\$ 18,612.00
HOURS SUB-TOTALS	95	50	130	200	315	790	
CONTRACT RATE PER HOUR	\$192.00	\$242.00	\$144.00	\$128.00	\$108.80		
SUB TOTAL LABOR COSTS	\$18,240	\$12,100	\$18,720	\$25,600	\$34,272		\$108,932.00

DIRECT EXPENSES	UNIT	QUANTITY	COST/UNIT				
Mileage	MILE	594.39	\$0.535				\$318.00
CJ Hensch & Associates - 24-Hour traffic counts (bi-directional)	EACH	15	\$300.00				\$4,500.00
CJ Hensch & Associates - Peak-hour turning movement counts (4-hour)	EACH	30	\$375.00				\$11,250.00
SUBTOTAL DIRECT EXPENSES							\$16,068.00

SUMMARY	
TOTAL LABOR COSTS	\$108,932.00
NON-SALARY (DIRECT EXPENSES)	\$16,068.00
GRAND TOTAL	\$125,000.00

Schedule for City of Friendswood City-Wide Traffic Study

[illegible]

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

BGE, Inc.
Houston, TX United States

Certificate Number:
2018-436762

Date Filed:
12/28/2018

Date Acknowledged:

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Friendswood, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

City Wide Traffic Study
City Wide Traffic Study

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Randermann, Randy	Houston, TX United States	X	
	Lennard, Lee	Houston, TX United States	X	
	Dillon, William	Frisco, TX United States	X	
	Harris, Rob	Austin, TX United States	X	

5 Check only if there is NO Interested Party.



6 UNSWORN DECLARATION

My name is RANDY N. RANDERMANN, and my date of birth is 6-25-65.

My address is 10777 Westheimer STE 400, Houston, TX, 77042, HARRIS.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in HARRIS County, State of TEXAS, on the 3 day of January, 20 19.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)



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: January 14, 2019

Date Submitted: December 4, 2018

Dept. Clearances: Morad Kabiri

Prepared by: Karen Capps, CMO/ED

Subject: Chapter 380 Municipal Grant Agreement with Leisure Lane LLC

Originating Department: CMO/ED

City Attorney Review: mkf

Proceeding: C&PA

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$50,000

Amount Budgeted: \$0

Appropriation Required: \$50,000

Source of Funds: Undesignated GF Balance

FINANCIAL APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

Project Summary

- Virgata Property Company/Leisure Lane LLC will construct two new commercial buildings totaling 20,424 square feet on 4.37 acres of land at 1765 and 1769 S. Friendswood Drive
- Estimated value of the two buildings, excluding interior buildout, is \$5.43 million.
- Developer has received letters of intent from both office and retail/restaurant business tenants to occupy space in the building

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

- The new development will provide new office space and dining opportunities as well as serve as a catalyst for future development in the city
- Estimated new City property tax revenue (without tenant buildout) is \$28,926 annually. In addition, the new development will generate sales tax revenue. New building permit revenue is estimated to be \$48,748

RECOMMENDATIONS

The Economic Development Agreement is structured to reimburse the developer a total of \$50,000 as follows:

1. City will issue \$50,000 to Developer, 45 days after certificate of occupancies are issued for the completion of the two new commercial buildings, and after certificate of tenant occupancies are issued that occupy fifty percent (50%) of leasable tenant space in the two buildings.

ATTACHMENTS

[Economic Development Agreement](#)
[Exhibit A – Deed](#)
[Exhibit B – Application](#)
[Memo – Economic Impact Statement](#)

ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT (“Agreement”) is made and entered into as of the 14th of January, 2019, by and between the City of Friendswood, a home-rule municipality situated in Galveston and Harris Counties, Texas (“City”), and **Leisure Lane LLC** (“Developer”), collectively referred to herein as the “Parties.”

WITNESSETH:

WHEREAS, Developer proposes to enter into an agreement to construct two commercial buildings consisting of 20,424 square feet at 1765 and 1769 South Friendswood Drive, (the “Project Facilities”) on 4.372 acres of land, being out of a called 8.3604 acre tract of Lot 26, Voss Subdivision, Galveston County, Texas, and which location is more particularly described and depicted in **Exhibit A** attached hereto and made a part hereof; and

WHEREAS, Developer proposes to erect two new commercial buildings consisting of 20,424 square feet, the total estimated cost of which is \$5,433,298; and

WHEREAS, upon completion of such construction, business tenants that are identified on the City’s Target Market List propose to locate to the city and occupy the Project Facilities; and

WHEREAS, Developer has applied to City for a business incentive grant to help defray a portion of the costs of construction referred to above, a copy of which application (the “Application”) is attached hereto and made a part hereof as **Exhibit B**; and

WHEREAS, pursuant to Article III, §52a, Texas Constitution, and Chapter 380, Texas Local Government Code, municipalities are authorized to establish programs to promote local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with such enabling laws, City has adopted a “Chapter 380 Economic Development Program” (the “Program”); and

WHEREAS, City hereby finds and determines that Developer’s proposed Project, together with the proposed Project Facilities, as set forth in the Application, meets the minimum eligibility requirements for an economic incentive grant pursuant to the Program; and

WHEREAS, City hereby finds and determines that the Project encourages new private investment and employment, and the commercial project can be reasonably anticipated to act as a catalyst for further economic development in the City; and

WHEREAS, City desires to provide an economic development incentive grant to induce Developer to proceed with the implementation of the Project; now therefore,

FOR AND IN CONSIDERATION of the mutual promises, covenants, and agreements herein, the Parties agree as follows:

I. Inducement by City.

City commits that it will provide an economic incentive grant (“Grant”) to the Developer in accordance with the terms contained herein. City will provide, in the form of a reimbursement to Developer, an economic incentive grant (“Grant”) in an amount not to exceed Fifty Thousand and No/100 Dollars (\$50,000.00), payable within forty-five (45) days following issuance of required certificates of occupancy of: (1) the completed Project Facilities; and (2) business tenant occupancies of fifty percent of the Project Facilities.

These Grant funds will be used toward reimbursement to Developer for costs including but not limited to building improvements, utility line extensions, drainage improvements, water and sewer impact fees, or fees relating to or required for the connection of the Project Facilities to City public infrastructure.

II. Performance by Developer.

Improvements to Project Facility. Developer shall provide for the new construction of the Project Facilities as set forth in the Application. Construction shall commence within 120 days following the date hereof, and shall be substantially complete within four-hundred fifty-five (455) days hereof. The value of improvements to the Project Facility shall be as determined by the Galveston County Central Appraisal District as of January 1, 2019.

III. Recapture for Default. Grant funds provided hereunder by City shall be contingent on compliance with the provisions of Sections I and II above. In the event of default on any of such requirements, and failure to completely cure any such default within thirty (30) days following written notice thereof by City to Developer, Developer shall refund to City the full amount of Grant funds provided hereunder.

Any required refund payment shall be remitted to City within thirty (30) days following the expiration of the cure period set forth above, and any delinquent payment shall bear interest at the maximum rate allowed by law.

IV. Jurisdiction. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas. Venue for any action arising out of this Agreement shall be in Galveston County, Texas.

V. Notices. Any notice hereunder shall be given in writing to the party for whom it is intended, in person or by certified mail, at the following addresses or such future addresses as may be designated in writing:

If to Developer:

Leisure Lane LLC

If to City:

City Manager
City of Friendswood
910 S. Friendswood Drive
Friendswood, Texas 77546

Notice shall be deemed received upon actual receipt or upon refusal of receipt.

VI. Assignment and Succession. This Agreement shall be binding upon and inure to the benefit of the heirs, successors, affiliates, administrators, executors, and assigns of the respective parties. All rights hereunder may be assigned by Developer without restriction to any wholly owned subsidiary or affiliate of Developer or other entity controlled by Developer or by a subsidiary or affiliate of Developer, provided that notice of each assignment shall be given in writing to City, but no other assignment shall be effective without the City's written approval and consent. Provided further, no assignment hereunder shall be effective without the written acknowledgment and acceptance by the assignee of the duties and obligations of Developer set forth in this Agreement. Such approval shall not be unreasonably withheld.

VII. Time of Essence. Time is of the essence of this Agreement. However, in the event the date specified or computed under this Agreement for the performance of an obligation by any party, or for the occurrence of any event provided herein, shall be a Saturday, Sunday or “legal holiday” (defined for purposes hereof as any holiday observed by the County), then the date of such performance or occurrence shall automatically be extended to the next calendar day that is not a Saturday, Sunday or legal holiday.

VIII. Modification/Entire Agreement Expressed. No modification of this Agreement shall be valid or binding unless such modification is in writing, duly dated, and signed by the Parties. This Agreement constitutes the entire agreement between the parties. No party shall be bound by any term, conditions, statement, or representations, oral or written, not herein contained.

IX. Severability. If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms or provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid, or unenforceable term or provision, there shall be added automatically to this Agreement, a legal, valid, or enforceable term or provision, as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

X. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several paragraph contained herein.

XI. Operations. It is expressly agreed that nothing contained in this Agreement shall be construed to contain a covenant, either express or implied, to either commence the operation of a business or thereafter continuously operate a business in the Project Facilities. The City and Developer acknowledge and agree that Developer may, at its sole discretion and at any time cease the operation of its business in the Project Facilities, and City hereby waives any legal action for damages or for equitable relief which might be available because of such cessation of business activity by Developer except for the recapture of Grant funds as specifically set forth in this Agreement. Provided, however, if Developer fails to construct the improvements to the Project Facilities as set forth herein, Developer agrees to reimburse City for all costs expended by City or for which it is legally obligated to expend, as a result of its performance of this Agreement. Nothing contained in this Agreement shall be construed as creating a partnership,

joint venture, or other entity between City and Developer, with regard to the Project, and City shall have no right hereunder to control the operation of Developer or the Project. Provided, however, nothing contained herein shall be construed as waiving or limiting the power and authority of City to exercise its police powers, or exempt Developer from complying with lawfully adopted rules, regulations, ordinances, or laws of the State of Texas or City.

XII. Agreement Product of Negotiation. The Parties agree that this Agreement is the product of negotiation, that each Party has been represented by counsel of their own choosing, that each has freely entered into this Agreement after consulting with their counsel, and that this Agreement contains the terms and conditions requested and required by each. This Agreement shall be construed as having been drafted by all Parties and no term or provision shall be construed either in favor of or against a party on the basis that a party did or did not author this Agreement.

IN WITNESS WHEREOF, and as authorized respectively by the City Council of the City of Friendswood and **Leisure Lance LLC**, the parties have executed this Agreement effective the day and year first written above.

ATTEST:

City of Friendswood, Texas

Melinda Welsh, City Secretary

By: _____
Michael J. Foreman, Mayor

ATTEST:

Leisure Lane LLC

(Name and title)

By: _____
(Name and title)

CORRECTION
DEED OF TRUST

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

Date: May 12, 2017

Grantor: LEISURE LANE LLC

Grantor's Address: 407 S. Friendswood Drive
Friendswood, Texas 77546

Trustee: G. WILLIAM RIDER

Trustee's Mailing Address: Suite 802, 2200 Market Street Tower
2200 Market Street
Galveston, Galveston County, Texas 77550

Beneficiary: HOMETOWN BANK, NATIONAL ASSOCIATION

Beneficiary's Mailing Address: P.O. Box 3909
Galveston, Galveston County, Texas 77552

Note (s):

Date: May 12, 2017

Amount: \$1,500,000.00

Maker: LEISURE LANE LLC

Payee: HOMETOWN BANK, NATIONAL ASSOCIATION

Final Maturity Date: May 12, 2037

Terms of Payment:

Accrued interest payable in monthly installments during the **first 24 months** and then principal and interest initially payable in monthly installments of **\$10,111.74** during the **next 36 months** and thereafter as provided in said note; provided, however, the entire principal balance and all accrued interest then remaining unpaid shall be paid on the 12th day of May, 2037.

Property: (including any improvements):

A tract of land containing 4.372 acres, being out of a called 8.3604 acre tract as recorded in Galveston County Clerk's File No. 9209236 and being out of Lot 26, Voss Subdivision, recorded in Volume 254-A, Page 9, of the Map Records of Galveston County, Texas, and being more particularly described by metes and bounds as follows;

BEGINNING, at a found five eighth inch iron rod with cap stamped "CCI", marking the most southerly corner of said called 8.3604 acre tract and in the northeasterly line of FM 518 (140 foot wide) and in the northwesterly line of Leisure Lane (60 foot wide);

1. THENCE, North 45 degrees 45 minutes 55 seconds West, along the southerly line of said called 8.3604 acre tract, for a distance of 578.89 feet, to a found five eighths inch iron rod with cap stamped "CCI", marking the most westerly corner of said called 8.3604 acre tract and the most southerly line of Reserve "A", final plat of Howard Subdivision, recorded in Volume 2004A, Page 173, of the Map Records of Galveston County, Texas;



TH 17204015-H

2. THENCE, North 41 degrees 35 minutes 09 seconds East, along the northwesterly line of said called 8.3604 acre tract and the southeasterly line of said Reserve "A", for a distance of 317.32 feet, to a set five eighths inch iron rod with cap stamped "CCI";
3. THENCE, South 48 degrees 03 minutes 42 seconds East, over and across said called 8.3604 acre tract for a distance of 579.73 feet, to a set five eighths inch iron rod with cap stamped "CCI" being in the northwesterly line of said Leisure Lane;
4. THENCE, South 41 degrees 49 minutes 48 seconds West, along the northwesterly line of said Leisure Lane, for a distance of 340.51 feet to the POINT OF BEGINNING.

Prior Liens: NONE

Other Exceptions to Conveyance and Warranty: NONE

For value received and to secure the payment of the note, Grantor conveys the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Grantor performs all the covenants and the note is paid according to its terms, this Deed of Trust shall have no further effect and Beneficiary shall release it at Grantor's expense.

Grantor's Obligations:

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due;
3. preserve the lien's priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that:
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. contains an 80% co-insurance clause;
 - c. provides fire and extended coverage, including windstorm coverage;
 - d. protects Beneficiary with a standard mortgage clause;
 - e. provides flood insurance at any time the property is in a flood hazard area; and
 - f. contains such other coverage as Beneficiary may reasonably require.
5. comply at all times with the requirements of the 80% co-insurance clause;
6. deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary at least ten (10) days before expiration;
7. keep any buildings occupied as required by the insurance policy;
8. if this is not a first lien, pay all prior lien notes that Grantor(s) are personally liable to pay and abide by all prior lien instruments;
9. Permit Trustee and Beneficiary, and their agents, representatives and employees, to inspect the Property at all reasonable times.
10. Furnish to the Beneficiary by January 31st of each year during the term of the note, proof, in a form satisfactory to the Beneficiary, that all ad valorem taxes on the Property have been paid in full.
11. Furnish, from time to time, to the Beneficiary promptly upon request, but in any event, no later than April 1 of each year during the term of the note, the personal financial statement of Grantor(s), sworn to by Grantor(s), and in such form as Beneficiary may require. Such financial statements shall include an adequately detailed current statement of assets, liabilities and net worth and current income statements in such detail as the Beneficiary may reasonably request, all to conform to generally accepted accounting principals consistently applied.
12. Except as otherwise expressly set forth herein, Grantor will defend, at Grantor's own cost and expense, and hold Beneficiary harmless from, any action, proceeding or claim affecting the Property or this instrument. All costs and expenses incurred by Beneficiary in protecting its interests hereunder in such an event (including all court costs and attorneys' fees) shall be borne by Grantor.

Beneficiary's Rights:

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of the original trustee.
2. If the proceeds of the note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid.
3. Beneficiary may apply any proceeds received under the insurance policy either to reduce the note or to repair or replace damaged or destroyed improvements covered by the policy.

4. If Grantor(s) fail to perform any of Grantor(s)' obligations, Beneficiary may perform those obligations and be reimbursed by Grantor(s), on demand, at the place where the note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payment at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.

5. If Grantor(s) default on the note or fails to perform any of Grantor(s)' obligations or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:

- a. declare the unpaid principal balance and earned interest on the note immediately due;
- b. request Trustee to foreclose this lien in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale as provided by the Texas Property Code as then amended; Grantor hereby authorizes and empowers the Trustee to sell the Property as a unit or in lots or in parcels, as the trustee shall deem expedient; and
- c. purchase the property at any foreclosure sale by offering the highest bid and have the bid credited on the note.
- d. Upon the occurrence of a default, or at any time thereafter, or upon the breach of any covenant, term or condition herein contained, Beneficiary, in lieu of or in addition to causing the Trustee to exercise the power of sale hereafter given, may proceed by suit for a foreclosure of its lien on the Property, to sue Makers of the Note, or any of them for damages on, arising out of said default or breach, or for specific performance of any provision contained herein, or to enforce any other appropriate legal or equitable right.

Trustee's Duties:

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor, subject to prior liens and to other exceptions to conveyance and warranty; and
3. from the proceeds of the sale, pay, in this order:
 - a. expenses of foreclosure, including a commission to Trustee of five percent (5%) of the bid;
 - b. to Beneficiary, the full amount of principal, interest, attorney's fees, and other charges due and unpaid;
 - c. any amounts required by law to be paid before payment to Grantor; and
 - d. to Grantor, any balance.
4. Upon the occurrence of any default, or at any time thereafter, the Trustee, when requested to do so by the Beneficiary, shall sell the Property at public auction to the highest bidder for cash, between the hours of 10:00 a.m. and 4:00 p.m. on the first Tuesday in any month, at the door of the courthouse in the county in which the Property, or any part thereof, is situated, after complying with the then applicable posting and notice provisions of the Texas Property Code. The Trustee may postpone the sale of all or any portion of the Property without notice or announcement, and from time to time thereafter may further postpone such sale without notice or announcement. If the Property is located in more than one county, then notices shall be (i) posted at the courthouse door and (ii) filed with the County Clerk of each county in which the Property is located (designating the county in which the sale will be held) and the Property may be sold at the door of the courthouse of any one of such counties.
5. TRUSTEE SHALL NOT BE LIABLE FOR ANY ACT OR OMISSION OR ERROR OF JUDGMENT IN CONNECTION WITH THIS DEED OF TRUST, IT BEING THE INTENT OF THE PARTIES HERETO THAT TRUSTEE SHALL NOT BE LIABLE FOR THE TRUSTEE'S SOLE OR CONTRIBUTORY NEGLIGENCE. GRANTOR SHALL AND DOES INDEMNIFY TRUSTEE AGAINST ALL LOSSES, DAMAGES, LIABILITIES, CLAIMS, CAUSES OF ACTION, JUDGMENTS, COURT COSTS, ATTORNEYS' FEES AND EXPENSES THAT TRUSTEE MAY INCUR IN THE PERFORMANCE OF TRUSTEE'S DUTIES HEREUNDER OR OTHERWISE IN CONNECTION WITH THIS DEED OF TRUST WHETHER OR NOT SAME RESULT FROM THE SOLE OR CONTRIBUTORY NEGLIGENCE OF TRUSTEE. THE FOREGOING SHALL ALSO APPLY TO ANY SUBSTITUTE TRUSTEE HEREUNDER.

General Provisions

1. If any of the property is sold under this deed of trust, Grantor shall immediately surrender possession to the purchaser. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the purchaser, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the property will be presumed to be true.
3. Proceeding under this deed of trust, filing suit for foreclosure, or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.
5. If any portion of the note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. No building or other property now or hereafter covered by the lien of this Deed of Trust shall be removed, demolished or materially altered or enlarged, nor shall any new building be constructed, without the prior written consent of Beneficiary.
7. Beneficiary and Beneficiary's agents or representatives shall have access to the Property at all reasonable times in order to inspect same and verify Grantor's compliance with Grantor's duties and obligations under this document.
8. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary

may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.

9. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment. Grantor may as Beneficiary's licensee collect rent and other income and receipts as long as Grantor is not in default under the note or this deed of trust. Grantor will apply all rent and other income and receipts to payment of the note and performance of this deed of trust, but if the rent and other income and receipts exceed the amount due under the note and deed of trust, Grantor may retain the excess. If Grantor defaults in payment of the note or performance of this deed of trust, Beneficiary may terminate Grantor's license to collect and then as Grantor's agent may rent the property if it is vacant and collect all rent and other income and receipts. Beneficiary neither has nor assumes any obligations as lessor or landlord with respect to any occupant of the property. Beneficiary may exercise Beneficiary's rights and remedies under this paragraph without taking possession of the property. Beneficiary shall apply all rent and other income and receipts collected under this paragraph first to expenses incurred in exercising Beneficiary's rights and remedies and then to Grantor's obligations under the note and this deed of trust in the order determined by Beneficiary. Beneficiary is not required to act under this paragraph, and acting under this paragraph does not waive any of Beneficiary's other rights or remedies. If Grantor becomes a voluntary or involuntary bankrupt, Beneficiary's filing a proof of claim in bankruptcy will be tantamount to the appointment of a receiver under Texas law.

10. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.

11. When the context requires, singular nouns and pronouns include the plural. All obligations of multiple Grantors are joint and several.

12. The term *note* includes all sums secured by this deed of trust.

13. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.

14. If Grantor and Maker are not the same person, the term Grantor shall include Maker.

15. Grantor further covenants and agrees (which covenants and agreements shall survive any foreclosure, or deed in lieu of foreclosure, of the Property and any satisfaction of the Indebtedness) that:

(1) Grantor has no knowledge of (1) the presence of any "Hazardous Substances" (as defined below) on or about the Property or (b) any spills, releases, discharges or disposal of Hazardous Substances that have occurred or are presently occurring on or onto the Property or any "Other Property" (as defined below).

(2) In connection with the construction on or operation and use of the Property, Grantor has no knowledge of any failure to comply with all applicable local, state and federal environmental laws, regulations, ordinances and administrative and judicial orders relating to the generation, recycling, reuse, sale, storage, handling, transport and disposal of any Hazardous Substances.

(3) Grantor has given no release or waiver of liability that would waive or impair any claim based on Hazardous Substances to a previous owner of the Property or to any party who may be potentially responsible for the presence of Hazardous Substances to any party.

(4) Grantor agrees to immediately notify Holder if Maker becomes aware of (a) any Hazardous Substances or other environmental problem or liability with respect to the Property or any Other Property or (b) any lien, action or notice resulting from violation of any laws, regulations, ordinance or orders described in Paragraph (2) above. At its own cost, Maker will take all actions which are necessary or desirable to clean up any Hazardous Substances affecting the Property, including removal, containment or any other remedial action required by applicable governmental authorities.

(5) Grantor will indemnify and hold Holder harmless from and against any and all claims, demands, damages, losses, liens, liabilities, penalties, fines, lawsuits and disbursements, which accrue to or are incurred by Holder on or after transfer of the Property, pursuant to foreclosure proceedings or in lieu thereof and on and after the Indebtedness is fully paid, and arise directly or indirectly from or out of, or in any way in connection with (a) the inaccuracy of the certifications contained herein, (b) any activities on the Property during Holder's ownership, possession or control of the Property which directly or indirectly result in the Property or any other Property becoming contaminated with Hazardous Substances, (c) the discovery of Hazardous Substances on the Property or any other Property, and (d) the clean-up after such a transfer of Hazardous Substances from the Property or any Other Property. Grantor acknowledges that it will be solely responsible for all costs and expenses relating to the clean-up of Hazardous Substances from the Property or from any Other Property.

(6) As used herein, "Hazardous Substances" shall mean: any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance, or other similar term by any federal, state or local environmental and/or health statute, regulation or ordinance presently in effect or that may be promulgated in the future as such statutes, regulations and ordinances may be amended from time to time, including but not limited to the statutes listed below:

Federal Resources Conservation and Recovery Act of 1986, 42 U.S.C. 6901 *et seq.*

Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1990, 42 U.S.C. 9601 *et seq.*

Federal Clean Air Act, 42 U.S.C. Sections 7401-7626.

Federal Water Pollution Control Act, Federal Clean Water Act of 1987, 33 U.S.C. 1257 *et seq.*

Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1988, 7 U.S.C. Paragraph 13 *et seq.*

Federal Toxic Substance Control Act, 15 U.S.C. 2601 *et seq.*

Federal Safe Drinking Water Act, 42 U.S.C. 300(f) *et seq.*

Federal Solid Waste Disposal Act (42 U.C. 6921 *et seq.*

Texas Water Code

Texas Clean Air Act, Texas Revised Civil Statutes Annotated Article 4477-5 (Vernon 1986 and Supp. 1989)

Texas Solid Waste Disposal Act, Texas Revised Civil Statutes Annotated Article 4477-7 (Vernon 1986 and Supp. 1989)
Texas Low-Level Radioactive Waste Disposal Authority Act, Texas Revised Civil Statutes 4590f-1 (Vernon 1986 and Supp. 1989)

As used in this Deed of Trust, "Other Property" means any property which becomes contaminated with hazardous substances as a result of construction, operations or other activities on, or the contamination of, the Property.

16. If all or any part of the property conveyed herein is sold, transferred or conveyed by deed or by contract of sale or by any other means without Beneficiary's prior written consent while the note secured hereby or any portion thereof remains unpaid, Beneficiary may, at Beneficiary's option, mature the entire indebtedness and declare the entire balance on said note to be due and payable in full. Beneficiary may waive said option to accelerate if, prior to the sale or transfer, Beneficiary and the person to whom the property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Beneficiary and that the interest payable on the sums secured by this Deed of Trust shall be at such a rate as Beneficiary may request. Failure on the part of Beneficiary to exercise said option to accelerate shall never in any event be interpreted as a release of liability of the original Maker of said note or any other person liable thereon.

17. This conveyance is also made in trust to secure and enforce the payment of all other indebtedness of Grantor(s), or any of them, to Beneficiary presently existing or which may in any manner or means hereafter be incurred by Grantor(s) or any of them, and evidenced in any manner whatsoever, either by notes, advances, overdrafts, bookkeeping entries or any other method or means, whether such indebtedness is direct or indirect, primary or secondary, fixed or contingent, it being contemplated that Grantor(s) may hereafter become indebted to Beneficiary in further sum or sums, it being expressly agreed and understood that any and all sums now owed to or hereafter advanced by said Beneficiary to Grantor(s); or any of them, shall be payable at the offices of HOMETOWN BANK, NATIONAL ASSOCIATION in Galveston County, Texas, and shall bear interest as may be provided in such notes or other evidences of indebtedness given by Grantor(s), or any of them, to said Beneficiary; and this instrument is also executed for the purpose of securing and enforcing the payment of any renewal and extension of any note or of any part of said indebtedness of Grantor(s), or any of them, and including any further loans and advancements made by said Beneficiary to Grantor(s), or any of them, under the provisions hereof. The fact of repayment of all indebtedness of Grantor(s), or any of them, to said Beneficiary shall not terminate this mortgage unless the same be so released by said Beneficiary at the request of Grantor(s), but otherwise it shall remain in full force and effect to secure all future advances and indebtednesses, regardless of any additional security that may be taken as to any past or future indebtedness, and shall be unaffected by any renewals, extensions or partial releases hereunder.

18. The note hereby secured is given for a loan of \$1,500,000.00, (1) \$1,329,363.27 of which is secured by a vendor's lien retained in deed of even date herewith by JACK A. HOWARD to Grantor hereof, securing the payment of the indebtedness described herein, and it is expressly agreed that the same shall not operate as a waiver of the liens created by this Deed of Trust; it is agreed that said liens and rights created by this instrument shall be cumulative and in addition to said vendor's lien; and (2) represents the sum of \$170,636.73 to be advanced to Maker pursuant to a Construction Loan Agreement of even date. The herein described liens are expressly acknowledged by Grantor as valid and subsisting liens against the property herein described, and it is expressly agreed that said liens are hereby renewed, extended and continued in full force and effect to secure the payment of the note hereby secured.

19. It is contemplated that Grantor will subdivide the hereinabove tract into lots. If and when a replat that has been approved in writing by HOMETOWN BANK, N.A. is filed of record, then thereafter, provided that there have not been any default in the payment of the hereinabove mentioned note, Grantor shall be entitled to have RELEASED from the liens securing said Promissory Note, one or more of such lots upon payment to the Holder of \$625,000.00 per lot, which amounts shall be applied toward the payment of the installments of principal last falling due on such note.

20. Final Agreement of the Parties. In consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor confirms and agrees that this Deed of Trust (including any Exhibits hereto), the Note, any guarantees of the Note executed by any guarantors and all other loan papers related hereto or thereto executed by any of the parties hereto or thereto substantially concurrently herewith

together constitute a written "loan agreement" as defined in Section 26.02(a) of the Texas Business and Commerce Code.

THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

This is a correction Deed of Trust, given and accepted in place of that certain Deed of Trust dated May 12, 2017, executed by Grantor in favor of Beneficiary, HomeTown Bank, National Association, and recorded under Instrument No. 2017029385 in the Official Public Records of Galveston County, Texas, in order to correct the legal description of the property. This instrument of correction is made by Grantor and accepted by HomeTown Bank, National Association, for the sole purpose of correcting the legal description in the said Deed of Trust and in all other respects the former Deed of Trust is ratified and confirmed.

EXECUTED this 19 day of June, 2017, to be effective as of May 12, 2017.

LEISURE LANE LLC

By:

SCOT J. LUTHER, Manager

By:

JAMES E. PETERSON, Manager

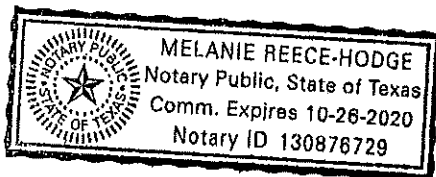
By:

DAVID B. BOONE, Manager

THE STATE OF TEXAS)

COUNTY OF Galveston)

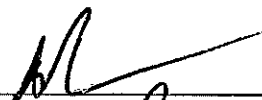
This instrument was acknowledged before me on the 19th day of June, 2017, by SCOT J. LUTHER, JAMES E. PETERSON, and DAVID B. BOONE, Managers of LEISURE LANE LLC, a Texas limited liability company, on behalf of said company.



Melanie Reece-Hodge
Notary Public in and for the State of Texas

ACCEPTED:

HomeTown Bank, National Association

By: 
Title: SEVP
Printed Name: Allan Rasmussen

Loan origination organization: HOMETOWN BANK, NATIONAL ASSOCIATION
NMLS ID 478260
Loan Originator: Allan Rasmussen, Jr.
NMLS ID 684576

AFTER RECORDING RETURN TO:
HomeTown Bank, N.A.
P. O. Box 3909
Galveston, Texas 77552

PREPARED IN THE LAW OFFICE OF:
RIDER & WILSON
Suite 802, 2200 Market Street Tower
2200 Market Street
Galveston, Texas 77550

FILED AND RECORDED

Instrument Number: 2017037504

Recording Fee: 50.00

Number Of Pages: 8

Filing and Recording Date: 06/21/2017 11:24AM

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Galveston County, Texas.



A handwritten signature in dark ink, reading "Dwight D. Sullivan". The signature is fluid and cursive, with a large loop at the end of the last name.

Dwight D. Sullivan, County Clerk
Galveston County, Texas

NOTICE: It is a crime to intentionally or knowingly file a fraudulent court record or instrument with the clerk.

DO NOT DESTROY - *Warning, this document is part of the Official Public Record.*

Received 6/18/18

Attachment B

INCENTIVE WORKSHEET
PROJECTS

OFFICE OF ECONOMIC DEVELOPMENT USE

THIS SECTION

Project Name

Given

Date 6/4/2018

PROJECT CONTACT

Name David Boone
Address 407 S. Friendswood Dr.
Friendswood, TX 77546

Company Virgata Property Company
Phone (281) 992-9766
Fax ()
E-Mail David@virgataproperty.com
Mobil 832 573-9391

GENERAL PROJECT DATA

Company Name Virgata Property Company

Web Address Virgataproperty.com

Location

Address 1771 S. Friendswood Dr.

New Construction ☒ N

Expansion Y ☒ N

Type of Business Circle One: Corporation ☐ Partnership ☒ Proprietorship ☐ Other ☐

Renovation to Existing Building Y ☒ N

Real Property

Legal Descrip see attached

If Relocation list

current location:

County Galveston

Anticipated Open Date

Tax Acct #s

Primary Type of

Product or Service leaseable Retail/office

NAICS

Circle One: R&D ☐ Hqtrs. ☐ Wholesale ☐
Basic Industry ☒ Office ☒ Retail ☐ Other ☐

SALES AND INVENTORY N/A

	Estimated Annual Sales by Facility		Percent Subject to Local Sales Tax	Estimated Annual Purchases of Operating items Subject to Local Sales Tax		Inventory
Year 1	\$		%	\$		
At Full Operation	\$	(year)	%	\$		
Estimated Annual Growth (percent)		%			%	%

FACILITY AND CONSTRUCTION INVESTMENT

Estimated construction start date <u>August 2018</u>	Amount	Percent Subject to Local Sales Tax
Estimated Construction Material Purchases:	\$	%
Estimated New Furniture and Equipment Purchases:	\$	%
Est. \$ of Operating Purchases from Local Service Firms		

Anticipated Size of Facility (Square Feet)		Value of Property <u>before</u> Improvements		
		Land	Real Property	Business Personal Property
Year 1	<u>25,500</u>	<u>\$2,000,000</u>	\$	\$
Year 2				
Year 5				
		Investment in Improvements and Bus. Personal Property		
			Real Property	Business Personal Property
Lease Terms		Land	Real Property	Property
Amount	\$	\$	\$	\$
Lease Dates				

UTILITY IMPACT

	Water	Sewer
Average monthly usage by the facility:	Gal	Gal
Investment needed for the new facility:	\$	\$

EMPLOYMENT CHARACTERISTICS

Total Number of Employees	Type Employee	By Percentage	Average Salary
Year 1	Executive	%	\$
At Full Operation	Professional	%	\$
Percent Annual Growth	Administrative	%	\$
	Technical	%	\$
	Skilled Trades	%	\$
	Semi-Skilled		
	Trades	%	\$
	Unskilled Trades	%	\$
Total Facility Payroll	\$		
Number of Jobs Retained/Created in Friendswood			

TOURISM

Number of Annual Visitors:	
Average Duration of Stay:	

OUTLINE FOR IMPACT STATEMENT OF BUSINESS

I. Information about the Business

- a. History
- b. Ownership
- c. Divisions/locations
- d. When, where you started
- e. State of organization
- f. Directors and Officers
- g. Provide copy of annual report/submission to Dun & Bradstreet

II. Reasons for economic development incentives. Include any special considerations.

III. Describe the project

- a. Facts about the proposed site (acreage, cost, location, ownership, and proposed use).
- b. Submit map of metes and bounds or other valid legal property description of the property.
- c. Type and value of proposed improvements (budget, list of fixed in place equipment to be included in the project).
- d. Project timeline--construction start date and end date.
- e. Environmental impact information must be provided, noting any anticipated impacts of the project on the environment, including, but not limited to storm water runoff, floodplains location, wetlands impact, waste(s) generated, hazardous waste/hazardous substances/regulated substances used or generated, noise levels, and state and federal environmental permits and registrations held or required.
- f. All other governmental assistance/incentives being requested or already approved for the project, (e.g. SBA loan, Freeport Tax Exemption).

IV. Jobs

- a. Provide information on current level of employment, including: (1) current payroll; and (2) breakdown of current employment by zip code. Attach a copy of the company's most recent filing with the Texas Workforce Commission or other supporting documentation that can be used to determine actual employment level at time of application.
- b. Provide information on the projected job creation associated with the project, including: (1) new employee needs; e.g. skilled vs. non-skilled, level of education, experience, etc; (2) proposed pay scale; (3) any training which the company will provide to its new employees; (4) upward mobility opportunities, career tracks, etc. available to less educated and experienced workers; and (5) if this is a consolidation, information on number of "new hires" vs. "transfers."
- c. Provide information on construction jobs to be created by project.
- d. Provide statement of commitment to equal opportunity hiring.

- V. Competition with local business**
a. List any competition or similar businesses in the area.
- VI. How will this project attract new business?**
- VII. Provide information on alternative site considerations/and incentives being offered the company.**
- VIII. If leasing property, please attach copy of lease. If company owns or is purchasing land, please attach copy of deed or executed contract-option to purchase.**

**APPLICATION WILL NOT BE CONSIDERED COMPLETE UNTIL
ALL THE REQUIRED INFORMATION HAS BEEN SUBMITTED**

- I. Information about the Business
 - a. History- Leisure Lane LLC (entity under the Virgata umbrella) purchased property in May 2017 to lease this property and build retail/office space for lease.
 - b. Ownership- Scot Luther, Jim Peterson, and David Boone are partners in Leisure Lane LLC
 - c. Divisions/locations- n/a
 - d. When, where you started. Leisure Lane LLC was formed in Friendswood, Texas. Virgata Property Company has been building and owning retail centers for 25 years.
 - e. State of organization- Leisure Land LLC is an effective and working Domestic Limited Liability Company, file with the Secretary State of Texas on April 12, 2017
 - f. Directors and Officers- Scot Luther, Jim Peterson, David Boone
- II. Reasons for economic development incentives. Include and special considerations.

Leisure Lane LLC is leasing a pad site to Chick Fil A on which Chick Fil A plans to operate a Chick Fil A restaurant, scheduled to open April 2019. Leisure Lane LLC is also building two retail buildings; Building A-11,328 SF and Building B-9,096 SF. We have signed LOI's from _____ and our working to finalize our leases.
- III. Describe the project
 - a. The 4.37 acre project sits at the corner of Leisure Lane and FM 518. Our goal is to create a development to attract the national brands that Friendswood citizens have been wanting. This retail center will be designed and finished on all four sides to create a class A project. We are also tying in the Retention Pond to create more Green space. We are leasing 60,000sqft to Chick Fil A. We also own the adjacent 5.2 acres the Northwest. We are creating drives and cross access easements to connect this project to our Phase II development and FM 528.
 - b. Submit map of metes and bounds or other valid legal property description of the property. See attached.
 - c. Type and value of proposed improvements (budget, list of fixed in place equipment to be included in the project). See attached budget and proposed Value.
 - d. Project timeline- August 2018 to April 2019.
 - e. Environmental impact information- N/A
 - f. All other governmental assistance/incentives being requested or already approved for the project. NONE
- IV. Jobs- N/A
- V. Completion with Local Business- Other retail buildings located on the corner of FM 518 and FM 528.

- VI. How will this project attract new business? This project will create highly desired leasable space for tenants to operate successful restaurants and businesses. This will be a destination place for League City and Alvin as well which will drive business.
- VII. Provide information on alternative site considerations and incentives being offered the company. N/A
- VIII. See attached Deed.

Retal Project at Leisure Lane and FM 518

Soft Cost

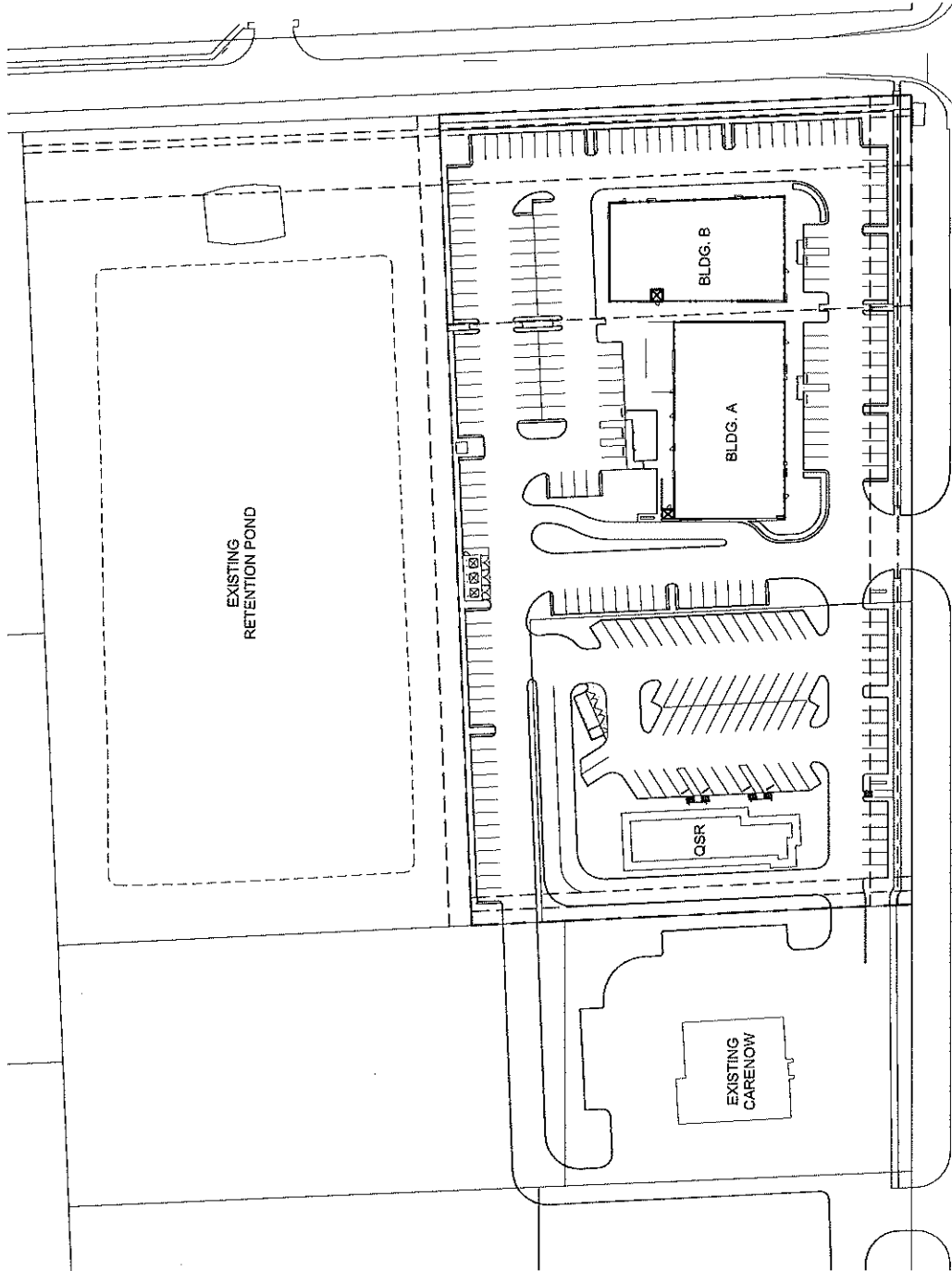
Civil Engineering	\$65,000.00
MEP Engineering	\$45,000.00
Architecture	\$190,000.00
Landscape architect	\$15,000.00
Leasing Cost	\$256,000.00
Tenant Improvement Allowance	\$800,000.00
Financing Cost	\$40,000.00
Attorney Fees	\$25,000.00
Interest Carry	\$75,000.00
Subtotal	\$1,511,000.00

[illegible]

Tilt Wall Panels	N/A	\$	68,270	\$	60,296	\$	-	\$	128,566
Pre-Cast Specialties	N/A	\$	-	\$	-	\$	-	\$	-
Concrete Deck	N/A	\$	-	\$	-	\$	-	\$	-
Gypcrete	N/A	\$	-	\$	-	\$	-	\$	-
Saw Cut and Remove	N/A	\$	-	\$	-	\$	-	\$	-
Other	N/A	\$	-	\$	-	\$	-	\$	-
MASONRY	\$	-	143,447	\$	76,205	\$	-	\$	219,652
Brick Masonry	N/A	\$	22,756	\$	18,144	\$	-	\$	40,900
Concrete Block	N/A	\$	-	\$	-	\$	-	\$	-
Glass Block	N/A	\$	-	\$	-	\$	-	\$	-
Stone Masonry	N/A	\$	120,691	\$	58,061	\$	-	\$	178,752
Manufactured Masonry	N/A	\$	-	\$	-	\$	-	\$	-
Other	N/A	\$	-	\$	-	\$	-	\$	-
METALS	\$	-	197,985	\$	125,070	\$	-	\$	323,055
Structural Metal Framing (Erection)	N/A	\$	48,144	\$	38,658	\$	-	\$	86,802
Structural Steel (Fabrication)	N/A	\$	107,616	\$	86,412	\$	-	\$	194,028
Misc. Metals	N/A	\$	42,225	\$	-	\$	-	\$	42,225
Other	N/A	\$	-	\$	-	\$	-	\$	-
WOOD, PLASTICS, COMPOSITES	\$	-	13,594	\$	10,915	\$	-	\$	24,509
Rough Carpentry	N/A	\$	13,594	\$	10,915	\$	-	\$	24,509
Finish Carpentry	N/A	\$	-	\$	-	\$	-	\$	-
Stairs & Landings	N/A	\$	-	\$	-	\$	-	\$	-
Molding & Trim	N/A	\$	-	\$	-	\$	-	\$	-
Plastic Paneling	N/A	\$	-	\$	-	\$	-	\$	-
Other	N/A	\$	-	\$	-	\$	-	\$	-
THERMAL AND MOISTURE PROTECTION	\$	17,818	162,362	\$	172,417	\$	-	\$	352,598
Caulking & Waterproofing	\$	17,818	14,726	\$	11,825	\$	-	\$	44,370
Thermal Protection	N/A	\$	-	\$	-	\$	-	\$	-
EIFS	N/A	\$	-	\$	-	\$	-	\$	-
Weather/Air Barriers	N/A	\$	11,340	\$	9,540	\$	-	\$	20,880
Roofing & Sheetmetal	N/A	\$	79,296	\$	65,172	\$	-	\$	144,468
Fireproofing	N/A	\$	-	\$	-	\$	-	\$	-
Other	N/A	\$	57,000	\$	85,880	\$	-	\$	142,880
OPENINGS	\$	-	91,795	\$	68,675	\$	-	\$	160,470

Doors, Frames & Hardware	N/A	\$	1,475	\$	1,475	\$	-	\$	2,950
Specialty Doors	N/A	\$	-	\$	-	\$	-	\$	-
Entrances & Storefronts	N/A	\$	90,320	\$	67,200	\$	-	\$	157,520
Windows	N/A	\$	-	\$	-	\$	-	\$	-
Skylights	N/A	\$	-	\$	-	\$	-	\$	-
Glass & Mirrors	N/A	\$	-	\$	-	\$	-	\$	-
Glazing Surface Films	N/A	\$	-	\$	-	\$	-	\$	-
Louvers & Vents	N/A	\$	-	\$	-	\$	-	\$	-
Other	N/A	\$	-	\$	-	\$	-	\$	-
FINISHES	\$	-	75,764	\$	62,214	\$	-	\$	137,978
Drywall & Metal Studs	N/A	\$	59,905	\$	50,844	\$	-	\$	110,748
Stucco & Cement Plastering	N/A	\$	-	\$	-	\$	-	\$	-
Tiling	N/A	\$	-	\$	-	\$	-	\$	-
Acoustical Ceiling	N/A	\$	-	\$	-	\$	-	\$	-
Flooring Cover - Other	N/A	\$	-	\$	-	\$	-	\$	-
Sealed/Polished Concrete	N/A	\$	-	\$	-	\$	-	\$	-
Wood Flooring	N/A	\$	-	\$	-	\$	-	\$	-
VCT & Base	N/A	\$	-	\$	-	\$	-	\$	-
Terrazzo Floors	N/A	\$	-	\$	-	\$	-	\$	-
Epoxy Floors	N/A	\$	-	\$	-	\$	-	\$	-
Carpet	N/A	\$	-	\$	-	\$	-	\$	-
Access Floors	N/A	\$	-	\$	-	\$	-	\$	-
Wall Coverings	N/A	\$	-	\$	-	\$	-	\$	-
Exterior Painting	N/A	\$	15,859	\$	11,370	\$	-	\$	27,229
Other	N/A	\$	-	\$	-	\$	-	\$	-
SPECIALTIES	\$	-	80,090	\$	121,550	\$	-	\$	201,640
Visual Display/Directories/Signage	N/A	\$	-	\$	-	\$	-	\$	-
Toilet Partitions & Accessories	N/A	\$	-	\$	-	\$	-	\$	-
Accordion Partitions	N/A	\$	-	\$	-	\$	-	\$	-
Wall & Door Protection	N/A	\$	-	\$	-	\$	-	\$	-
Fireplaces	N/A	\$	-	\$	-	\$	-	\$	-
Fire Protections Specialties	N/A	\$	1,250	\$	1,250	\$	-	\$	2,500
Lockers/Mailboxes	N/A	\$	-	\$	-	\$	-	\$	-
Exterior Sun Control Devices/Awnings	N/A	\$	78,840	\$	120,300	\$	-	\$	199,140

Dumpster Enclosures	\$ 32,556	N/A	N/A	N/A	\$ 32,556
Site Furnishings	\$ -	N/A	N/A	N/A	\$ -
Landscape & Irrigation	\$ 122,320	N/A	N/A	N/A	\$ 122,320
TxDOT Driveway	\$ 18,340	N/A	N/A	N/A	\$ 18,340
TxDOT Left Turn Lane	\$ 54,500	N/A	N/A	N/A	\$ 54,500
Other	\$ -	N/A	N/A	N/A	\$ -
UTILITIES	\$ 420,235	\$ -	\$ -	\$ -	\$ 420,235
Domestic & Fire Water	\$ 95,500	N/A	N/A	N/A	\$ 95,500
Sanitary Sewer	\$ 88,030	N/A	N/A	N/A	\$ 88,030
Storm Sewer	\$ 200,205	N/A	N/A	N/A	\$ 200,205
Gas Sleeves	\$ 5,000	N/A	N/A	N/A	\$ 5,000
Electrical	\$ -	N/A	N/A	N/A	\$ 50,000
Telephone	\$ -	N/A	N/A	N/A	\$ 10,000
Other	\$ 31,500	N/A	N/A	N/A	\$ 31,500
SUBTOTAL - DIRECT COST	\$ 1,533,162	\$ 1,053,324	\$ 874,281	\$ -	\$ 3,460,767
GENERAL REQUIREMENTS	\$ 97,197	\$ 66,777	\$ 55,426	\$ -	\$ 219,400
INSURANCE, SAFETY & BONDS	\$ 22,825	\$ 15,681	\$ 13,016	\$ -	\$ 51,522
Insurance & Safety	\$ 22,825	\$ 15,681	\$ 13,016	\$ -	\$ 51,522
Performance & Payment Bond	\$ -	\$ -	\$ -	\$ -	\$ -
OVERHEAD & FEE	\$ 57,861	\$ 39,752	\$ 32,995	\$ -	\$ 130,609
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -
Overhead & Fee	\$ 57,861	\$ 39,752	\$ 32,995	\$ -	\$ 130,609
Har cost Totals	\$ 1,711,045	\$ 1,175,534	\$ 975,718	\$ -	\$ 3,922,298
Retail Project Total Budget					\$ 5,433,298



SOUTH FRIENDSWOOD DRIVE
F.M. 518

FRIENDSWOOD SHOPPING CENTER




SITE PLAN

Do not use for
any other project
without the
written consent of
the engineer.

PROJECT: 1708700 DATE: 04/26/2018
6502 Waplesville, Suite 200 | Bellamy, Texas 77401 | 713.765.5644
© Better Design Group, LLC 2018



FRIENDSWOOD SHOPPING CENTER



Do not use for
presentation
without
approval
PROJECT: 1708700 DATE: 04/26/2018
6502 Mapleside, Suite 200 | Dallas, Texas 75241 | 713.765.3444
© Bascor Design Group, LLC 2018

PERSPECTIVE 1



Secretary of State
P.O. Box 13697
Austin, TX 78711-3697
FAX: 512/463-5709

Filing Fee: \$300



**Certificate of Formation
Limited Liability Company**

Filed in the Office of the
Secretary of State of Texas
Filing #: 802696788 04/12/2017
Document #: 728169440002
Image Generated Electronically
for Web Filing

Article 1 - Entity Name and Type

The filing entity being formed is a limited liability company. The name of the entity is:

Leisure Lane LLC

Article 2 - Registered Agent and Registered Office

☐ A. The initial registered agent is an organization (cannot be company named above) by the name of:

OR

☒ B. The initial registered agent is an individual resident of the state whose name is set forth below:

Name:

James E. Peterson

C. The business address of the registered agent and the registered office address is:

Street Address:

407 S. Friendswood Drive Friendswood TX 77546

Consent of Registered Agent

☐ A. A copy of the consent of registered agent is attached.

OR

☒ B. The consent of the registered agent is maintained by the entity.

Article 3 - Governing Authority

☒ A. The limited liability company is to be managed by managers.

OR

☐ B. The limited liability company will not have managers. Management of the company is reserved to the members. The names and addresses of the governing persons are set forth below:

Manager 1: **James E. Peterson**

Title: **Manager**

Address: **407 S. Friendswood Drive Friendswood TX, USA 77546**

Manager 2: **David B. Boone**

Title: **Manager**

Address: **407 S. Friendswood Drive Friendswood TX, USA 77546**

Manager 3: **Scot J. Luther**

Title: **Manager**

Address: **3784 Darcus Street Houston TX, USA 77005**

Article 4 - Purpose

The purpose for which the company is organized is for the transaction of any and all lawful business for which limited liability companies may be organized under the Texas Business Organizations Code.

[The attached addendum, if any, is incorporated herein by reference.]

Organizer

The name and address of the organizer are set forth below.

Scott McKaig - Andrews Myers, P.C. **3900 Essex Lane, Suite 800, Houston, Texas**
77027

Effectiveness of Filing

☒ A. This document becomes effective when the document is filed by the secretary of state.

OR

☐ B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

Scott McKaig

Signature of Organizer

FILING OFFICE COPY

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697



Rolando B. Pablos
Secretary of State

Office of the Secretary of State

April 13, 2017

Attn: Andrews Myers PC

Andrews Myers, P.C.
3900 Essex Lane, Suite 800
Houston, TX 77027 USA

RE: Leisure Lane LLC
File Number: 802696788

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created domestic limited liability company (llc).

Unless exempted, the entity formed is subject to state tax laws, including franchise tax laws. Shortly, the Comptroller of Public Accounts will be contacting the entity at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the entity. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>.

The entity formed does not file annual reports with the Secretary of State. Documents will be filed with the Secretary of State if the entity needs to amend one of the provisions in its certificate of formation. It is important for the entity to continuously maintain a registered agent and office in Texas. Failure to maintain an agent or office or file a change to the information in Texas may result in the involuntary termination of the entity.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section
Business & Public Filings Division
(512) 463-5555

Enclosure



Office of the Secretary of State

CERTIFICATE OF FILING OF

Leisure Lane LLC
File Number: 802696788

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Limited Liability Company (LLC) has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 04/12/2017

Effective: 04/12/2017



A handwritten signature in black ink, appearing to read "R. Pablos".

Rolando B. Pablos
Secretary of State



TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Comptroller.Texas.Gov

April 21, 2017

LEISURE LANE LLC
407 S FRIENDSWOOD DR
FRIENDSWOOD TX 77546-3905

Taxpayer number	32063454881
File number	0802696788
WebFile number	FQ171700

Dear Taxpayer:

Congratulations on registering your business with the Texas Secretary of State. In addition to being the state's chief financial officer and tax collector, I am a strong advocate for growth in our economy, and my office plays an important role in ensuring businesses like yours continue to thrive in the state of Texas. Part of that responsibility is to be a resource when your business needs assistance.

Customer service is my top priority, and my staff is ready to help you with questions related to your business' state tax responsibilities. The agency website, www.comptroller.texas.gov, contains a wealth of resources about the various taxes we administer. There you can find publications, answers to frequently asked questions, tax rules, electronic reporting options and more. In the right hand corner of each page, there is a link to "contact us," where you will find information on how to reach us if you do not find your answer online.

The Secretary of State notified us that your company was recently registered with their office. The company you registered is subject to the franchise tax, which my office administers. Accordingly, we have created a franchise tax account based on the information you provided at the time of registration.

Please review and update your account information at your earliest convenience. Most important is to ensure the address we have on file is the address where your company wants to receive tax mailings from us.

To view and correct your account information, go to www.comptroller.texas.gov/taxes/file-pay/. If you have not used WebFile before, you will register as a new user, and there is a video to assist you with that process. When you are ready to get started, select the Franchise Tax Accountability Questionnaire under Other Electronic Reporting Tools. Select "continue to log in" at the bottom of the page to sign in. You will need the WebFile number located at the top of this letter.

The company's first franchise tax report is due on 05/15/2018 . We will send you a reminder letter with filing instructions well before the due date. You can contact our office for assistance at 1-800-252-1381.

I appreciate the work you do and the contributions you make to Texas. I wish you the best of luck in all your business endeavors.

Sincerely,



Glenn Hegar

Property Search Results > 720947 LEISURE LANE LLC for Year 2018

Property

Account

Property ID: 720947 Legal Description: HOWARD SUB PRTL RPLT (2018) ABST 151 RES E
BLK 1 ACRES 4.372

Geographic ID: 4094-0001-0005-000 Agent Code: A1020

Type: Real

Property Use Code:

Property Use Description:

Location

Address: 1757 S FRIENDSWOOD DR Mapsco:
FRIENDSWOOD, TX 77546

Neighborhood: VOSS Map ID: 140-A

Neighborhood CD: 7345

Owner

Name: LEISURE LANE LLC Owner ID: 640480

Mailing Address: 407 S FRIENDSWOOD DR % Ownership: 100.0000000000%

FRIENDSWOOD, TX 77546-3905

Exemptions:

Values

(+) Improvement Homesite Value:	+	\$0	
(+) Improvement Non-Homesite Value:	+	\$0	
(+) Land Homesite Value:	+	\$0	
(+) Land Non-Homesite Value:	+	\$952,220	Ag / Timber Use Value
(+) Agricultural Market Valuation:	+	\$0	\$0
(+) Timber Market Valuation:	+	\$0	\$0
(=) Market Value:	=	\$952,220	
(-) Ag or Timber Use Value Reduction:	-	\$0	
(=) Appraised Value:	=	\$952,220	
(-) HS Cap:	-	\$0	
(=) Assessed Value:	=	\$952,220	

Taxing Jurisdiction

Owner: LEISURE LANE LLC

% Ownership: 100.0000000000%

Total Value: \$952,220

Entity	Description	Tax Rate	Appraised Value	Taxable Value	Estimated Tax
C37	FRIENDSWOOD CITY	0.527349	\$952,220	\$952,220	\$5,021.52
CAD	APPRAISAL DISTRICT	0.000000	\$952,220	\$952,220	\$0.00

7/19/2018

Property Details

D08	GALV CNTY CONSOLIDATED DRAINAGE	0.108000	\$952,220	\$952,220	\$1,028.40
GGA	GALVESTON COUNTY	0.546147	\$952,220	\$952,220	\$5,200.52
RFL	CO ROAD & FLOOD	0.005753	\$952,220	\$952,220	\$54.78
S12	FRIENDSWOOD ISD	1.367000	\$952,220	\$952,220	\$13,016.85
Total Tax Rate:		2.554249			
				Taxes w/Current Exemptions:	\$24,322.07
				Taxes w/o Exemptions:	\$24,322.07

Improvement / Building

No improvements exist for this property.

Land

#	Type	Description	Acres	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
1	PF	PF	4.3720	190444.32	0.00	0.00	\$952,220	\$0

Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap	Assessed
2018	\$0	\$952,220	0	952,220	\$0	\$952,220

Deed History - (Last 3 Deed Transactions)

#	Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Deed Number
---	-----------	------	-------------	---------	---------	--------	------	-------------

Tax Due

Property Tax Information as of 07/19/2018

Amount Due if Paid on: 

Year	Taxing Jurisdiction	Taxable Value	Base Tax	Base Taxes Paid	Base Tax Due	Discount / Penalty & Interest	Attorney Fees	Amount Due
------	---------------------	---------------	----------	-----------------	--------------	-------------------------------	---------------	------------

NOTE: Penalty & Interest accrues every month on the unpaid tax and is added to the balance. Attorney fees may also increase your tax liability if not paid by July 1. If you plan to submit payment on a future date, make sure you enter the date and RECALCULATE to obtain the correct total amount due.

Questions Please Call (409) 935-1980

Website version: 1.2.2.14

Database last updated on: 7/18/2018 8:40 PM

© N. Harris Computer Corporation

Project #2018-1

Economic Impact Statement

Prepared by: Karen Capps, Economic Development Coordinator
City of Friendswood
Date: October 2, 2018

I. Project Summary

Project 2018-1 is concerning the construction of three new commercial buildings on 4.37 acres at 1757, 1765, and 1769 S. Friendswood Drive between FM 528 and Leisure Lane. Building A at 1765 S. Friendswood Drive will consist of 11,328 sf, Building B at 1769 S. Friendswood Drive of 9,096 sf, and Building C at 1757 S. Friendswood Drive is Chick-fil-A of 4,999 square feet. Virgata Property will develop Buildings A and B totaling 20,424 square feet with an estimated value of \$5,433,298. Chick-fil-A has signed a ground lease and will construct Building C with an estimated value of \$1,959,710. There are several letters of intent for Buildings A and B. Estimated new City property tax revenue for the three new buildings is \$39,359 annually. Estimated new annual City sales tax from Chick-fil-A is \$88,000.

P&Z approved the site plan for Builds A and B with groundbreaking planned for October. A DRC was held regarding the proposed Chick-fil-A and a site plan was recently submitted with an expected grand opening by April 2019.

II. Economic Impact Analysis – see attached

III. Community and Economic Development Committee Review of Project

On October 3 and November 7, 2018 the CEDC met to review and consider the application for a business incentive grant for the project. The committee discussed the benefits of the project for the city and how it meets the goals established for the CEDC as outlined below.

- 1) Project 2018-1 qualifies for incentive consideration in the Chapter 380 Guidelines under Category III.1. Office Projects.
- 2) Through past citizen surveys, Chick-fil-A has been the most requested new restaurant desired by residents. Based on typical annual sales per store, sales tax revenue from Chick-fil-A (based on City's 2% portion) is \$88,000.
- 3) Project 2018-1 will possibly spur other retail development on the adjacent 5.3 acres owned by Virgata.
- 4) After completion of the building, annual City property tax revenues are estimated to be \$39,359 annually. There will be additional business personal property taxes and sales taxes generated from other business tenants.
- 5) New property tax revenue to the City over a ten-year period is estimated to be \$393,590 and ten-year sales tax revenue is \$1,418,000. Compared to the average taxes a

residential home pays in the city (\$997 per home) it would take approximately 39 homes to generate revenue equal to the property tax revenue and 142 homes to generate the sales tax of those generated by this new development project.

- 6) If this land tract were developed as SFR-single family residential, it is estimated that 12 homes could be built on the 4.37 acre tract which would generate \$11,964 annually vs. what this commercial development will generate of \$39,359 (property tax) and \$88,000 (sales tax) annually.

IV. Grant Proposal

Due to these reasons, a grant incentive is proposed in the amount not to exceed \$50,000 to be disbursed to Leisure Lane LLC after construction certificates of occupancy are issued for the two new commercial buildings, and after tenant occupancies have been issued to business tenants occupying fifty percent (50%) of leasable space in the two new buildings.



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: 1/14/2019

Date Submitted: 12/18/2018

Dept. Clearances: T. Byrd

Prepared by: B. Mansfield

Subject: CDBG-DR Grant - Galveston County

Originating Department: FMO

City Attorney Review: mkf

Proceeding: Resolution

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: n/a*

Amount Budgeted: n/a

Appropriation Required: n/a*

Source of Funds: n/a

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The Houston-Galveston Area Council (HGAC) has developed a Method of Distribution (MOD) to distribute \$240,000,000 in Community Development Block Grant – Disaster Recovery (CDBG-DR) funds to the HGAC region sans Harris County. Friendswood has been allocated \$2,691,517 in infrastructure projects and \$2,762,650 for buyouts and acquisitions for the Galveston County side of the City.

On December 13, 2018, the Community Development Block Grant – Disaster Recovery (CDBG-DR) applications were made available for public comment via the City website for a period of 30 days. In order to formally submit an application for consideration, a resolution must be passed by City Council in support of the projects.

The following applications were and have been open for comments and are hereby recommended for approval:

- Infrastructure Applications
 - o The combination and relocation of Lift Stations 1 and 17;
 - o Deepwood Flood Control Project; and
 - o Matching Funds for the completion of Friendswood Lakes Blvd.
- Buyout and Acquisitions
 - o Deepwood Buyout Program; and
 - o Frenchman's Creek Acquisitions

Draft copies of the application can be reviewed at the following site: <https://www.ci.friendswood.tx.us/harvey-recovery-1>.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

The City of Friendswood received substantial impact from Hurricane Harvey. These identified projects will reduce the future impacts to the City from natural disasters.

RECOMMENDATIONS

It is recommended Council to adopt the resolution as drafted, and authorize the City Manager submit and sign documents related thereto.

*Dependent upon total cost of the projects and the CDBG-DR funding made available to the City, future expenditure and funding appropriation may be needed for completion of the projects.

ATTACHMENTS

[Resolution](#)

RESOLUTION NO. R2019-01

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF FRIENDSWOOD, TEXAS, AUTHORIZING AND
APPROVING THE 2018 COMMUNITY DEVELOPMENT
BLOCK GRANT – DISASTER RECOVERY. (CDBG-DR)**

* * * * *

WHEREAS, the City of Friendswood City Council finds it in the best interest of the citizens of Friendswood, that the City of Friendswood, submit project applications for the Community Development Block Grant – Disaster Recovery (CDBG-DR) funds allocated to the Galveston County portions of Friendswood.

WHEREAS, the City of Friendswood agrees that in the event of loss or misuse of CDBG-DR funds, the City of Friendswood assures that the funds will be returned in full.

WHEREAS, the City of Friendswood designates the City Manager as the grantee's authorized official. The authorized official is given the power to apply for or alter the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that the City of Friendswood approves submission of the following grant application for the City of Friendswood.

Infrastructure Applications:

- 1) The combination and relocations of Lift Stations 1 and 17;
- 2) Deepwood Flood Control Project; and
- 3) Matching Funds for the completion of Friendswood Lakes Blvd.

Buyout and Acquisitions Include:

- 1) Deepwood Buyout Program and
- 2) Frenchman's Creek Acquisitions.

PASSED, APPROVED, AND ADOPTED this the 14th day of January, 2019.

Mike Foreman
Mayor

ATTEST:

Melinda Welsh, TRMC
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: 1/14/2019

Date Submitted: 1/7/2019

Dept. Clearances: Mary Kay Fischer

Prepared by: Mary Kay Fischer, City Attorney

Subject: Resolution regarding adopting City Council Candidate Campaign Philosophy

Originating Department:

City Attorney Review: n/a

Proceeding: Resolution

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: Amount Budgeted:

Appropriation Required: Source of Funds:

FINANCE APPROVAL:

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The City Council of the City of Friendswood, Texas, has adopted a City Council Philosophy, which outlines the expectations it has of themselves.

As a new election cycle begins, a resolution has been drafted proposing a similar philosophy encouraging all Council Candidates to follow as they campaign for an elected position.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Compliance with this Resolution will hopefully result in Candidates acting in the best interest of the citizens, demonstrating respect for our citizens and demonstrating respect for the position being sought, communicating in all media formats in a respectful way, keeping our community's image positive with the public and each other.

RECOMMENDATIONS

Recommend approval of the resolution as drafted.

ATTACHMENTS

[Resolution](#)

RESOLUTION NO. R2019-02

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF FRIENDSWOOD, TEXAS, ADOPTING THE CITY
COUNCIL CANDIDATE CAMPAIGN PHILOSOPHY
DOCUMENT.**

* * * * *

WHEREAS, the City Council of the City of Friendswood, Texas, has adopted a City Council Philosophy which outlines the expectations it has of themselves; and

WHEREAS, out of respect for our citizens, the City Council does hereby adopt the following Philosophy that it encourages and expects all City Council Candidates to follow as they campaign for a position on the City Council of the City of Friendswood, Texas; now therefore

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

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

Section 2. The City Council of the City of Friendswood adopts the City of Friendswood City Council Candidate Campaign Philosophy as follows:

The City Council encourages and expects the following of all candidates seeking to be a member of the City Council of the City of Friendswood,

- To act in the best interest of the citizens
- To consistently demonstrate respect for our citizens by demonstrating respect for the position we are seeking
- To express our point of view or platform in a respectful manner
- To ensure all advertising and social media posts keep our community's image positive with the public and each other

PASSED, APPROVED AND RESOLVED on this 14th day of January, 2019.

Mike Foreman
Mayor

ATTEST:

Melinda Welsh, TRMC
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: 01/14/2019

Date Submitted: 1/9/2019

Dept. Clearances: KRH

Prepared by: Katina Hampton

Subject: Utility Rate Adjustment

Originating Department: Admin Services

City Attorney Review: Yes

Proceeding: Ordinances – 1st reading

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$0 Amount Budgeted: \$0

Appropriation Required: \$0 Source of Funds: N/A

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

In the work session, staff presented revised proposed rates provided by Nelisa Heddin Consulting, LLC based on the results of a utility cost of service and rate study analysis and discussion during the Council work session on December 3, 2018.

The recommended rates (spanning the next five years) will ensure the City's ability to meet its annual requirements for operational costs, current debt service obligations and anticipated debt service needs to fund utility projects included in the City's capital improvements plan.

Please understand the rate options are projections and will need annual review.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Approving the recommended rates will ensure adequate revenue for the City's utility operations, current debt service requirements and future debt service obligations needed to maintain and/or expand the City's utility infrastructure.

RECOMMENDATIONS

Staff recommends adoption of the ordinance and exhibit as presented after two readings on the January 14th and February 4th City Council meeting agendas.

The adjusted rates for fiscal year 2018 – 2019 will be effective on utility bills generated for utility consumption periods following February 4, 2019. The adjusted rates for subsequent fiscal years will be effective on utility bills generated for utility consumption period following 1/1/2020, 1/1/2021, 1/1/2022 and 1/1/2023.

ATTACHMENTS

[Ordinance](#)

[Exhibit A – Recommended Utility Rate Schedule](#)

[Utility Rate Increase Summary Effective 2 4 2019](#)

[Estimated Impact of Recommended Rates](#)

[Utility Rate Survey City Rate Comparison](#)

(Title: An Ordinance amending Appendix D of the Code of Ordinances of the City of Friendswood.)

ORDINANCE NO. T2019-01

**AN ORDINANCE OF THE CITY OF FRIENDSWOOD, TEXAS,
CITY COUNCIL, AMENDING APPENDIX D OF THE
FRIENDSWOOD CITY CODE TO ESTABLISH THE RATES TO
BE CHARGED BY THE CITY FOR WATER AND SEWER
UTILITY SERVICES FOR FISCAL YEARS 2019-2023.**

* * * * *

WHEREAS, Appendix D of the Code of Ordinances of the City of Friendswood, Texas establishes water and sewer rates for utility services provided by the City and

WHEREAS, in order to ensure the City's ability to meet its annual revenue requirements for utility operational costs, current debt service obligations and anticipated debt service needs to fund utility projects included in the City's capital improvements plan, the City Council deems it necessary to revise the City's fee schedule utilities section for fiscal years 2019 – 2023 as set forth in this ordinance.

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

Section 1. City of Friendswood, Texas, Appendix D of the Friendswood City Code, and also being the fee schedule ordinance of the City, is hereby amended in accordance with the terms and conditions set out in the attached Exhibit "A".

Section 2. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Friendswood, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

PASSED AND APPROVED on first reading this 14th day of January, 2019.

PASSED, APPROVED, AND ADOPTED on second and final reading this 4th day of February, 2019.

Mike Foreman
Mayor

ATTEST:

Melinda Welsh, TRMC
City Secretary

City of Friendswood
Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 2/4/2019

Monthly Minimum Charge - Single Family Residential

Meter Size	2/4/19
Up to 1"	\$20.23
1 1/2"	\$40.74
2"	\$65.45
3"	\$89.00
4"	\$122.65
6"	\$206.76
8"	\$307.70

Volumetric Rates - Single Family Residential

Per 1,000 gallons	
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$2.90
10,001 - 25,000 gallons	\$3.63
Above 25,000 gallons	\$5.44

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	2/4/19
Up to 1"	\$20.23
1 1/2"	\$40.74
2"	\$65.45
3"	\$89.00
4"	\$122.65
6"	\$206.76
8"	\$307.70

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.66
-------------------	--------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	2/4/19
Up to 1"	\$20.23
1 1/2"	\$40.74
2"	\$65.45
3"	\$89.00
4"	\$122.65
6"	\$206.76
8"	\$307.70

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	2/4/19
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$4.00
10,001 - 25,000 gallons	\$4.25
Above 25,000 gallons	\$5.44

SEWER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 2/4/2019

Monthly Minimum Charge	2/4/19
Single Family Residential	\$23.00
Residential (multi-unit)	\$23.00
Commercial (single & multi-unit)	\$23.00

Volumetric Rates - Single Family Residential

Based on WMA**	2/4/19
Per 1,000 gallons	\$2.40

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	2/4/19
Per 1,000 gallons	\$2.40

** Winter Months Average

City of Friendswood

Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 2/4/2019

Monthly Minimum Charge - Single Family Residential

Meter Size	2/4/19	Old Rates	
Up to 1"	\$20.23	\$15.50	\$4.73
1 1/2"	\$40.74	\$27.90	\$12.84
2"	\$65.45	\$44.95	\$20.50
3"	\$89.00	\$44.95	\$44.05
4"	\$122.65	\$44.95	\$77.70
6"	\$206.76	\$44.95	\$161.81
8"	\$307.70	\$44.95	\$262.75

Volumetric Rates - Single Family Residential

Per 1,000 gallons			
0 - 3,000 gallons	\$0.00	\$0.00	No change
3,001 - 10,000 gallons	\$2.90	\$2.90	\$0.00 per 1 tgal
10,001 - 25,000 gallons	\$3.63	\$3.15	\$0.48 per 1 tgal
Above 25,000 gallons	\$5.44	\$3.40	\$2.04 per 1 tgal

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	2/4/19	Old Rates	
5/8"	\$20.23	\$15.50	\$4.73
1"	\$20.23	\$21.70	-\$1.47
1 1/2"	\$40.74	\$27.90	\$12.84
2"	\$65.45	\$44.95	\$20.50
3"	\$89.00	\$44.95	\$44.05
4"	\$122.65	\$44.95	\$77.70
6"	\$206.76	\$44.95	\$161.81
8"	\$307.70	\$44.95	\$262.75

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.66	\$2.90	\$1.76 per 1 tgal
-------------------	--------	--------	-------------------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	2/4/19	Old Rates	
5/8"	\$20.23	\$15.50	\$4.73
1"	\$20.23	\$21.70	-\$1.47
1 1/2"	\$40.74	\$27.90	\$12.84
2"	\$65.45	\$44.95	\$20.50
3"	\$89.00	\$44.95	\$44.05
4"	\$122.65	\$44.95	\$77.70
6"	\$206.76	\$44.95	\$161.81
8"	\$307.70	\$44.95	\$262.75

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	2/4/19	Old Rates	
0 - 3,000 gallons	\$0.00	\$0.00	No change
3,001 - 10,000 gallons	\$4.00	\$4.00	No change
10,001 - 25,000 gallons	\$4.25	\$4.25	No change
Above 25,000 gallons	\$5.44	\$4.50	\$0.94 per 1 tgal

SEWER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 2/4/2019

Monthly Minimum Charge	2/4/19	Old Rates	
Single Family Residential	\$23.00	\$15.00	\$8.00
Residential (multi-unit)	\$23.00	\$15.00	\$8.00
Commercial (single & multi-unit)	\$23.00	\$15.00	\$8.00

Volumetric Rates - Single Family Residential

Based on WMA**	2/4/19	Old Rates	
Per 1,000 gallons	\$2.40	\$2.13	\$0.27 per 1 tgal

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	2/4/19	Old Rates	
Per 1,000 gallons	\$2.40	\$2.13	\$0.27 per 1 tgal

** Winter Months Average

City of Friendswood
Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2020

Monthly Minimum Charge - Single Family Residential

Meter Size	1/1/20
Up to 1"	\$21.24
1 1/2"	\$53.58
2"	\$85.94
3"	\$133.05
4"	\$200.34
6"	\$368.58
8"	\$570.46

Volumetric Rates - Single Family Residential

Per 1,000 gallons	
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$3.21
10,001 - 25,000 gallons	\$4.01
Above 25,000 gallons	\$6.02

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	1/1/20
Up to 1"	\$21.24
1 1/2"	\$53.58
2"	\$85.94
3"	\$133.05
4"	\$200.34
6"	\$368.58
8"	\$570.46

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.90
-------------------	--------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	1/1/20
Up to 1"	\$21.24
1 1/2"	\$53.58
2"	\$85.94
3"	\$133.05
4"	\$200.34
6"	\$368.58
8"	\$570.46

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	1/1/20
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$4.00
10,001 - 25,000 gallons	\$4.25
Above 25,000 gallons	\$6.02

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2020

Monthly Minimum Charge	1/1/20
Single Family Residential	\$24.15
Residential (multi-unit)	\$24.15
Commercial (single & multi-unit)	\$24.15

Volumetric Rates - Single Family Residential

Based on WMA**	1/1/20
Per 1,000 gallons	\$4.16

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	1/1/20
Per 1,000 gallons	\$4.16

** Winter Months Average

City of Friendswood
Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2021

Monthly Minimum Charge - Single Family Residential

Meter Size	1/1/21
Up to 1"	\$21.65
1 1/2"	\$66.41
2"	\$106.44
3"	\$177.10
4"	\$278.04
6"	\$530.39
8"	\$833.21

Volumetric Rates - Single Family Residential

Per 1,000 gallons	
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$3.21
10,001 - 25,000 gallons	\$4.01
Above 25,000 gallons	\$6.02

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	1/1/21
Up to 1"	\$21.65
1 1/2"	\$66.41
2"	\$106.44
3"	\$177.10
4"	\$278.04
6"	\$530.39
8"	\$833.21

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.90
-------------------	--------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	1/1/21
Up to 1"	\$21.65
1 1/2"	\$66.41
2"	\$106.44
3"	\$177.10
4"	\$278.04
6"	\$530.39
8"	\$833.21

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	1/1/21
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$4.00
10,001 - 25,000 gallons	\$4.25
Above 25,000 gallons	\$6.02

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2021

Monthly Minimum Charge	1/1/21
Single Family Residential	\$25.36
Residential (multi-unit)	\$25.36
Commercial (single & multi-unit)	\$25.36

Volumetric Rates - Single Family Residential

Based on WMA**	1/1/21
Per 1,000 gallons	\$4.16

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	1/1/21
Per 1,000 gallons	\$4.16

** Winter Months Average

City of Friendswood
Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2022

Monthly Minimum Charge - Single Family Residential

Meter Size	1/1/22
Up to 1"	\$22.73
1 1/2"	\$79.25
2"	\$126.93
3"	\$221.15
4"	\$355.73
6"	\$692.20
8"	\$1,095.97

Volumetric Rates - Single Family Residential

Per 1,000 gallons	
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$3.21
10,001 - 25,000 gallons	\$4.01
Above 25,000 gallons	\$6.02

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	1/1/22
Up to 1"	\$22.73
1 1/2"	\$79.25
2"	\$126.93
3"	\$221.15
4"	\$355.73
6"	\$692.20
8"	\$1,095.97

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.90
-------------------	--------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	1/1/22
Up to 1"	\$22.73
1 1/2"	\$79.25
2"	\$126.93
3"	\$221.15
4"	\$355.73
6"	\$692.20
8"	\$1,095.97

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	1/1/22
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$4.00
10,001 - 25,000 gallons	\$4.25
Above 25,000 gallons	\$6.02

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2022

Monthly Minimum Charge	1/1/22
Single Family Residential	\$26.63
Residential (multi-unit)	\$26.63
Commercial (single & multi-unit)	\$26.63

Volumetric Rates - Single Family Residential

Based on WMA**	1/1/22
Per 1,000 gallons	\$4.16

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	1/1/22
Per 1,000 gallons	\$4.16

** Winter Months Average

City of Friendswood

Water & Wastewater Utility Rates Recommendation

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2023

Monthly Minimum Charge - Single Family Residential

Meter Size	1/1/23
Up to 1"	\$23.55
1 1/2"	\$92.09
2"	\$147.43
3"	\$265.20
4"	\$433.43
6"	\$854.02
8"	\$1,358.72

Volumetric Rates - Single Family Residential

Per 1,000 gallons	
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$3.21
10,001 - 25,000 gallons	\$4.01
Above 25,000 gallons	\$6.02

Monthly Minimum Charge - Commercial, Multi-unit (residential or commercial)

Meter Size	1/1/23
Up to 1"	\$23.55
1 1/2"	\$92.09
2"	\$147.43
3"	\$265.20
4"	\$433.43
6"	\$854.02
8"	\$1,358.72

Volumetric Rates - Commercial, Multi-unit (residential or commercial)

Per 1,000 gallons	\$4.90
-------------------	--------

Monthly Minimum Charge - Irrigation/Sprinkler

Meter Size	1/1/23
Up to 1"	\$23.55
1 1/2"	\$92.09
2"	\$147.43
3"	\$265.20
4"	\$433.43
6"	\$854.02
8"	\$1,358.72

Volumetric Rates - Irrigation/Sprinkler

Per 1,000 gallons	1/1/23
0 - 3,000 gallons	\$0.00
3,001 - 10,000 gallons	\$4.00
10,001 - 25,000 gallons	\$4.25
Above 25,000 gallons	\$6.02

WATER UTILITY RATES - REFLECTED ON BILLS WITH CONSUMPTION PERIODS AFTER 1/1/2023

Monthly Minimum Charge	1/1/23
Single Family Residential	\$27.96
Residential (multi-unit)	\$27.96
Commercial (single & multi-unit)	\$27.96

Volumetric Rates - Single Family Residential

Based on WMA**	1/1/23
Per 1,000 gallons	\$4.29

Volumetric Rates - Commercial (single), Multi-unit*(residential & commercial)

Based on 100% water consumption	1/1/23
Per 1,000 gallons	\$4.29

** Winter Months Average

Estimated Impact of Recommended Rates

Actual dollar impact of volumetric rates will depend on individual customer's consumption.

<u>Minimum SFR Bi-monthly Utility Bill</u>	<u>Curr ent</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Description</u>
Water (based on 1" meter w/ 6 tgals)	\$ 31.00	\$ 40.46	\$ 42.48	\$ 43.30	\$ 45.46	\$ 47.10	Base/Minimum water charge recommended increase from \$15.50 to \$20.23 - \$23.55 over 5 years and still includes 6,000 gallons in bi-monthly billing
Sewer (based on WMA of 6 tgals)	\$ 42.78	\$ 60.40	\$ 73.26	\$ 75.68	\$ 78.22	\$ 81.66	Base/Minimum sewer charge recommended increase from \$15.00 to \$23.00 - \$27.96 over 5 years Volumetric rate based on winter months' average recommended increase from current \$2.13 per tgal to \$2.40 - \$4.29 per tgal over 5 years
Total	\$ 73.78	\$ 100.86	\$ 115.74	\$ 118.98	\$ 123.68	\$ 128.76	
Impact of recommended rates		\$ 27.08	\$ 14.88	\$ 3.24	\$ 1.02	\$ 0.48	
<u>Average SFR Bi-monthly Utility Bill</u>	<u>Current</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Water (based 1" meter w/ 20 tgals)	\$ 71.60	\$ 81.06	\$ 87.42	\$ 88.24	\$ 90.40	\$ 92.04	Base/Minimum water charge recommended increase from \$15.50 to \$20.23 - \$23.55 over 5 years and still includes 6,000 gallons in bi-monthly billing. Volumetric rates based on winter months' average recommended increase from current \$2.90 to \$3.40 per tgal to between \$2.90 - \$5.44 per tgal and \$3.21 - \$6.02 per tgal over 5 years
Sewer (based on WMA of 20 tgals)	\$ 72.60	\$ 94.00	\$ 131.50	\$ 133.92	\$ 136.46	\$ 141.72	Base/Minimum sewer charge recommended increase from \$15.00 to \$23.00 - \$27.96 over 5 years Volumetric rate based on winter months' average recommended increase from current \$2.13 per tgal to \$2.40 - \$4.29 per tgal over 5 years
Total	\$ 144.20	\$ 175.06	\$ 218.92	\$ 222.16	\$ 226.86	\$ 233.76	
Impact of recommended rates		\$ 30.86	\$ 43.86	\$ 3.24	\$ 4.70	\$ 6.90	
<u>Average COMMERCIAL Bi-monthly Utility Bill</u>	<u>Current</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Water (based 2" meter w/ 40 tgals)	\$ 205.90	\$ 317.30	\$ 367.90	\$ 408.88	\$ 449.86	\$ 490.86	Base/Minimum water charge recommended increase from \$44.95 to \$65.45 - \$147.43 per month over 5 years on bi-monthly billing Volumetric rates recommended to increase from \$2.90 per tgal to \$4.66 - \$4.90 per tgal over 5 years
Sewer (based on 40 tgals)	\$ 115.20	\$ 142.00	\$ 214.70	\$ 217.12	\$ 219.66	\$ 227.52	Base/Minimum sewer charge recommended increase from \$15.00 to \$23.00 - \$27.96 per month over 5 years (no gallons in base charge) Volumetric rates recommended to change from current \$2.13 per tgal to \$2.40 - \$4.29 per tgal over 5 years.
Total	\$ 321.10	\$ 459.30	\$ 582.60	\$ 626.00	\$ 669.52	\$ 718.38	
Impact of recommended rates		\$ 138.20	\$ 123.30	\$ 43.40	\$ 43.52	\$ 48.86	
<u>Average IRRIGATION Bi-monthly Utility Bill</u>	<u>Current</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	
Water (based 2" meter w/ 50 tgals)	\$ 273.40	\$ 314.40	\$ 355.38	\$ 396.38	\$ 437.36	\$ 478.36	Base/Minimum water charge recommended increase from \$44.95 to \$65.45 - \$147.43 per month over 5 years on bi-monthly billing Volumetric rates above consumption included in base/minimum charge recommended to change from current \$4.00 to \$4.50 per tgal to between \$4.00 to \$5.44 per tgal - \$4.00 to \$6.02 per tgal over 5 years
Sewer (not applicable)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	
Total	\$ 273.40	\$ 314.40	\$ 355.38	\$ 396.38	\$ 437.36	\$ 478.36	
Impact of recommended rates		\$ 41.00	\$ 40.98	\$ 41.00	\$ 40.98	\$ 41.00	

City Rate Comparison

Average Single Family Residential Water & Sewer Bill (BI-MONTHLY)

	Monthly Water Base Charge	Water Above Base Charge (per 1,000)	Monthly Sewer Base Charge	Sewer Above Base Charge (per 1,000)	Bi-Monthly Water Charges 20,000 gallons	Bi-Monthly Sewer Charges 20,000 gallons	Bi-Monthly Total Bill	Rate Design Details
Friendswood (current rates)	\$15.50 \$27.90 \$44.95	\$2.90 \$3.15 \$3.40	\$ 15.00	\$ 2.13	\$ 71.60	\$ 72.60	\$ 144.20	Base Charge - Meter size 1" or less - \$15.50 Base Charge - Meter Size 1 1/2" - \$27.90 Base Charge - Meter Size 2" or greater - \$44.95 Base Charge includes 3,000 gallons Water rate \$2.90 (tier 1 for 3,001 - 10,000 gallons) Water rate \$3.15 (tier 2 for 10,001 - 25,000 gallons) Water rate \$3.40 (tier 3 for above 25,000 gallons) Sewer Charges based on WMA of water consumption
Friendswood (Proposed rates)	\$20.23 \$40.74 \$65.45 \$89.00 \$122.65 \$206.76 \$307.70	\$2.90 \$3.63 \$5.44	\$ 23.00	\$ 2.40	\$ 81.06	\$ 94.00	\$ 175.06	Base Charge - Meter Size 1" or less - \$20.23 Base Charge - Meter Size 1 1/2" - \$40.74 Base Charge - Meter Size 2" - \$65.45 Base Charge - Meter Size 3" - \$89.00 Base Charge - Meter Size 4" - \$122.65 Base Charge - Meter Size 6" - \$206.76 Base Charge - Meter Size 8" - \$307.70 Base Charge includes 3,000 gallons Water rate \$2.90 (tier 1 for 3,001 - 10,000 gallons) Water rate \$3.63 (tier 2 for 10,001 - 25,000 gallons) Water rate \$5.44 (tier 3 for above 25,000 gallons) Sewer Charges based on WMA of water consumption @ \$2.40 per 1,000 gallons
Pearland	\$15.30 \$25.49 \$50.99 \$81.58 \$152.96 \$254.93 \$509.86 \$815.78 \$1,172.68	\$3.94 \$4.93 \$5.92 \$7.89	\$22.74 \$37.89 \$75.79 \$121.26 \$227.37 \$378.95 \$757.90 \$1,212.63 \$1,743.16	\$ 5.00	\$ 121.94	\$ 155.78	\$ 277.72	Base Charge - Meter Size 3/4" or less - \$15.50 Base Charge - Meter Size 1" - \$25.49 Base Charge - Meter Size 1 1/2" - \$50.99 Base Charge - Meter Size 2" - \$81.58 Base Charge - Meter Size 3" - \$152.96 Base Charge - Meter Size 4" - \$254.93 Base Charge - Meter Size 6" - \$509.86 Base Charge - Meter Size 8" - \$815.78 Base Charge - Meter Size 10" - \$1,172.68 Base Charge includes 2,000 gallons Water rate \$3.94 (tier 1 for 2,001 - 6,000 gallons) Water rate \$4.93 (tier 2 for 6,001 - 15,000 gallons) Water rate \$5.92 (tier 3 for 15,001 - 25,000 gallons) Water rate \$7.89 (tier 4 for above 25,000 gallons) Sewer Charges above base - \$5.00 per 1,000 Sewer Charges capped at 8,000 gallons
League City	\$ 7.13	\$1.50 \$5.50 \$7.00 \$8.50	\$ 13.88	\$1.80 \$4.62	\$ 109.26	\$ 103.24	\$ 212.50	Base Charge - \$7.13 Minimum includes 0 gallons Water rate \$1.50 (tier 1 for 0 - 3,000 gallons) Water rate \$5.50 (tier 2 for 3,001 - 7,000 gallons) Water rate \$7.00 (tier 3 for 7,001 - 15,000 gallons) Water rate \$8.50 (tier 4 for above 25,001 gallons) Sewer rate \$1.80 (tier 1 for 0 - 3,000 gallons) Sewer rate \$4.62 (tier 2 for above 3,000 gallons) Sewer Charges capped at 10,000 gallons
Alvin	\$15.15 \$0.08 GWD Fee \$0.50 TCEQ Fee	\$3.87 \$0.04 GWD Fee \$5.91	\$ 23.49	\$ 3.87	\$ 94.20	\$ 108.90	\$ 203.10	Base Charge includes 2,000 gallons Water rate \$3.91 - includes GWD Fee of \$0.04 per 1,000 gallons (tier 1 for 2,001 - 7,000 gallons) Water rate \$5.91 (tier 2 for above 7,000 gallons) Base Sewer Charge includes 2,000 gallons Sewer rate above base consumption - \$3.87 per 1,000 gallons No cap on sewer charges

Bill amounts based on 20,000 gallons consumption on a 1" meter at rates obtained in a survey completed 11/8/18.



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: January 14, 2019

Date Submitted: January 9, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: 2018 Update Study of Land Use Assumptions, Capital Improvements Plan & Impact Fees

Proceeding: Ordinance

City Attorney Review: Yes

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A Amount Budgeted: N/A

Appropriation Required: N/A Source of Funds: N/A

FINANCE APPROVAL: N/A

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

Impact fees are capital recovery fees used to expand the water and sewer systems to accommodate new growth. In order to assess an impact fee, a City must use land use assumptions to determine population growth and provide details on specific capital improvement projects that will be funded with the fees collected.

The impact fees are paid at the time of building permit issuance and are based on meter size. The City first began charging impact fees in 1990. Chapter 395 of the Local Government Code requires an updated study every five years. The last update was in 2013.

The City hired Daniel Scott Engineering, LLC to update the study for 2018. The draft of the study is provided in the back-up material. As the Capital Improvement Advisory Committee (CAIC), the commission has provided a written report as their recommendation which is included with this agenda item as backup material.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Changing the amount of the impact fees affects the fees that developers are required to pay for new development; however, the funds that are collected go towards expansion of the City's water and sewer system to accommodate for the growth.

RECOMMENDATIONS

The recommended fee in the study are as follows:

\$1,407 - water

\$2,820 – sewer

\$4,227 – total for a one-inch meter.

ATTACHMENTS

[Ordinance](#)

[Exhibit A](#)

[Exhibit B](#)

(Title: An ordinance approving the amendments to the land use assumptions, the capital improvements plan, the imposition of impact fees and amending Section 74-52(d) and Appendix D.)

ORDINANCE NO. 2019-02

AN ORDINANCE AMENDING AND UPDATING LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENTS PLAN AND IMPOSITION OF IMPACT FEES PURSUANT TO THE TEXAS LOCAL GOVERNMENT CODE ANNOTATED, § 395.001 ET. SEQ.; AMENDING THE FRIENDSWOOD CITY CODE, CHAPTER 74 "TAXATION", ARTICLE III, IMPACT FEES, SECTION 74-52(D) AND APPENDIX D TO INCLUDE UPDATED IMPACT FEE AMOUNTS; PROVIDING A PENALTY IN AN AMOUNT NOT TO EXCEED \$500 FOR VIOLATION OF ANY PROVISIONS HEREOF BY INCLUSION IN THE CODE OF ORDINANCES; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HERewith; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

* * * * *

WHEREAS, by virtue of Vernon's Texas Codes Annotated, Local Government Code, Chapter 395 ("State Law"), the City Council has found it necessary and appropriate to revise the City's capital improvements plan and update impact fees to comply with the provisions of said State Law; and

WHEREAS, the City Council has employed qualified professionals to revise the capital improvements plan and calculate updated impact fees, and has held a public hearing, as required by State Law, at which hearing all persons desiring to be heard were heard; and

WHEREAS, the City of Friendswood first adopted Impact Fees for New Construction in 1990 in accordance with applicable law; and

WHEREAS, Section 395.052 of the Texas Local Government Code requires that the land use assumptions and capital improvement plan for which an impact fee is imposed shall be reviewed, evaluated, and updated at least every five years; and

WHEREAS, in accordance with the provisions of Chapter 395 of the Texas Local Government Code, “Financing Capital Improvements Required by New Development in Municipalities, Counties, and Certain other Local Governments – Subchapter C. Procedures for Adoption of Impact Fee,” Sections 395.052 and 395.058, the City Council of the City of Friendswood appointed the Planning and Zoning Commission to act as the Capital Improvements Advisory Committee, (Committee), for the purpose of updating the land use assumptions, capital improvements, and impact fees and determined that the appointment of such Committee complied in all respects to the provisions of law; and

WHEREAS, the Committee has filed its written comments on the proposed amendments to the land use assumptions, capital improvements plan, and impact fees as required by law, before the fifth business day before the date of the public hearing, for which notice was properly provided by the Friendswood City Council within 60 days after the date it received the update of the land use assumptions and capital improvements plan, in accordance with sections 395.053 and 395.056 of the Texas Local Government Code; and

WHEREAS, the City Council has completed an Impact Fee Analysis on which to base the recommended amendment of fees and has caused to be prepared a new Capital Improvements Plan and Land Use Assumptions; and

WHEREAS, the City of Friendswood has met all of the legal requirements and prerequisites for implementation of impact fees in accordance with Chapter 395 of the Texas Local Government Code; and

WHEREAS, the City Council of the City of Friendswood finds and determines its legislative intent to enable the provisions of Chapter 395 of the Texas Local Government Code and has determined to approve the amendments to the Impact Fees within 30 days after the date of the public hearings on the subject amendments in compliance with section 395.057; and

WHEREAS, this Ordinance is intended to and satisfies the statutory requirements for adoption of amendments to the land use assumptions and the capital improvements plan and modification and implementation of impact fees.

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

Section 1. That the City Council of the City of Friendswood adopts the preceding preamble paragraphs as if repeated verbatim herein and find them to be true and correct facts.

Section 2. The Impact Fee Study, updating land use assumptions, capital improvements plan and impact fees included in a study by Daniel S. Johnson with Daniel Scott Engineering, LLC, entitled “2018 Update Study for Land Use Assumptions, Capital Improvements Plan and Impact Fees, Water Supply / Distribution and Wastewater Treatment / Collection” is attached hereto as Exhibit “A” and incorporated for all purposes.

Section 3. The “2018 Update Study for Land Use Assumptions, Capital Improvements Plan and Impact Fees Water Supply / Distribution and Wastewater Treatment / Collection” by Daniel S. Johnson with Daniel Scott Engineering, LLC, as shown in Exhibit “A” which was prepared as part of the Impact Fee Study, is hereby adopted and made a part of this Ordinance, and the Impact Fees set forth therein are hereby levied against new development on lands located within the corporate boundaries of the City of Friendswood and in compliance with Friendswood City Code, Chapter 74, Taxation, Article III. Impact Fees, Sections 74-50 through 74-52. Pursuant

to Exhibit “A”, the Water Impact Fee is \$1,407 per equivalent service unit, and the Wastewater Impact Fee is \$2,820 per equivalent service unit. The Total Impact fee for Water and Wastewater is \$4,227 per equivalent service unit.

Section 4. The Friendswood City Code, Chapter 74 "Taxation", Article III, Impact Fees, Section 74-52 (d) is hereby amended to read as follows:

(d) *Fees.* The Water Impact Fee is \$1,407 per equivalent service unit.

The Wastewater Impact Fee is \$2,820 per equivalent service unit.

Total Impact Fees charged for Water and Wastewater are \$4,227 per equivalent service unit.

<u>Meter size and Type</u>		Equivalent Service Units
1"	simple	1
1 ½"	simple	2
2"	simple	3
3"	compound	6
4"	compound	10
6"	compound	20
8"	compound	32
10"	compound	46
12"	compound	86

[1" meter is the smallest acceptable meter. In any situation where a meter smaller than 1" is installed, the 1" fee will be charged].

Section 5. The Friendswood City Code, Appendix D, also being the fee schedule ordinance of the City, is hereby amended by changing “Utilities (5) City-wide impact fees” to read as follows:

“Utilities

(5) City-wide impact fees:

Code Section 74-52

(a) Water impact fees

\$1,407

74-52 (d)

(b) Wastewater impact fees

\$2,820

74-52 (d)

Total Impact Fees charged for Water and Wastewater are \$4,227 per equivalent service unit.”

The Impact Fee Chart attached as Exhibit “B” incorporated herein and made a part hereof for all purposes, calculates the water and wastewater impact fees charged for meter sizes ranging from 1” to 12”, based on the water and wastewater impact fees adopted in this Ordinance.

Section 6. Any person who shall violate any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined in an amount not more than

Five Hundred Dollars (\$500.00) per offense, or the maximum amount provided by law. Each day of violation shall constitute a separate offense.

Section 7. All ordinances or parts of ordinances or resolutions inconsistent or in conflict herewith are, to the extent of such inconsistency or conflict, hereby repealed but only to the extent of such conflict.

Section 8. In the event any clause, phrase, provision, sentence, or any part of this Ordinance or the application of the same to any person or circumstances 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 9. It is the intent of the City Council of the City of Friendswood, Texas, that the provisions of this Ordinance shall be codified in the City's official Code of Ordinances as provided hereinabove.

Section 10. All rights and remedies which have accrued in favor of the City under this Chapter and amendments thereto shall be and are preserved for the benefit of the City.

Section 11. The City Secretary shall give notice of the enactment of this Ordinance by promptly publishing its descriptive caption and penalty after final passage in the official newspaper of the City, and the Ordinance shall take effect upon publication.

PASSED AND APPROVED on first reading this 14th day of January, 2019.

PASSED, APPROVED, AND ADOPTED on second and final reading this 4th day of February, 2019.

Mike Foreman
Mayor

ATTEST:

Melinda Welsh, TRMC
City Secretary

EXHIBIT "A"

2018 UPDATE STUDY OF LAND USE ASSUMPTIONS,
CAPITAL IMPROVEMENTS PLAN and IMPACT FEES



IMPACT FEE STUDY

2018 UPDATE STUDY OF LAND USE ASSUMPTIONS,
CAPITAL IMPROVEMENTS PLAN & IMPACT FEES

WATER SUPPLY/DISTRIBUTION AND
WASTEWATER TREATMENT/COLLECTION

CITY OF FRIENDSWOOD, TEXAS



NOVEMBER 2018

PREPARED BY:

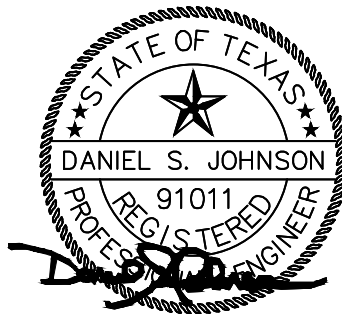
DANIEL SCOTT
ENGINEERING, LLC

19701 MORRIS AVENUE, MANVEL, TEXAS 77578
TBPE F-9827

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

JOE MATRANGA
RICHARD CLARK
BRETT BANFIELD
ERIC GUENTHER
LISA LUNDQUIST
RICHARD SASSON
MARCUS PERRY



11/27/2018

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

TABLE OF CONTENTS

I.	INTRODUCTION	5
A.	BACKGROUND	5
B.	CAPITAL IMPROVEMENTS ADVISORY COMMITTEE	6
C.	PLANNING PERIOD	6
D.	CAPITAL IMPROVEMENTS	6
E.	IMPACT FEES	6
II.	LAND USE ASSUMPTIONS	7
A.	BASIS	7
B.	SERVICE AREA	7
C.	POPULATION PROJECTIONS	8
D.	GROWTH RATE	10
III.	CAPITAL IMPROVEMENTS PLAN	11
A.	CAPITAL IMPROVEMENTS PROGRAM	11
B.	EXISTING CAPITAL IMPROVEMENTS	12
	1. WATER SUPPLY AND DISTRIBUTION	12
	2. WASTEWATER COLLECTION AND TREATMENT	13
C.	PROJECTS	14
D.	PROJECT DESCRIPTIONS	15
E.	EQUIVALENT SERVICE UNITS	17
IV.	IMPACT FEES	22
A.	ADMINISTRATIVE ITEMS	22
B.	MAXIMUM IMPACT FEE DETERMINATION	23
V.	SUMMARY AND RECOMMENDATIONS	24

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

LIST OF TABLES

1.	IMPACT FEE STUDY UPDATE SUMMARY	5
2.	US CENSUS BUREAU	8
3.	HGAC POPULATION PROJECTIONS	9
4.	1.5% ANNUAL GROWTH RATE PROJECTIONS	10
5.	WATER PROJECTS FOR EXISTING NEEDS	12
6.	WASTEWATER PROJECTS FOR EXISTING NEEDS	13
7.	CAPITAL IMPROVEMENTS PLAN	14
8.	EQUIVALENT METER TABLE	17
9.	CURRENT RESIDENTIAL METER SUMMARY	18
10.	CURRENT NON-RESIDENTIAL METER SUMMARY	19
11.	CURRENT WATER METER SUMMARY	20
12.	EQUIVALENT SERVICE UNITS	21
13.	MAXIMUM IMPACT FEES	23
14.	PREVIOUS IMPACT FEES	24

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

I. INTRODUCTION

A. BACKGROUND

The City of Friendswood, Texas has elected to adopt Water and Wastewater Impact Fees to assist in the financing of Capital Improvements for those systems that are necessitated by growth and development anticipated in the City. These Impact Fees were first adopted on June 4, 1990 by Resolution No. 90-22, in accordance with the provisions of the, then current State Law.

The State Law originally required that impact fees be reviewed and updated at least every three years from the adoption date; however, the legislation was amended to revise the maximum period to five years between required updates. Table 1 provides a historical summary of all updates to the Impact Fee Study for the City of Friendswood:

TABLE 1
IMPACT FEE STUDY UPDATE SUMMARY

Year	Revision	Resolution	Preparer
1990	Original	R90-22	Brown & Gay Engineers, Inc.
1991	Amendment	R91-4	Brown & Gay Engineers, Inc.
1993	Update #1	R93-24	Brown & Gay Engineers, Inc.
1997	Update #2	R97-48	Claunch & Miller, Inc.
2000	Update #3	R2000-40	Claunch & Miller, Inc.
2003	Update #4	R2003-47	Claunch & Miller, Inc.
2008	Update #5	R2008-17	HDR/Claunch & Miller, Inc.
2013	Update #6	R2013-11	JET Civil Consulting, LLC
2018	Update #7		Daniel Scott Engineering, LLC

In 2013, the City Council authorized JET Civil Consulting, LLC to prepare the update of the Land Use Assumptions, Capital Improvements Plan (CIP), and Impact Fee Study in accordance with Chapter 395 of the Local Government Code (Impact Fee Legislation), which is the state legislation regulating this adoption process.

In July 2018, the City authorized Daniel Scott Engineering, LLC (DSE) to prepare the required five-year update of the 2013 Study. This document includes the basis for determination of the Water and Wastewater Impact Fee per Equivalent Service Unit (ESU), based on Land Use Assumptions and the corresponding CIP.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. CAPITAL IMPROVEMENTS ADVISORY COMMITTEE

The City Council has appointed a Capital Improvements Advisory Committee to give policy direction, guide the public hearing process, and make a recommendation to the Council regarding the final report and fee amount. This committee consists of the Friendswood Planning and Zoning Commission (P&Z), which currently has at least one member representing the real estate industry, as required by the Impact Fee Legislation.

C. PLANNING PERIOD

The City of Friendswood is located in a high growth corridor along Interstate 45, approximately 20 miles southeast of the City of Houston, and about 30 miles northwest of the City of Galveston. The planning period for this Impact Fee Study will be for the ten-year period from 2018-2028 in accordance with requirements of the aforementioned Chapter 395. Population projections and resulting growth for the planning period can be found in the Land Use Assumptions, and details of the projects are shown in the CIP.

D. CAPITAL IMPROVEMENTS

Water and Wastewater Capital Improvements are defined as *“any facility that has a life expectancy of three or more years and are owned and operated by or on behalf of a political subdivision: water supply, treatment and distribution facilities; wastewater collection and treatment facilities.”*

Costs for system improvements necessitated by regulatory changes, maintenance requirements, or to correct deficiencies in existing developed areas are not eligible for reimbursement by impact fees and are therefore not included in the CIP developed for the purposes of this study. Many of the improvements may be financed through the issuance of bonds, and therefore finance charges can be estimated and included in the fee calculation. Acquisition of land, easements, and engineering costs for the projects are also eligible under the legislation and can be included in the calculation.

E. IMPACT FEES

This document will establish the projected number of Equivalent Service Units estimated to be added to the City of Friendswood’s water and wastewater system over the Planning Period, as well as the anticipated areas, which will require these services. The required Capital Improvements to be constructed can then be determined with cost estimates that will be utilized to calculate the proposed Impact Fees.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

II. LAND USE ASSUMPTIONS

A. BASIS

The Land Use Assumptions established herein are based on the following:

- The City's current Zoning Map
- The City's Capital Improvements Program 2017 Update
- The City's Comprehensive Plan adopted in 1998
- Vision 2020
- 2001 Groundwater Reduction Plan
- Area Growth projections provided by HGAC and other sources
- United States Census Bureau data and previous historical data
- Current growth trends experienced in the City
- Availability of vacant tracts in the City

B. SERVICE AREA

The Impact Fee Legislation defines Land Use Assumptions as: *"a description of the service area and projections of changes in land uses, densities, intensities and population in the service area over at least a ten-year period."* The City of Friendswood has elected to define the service area for Impact Fees as the current City Limits. The legislation also allows the City to impose impact fees in the City's Extraterritorial Jurisdiction (ETJ); however, the City of Friendswood has no ETJ.

The City has elected to establish Impact Fees on a system-wide basis. Currently, the City has no standalone systems (Municipal Utility Districts) providing water and wastewater to residents and businesses.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

C. POPULATION PROJECTIONS

According to the United States Census Bureau (Table 2), the population for the City of Friendswood was estimated at 39,839 on July 1, 2017. This represents an increase of 11.3% from the 2010 Official Census (35,805), and an increase of 4,034 people in seven years. After the increase of 23.3% (6,768 people) from 2000 (29,037) to 2010 (35,805), the Census Bureau continues to document Friendswood's growth toward buildout.

Over the last 47 years of Census data, the City of Friendswood has experienced varying population increases. The City witnessed tremendous population spikes of 88.9% from 1970 to 1980, and 112.8% from 1980 to 1990, and a steady increase of about 6,300 people every decade since the 1990's. Altogether, the City has experienced an average annual population increase of 4.27% since 1970.

The 2013 Impact Fee Study incorporated an average annual increase of 1.5% for the population projection, which proved to be consistent with the 1.54% increase observed by the Census Bureau.

TABLE 2
US CENSUS BUREAU

Geography Name	Year	Household Population	% Increase	Population Increase
Friendswood	1970	5,675		
Friendswood	1980	10,719	88.9%	5,044
Friendswood	1990	22,814	112.8%	12,095
Friendswood	2000	29,037	27.3%	6,223
Friendswood	2010	35,805	23.3%	6,768
Friendswood	2017	39,839	11.3%	4,034
		ANNUAL AVERAGE		
		SINCE 1970:	4.27%	726.9
		SINCE 1980:	3.62%	787.0
		SINCE 1990:	2.09%	630.6
		SINCE 2000:	1.88%	635.4
		SINCE 2010:	1.54%	576.3

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

The City's Comprehensive Plan, Vision 2020, and the Groundwater Reduction Plan projected a build-out population of 57,400 within the combined 21 square miles of the City. Growth trends for the current decade are on a similar track with Houston Galveston Area Council (HGAC) projecting a population increase of 9,147 by 2028. The HGAC population projections for the 10-Year Planning Period are presented in Table 3.

TABLE 3
HGAC POPULATION PROJECTIONS

Place	Year	Household Population	% Increase	Population Increase
Friendswood	2015	38,435	-	-
Friendswood	2016	39,066	-	-
Friendswood	2017	39,697	-	-
Friendswood	2018	40,327	-	-
Friendswood	2019	40,958	1.6%	630.8
Friendswood	2020	41,589	1.5%	630.8
Friendswood	2021	42,853	3.0%	1,263.8
Friendswood	2022	44,117	2.9%	1,263.8
Friendswood	2023	45,380	2.9%	1,263.8
Friendswood	2024	46,644	2.8%	1,263.8
Friendswood	2025	47,908	2.7%	1,263.8
Friendswood	2026	48,430	1.1%	522.1
Friendswood	2027	48,952	1.1%	522.1
Friendswood	2028	49,474	1.1%	522.1
		ANNUAL AVERAGE: TOTAL:	2.1%	9,147

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

D. GROWTH RATE

According to the Census Bureau, the City of Friendswood has experienced an average growth rate of 1.54% per year over the last seven years. In turn, HGAC projects the City's average annual growth rate at 2.1% over the next ten years.

The 2008 Impact Fee Study used a 1.9% annual growth rate, which projected a population in 2017 of 42,988. The 2013 Impact Fee Study implemented a slightly more conservative rate of 1.5% and estimated a population in 2017 of 41,144. According to the US Census Bureau, Friendswood's 2017 population was actually estimated at 39,839, which is on target with the 2013 projection. Therefore, the recommendation of this 2018 Updated Study is to maintain the same conservative growth rate for the planning period between 2018 and 2028 at **1.5%**.

This 1.5% Growth Rate is recommended for the projection of population and resulting service units for the calculation of the Impact Fee amount. Table 4 indicates the resulting population projections by year, with a total estimated population growth of **6,492** over the next 10 years.

TABLE 4
1.5% ANNUAL GROWTH RATE PROJECTIONS

Source	Year	Household Population	% Increase	Population Increase
<i>US Census Data</i>	<i>2000</i>	<i>29,037</i>		
	<i>2010</i>	<i>35,805</i>	<i>23.3%</i>	<i>6,768</i>
	<i>2017</i>	<i>39,839</i>	<i>11.3%</i>	<i>4,034</i>
Friendswood	2018	40,436		
Friendswood	2019	41,043		607
Friendswood	2020	41,659		616
Friendswood	2021	42,284		625
Friendswood	2022	42,918		634
Friendswood	2023	43,562		644
Friendswood	2024	44,215		653
Friendswood	2025	44,878		663
Friendswood	2026	45,552		673
Friendswood	2027	46,235		683
Friendswood	2028	46,928		694
		AVERAGE: TOTAL:	1.5%	6,492

III. CAPITAL IMPROVEMENTS PLAN

A. CAPITAL IMPROVEMENTS PROGRAM

Pursuant to the City Charter, the City Manager is required to submit a Capital Improvements Program (PROGRAM) to the City Council. By agreement, this program is to be updated periodically to reflect the completion of projects, the addition of new projects, and to update project costs for financial projection and management efforts. The first PROGRAM was adopted in 1999 and has been updated in 2003, 2007, 2009, 2012, 2014, and 2017.

From the 2017 Update: *“The intent of the updated program is to identify, describe, and prioritize the infrastructure needs of the community as it grows and evolves. The overall goal of the CIP is to maintain the same high quality of life for all citizens through the timely anticipation of the City’s needs, planning of improvement projects and determining funding sources as the community grows. The program is also intended to depict financial challenges of the City’s growth and maintenance of infrastructure that characterize the City’s future and the associated funding requirements to meet these objectives. The programming portion includes formulating preliminary plans, projecting estimated project costs, setting priorities, identifying funding sources, and scheduling the implementation of the plans.”*

The City of Friendswood adopted their current Capital Improvement Projects Manual in May of 2017 by Resolution R2017-13. This Manual proposed 77 projects for water, wastewater, facilities, drainage, parks, and streets. Within those 77 projects, 7 water and 10 wastewater projects were identified for the next 5 years (2017-2021). Additionally, 23 water and wastewater projects were identified in the “Beyond 5 Year Plan.”

Since the planning period for the Impact Fee adoption process is *10 years*, all of the *eligible* water and wastewater projects from the Capital Improvements Program are included, as well as other projects anticipated within the 10-year range.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. EXISTING CAPITAL IMPROVEMENTS

1. WATER SUPPLY AND DISTRIBUTION

Historically, water supply for the City of Friendswood was served exclusively by groundwater. However, in 1975, the Harris-Galveston Subsidence District (HGSD) was created by the Texas Legislature for the purpose of preventing land subsidence and increased flooding. Under HGSD's requirements, it was determined that the City's future water supply must be converted from a majority of groundwater use to a majority of surface water use.

In January 2001, a Groundwater Reduction Plan (GRP) was developed by Klotz Associates, Inc. in order to meet the HGSD requirements. The GRP indicated that the total water supply needed for the anticipated buildout population of 57,400 would be 16.8 million gallons per day (MGD):

$$57,400 \times 136 \text{ gallons per person per day} \times 2.16 \text{ peaking factor} = 16.8 \text{ MGD}$$

Further, it determined that, in order to meet groundwater reduction goals, the appropriate mix should be 11.8 MGD surface water and 5.0 MGD groundwater. As such, the City of Friendswood has diligently purchased 12.0 MGD of water treatment capacity from the City of Houston's Southeast Water Purification Plant, La Porte Water Authority, and MUD 55.

As described in the PROGRAM, there are six (6) water projects that will be needed in the next 5 years in order to upgrade, update, and improve the existing Capital Improvements to meet the existing needs of the City. Although these projects cannot be used in the Impact Fee calculation, their inclusion in this Study is a requirement of Section 395.014 (a) (1) and (2) of the Impact Fee Legislation:

TABLE 5
WATER PROJECTS FOR EXISTING NEEDS

<u>WATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. City of Houston Water Plant Rehabilitation	\$ 3,500,000
2. Water Plant #1 Rehabilitation	\$ 1,339,000
3. 42" Water Main Replacement	\$ 12,656,000
4. Elevated Storage Tank #2 Rehabilitation	\$ 1,059,000
5. Water Plant Tank #3 Rehabilitation	\$ 706,000
6. Water Plant Tank #4 Rehabilitation	\$ 706,000
SUBTOTAL WATER	\$ 19,966,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

2. WASTEWATER COLLECTION AND TREATMENT

Since 1979, the City of Friendswood has purchased 4.875 MGD of the 9.25 MGD capacity in the Blackhawk Regional Wastewater Treatment Facility. Of the City's total capacity, 2.5 MGD was purchased in the Phase I construction to serve existing development. An additional 2.375 MGD was purchased in the Phase II expansion project to serve new development and has previously been subject to the impact fee.

In order to serve the anticipated buildout population of 57,400 people, a total capacity of 6.5 MGD will be needed:

$$\begin{aligned} 57,400 \text{ people} / 2.8 \text{ people per connection} &= 20,500 \text{ connections} \\ 20,500 \text{ connections} \times 315 \text{ gallons per connection} &= 6.5 \text{ MGD} \end{aligned}$$

Therefore, a 2.0 MGD Phase III expansion is anticipated to serve new development and was included in the 2013 impact fee calculation. Additionally, the PROGRAM identified 10 wastewater projects needed in the next 5 years in order to upgrade, update, and improve the existing Capital Improvements to meet the existing needs of the City. Although these projects cannot be used in the Impact Fee calculation, their inclusion in this Study is a requirement of Section 395.014 (a) (1) and (2) of the Impact Fee Legislation:

TABLE 6
WASTEWATER PROJECTS FOR EXISTING NEEDS

WASTEWATER PROJECTS	APPROXIMATE COST
1. Lift Station #1 Replacement	\$ 1,774,000
2. Lift Station #4 Replacement	\$ 1,774,000
3. Lift Station #17 Replacement	\$ 1,774,000
4. Lift Station #22 Replacement	\$ 2,637,000
5. Lift Station #23 Replacement	\$ 3,935,000
6. Sanitary Sewer System Assessment Phase 4	\$ 1,464,000
7. Sanitary Sewer System Assessment Phase 5	\$ 100,000
8. Sanitary Sewer System Assessment Phase 6	\$ 100,000
9. Sanitary Sewer System Assessment Phase 7	\$ 175,000
10. Sanitary Sewer System Assessment Phase 8	\$ 1,830,000
SUBTOTAL WASTEWATER	\$ 15,563,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

C. PROJECTS

As discussed, the City's Capital Improvements Program (PROGRAM) identified 77 projects for water, wastewater, facilities, drainage, parks, and streets. The Capital Improvements Plan (CIP) contained within this 2018 Updated Impact Fee Study document consists of only *eligible* water and wastewater projects from the City's PROGRAM.

Four (4) water projects and five (5) wastewater projects were identified within the PROGRAM for this CIP and are included in Table 7. The approximate subtotal costs are \$6.8M for the water projects and \$13.7M for the wastewater projects.

TABLE 7
CAPITAL IMPROVEMENTS PLAN

<u>WATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. Sixteen Inch Waterline Phase III	\$ 2,500,000
2. Beamer Road Waterline	\$ 2,043,000
3. East Waterline	\$ 1,354,000
4. South Friendswood Service Area Loop	\$ 955,000
SUBTOTAL WATER	\$ 6,852,000
<u>WASTEWATER PROJECTS</u>	<u>APPROXIMATE COST</u>
1. Beamer Road Sanitary Sewer	\$ 4,200,000
2. El Dorado/Lundy Lane Sanitary Sewer	\$ 3,880,000
3. FM 528 – Falcon Ridge to Windsong Sanitary Sewer	\$ 1,005,000
4. FM 528 – Lundy Lane to Tower Estates Sanitary Sewer	\$ 1,585,000
5. Windsong Sanitary Sewer	\$ 3,061,000
SUBTOTAL WASTEWATER	\$ 13,731,000

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

D. PROJECT DESCRIPTIONS

Project descriptions for the four (4) water projects and five (5) wastewater projects contained within this CIP were also included within the PROGRAM, and are provided below per the requirement of Section 395.014 (a) (3) of the Impact Fee Legislation:

Water Project #1: Sixteen Inch Waterline Phase III \$ 2,500,000

The proposed improvements would extend waterlines west from Water Plant #4 connecting to existing City waterlines in the western reaches of the City Limits. Currently, limited unlooped waterlines service various developments throughout the western region of Friendswood. This proposed water line loop would open up development opportunities along FM 528 and greatly improve water pressure.

Water Project #2: Beamer Road Waterline \$ 2,043,000

This project consists of the proposed installation of a twelve-inch waterline along Beamer Road from FM2351 to Dixie Farm Road. The proposed improvements will expand those installed in the 2010 Beamer Road utility project funded with U.S. Economic Development Administration Grant. Efforts to attract light industry and office warehouse business and development into this area are largely dependent on availability of City service infrastructure.

Water Project #3: East Waterline \$ 1,354,000

This project consists of the installation of approximately 2,850 linear feet of fourteen-inch waterline that would extend water service to the East Service Area, and then loop the line back into the existing system by installing 6,600 linear feet of twelve-inch waterline to Bay Area Boulevard. This project will provide water to the eastern most area of the City and loop the FM 528 line to the Bay Area Boulevard line.

Water Project #4: South Friendswood Service Area Loop \$ 955,000

This project would extend waterlines to existing City water-lines in the southern reaches of the City Limits. Currently, limited unlooped water lines service various developments throughout the southern region of Friendswood. The proposed water line loop would open up development opportunities along FM 528.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

Wastewater Project #1: Beamer Road Sanitary Sewer \$ 4,200,000

This project consists of the proposed installation of additional gravity sewer lines along Beamer Road toward Dixie Farm. The proposed improvements will expand those installed in the 2010 Beamer Road utility project funded with U.S. Economic Development Administration Grant. Efforts to attract light industry and office warehouse business and development into this area are largely dependent on availability of City service infrastructure.

Wastewater Project #2: El Dorado/Lundy Lane Sanitary Sewer \$ 3,880,000

This project will include approximately 2,500 feet of six-inch force main, 5,000 feet of twelve-inch gravity sewer, 1,500 feet of fifteen-inch gravity sewer, and twenty manholes. The lift station will be located in the vicinity of the intersection of Lundy Lane and El Dorado Lane. Easements must be obtained for construction and installation of the Lift Station. Currently this area consists of 36 large lots and large acreage tracts, and is served by individual septic systems.

Wastewater Project #3: \$ 1,005,000
FM528 - Falcon Ridge to Windsong Sanitary Sewer

The purpose of this project is to provide sanitary sewer to the non-serviced area along FM 528 from Falcon Ridge to Windsong. The project will require construction of a Lift Station, approximately 5,700 feet of eight-inch force main, 4,800 feet of ten-inch gravity line and fourteen manholes. Easements must be obtained for construction and installation of the force main.

Wastewater Project #4: \$ 1,585,000
FM528 – Lundy Lane to Tower Estates Sanitary Sewer

The construction of a new sanitary sewer is required to provide services to the currently non-serviced areas along FM 528 from Lundy Lane to Tower Estates. The project will consist of approximately 3,000 feet of ten-inch gravity line, 800 feet of eight-inch line, and ten manholes.

Wastewater Project #5: Windsong Sanitary Sewer \$ 3,061,000

This project will provide sanitary sewer to the non-serviced area on Windsong to FM 528. The project will also include the Wind Creek and Windwood Lane areas. This project will consist of the construction of a Lift Station, in the vicinity of Windsong and Wind Creek Lane, approximately 3,000 feet of 6-inch force main, 6,450 feet of 8-inch gravity line and 18 manholes. In addition, a utility easement will be required for the construction of the Lift Station. Currently, the area is served by individual septic systems.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

E. EQUIVALENT SERVICE UNITS

In Section 395.014 (a) (4), the Impact Fee Legislation requires that the study provide a *“definitive table establishing the specific quantity of use, consumption, generation, or discharge of a service unit for each category of capital improvements or facility expansions, and an equivalent or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial.”*

Many municipalities have determined that the method that is the most equitable and easy to administer is based on the water meter size required to support the proposed building or facility. The American Water Works Association has published tables identifying the industry standard rated flow rates for meters of various sizes.

These flow rates are compared to the standard residential meter (1” for Friendswood) as one service unit and provide an equivalency factor to determine the total impact fee. This method is recommended since it provides the most equitable determination of actual *impact* of the development on the water and wastewater systems.

Table 8 establishes Equivalency Factors for water meters based on AWWA hydraulic capacities standard to the engineering industry:

TABLE 8
EQUIVALENT METER TABLE

Actual Meter Size (inches)	AWWA Capacity (GPM)	Equivalency Factor
1	50	1
1-1/2	100	2
2	160	3
3	300	6
4	500	10
6	1000	20
8	1600	32
10	2300	46
12	4300	86

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

As of October 2018, the Utility Billing Department reported a total of 12,614 existing residential water meters in the City of Friendswood. As shown in Table 9, the majority of those meters (12,513/12,614 = 99%) are 1" in size or smaller, and therefore represent a 1:1 equivalency. However, there are also 101 residential meters that are larger than 1".

Using the Equivalency Factors determined in Table 8 above, these 12,614 residential meters represent a total of 12,760 equivalent meters:

TABLE 9
CURRENT RESIDENTIAL METER SUMMARY

Meter Size (inches)	Equivalency Factor	Residential Water Meters	Equivalent Meters
1*	1	12,513	12,513
1-1/2	2	66	132
2	3	34	109
3	6	1	6
4	10		0
6	20		0
8	32		0
10	46		0
12	86		0
Total		12,614	12,760

* Includes 3/4", 5/8", and 1" water meters.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

In addition to the residential water meters, the Utility Billing Department also identified 558 existing non-residential water meters in the City of Friendswood. As shown in Table 10, the majority of those meters (339/558 = 60%) are 1" in size or smaller, and therefore represent a 1:1 equivalency. However, there are also 219 non-residential meters that are larger than 1".

Using the Equivalency Factors determined in Table 8 above, these 558 non-residential meters represent a total of 1,140 equivalent meters:

TABLE 10
CURRENT NON-RESIDENTIAL METER SUMMARY

Meter Size (inches)	Equivalency Factor	Non-Residential Water Meters	Equivalent Meters
1*	1	339	339
1-1/2	2	50	100
2	3	141	451
3	6	18	108
4	10	7	70
6	20	2	40
8	32	1	32
10	46		0
12	86		0
Total		558	1,140

* Includes 3/4", 5/8", and 1" water meters.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

By combining the *Total Actual* and *Total Equivalent* meter data from Tables 9 and 10 for residential and non-residential water meters, Table 11 shows that approximately 8% of the current demand can be attributed to that of non-residential usage:

TABLE 1 1
CURRENT WATER METER SUMMARY

	Residential Water Meters	Non-Residential Water Meters	Total Water Meters
Total Actual Meters	12,614	558	13,172
Total Equivalent Meters	12,760	1,140	13,900
Percentage of Equivalent Meters	92%	8%	100%

In November 1998, when Vision 2020 was prepared by Kenneth Balk & Associates, the non-residential land usage at the time was observed as 8% (536 acres out of 6,759 acres). While the Vision Summary was to “*develop undeveloped land in Friendswood in general conformance to the existing zoning plan with regard to the split between residential and non-residential land as 73% Residential and 27% Commercial and Light Industrial,*” Friendswood is still predominantly a residential community.

Utilizing the 1.5% Growth Rate recommended in Section II. Land Use Assumptions, the number of Equivalent Service Units (ESU) projected to be added from 2018 to 2028 can be determined per Section 395.014 (a) (5) and (6) of the Impact Fee Legislation.

According to the HGAC data, there were 13,511 total households within the City limits of Friendswood in 2015. With a corresponding 2015 population of 38,435, this equates to a ratio of 2.84 persons per household. In the year 2020, HGAC predicts that Friendswood will have 41,589 people in 14,258 households, representing 2.92 persons per household. Averaging these HGAC data points (2.84 and 2.92) results in a density of 2.88, which directly corresponds with the 2016 Census data of 2.88 persons per household in Friendswood. Previous updates have implemented 2.80, 2.82, and 3.00, indicating that 2.88 persons per household is an appropriate value for this Study.

In addition to Friendswood’s residential population, approximately 8% of the water and wastewater usage is represented by non-residential development. Assuming a continued density of 2.88 people per household, and a corresponding increase in non-residential development of 8%, the following increase in ESU will provide the basis for determining the maximum allowable impact fee that may be charged by the City:

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

TABLE 12
EQUIVALENT SERVICE UNITS
Section 395.014 (a) (6)

Projected increase in population for planning period (Table 4):	6,492
Projected increase in population per Service Unit:	6,492/2.88
Projected increase in Residential Service Units:	2,254
Projected increase in Non-Residential Service Units (8%):	180
Equivalent Service Units for planning period (2018-2028) =	2,434 ESU

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

IV. IMPACT FEES

The impact fee amount per Equivalent Service Unit (ESU) will be determined based on the number of service units projected to be added to the systems over the 10-year planning period. The single-family residence will be considered as the standard service unit.

A. ADMINISTRATIVE ITEMS

1. The impact fee will be *assessed* (subject to future updates) at the time that a plat is filed (where applicable), and *collected* during the building permit process, as identified in the impact fee legislation.
2. Parks and temporary construction trailers will not be assessed any impact fees.
3. Houses and businesses obtaining additional meter(s) for fire line or lawn irrigation purposes only will not pay the impact fee associated with water or wastewater.
4. The Architect or Engineer for the Owner will size the water meter for the development based on industry standards.
5. Governmental buildings will not pay the water and wastewater impact fees based on the proposed assessment method.
6. Schools are exempt from payment of impact fees unless the board of trustees consents to a specific agreement in accordance with Chapter 395, Local Government Code.
7. When an existing water meter is changed out, additional impact fees will only be assessed if the meter size is increased. The fee will be based on the incremental increase in the Service Units.
8. When meters are changed out for the same size meter or a smaller meter, no Impact Fee will be assessed.
9. If an existing home is currently on a private well and/or septic system, and public water or wastewater become available:
 - a. If the homeowner connects within 1 year of the installation of the City services, they will not have to pay impact fees.
 - b. If the homeowner has not connected to City services within 1 year, they will pay the full impact fee at the time of their connection.
10. Impact fees do not include tap or meter fees; these regulations do not waive any tap or meter fees.

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

B. MAXIMUM IMPACT FEE DETERMINATION

Chapter 395 of the Local Government Code was amended in 2001 to include that the City must provide for one of the following from Section 395.014 Paragraph (a) (7):

- (A) *a credit for the portion of ad valorem tax and utility service revenues generated by new service units during the program period that is used for the payment of improvements, including the payment of debt, that are included in the Capital Improvements Plan; or*
- (B) *in the alternative, a credit equal to 50 percent of the total projected cost of implementing the capital improvements plan.*

The City of Friendswood has elected to follow option (B) and provide the credit equal to 50 percent of the CIP resulting in the following maximum Impact Fees. Therefore:

TABLE 13
MAXIMUM IMPACT FEES

Total Cost of Water Projects	(Table 7)	=	\$ 6,852,000
Total Cost of Wastewater Projects	(Table 7)	=	\$ 13,731,000
Increase in Service Units	(Table 12)	=	2,434
Total Cost of Water Projects from CIP/Increase in Service Units (2018-2028)			
	$\$6,852,000 / 2,434$	=	\$ 2,815 / ESU
Total Cost of Wastewater Projects from CIP/Increase in Service Units (2018-2028)			
	$\$13,731,000 / 2,434$	=	\$ 5,641 / ESU
Maximum Water Impact Fee:	$\$ 2,815 \times 50\%$	=	\$ 1,407 / ESU
Maximum Wastewater Impact Fee:	$\$ 5,641 \times 50\%$	=	\$ 2,820 / ESU
Maximum Total Impact Fee:	$\$ 1,407 + \$2,820$	=	\$ 4,227 / ESU

CITY OF FRIENDSWOOD
IMPACT FEE STUDY

V. SUMMARY AND RECOMMENDATIONS

The City of Friendswood, Texas has elected to adopt Water and Wastewater Impact Fees to assist in the financing of Capital Improvements for the systems that are necessitated by growth and development anticipated in the City.

- The Planning Period for this Impact Fee Study is **2018 to 2028**.
- A growth rate of **1.5%** per year is recommended for projection of population and resulting service units for the calculation of the Impact Fee amount.
- The projected population increase for this Planning Period is **6,492** people.
- The equivalent increase in service units is **2,434 ESU**.
- The Total Costs for eligible Water Projects identified in the CIP equate to **\$6,852,000**.
- The Total Costs for eligible Wastewater Projects in the CIP equate to **\$13,731,000**.
- The Maximum Water Impact Fee is **\$1,407** per ESU.
- The Maximum Wastewater Impact Fee is **\$2,820** per ESU.

TABLE 14
PREVIOUS IMPACT FEES

Year	Water	Sewer	Total
2003	\$1,892	\$967	\$2,859
2008	\$1,849	\$1,290	\$3,139
2013	\$2,088	\$840	\$2,928

The City of Friendswood has traditionally adopted the maximum calculated Impact Fee, as recommended by the Capital Improvement Advisory Committee. While a community can elect to adopt a *lesser* amount than the maximum calculated Impact Fee, they cannot adopt a *greater* amount.

Based on the information presented in this 2018 Impact Fee Study, the Capital Improvement Advisory Committee recommends that the City Council adopt the following Impact Fee rates:

RECOMMENDED WATER IMPACT FEE	=	\$1,407 / ESU
RECOMMENDED WASTEWATER IMPACT FEE	=	\$2,820 / ESU
RECOMMENDED TOTAL IMPACT FEE	=	\$4,227 / ESU

EXHIBIT "B"

UPDATED IMPACT FEE CHART





City of Friendswood

IMPACT FEES

Meter Size	Water	Wastewater	Total
1"	\$1,407	\$2,820	\$4,227
1.5"	\$2,814	\$5,640	\$8,454
2"	\$4,221	\$8,460	\$12,681
3"	\$8,442	\$16,920	\$25,362
4"	\$14,070	\$28,200	\$42,270
6"	\$28,140	\$56,400	\$84,540
8"	\$45,024	\$90,240	\$135,264
10"	\$64,722	\$129,720	\$194,442
12"	\$121,002	\$242,520	\$363,522

EXHIBIT "B"



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: 01/09/2019

Date Submitted: 01/14/2019

Dept. Clearances: KRH

Prepared by: Jennifer Walker

Subject: FY 2018-19 Budget Amendment III

Originating Department: Administrative Services

City Attorney Review: ☒

Proceeding: Ordinances

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: \$238,035

Amount Budgeted: \$0

Appropriation Required: \$238,035

Source of Funds: Unassigned General Fund Balance,
General Fund Revenues, 90-day General Fund Reserve

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

By its nature, our budget is an estimate of the revenues and expenditures needed to accomplish the City Council and Staff goals for the year. Throughout the year events occur that require adjustments to the budget. These adjustments may be needed for various reasons, such as the recognition of extraordinary revenues or expenditures, new projects that are authorized by Council or providing funding for expenditures resulting from extraordinary events like natural disasters. As the need arises, items for budget appropriations are accumulated and then submitted for approval at the City Council meeting each month. The budget adjustments covered by this ordinance comprise the third set for fiscal year 2018-19.

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

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

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

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

RECOMMENDATIONS

Recommend approval of the ordinance and exhibits covering Budget Amendment III 2018-19.

ATTACHMENTS

[Ordinance](#)
[Exhibit A](#)
[Exhibit B](#)

(Title: An Ordinance adopting Budget Amendment III to the Original General Budget of the City for Fiscal Year 2018-2019 to provide for supplemental appropriation and/or transfer of certain funds.)

ORDINANCE NO. T2019-03

AN ORDINANCE AMENDING CITY OF FRIENDSWOOD, TEXAS, ORDINANCE NO. 2018-28, PASSED AND APPROVED OCTOBER 1, 2018, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2018-2019 BY APPROVING "BUDGET AMENDMENT III" TO THE "ORIGINAL GENERAL BUDGET OF THE CITY OF FRIENDSWOOD, TEXAS, FOR THE FISCAL YEAR 2018-2019"; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; AND PROVIDING OTHER MATTERS RELATED TO THE SUBJECT.

* * * * *

WHEREAS, by Ordinance No. 2018-28, the City Council of the City of Friendswood, Texas, adopted its "Original General Budget for Fiscal Year 2018-2019"; 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 2018-2019;

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 2018-2019,” is hereby amended for municipal purposes as shown on “Budget Amendment III” to the “Original Budget of the City of Friendswood, Texas, for the Fiscal year 2018-2019” attached hereto. Said Budget Amendment III shall be attached to and made a part of such Original General Budget by the City Secretary and shall be filed as required by state law, a true and correct copy of which is attached hereto as Exhibits “A” and “B” and made a part hereof for all purposes.

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

PASSED AND APPROVED this 14th day of January, 2019.

Mike Foreman
Mayor

ATTEST:

Melinda Welsh, TRMC
City Secretary

**City of Friendswood
Budget Amendment Summary
Fiscal Year 2018 – 2019
Budget Amendment III
January 14, 2019**

1. **Library Book Donations, \$4,853.** Appropriate Library donations received to the Library department's operating budget. The funds will be appropriated to the Library operating equipment budget to be used in fiscal year 2019.
2. **TML-IRP Insurance Reimbursement-Hurricane Harvey \$25,800.** Appropriate insurance reimbursement received from Texas Municipal League back to unassigned General Fund Balance. Funds were received for claims filed with TML for damages.
3. **Texas Department of Public Safety Reimbursement, \$80,547.** Appropriate funds received from the Texas Department of Public Safety related to Hurricane Harvey. Funds will be appropriated back to the 90-day General Fund balance reserves for reimbursement of expenditures that took place in fiscal year 2017.
4. **Police Department Vehicle Insurance Reimbursement, \$1,835.** Appropriate insurance reimbursements received from Texas Municipal League Intergovernmental Risk Pool. Funding will be appropriated to the Police Department Patrol division vehicle maintenance account for repairs made to unit P281.
5. **City Wide Traffic Study, \$125,000.** Appropriate funds for traffic study in the city. The study will provide a comprehensive look at the City's current conditions and provide recommendations for future improvements. The January 14, 2019 Council Meeting agenda includes a recommendation to approve a professional services contract with Brown & Gay Engineers for engineering services on this project. The funding source will be unassigned General Fund balance.

City of Friendswood

1/14/2019

2018-19 Budget Amendment III - Exhibit B

BA Number	Account Number	Project No.	Description	Amount
1	001-0000-38600	DNBOOKREV	Appropriate library donations to the Library department's operating equipment account	(4,853)
1	001-6310-459.5800	DNBOOKEXP	Appropriate library donations to the Library department's operating equipment account	225
1	001-6310-459.5800	DNBOOKEXP	Appropriate library donations to the Library department's operating equipment account	4,628
2	001-0000-33134	17EMHARVEY	Appropriate reimbursement from TML-IRP for Hurricane Harvey damages to unassigned General Fund balance	(25,800)
2	001-0000-30500		Appropriate reimbursement from TML-IRP for Hurricane Harvey damages to unassigned General Fund balance	25,800
3	001-0000-33134	17EMHARVEY	Appropriate TDPS Reimbursement back to 90-day General Fund Balance Reserves	(80,547)
3	001-0000-30500		Appropriate TDPS Reimbursement back to 90-day General Fund Balance Reserves	73,800
3	001-0000-30500		Appropriate TDPS Reimbursement back to 90-day General Fund Balance Reserves	6,747
4	001-0000-38310	P281	Appropriate TML insurance reimbursement to Police Department Patrol Vehicle Maintenance account	(1,835)
4	001-2120-421.6300	P281	Appropriate TML insurance reimbursement to Police Department Patrol Vehicle Maintenance account	1,521
4	001-2120-421.6300	P281	Appropriate TML insurance reimbursement to Police Department Patrol Vehicle Maintenance account	314
5	001-0000-30500		Appropriate unassigned General Fund balance for City Wide Traffic Study	(125,000)
5	001-3610-431.7800		Appropriate unassigned General Fund balance for City Wide Traffic Study	125,000



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: January 9, 2019

Date Submitted: January 9, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Originating Department: PW

Subject: Old City Park Paving

Proceeding: Consent Agenda

City Attorney Review: N/A

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A

Amount Budgeted: N/A

Appropriation Required: N/A

Source of Funds: N/A

FINANCE APPROVAL: N/A

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

Matula and Matula Construction recently completed all punch list items associated with the Old City Park Paving Project. A maintenance bond has been provided, and the project is ripe for acceptance into the contractor's one-year maintenance period.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Benefits to the community include improved parking for Old City Park and a concrete sidewalk extension to connect Old City Park and improvements to Stevenson Park.

RECOMMENDATIONS

Staff recommends the City Council authorize acceptance of the project and start the one year warranty period.

ATTACHMENTS

[Final Completion Notification](#)

[One-Year Maintenance Bond – Old City Park Paving](#)



City of Friendswood

Public Works
15355 Blackhawk Blvd
Friendswood, Texas 77546-4856

DOCUMENT 00795

Notice of Final Completion

PROJECT NAME: Old City Park Parking Lot
PROJECT NUMBER: PK0070
NUMBER:

1.1 DATE OF FINAL COMPLETION

On 12/10/18 the Public Works received notification that the Contractor, Matula & Matula Inc, wished to declare the Work on the above referenced project being complete and all the Work being acceptable to the City.

A site visit was carried out on 12/10/18 by the City to ascertain the compliance of the Work with the Contract for Substantial Completion. During that site visit, a punch list of incomplete or non-conforming work was identified and agreed to by the City and the Contractor.

1.2 PUNCH LIST

Contractor certified in Document 00790 – Contractor's Certification of Final Completion that all Punch List items were completed or corrected.

The Project Manager scheduled a review of punch list items on 12/10/18 and the project is now considered to be complete since those items on the punch list have been corrected or otherwise brought into compliance with the Contract and that such correction has been demonstrated to the City.

Failure by the City to identify incomplete work items or requirements of the Contract prior to issuance of this Certificate shall not relieve the Contractor of the responsibility to comply with all provisions of the Contract.

1.3 ONE-YEAR MAINTENANCE PERIOD

With the issuance of this Notice, the project is considered and accepted as Final and that the Contractor's warranty period of one (1) year began on the date of Final Completion, or as stated in the contract if different, and shall remain in effect until 1/14/2020. The Contractor shall provide the City with a One-Year Maintenance Bond in the amount of \$392,600.18 to secure this warranty. All corrective activities conducted by the Contractor, his forces, subcontractors, and suppliers under the One-Year Maintenance period, shall comply with the City's operational schedule and shall in no way interfere with, impinge, or prevent the City's use of the project or benefit from its service. Any corrective actions that may require temporary shut down of any part or component of the project shall be reported in writing, scheduled, and approved by the City's operational staff at least twenty-four (24) hours prior to conducting that work.

At the end of the One-Year Maintenance Period, it is incumbent on the Contractor to contact the City to schedule a One-Year Maintenance walk-through. At that time, a list of deficient items shall be given to the Contractor who shall remedy the items in an expeditious manner. The One-Year Maintenance Bond shall be written so as to remain in effect until completion of all items and a Certificate of One-Year Maintenance Acceptance is issued to the Contractor and to the bonding company.

Contractor shall contact the City's operations staff at 281-996-3380 for scheduling any corrective or warranty work on the project. The Public Works retains administrative control of the project and all questions regarding approval of corrective work or payment for that work shall be directed to 281 996-3380.

1.4 ACCEPTANCE OF THE WORK

Based on inspection and to the best of our knowledge, information and belief, the Work has been completed in accordance with the terms and conditions of the Contract and we recommend acceptance of the Work by City Council.

Notwithstanding the City's acceptance of the Work, nothing herein shall serve to waive or otherwise extinguish any outstanding claims on the City's part for recovery of Liquidated Damages pursuant to Article IV of the Contract, all such claims being hereby reserved.

1.5 RECOMMENDATION BY STAFF

Tuan Nguyen
Project Manager
City of Friendswood

Date

Patrick Donart
Director of Public Works
City of Friendswood

Date

Morad Kabiri
City Manager
City of Friendswood

Date

1.6 ACCEPTANCE OF PROJECT

Notice was given to the City Council of the recommendation by City Staff to accept OCP Parking Lot as final and complete. The City Council on 1/14/2019 voted to accept the Work; the Project is hereby deemed final and complete; and authorizes the Mayor to sign this Notice of Final Completion as acceptance of the above listed Project.

Mike Foreman
Mayor
City of Friendswood

DATE

ATTEST:

Melinda Welsh
City Secretary
City of Friendswood

DATE

END OF DOCUMENT

DOCUMENT 00800

ONE-YEAR MAINTENANCE BOND

THAT WE, Matula & Matula Construction, Inc., as Principal, hereinafter called the Contractor, and the other subscriber hereto, The Guarantee Company of North America USA, as the Surety, do hereby acknowledge ourselves to be held and firmly bound to the City of Friendswood, a municipal corporation, in the sum of Three Hundred Ninety Two Thousand Six Hundred dollars and Eighteen cents (\$392,600.18), for the payment of which sum well and truly to be made to the City of Friendswood and its successors, the said Contractor and Surety do bind themselves, their heirs, executors, administrators, successors, jointly and severally.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

WHEREAS, the Contractor has on or about this day executed a Contract in writing with the City of Friendswood for Construction of Parking Lot for Old City Park , all of such work to be done as set out in full in said Contract Documents therein referred to and adopted by the City Council, all of which are made a part of this instrument as fully and completely as if set out in full herein; and, whereas, certain work was found to be defective at the end if the One-year Maintenance period;

NOW THEREFORE, if the said Contractor shall comply with the provisions of the General Conditions, and correct work not in accordance with the Contract Documents discovered within the established one-year period, then this obligation shall become null and void, and shall be of no further force and effect; otherwise, the same is to remain in full force and effect.

Notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third (3rd) day following deposit in a United States Postal Service post office or receptacle, with proper postage affixed (certified mail, return receipt requested), addressed to the respective other party at the address prescribed in the Contract Documents, or at such other address as the receiving party may hereafter prescribe by written notice to the sending party.

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

**CITY OF FRIENDSWOOD
TECHNICAL SPECIFICATIONS**

**ONE-YEAR
MAINTENANCE BOND**

IN WITNESS THEREOF, the said Contractor and Surety have signed and sealed this instrument on the respective dates written below their signatures and have attached current Power of Attorney.

ATTEST SEAL:

Matula & Matula Construction, Inc.
Name of Contractor

James Michael Murphy
Signature
Name: James Michael Murphy
Title: Vice President

ATTEST SEAL:

Kim Stanley
Kim Stanley, Surety Witness

The Guarantee Company of North America USA
Full Name of Surety
9977 W. Sam Houston Pkwy N.Ste. 130
Address of Surety for Notice
Houston, TX 77064
City, State and Zip Code of Surety for Notice
832-446-3350
Telephone Number of Surety

Kevin McQuain
Signature
Name: Kevin McQuain
Title: Attorney-in-Fact
Date: January 2nd, 2019

This Bond has been reviewed as to form and content by the undersigned and has been found to meet established City Attorney criteria.

City Attorney

Date

END OF DOCUMENT



The Guarantee Company of North America USA
Southfield, Michigan

POWER OF ATTORNEY

NOW ALL BY THESE PRESENTS: That **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, a corporation organized and existing under the laws of the State of Michigan, having its principal office in Southfield, Michigan, does hereby constitute and appoint

Scott D. Chapman, Kevin McQuain, Rosalyn D. Hassell, Maxine Elaine Lewis, Jeanne M. Buchan, Misty Witt, Cheryl R. Colson, Bryan Lewis
USI Insurance Services, LLC

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise.

The execution of such instrument(s) in pursuance of these presents, shall be as binding upon **THE GUARANTEE COMPANY OF NORTH AMERICA USA** as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at the principal office.

The Power of Attorney is executed and may be certified so, and may be revoked, pursuant to and by authority of Article IX, Section 9.03 of the By-Laws adopted by the Board of Directors of **THE GUARANTEE COMPANY OF NORTH AMERICA USA** at a meeting held on the 31st day of December, 2003. The President, or any Vice President, acting with any Secretary or Assistant Secretary, shall have power and authority:

1. To appoint Attorney(s)-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof; and
2. To revoke, at any time, any such Attorney-in-fact and revoke the authority given, except as provided below
3. In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.
4. In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner – Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of the Company adopted at a meeting duly called and held on the 6th day of December 2011, of which the following is a true excerpt:

RESOLVED that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any Power of Attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, contracts of indemnity and other writings obligatory in the nature thereof, and such signature and seal when so used shall have the same force and effect as though manually affixed.

IN WITNESS WHEREOF, **THE GUARANTEE COMPANY OF NORTH AMERICA USA** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 1st day of March, 2018.



THE GUARANTEE COMPANY OF NORTH AMERICA USA

STATE OF MICHIGAN
County of Oakland

Stephen C. Ruschak, President & Chief Operating Officer

Randall Musselman, Secretary

On this 1st day of March, 2018 before me came the individuals who executed the preceding instrument, to me personally known, and being by me duly sworn, said that each is the herein described and authorized officer of The Guarantee Company of North America USA; that the seal affixed to said instrument is the Corporate Seal of said Company; that the Corporate Seal and each signature were duly affixed by order of the Board of Directors of said Company.



Cynthia A. Takai
Notary Public, State of Michigan
County of Oakland

My Commission Expires February 27, 2024
Acting in Oakland County

IN WITNESS WHEREOF, I have hereunto set my hand at The Guarantee Company of North America USA offices the day and year above written.

I, Randall Musselman, Secretary of **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney executed by **THE GUARANTEE COMPANY OF NORTH AMERICA USA**, which is still in full force and effect.



IN WITNESS WHEREOF, I have thereunto set my hand and attached the seal of said Company this 2nd day of January, 2019

Randall Musselman, 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: January 14, 2019

Date Submitted: January 4, 2019

Dept. Clearances: Patrick Donart

Prepared by: Patrick Donart

Subject: Blackhawk Testing Contract for Terracon

Originating Department: Public

City Attorney Review: Yes

Proceeding: Consent Agenda

Degree of importance: Critical ☒ Significant ☐ Elective ☐

Expenditure Required: \$84,365

Amount Budgeted: \$5,582,547.95

Appropriation Required: -0-

Source of Funds: 2017 General

Obligation Bond Round III

FINANCE APPROVAL: *krh*

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The reconstruction of Blackhawk Boulevard is part of the 2013 Bond Program. On April 2, 2018, Council approved a construction contract for the project consisting of:

- A Base Bid – Reconstruction of Blackhawk Blvd from Friendswood Link Road to Cedar Gully;
- Alternate #1 – to extend construction from Cedar Gully to Edenvale Street;
- Alternate #2 – to install sidewalks on east side from Friendswood Link Road to Cedar Gully; and
- Alternate #3 – to install sidewalks on east side from Cedar Gully to Edenvale Street.

Funding for the materials testing component of the project was approved and appropriated back in June of 2017 on Budget Amendment IX, but the contract for such services were never executed.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Benefits to the community include improved streets, thus reducing operation and maintenance costs.

RECOMMENDATIONS

Staff recommends that the Council authorize the Mayor to execute the contract with Terracon Consultants in the amount of \$84,635.

ATTACHMENTS

[Terracon Contract](#)

THE STATE OF TEXAS

COUNTY OF GALVESTON

§
§
§

**CONTRACT FOR
PROFESSIONAL SERVICES – TESTING**

THIS AGREEMENT, entered into as of this 10th day of September, 2018, by and between the City of Friendswood, Texas (hereinafter called the "CITY") acting herein by its Mayor, duly authorized by resolution of the City Council of the City of Friendswood and Terracon Consultants, Inc., 551 League City Parkway, Suite F, League City, Texas 77576 (hereinafter called the "AGENT") acting herein by Noosha P. SMith, P.E., Senior Principal hereunto duly authorized:

WITNESSETH THAT:

WHEREAS, the CITY desires to engage the AGENT to (1) render certain technical and professional services hereafter described in "Scope of Services" or (2) perform certain work hereafter described in "Scope of Services" for the project briefly described as Blackhawk Boulevard Phase II. NOW, THEREFORE, the Parties hereto do mutually agree as follows:

I. EMPLOYMENT OF AGENT

The CITY hereby agrees to engage the AGENT and the AGENT hereby agrees to perform the "Scope of Services" hereinafter set forth. This contract shall be performed in Harris County, Texas.

II. SCOPE OF SERVICES

Testing services in connection with construction phase services including, but not limited to, all necessary correspondence, communications, and document preparations for Blackhawk Boulevard Phase II.

The work is further described in detail on Attachment A – Terracon Cost Estimate Number P91181038r1 proposal dated June 12th, 2018.

III. TIME OF PERFORMANCE

AGENT shall proceed immediately upon execution of this Contract with performance of the services called for under the Scope of Services with completion within five hundred (500) calendar days after execution, unless delayed by causes outside the control of AGENT, and shall proceed with subsequent work only on authorization by CITY. AGENT shall immediately submit to CITY in writing evidence of delay satisfactory to the CITY'S reasonable

discretion, upon which an extension of time equal to the period of actual delay, if approved by the CITY, shall be granted in writing.

IV. INFORMATION AND SERVICES TO BE FURNISHED AGENT

It is agreed that the CITY shall furnish, without charge, for the purpose of the Contract, information, data, reports, records, and maps as are existing, and available, as listed in Exhibit A, for the carrying out of the work of the AGENT as outlined under "Scope of Services"; provided, however, the CITY makes no representation or warranty regarding the reliability of any such information, data, reports or maps. The CITY its agencies shall cooperate with the AGENT and will, to the fullest extent reasonably practicable, facilitate the performance of the work described in this Contract.

V. COMPENSATION AND METHOD OF PAYMENT

A. COMPENSATION

It is agreed that total fees for Basic Services for the work as described in Attachment A hereto shall not exceed the sum of \$Eighty-four Thousand Six Hundred Thirty-Five Dollars and NO Cents (\$84,635.00) unless specifically authorized by the CITY.

B. PAYMENT

AGENT shall invoice CITY monthly for its services and charges incurred by AGENT for services performed under the direction and control of AGENT as described herein.

CITY agrees to pay AGENT at its office the full amount of each such invoice upon receipt or as otherwise specified in this Agreement. A charge of one percent per month shall be added to the unpaid balance of invoices not paid within thirty-one (31) days after date of invoice. The AGENT shall pay its subcontractors no later than the tenth day after he receives payment as required under Chapter 2251, Texas Local Government Code.

VI. RECORDS

AGENT shall keep accurate records, including time sheets and travel vouchers, of all time and expenses allocated to performance of Contract work. Such records shall be kept in the office of the AGENT for a period of not less than five (5) years and shall be made available to the CITY for inspection and copying upon reasonable request.

VII. OWNERSHIP OF DOCUMENTS

All documents, including original drawings, estimates, specifications, field notes and data are the property of CITY. AGENT may retain reproducible copies of drawings and other documents for its use.

All documents, including drawings prepared by AGENT are instruments of service in respect to the project. They are not intended or represented to be suitable for reuse by CITY or others on extensions of the Project or on any other project. Any reuse without written verification or adaption by AGENT for the specific purpose intended shall be at CITY'S sole risk and without liability or legal exposure to AGENT.

VIII. INSURANCE

All insurance shall be written by an insurer licensed to conduct business in the State of Texas, unless otherwise permitted by CITY. The AGENT shall, at his own expense, purchase, maintain and keep in force insurance that shall protect against injury and/or damages which may arise out of or result from operations under this contract, whether the operations be by himself or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable, of the following types and limits (no insurance policy or certificate of insurance required below shall contain any aggregate policy year limit unless a specific dollar amount (or specific formula for determining a specific dollar amount) aggregate policy year limit is expressly provided in the specification below which covers the particular insurance policy or certificate of insurance):

- A.** Worker's Compensation Insurance (with Waiver of Subrogation in favor of the City of Friendswood, its officers, agents and employees), with statutory limits.
- B.** Commercial General Liability occurrence type insurance (No "XCU" restrictions shall be applicable). Products/completed operations coverage must be included, and the City of Friendswood, its officers, agents and employees shall be named as an additional Insured.
 - 1.** Bodily injury \$500,000 single limit per occurrence or \$500,000 each person/\$500,000 per occurrence.
 - 2.** Property Damage \$100,000 per occurrence.
 - 3.** Minimum aggregate policy year limit \$1,000,000.
- C.** Commercial Automobile Liability Insurance (including owned, non-owned and hired vehicles coverages).

1. Minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage.
 2. If individual limits are provided minimum limits are \$300,000 per person, \$500,000 per occurrence for bodily injury and \$100,000 per occurrence for property damage.
- D. Contractual Liability Insurance covering the indemnity provision of this contract in the same amount and coverage as provided for Commercial General Liability Policy, specifically referring to this Contract by date, job number and location.
1. Contractual Liability Insurance may be provided under AGENT'S Commercial General Liability Policy, but shall be verified that conditions meet intent and level of a separate Contractual Liability Insurance Policy.
- E. AGENT shall cause AGENT'S insurance company or insurance agent to fill in all information required (including names of insurance agencies, AGENT and insurance companies, and policy numbers, effective dates and expiration dates) and to date and sign and do all other things necessary to complete and make into a valid certificate of insurance the CERTIFICATE OF INSURANCE Form attached to and made a part of this Contract, and pertaining to the above listed Items A, B, C, and D; and before commencing any of the work and within the time otherwise specified, AGENT shall file said completed Form with the CITY. None of the provisions in said Form shall be altered or modified in any respect except as herein expressly authorized. Said CERTIFICATE OF INSURANCE Form contains a provision that coverages afforded under the policies shall not be altered, modified or cancelled unless at least fifteen (15) days prior written notice has been given to the CITY. AGENT shall also file with the CITY valid CERTIFICATE(s) OF INSURANCE on like form from or for all Subcontractors and showing the Subcontractor(s) as the Insured. Said completed CERTIFICATE OF INSURANCE Form(s) shall in any event be filed with CITY not more than ten (10) days after execution of this Contract.

IX. PROFESSIONAL LIABILITY

- A. AGENT shall be responsible for the use and employment of reasonable skill and care befitting the profession in the data, reports and documents by AGENT for the Project covered by this Contract. Approval by CITY shall not constitute nor be deemed a release or waiver of the responsibility and liability of AGENT for the accuracy and competency of data, reports and documents.

X. INDEMNIFICATION

AGENT shall comply with the requirements of all applicable laws, rules, and regulations in connection with the services of AGENT 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. AGENT 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 AGENT'S employees. Further, AGENT shall indemnify, and hold harmless the CITY, its officers, agents and all employees from any and all liability, loss, damages, expenses or claims to the extent arising out of any act of negligence, intentional tort or failure to pay a subcontractor or supplier of AGENT, its officers, agents and employees in connection with any of the work performed or to be performed under this Contract by AGENT or as a result of AGENT'S failure to use and employ reasonable skill and care befitting the profession in accordance with Paragraph 9 of this Contract. Further, AGENT 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 AGENT in the performance of this Contract.

The foregoing indemnification provision shall apply to AGENT regardless of whether or not said liability, loss, damages, expenses, or claims is caused in part by a party indemnified hereunder.

XI. ADDRESS OF NOTICE AND COMMUNICATIONS

CITY:
CITY OF FRIENDSWOOD
910 S. Friendswood Drive
Friendswood, Texas 77546
Attn: Mike Foreman
Title: Mayor

AGENT:
TERRACON CONSULTANTS, INC.
551 League City Parkway, Suite F
League City, TX 77573
Attn: Noosha Smith, P.E.
Title: Senior Principal

All notices and communications under this Contract shall be mailed or delivered to CITY and AGENT at the above addresses, respectively.

XII. CAPTIONS

Each paragraph of this Contract has been supplied with a caption to serve only as a guide to the contents. The caption does not control the meaning of any Paragraph or in any way determine its interpretation or application.

XIII. SUCCESSORS AND ASSIGNMENTS

The CITY and the AGENT each binds themselves and their successors, executors, administrators, and assigns to the other party of this Contract and to the successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Except as above, neither the CITY nor the AGENT shall assign, sublet, or transfer its interest in this Contract without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

XIV. TERMINATION OF CONTRACT FOR CAUSE

If, through any cause, the AGENT shall fail to fulfill in a timely and proper manner its obligations under this Contract, or if the AGENT shall violate any of the covenants, agreements, or stipulations of this Contract, the CITY shall thereupon have the right to terminate this Contract by giving written notice to the AGENT of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, survey, drawings, maps, models, photographs, and reports prepared by the AGENT under this Contract shall become the property of the CITY, and the AGENT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the AGENT shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the Contract by the AGENT and the CITY may withhold any payment to the AGENT for the purpose of setoff until such time as the exact amount of damages due the CITY from the AGENT is determined.

XV. TERMINATION FOR CONVENIENCE OF THE CITY

The CITY may terminate this Contract at any time by giving at least thirty (30) days notice in writing to the AGENT. If the Contract is terminated by the CITY as provided herein, the AGENT shall be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the AGENT, other terms and conditions contained in Paragraph 14 of this Contract relative to termination shall apply.

XVI. CHANGES

The CITY may, from time to time, request changes in the scope of the services to be performed by the AGENT under this Contract. Such changes, including any increase or decrease in the amount of the AGENT'S compensation, which are mutually agreed upon by and between the CITY and AGENT shall be incorporated in written amendments to this Contract.

XVII. PERSONNEL

- A.** The AGENT represents that it has, or shall secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the CITY.
- B.** All of the services required hereunder shall be performed by the AGENT or under its supervision and all personnel engaged in the work shall be fully qualified and, if applicable shall be authorized or permitted under State and local law to perform such services.
- C.** None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the CITY. Any work or services subcontracted hereunder shall be specified by written Contract or agreement and shall be subject to each provision of this Contract.

XVIII. REPORTS AND INFORMATION

The AGENT shall, at such times and in such forms as the CITY may require, furnish the CITY such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.

XIX. CIVIL RIGHTS

The AGENT shall comply with applicable requirements of Chapter 106 Civil Practice and Remedies Code of the State of Texas which prohibits discrimination on the grounds of race, religion, color, sex or national origin, while performing work on behalf of the CITY.

The AGENT shall carry out its work under this Contract in a manner that shall ensure full compliance by the CITY with the Statute.

XX. INTEREST OF AGENT AND EMPLOYEES

The AGENT covenants that it presently has no interest and shall not acquire any interest, direct or indirect, in the study area or any parcels therein or any other interests which would conflict in any manner or degree with the performance of its services hereunder.

The AGENT further covenants that in the performance of this Contract, no person who has any such interest shall be employed by the AGENT.

XXI. INCORPORATION OF PROVISIONS REQUIRED BY LAW

Each provision and clause required by law to be inserted into the Contract shall be deemed to be enacted herein and the Contract shall be read and enforced as though each were included herein. If through mistake or otherwise any such provision is not inserted or is not correctly inserted, the Contract shall be amended to make such insertion upon application by either party.

XXII. CONSEQUENTIAL DAMAGES

Neither party shall be liable to the other for loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; cost of capital; or for any special, consequential, indirect, punitive, or exemplary damages.

XXIII. TESTING AND OBSERVATIONS

CITY understands that the testing and observation are discreet sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. AGENT will provide test results and opinions based on tests and field observations only for work tested. CITY understands that testing and observation are not continuous or exhaustive, and are conducted to reduce – not eliminate – project risk. CITY agrees to the level or amount of testing performed and the associated risk. CITY is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling AGENT so AGENT can perform these services. AGENT shall not be responsible for the quality and completeness of CITY's contractor's work or their adherence to the project documents, and AGENT's performance of testing and observation services shall not relieve CITY's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. AGENT will not supervise or direct the work performed by the CITY's contractor or its subcontractors and is not responsible for means and methods.

XXIV. STANDARD OF CARE/WARRANTY

AGENT will perform the services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. Except for standard of care previously stated, AGENT makes no warranties or guarantees, express or implied, relating to AGENT's services and AGENT disclaims any implied warranties or warranties imposed by law, including warranties of merchantability and fitness for a particular purpose.

XXV. SITE ACCESS AND SAFETY

CITY shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. AGENT will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any third parties, including CITY's contractors, subcontractors, or other parties present at the site.

XXVI. CHANGE ORDERS

CITY may request changes to the scope of Services by altering or adding to the Services to be performed. If City so requests, AGENT will return to CITY a statement (or supplemental proposal) of the changes setting forth an adjustment to the Services and fees for the requested changes. Following CITY's review, CITY shall provide written acceptance. If CITY does not follow these procedures, but instead directs, authorizes, or permits AGENT to perform changed or additional work, the Services are changed accordingly and AGENT will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described by AGENT at the time of proposal, AGENT is entitled to a change order equitably adjusting its Services and fees.

**CITY OF FRIENDSWOOD
STANDARD CONTRACT AGREEMENT**

**PROFESSIONAL SERVICES
FOR AGENT**

EXECUTED IN Three (3) counterparts (each of which is an original) on behalf of AGENT by Noosha SMith, P.E. its Senior Principal shown below, and on behalf of the CITY by Mike Foreman, its Mayor, thereto duly authorized this 10th day of September, 2018.

ACCEPTED:

PROPOSED AND AGREED TO:

CITY:

AGENT:

CITY OF FRIENDSWOOD, TEXAS

Terracon Consultants, Inc.

Mike Foreman
Mayor

BY:

Noosha P. Smith, P.E.
Senior Principal

DATE: _____

DATE: _____

9/4/2018

ATTEST:

ATTEST:

Melinda Welsh
CITY SECRETARY

(OFFICER OR SECRETARY)

APPROVED AS TO FORM:

Mary Kay Fischer
CITY ATTORNEY



June 12, 2018

City of Friendswood
910 South Friendswood Drive
Friendswood, Texas 77546-4856

Attention: Mr. George Cherepes
Email: gcherepes@ci.friendswood.tx.us

Subject: **Cost Estimate for Materials Services**
Blackhawk Boulevard Reconstruction Phase II
Friendswood, Texas
Terracon Cost Estimate Number P91181038 Revision 1

Dear Mr. Cherepes:

Terracon Consultants, Inc. (Terracon) is pleased to provide this Cost Estimate for providing materials services for the above referenced Project. We understand that we have been selected to provide this service based on our professional qualifications. In this letter we present our understanding of the scope of the project, our proposed services, and our estimated testing budget.

A. PROJECT INFORMATION

The project consists of the reconstruction of approximately 6,815 linear feet of concrete pavement along Blackhawk Boulevard and various intersecting streets in Friendswood, Texas. The new construction will be a 4-lane boulevard with median, with curb and gutter drainage system. The pavement section is designed to be 6-inch concrete on 6-inch lime stabilized subgrade. Utility construction is also included.

Based on our conversations with Mr. George Cherepes on Friday, June 8, 2018, we understand the project is broken down as follows:

Base Bid – Friendswood Link Rd. to Cedar Gully (Sta. 71+00 to 40+50)

Alternate A – Cedar Gully to Edenvale St. (Sta. 40+50 to 33+50)

Alternate B – Edenvale St. to the 1st median radius past Edenvale St. (Sta. 33+50 to 31+15)

B. SCOPE OF SERVICES

Terracon proposes to provide the following scope of services when scheduled by your representative.

1. Earthwork

- Sample subgrade, trench backfill, and treated materials. Prepare and test the samples for the Atterberg Limits and moisture density relationship.
- Sample subgrade material and perform lime determination test.
- Sample cement stabilized sand and perform compressive strength tests.
- Perform gradation tests on lime treated subgrade material.

Terracon Consultants, Inc. 551 League City Parkway, Suite F League City, TX 77573
P [281] 557-2900 F [281] 557-2990 terracon.com

Cost Estimate for Materials Services

Blackhawk Blvd. Reconstruction Phase II • Friendswood, Texas
June 12, 2018 • Terracon Proposal No. P91181038 Revision 1



- Perform field density tests using the nuclear method to determine the moisture content and percent compaction of the soils.

2. Concrete

- Sample the fresh concrete for each mix, perform required tests, including slump, air content, concrete temperature, and cast test specimens during placements.
- Perform compressive tests of concrete test cylinders cast in the field.
- **Terracon requests that a copy of the approved mix design(s) be provided to us prior to placement of the concrete.**

3. Terracon Project Manager will provide the following services

- Attend Project meetings as needed.
- Coordinate field and laboratory testing.
- Review concrete mixes, if requested.
- Communicate with Terracon field technicians, Contractor and Owner's site representative
- Review laboratory and field test reports.
- Control our budget and invoice.

Terracon strongly requests to be invited to the Pre-Construction Meeting to discuss sampling, testing, scheduling, reporting, and safety.

Scheduling Retests:

It is the responsibility of your representative to schedule retests in a like manner to scheduling our original services. Terracon shall not be held responsible for retests not performed as a result of a failure to schedule our services or any subsequent damage caused as a result of a lack of retesting.

Additional Services:

If work beyond the scope and not to exceed budget is requested by the Client, Terracon will issue a short Supplement to the Agreement form, or Supplement Cost Estimate, that outlines the additional work to be performed and the associated fees. To authorize us to begin this additional work, you simply return a signed copy of the Supplement.

Project Schedule

Field testing services will be provided on a "call-out" basis when scheduled by your representative. **A minimum of 24-hours' notice is required to schedule our services,** although we will attempt to meet requests in a shorter time frame. Terracon will only provide testing when called by your onsite representative. The extent of our observations and documentation will be limited to the items observed during the site visits.

Cost Estimate for Materials Services

Blackhawk Blvd. Reconstruction Phase II ■ Friendswood, Texas
June 12, 2018 ■ Terracon Proposal No. P91181038 Revision 1

**C. COMPENSATION**

Our estimated budget for providing the scope of services for the Base Bid, Alternate A and Alternate B is provided in the attached table. You will be invoiced on units actually used. All labor, equipment and transportation charges are billed on a portal to portal basis from our office. Services not included in this Cost Estimate, which may be requested or provided throughout the job, will be billed at Terracon rates, attached. Overtime is defined as all hours in excess of eight per day, and all hours worked on weekends and holidays. Overtime rates will be 1.5 times the hourly rate quoted. A 4-hour minimum charge will be applied to site visits other than sample or cylinder pickups. A complete record of cancellations and retests will be submitted with every invoice.

D. TESTING AND OBSERVATION

Owner understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Terracon will provide test results and opinions based on tests and field observations only for the work tested. Owner understands that testing and observation are not continuous or exhaustive, and are conducted to reduce – not eliminate – project risk. Owner agrees to the level or amount of testing performed and the associated risk. Owner is responsible (even if delegated to contractor) for notifying and scheduling Terracon so we can perform these services. Terracon shall not be responsible for the quality and completeness of Owner's contractor's work or their adherence to the project documents, and Terracon's performance of testing and observation services shall not relieve contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Terracon will not supervise or direct the work performed by contractor or its subcontractors and is not responsible for their means and methods.

AUTHORIZATION:

Mutually agreed upon Agreement to be issued by the City of Friendswood.

We look forward to working with you on this Project. Please call us at 281-557-2900 if you have any questions or comments regarding this document.

Sincerely,

Terracon Consultants, Inc.
(Texas Registration No. F3272)

Scott R. Englebert, P.E.
Sr. Project Manager

Noosha P. Smith, P.E.
Sr. Principal

Sean Barber
Materials Department Manager

Attachment: Budget Estimate

Cost Estimate for Materials Services

Blackhawk Blvd. Reconstruction Phase II ■ Friendswood, Texas

June 12, 2018 ■ Terracon Proposal No. P91181038 Revision 1

Terracon

Budget Estimate				
Blackhawk Boulevard Reconstruction Phase II				
BASE BID				
Friendswood Link Rd to Cedar Gully (Sta. 71+00 to 40+50)				
Service	Quantity	Unit	Unit Rate	Estimate
1. Field				
Engineering Technician, including sample PU	600	hour	\$ 48.00	\$ 28,800.00
Engineering Technician, OT	60	hour	\$ 72.00	\$ 4,320.00
Vehicle	140	day	\$ 60.00	\$ 8,400.00
Nuclear Gauge	84	day	\$ 60.00	\$ 5,040.00
				\$ 46,560.00
2. Laboratory				
Cylinder Tests (4 cyl/set)	210	each	\$ 16.00	\$ 3,360.00
Moisture Density Relationship	6	each	\$ 170.00	\$ 1,020.00
Atterberg Limits	6	each	\$ 55.00	\$ 330.00
Cement Stabilized Sand Compressive Strength (4)	8	set	\$ 150.00	\$ 1,200.00
Lime Determination	3	each	\$ 400.00	\$ 1,200.00
				\$ 7,110.00
3. Project Management & Administration				
Project Manager	25	hour	\$ 125.00	\$ 3,125.00
Senior Engineer, PE	5	hour	\$ 175.00	\$ 875.00
Administrative	18	hour	\$ 50.00	\$ 900.00
				Base Bid Total \$ 58,570.00
ALTERNATE A				
Cedar Gully to Edenvale St (Sta. 40+50 to 33+50)				
Service	Quantity	Unit	Unit Rate	Estimate
1. Field				
Engineering Technician, including sample PU	220	hour	\$ 48.00	\$ 10,560.00
Engineering Technician, OT	20	hour	\$ 72.00	\$ 1,440.00
Vehicle	50	day	\$ 60.00	\$ 3,000.00
Nuclear Gauge	30	day	\$ 60.00	\$ 1,800.00
				\$ 16,800.00
2. Laboratory				
Cylinder Tests (4 cyl/set)	80	each	\$ 16.00	\$ 1,280.00
Moisture Density Relationship	2	each	\$ 170.00	\$ 340.00
Atterberg Limits	2	each	\$ 55.00	\$ 110.00
Cement Stabilized Sand Compressive Strength	2	set	\$ 150.00	\$ 300.00
Lime Determination	1	each	\$ 500.00	\$ 500.00
				\$ 2,530.00
3. Project Management & Administration				
Project Manager	10	hour	\$ 125.00	\$ 1,250.00
Senior Engineer, PE	2	hour	\$ 175.00	\$ 350.00
Administrative	7	hour	\$ 50.00	\$ 350.00
				Alternate A Total \$ 21,280.00
ALTERNATE B				
Edenvale St to 1st radius past Edenvale St (Sta. 33+50 to 31+15)				
Service	Quantity	Unit	Unit Rate	Estimate
1. Field				
Engineering Technician, including sample PU	50	hour	\$ 48.00	\$ 2,400.00
Engineering Technician, OT	5	hour	\$ 72.00	\$ 360.00
Vehicle	10	day	\$ 60.00	\$ 600.00
Nuclear Gauge	6	day	\$ 60.00	\$ 360.00
				\$ 3,720.00
2. Laboratory				
Cylinder Tests (4 cyl/set)	15	each	\$ 16.00	\$ 240.00
Moisture Density Relationship	1	each	\$ 170.00	\$ 170.00
Atterberg Limits	1	each	\$ 55.00	\$ 55.00
Cement Stabilized Sand Compressive Strength	0	set	\$ 150.00	\$ -
Lime Determination	0	each	\$ 500.00	\$ -
				\$ 465.00
3. Project Management & Administration				
Project Manager	4	hour	\$ 125.00	\$ 500.00
Senior Engineer, PE	0	hour	\$ 175.00	\$ -
Administrative	2	hour	\$ 50.00	\$ 100.00
				Alternate B Total \$ 4,785.00
				Project Total \$ 84,635.00

Responsive ■ Resourceful ■ Reliable



Cheryl E. Johnson, PCC
Assessor and Collector of Taxes
County of Galveston
722 Moody Avenue, Galveston, Texas 77550
Toll Free (877) 766-2284 Fax: (409) 766-2479
Email: galcotax@co.galveston.tx.us



December 11, 2018

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 November, 2018 is true and correct.

Under my hand and seal this 11th day of December, 2018.

Cheryl E. Johnson, PCC
Galveston County Tax Assessor/Collector

cc: Randall Rice, County Auditor
Linebarger, Goggan, Blair, & Simpson
Perdue, Brandon, Fielder, Collins, & Mott
Assessment & Collection Partners:

City of Bayou Vista
City of Clear Lake Shores (delinquent)
City of Dickinson
City of Friendswood
City of Galveston
City of Hitchcock
City of Jamaica Beach
City of Kemah
City La Marque
City of League City
City of Santa Fe
City of Texas City
City of Tiki Island
Dickinson Independent School District
Galveston Independent School District
High Island Independent School District
Hitchcock Independent School District
College of the Mainland

Galveston Community College
GC Drainage District No. 1
GC Drainage District No. 2
GC Emergency Services Dist. No. 1
GC Emergency Services Dist. No. 2
GC Fresh Water Supply Dist. No. 6
Bacliff MUD
Bayview MUD
Galveston County MUD No. 12
Galveston County MUD No. 13
San Leon MUD
Tara Glen MUD
GC Navigation District No. 1
WCID No. 1
WCID No. 12
WCID No. 19
Westwood Management District

12/10/2018 10:54:03 3115923
TC298-D SELECTION: DEPOSIT
RECEIPT DATE: ALL
LOCATION: ALL

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
FROM: 11/01/2018 THRU 11/30/2018
JURISDICTION: 0337 FRIENDMD 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
2018	M & O	.437173	1,229,002.80	.00	.00	.00	1,229,002.80	.00	.00	.00	1,229,002.80
	I & S	.095218	267,681.66	.00	.00	.00	267,681.66	.00	.00	.00	267,681.66
	TOTAL	.532391	1,496,684.46	.00	.00	.00	1,496,684.46	.00	.00	.00	1,496,684.46
2017	M & O	.432349	4,445.15	.00	986.92	.00	5,432.07	1,369.88	.00	.00	6,801.95
	I & S	.095000	976.73	.00	216.85	.00	1,193.58	.00	.00	.00	1,193.58
	TOTAL	.527349	5,421.88	.00	1,203.77	.00	6,625.65	1,369.88	.00	.00	7,995.53
2016	M & O	.462000	2,020.47	.00	770.68	.00	2,791.15	682.18	.00	.00	3,473.33
	I & S	.084000	367.36	.00	140.13	.00	507.49	.00	.00	.00	507.49
	TOTAL	.546000	2,387.83	.00	910.81	.00	3,298.64	682.18	.00	.00	3,980.82
2015	M & O	.497200	816.05	.00	197.07	.00	1,013.12	85.92	.00	.00	1,099.04
	I & S	.071500	117.35	.00	28.33	.00	145.68	.00	.00	.00	145.68
	TOTAL	.568700	933.40	.00	225.40	.00	1,158.80	85.92	.00	.00	1,244.72
2014	M & O	.530300	773.54	.00	229.00	.00	1,002.54	.00	.00	.00	1,002.54
	I & S	.061100	89.12	.00	26.37	.00	115.49	.00	.00	.00	115.49
	TOTAL	.591400	862.66	.00	255.37	.00	1,118.03	.00	.00	.00	1,118.03
2013	M & O	.530300	662.82	.00	301.91	.00	964.73	13.43	.00	.00	978.16
	I & S	.061100	76.36	.00	34.79	.00	111.15	.00	.00	.00	111.15
	TOTAL	.591400	739.18	.00	336.70	.00	1,075.88	13.43	.00	.00	1,089.31
2012	M & O	.530700	212.80	.00	174.49	.00	387.29	87.13	.00	.00	474.42
	I & S	.066300	26.58	.00	21.80	.00	48.38	.00	.00	.00	48.38
	TOTAL	.597000	239.38	.00	196.29	.00	435.67	87.13	.00	.00	522.80
2011	M & O	.521800	211.64	.00	198.94	.00	410.58	.00	.00	.00	410.58
	I & S	.068400	27.74	.00	26.08	.00	53.82	.00	.00	.00	53.82
	TOTAL	.590200	239.38	.00	225.02	.00	464.40	.00	.00	.00	464.40
2010	M & O	.519800	212.66	.00	225.42	.00	438.08	.00	.00	.00	438.08
	I & S	.065300	26.72	.00	28.32	.00	55.04	.00	.00	.00	55.04
	TOTAL	.585100	239.38	.00	253.74	.00	493.12	.00	.00	.00	493.12
2009	M & O	.499700	206.34	.00	243.49	.00	449.83	.00	.00	.00	449.83
	I & S	.080000	33.04	.00	38.98	.00	72.02	.00	.00	.00	72.02
	TOTAL	.579700	239.38	.00	282.47	.00	521.85	.00	.00	.00	521.85
2008	M & O	.509700	210.47	.00	265.20	.00	475.67	108.20	.00	.00	583.87
	I & S	.070000	28.91	.00	36.42	.00	65.33	.00	.00	.00	65.33
	TOTAL	.579700	239.38	.00	301.62	.00	541.00	108.20	.00	.00	649.20
2007	M & O	.501600	208.32	.00	295.81	.00	504.13	115.86	.00	.00	619.99
	I & S	.074800	31.06	.00	44.11	.00	75.17	.00	.00	.00	75.17
	TOTAL	.576400	239.38	.00	339.92	.00	579.30	115.86	.00	.00	695.16

12/10/2018 10:54:03 3115923
TC298-D SELECTION: DEPOSIT
RECEIPT DATE: ALL
LOCATION: ALL

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
FROM: 11/01/2018 THRU 11/30/2018
JURISDICTION: 0337 FRIENDWD CITY

PAGE: 35
INCLUDES AG ROLLBACK

YEAR	FUND	TAX RATE	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	TIF AMOUNT	DISBURSE TOTAL	ATTORNEY	OTHER FEES	REFUND AMOUNT	PAYMENT AMOUNT
ALL	M & O		1,238,983.06	.00	3,888.93	.00	1,242,871.99	2,462.60	.00	.00	1,245,334.59
ALL	I & S		269,482.63	.00	642.18	.00	270,124.81	.00	.00	.00	270,124.81
ALL	TOTAL		1,508,465.69	.00	4,531.11	.00	1,512,996.80	2,462.60	.00	.00	1,515,459.40
DLQ	M & O		9,980.26	.00	3,888.93	.00	13,869.19	2,462.60	.00	.00	16,331.79
DLQ	I & S		1,800.97	.00	642.18	.00	2,443.15	.00	.00	.00	2,443.15
DLQ	TOTAL		11,781.23	.00	4,531.11	.00	16,312.34	2,462.60	.00	.00	18,774.94
CURR	M & O		1,229,002.80	.00	.00	.00	1,229,002.80	.00	.00	.00	1,229,002.80
CURR	I & S		267,681.66	.00	.00	.00	267,681.66	.00	.00	.00	267,681.66
CURR	TOTAL		1,496,684.46	.00	.00	.00	1,496,684.46	.00	.00	.00	1,496,684.46

12/10/2018 10:50:23

TC298-M SELECTION: DEPOSIT

3115923

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
REVERSALS DETAIL SCHEDULE
FROM: 11/01/2018 THRU 11/30/2018
JURISDICTION: 337 FRIENDMD CITY

PAGE: 47
INCLUDES AG ROLLBACK

YEAR	DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
2016	RF181120	10501100000019	201612	0.00	0.00	0.00	0.00 HK25	136.50-	136.50-RF
2016	RF181120	10501100000019	201612	136.50-	0.00	0.00	0.00 HK25	136.50	0.00 RF
2016	RF181113	146566	201701	648.78-	0.00	0.00	0.00 16S2	648.78	0.00 RF
2016	RF181113	146566	201701	0.00	0.00	0.00	0.00 16S2	648.78-	648.78-RF
2016	RF181113	169074	201703	0.00	0.00	0.00	0.00 16S2	148.79-	148.79-RF
2016	RF181113	169074	201703	136.50-	0.00	12.29-	0.00 16S2	148.79	0.00 RF
2016 TOTAL				921.78-	0.00	12.29-	0.00	0.00	934.07-
2017	RF181120	10501100000019	201712	0.00	0.00	0.00	0.00 HK14	152.35-	152.35-RF
2017	RF181120	10501100000019	201712	152.35-	0.00	0.00	0.00 HK14	152.35	0.00 RF
2017	RF181114	146566	201712	0.00	0.00	0.00	0.00 17S1	638.09-	638.09-RF
2017	RF181114	146566	201712	638.09-	0.00	0.00	0.00 17S1	638.09	0.00 RF
2017	762110118TR	168808	201712	896.49-	0.00	0.00	0.00 TEST	0.00	896.49-TR
2017	RF181114	169074	201804	131.84-	0.00	14.50-	0.00 17S1	146.34	0.00 RF
2017	RF181114	169074	201804	0.00	0.00	0.00	0.00 17S1	146.34-	146.34-RF
2017	RF181114	184357	201712	0.00	0.00	0.00	0.00 17S1	202.54-	202.54-RF
2017	RF181114	184357	201712	202.54-	0.00	0.00	0.00 17S1	202.54	0.00 RF
2017	RF181114	292407	201712	0.00	0.00	0.00	0.00 17S1	131.84-	131.84-RF
2017	RF181114	292407	201712	131.84-	0.00	0.00	0.00 17S1	131.84	0.00 RF
2017	RF181114	368782	201711	0.00	0.00	0.00	0.00 17S1	131.84-	131.84-RF
2017	RF181114	368782	201711	131.84-	0.00	0.00	0.00 17S1	131.84	0.00 RF
2017	RF181114	606730	201711	0.00	0.00	0.00	0.00 17S1	687.42-	687.42-RF
2017	RF181114	606730	201711	687.42-	0.00	0.00	0.00 17S1	687.42	0.00 RF
2017 TOTAL				2,972.41-	0.00	14.50-	0.00	0.00	2,986.91-
2018	817914111618	1277950090004	201811	1,966.44-	0.00	0.00	0.00 CERT	0.00	1,966.44-TR
2018	RF181115	288705	201810	250.22-	0.00	0.00	0.00 18S2	250.22	0.00 RF
2018	RF181115	288705	201810	0.00	0.00	0.00	0.00 18S2	250.22-	250.22-RF
2018	844899112718	292455	201811	847.92-	0.00	0.00	0.00 CERT	0.00	847.92-TR
2018	844899112818	292455	201811	566.75-	0.00	0.00	0.00 CERT	0.00	566.75-TR
2018	864111518PHC	401054	201811	1,933.26-	0.00	0.00	0.00 CERT	0.00	1,933.26-RI
2018	RF181115	521164	201810	163.98-	0.00	0.00	0.00 18S2	163.98	0.00 RF
2018	RF181115	521164	201810	0.00	0.00	0.00	0.00 18S2	163.98-	163.98-RF
2018 TOTAL				5,728.57-	0.00	0.00	0.00	0.00	5,728.57-

12/10/2018 10:50:23
TC298-M SELECTION: DEPOSIT

3115933

TAX COLLECTION SYSTEM
DEPOSIT DISTRIBUTION
REVERSALS DETAIL SCHEDULE
FROM: 11/01/2018 THRU 11/30/2018
JURISDICTION: 337 FRIENDWD CITY

PAGE: 48
INCLUDES AG ROLLBACK

YEAR DEPOSIT	ACCOUNT NUMBER	EFF YR/MO	LEVY PAID	DISCOUNT GIVEN	PENALTY INTEREST	ATTORNEY CAUSE /REV	REFUND AMOUNT	PAYMENT AMOUNT CAT
	TOTAL REVERSALS		9,622.76-	0.00	26.79-	0.00	0.00	9,649.55-

FISCAL START: 08/01/2018 END: 07/31/2019 JURISDICTION: 0337 FRIENDWD CITY

CERT TAXABLE VALUE	ADJUSTMENTS	ADJ TAX VALUE	TAX RATE	TAX LEVY	PAID ACCTS
3,292,414,186	148,714,795	3,441,128,981	00.532391	17,901,191.13	2,615

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

2018	17,123,229.32	777,961.81	777,961.81	1,931,610.99	1,931,610.99	15,969,580.14	10.79	7.99-
2017	166,852.29	1,668.63-	1,668.63-	89,868.92	89,868.92	75,314.74	54.41	0.00
2016	44,211.77	2,007.04	2,007.04	10,805.34	10,805.34	35,413.47	23.38	0.00
2015	21,670.94	3,980.38	3,980.38	3,106.05	3,106.05	22,545.27	12.11	0.00
2014	22,349.21	2,433.62	2,433.62	2,731.36	2,731.36	22,051.47	11.02	0.00
2013	17,333.06	1,507.74	1,507.74	1,534.25	1,534.25	17,306.55	8.14	0.00
2012	13,775.53	.00	0.00	291.64	291.64	13,483.89	2.12	0.00
2011	13,156.57	.00	0.00	293.09	293.09	12,863.48	2.23	0.00
2010	12,173.22	.00	0.00	239.38	239.38	11,933.84	1.97	0.00
2009	13,941.29	.00	0.00	340.64	340.64	13,600.65	2.44	0.00
2008	10,617.22	.00	0.00	362.40	362.40	10,254.82	3.41	0.00
2007	3,846.68	.00	0.00	249.07	249.07	3,597.61	6.47	0.00
2006	3,780.84	.00	0.00	0.00	0.00	3,780.84		0.00
2005	2,416.01	.00	0.00	0.00	0.00	2,416.01		0.00
2004	650.49	.00	0.00	0.00	0.00	650.49		0.00
2003	647.12	.00	0.00	0.00	0.00	647.12		0.00
2002	924.85	.00	0.00	0.00	0.00	924.85		0.00
2001	941.66	.00	0.00	0.00	0.00	941.66		0.00
2000	996.69	.00	0.00	0.00	0.00	996.69		0.00
1999	481.49	.00	0.00	0.00	0.00	481.49		0.00
1998	551.21	.00	0.00	0.00	0.00	551.21		0.00
1997	0.00	.00	0.00	0.00	0.00	0.00		0.00
****	17,474,547.46	786,221.96	786,221.96	2,041,433.13	2,041,433.13	16,219,336.29		7.99-

ALL PROPERTY

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	4,207,374,518	3,589,474,109	43,561,721	231,285-	43,330,436	3,632,804,545
AG EXCLUSION	23,842,910	23,842,910	541,014	0	541,014	24,383,924
IMPROVEMENTS	617,900,409	617,900,409	135,047,267	161,180-	134,886,087	752,786,496
APPRAISED VALUE	4,207,374,518	4,207,374,518	178,608,988	392,465-	178,216,523	4,385,591,041
EXEMPTIONS	891,117,422	891,117,422	26,793,193	2,167,521	29,501,728	920,619,150
TAXABLE VALUE	3,292,414,186	3,292,414,186	151,274,781	2,559,986-	148,714,795	3,441,128,981
LEVY	17,123,229.32	17,123,229.32	790,495.55	12,533.74-	777,961.81	17,901,191.13
UNCOLLECTIBLE	.00	7.99	.00	.00	.00	7.99
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	10,001	10,001	418	11	11	10,012
OVER 65	2,897	2,897	115	8	10	2,907
DISABLED	0	0	2	2	2	2
VETERAN	204	204	13	3-	4-	200
TOTAL EXEMPT	0	0	0	0	0	0

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2017
JURISDICTION: 0337 FRIENDWD CITY

PAGE: 210
INCLUDES AG ROLLBACK

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	4,271,816,787	3,655,904,976	2,176,969	123,846-	2,053,123	3,657,958,099
AG EXCLUSION	18,989,755	18,989,755	0	0	0	18,989,755
IMPROVEMENTS	615,911,811	615,911,811	201,696	12,468-	189,228	616,101,039
APPRAISED VALUE	4,271,816,787	4,271,816,787	2,378,665	136,314-	2,242,351	4,274,059,138
EXEMPTIONS	988,826,434	988,826,434	2,364,469	357,573	2,722,042	991,548,476
TAXABLE VALUE	3,264,000,598	3,264,000,598	14,196	493,887-	479,691-	3,263,520,907
LEVY	166,852.29	166,852.29	74.86	1,743.49-	1,668.63-	165,183.66
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE						
EXEMPTION COUNTS:						
HOMESTEADS	10,005	10,005	0	3	3	10,008
OVER 65	2,854	2,854	0	5	5	2,859
DISABLED	0	0	0	2	2	2
VETERAN	207	207	0	0	0	207
TOTAL EXEMPT	647	647	0	0	0	647

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2016
JURISDICTION: 0337 FRIENDMD CITY

PAGE: 211
INCLUDES AG ROLLBACK

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	3,999,127,118	3,429,239,107	1,872,769	730-	1,872,039	3,431,111,146
AG EXCLUSION	13,436,213	13,436,213	0	0	0	13,436,213
IMPROVEMENTS	569,888,011	569,888,011	0	39,706-	39,706-	569,848,305
APPRAISED VALUE	3,999,127,118	3,999,127,118	1,872,769	40,436-	1,832,333	4,000,959,451
EXEMPTIONS	968,850,710	968,850,710	1,872,769	255,252-	1,617,517	970,468,227
TAXABLE VALUE	3,016,840,195	3,016,840,195	0	214,816	214,816	3,017,055,011
LEVY	44,211.77	44,211.77	.00	2,007.04	2,007.04	46,218.81
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,913	9,913	0	5-	5-	9,908
OVER 65	2,721	2,721	0	1-	1-	2,720
DISABLED	0	0	0	1	1	1
VETERAN	242	242	0	0	0	242
TOTAL EXEMPT	642	642	0	0	0	642

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2015
JURISDICTION: 0337 FRIENDWD CITY
INCLUDES AG ROLLBACK
PAGE: 212

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	3,624,772,568	3,125,559,710	1,872,729	730-	1,871,999	3,127,431,709
AG EXCLUSION	17,997,504	17,997,504	0	0	0	17,997,504
IMPROVEMENTS	499,212,858	499,212,858	0	0	0	499,212,858
APPRAISED VALUE	3,624,772,568	3,624,772,568	1,872,729	730-	1,871,999	3,626,644,567
EXEMPTIONS	906,250,004	906,250,004	1,872,729	555,003-	1,317,726	907,567,730
TAXABLE VALUE	2,700,525,060	2,700,525,060	0	554,273	554,273	2,701,079,333
LEVY	21,670.94	21,670.94	.00	3,980.38	3,980.38	25,651.32
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,425	9,425	0	8-	8-	9,417
OVER 65	2,517	2,517	0	4-	4-	2,513
DISABLED	170	170	0	0	0	170
VETERAN	231	231	0	0	0	231
TOTAL EXEMPT	632	632	0	0	0	632

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2014
JURISDICTION: 0337 FRIENDWD CITY

PAGE: 213
INCLUDES AG ROLLBACK

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	3,220,611,338	2,761,917,896	1,872,729	730-	1,871,999	2,763,789,895
AG EXCLUSION	22,656,763	22,656,763	0	0	0	22,656,763
IMPROVEMENTS	458,693,442	458,693,442	0	0	0	458,693,442
APPRAISED VALUE	3,220,611,338	3,220,611,338	1,872,729	730-	1,871,999	3,222,483,337
EXEMPTIONS	739,118,459	739,118,459	1,872,729	314,796-	1,557,933	740,676,392
TAXABLE VALUE	2,458,836,116	2,458,836,116	0	314,066	314,066	2,459,150,182
LEVY	22,349.21	22,349.21	.00	2,433.62	2,433.62	24,782.83
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,648	9,648	0	8-	8-	9,640
OVER 65	2,524	2,524	0	3-	3-	2,521
DISABLED	176	176	0	0	0	176
VETERAN	220	220	0	0	0	220
TOTAL EXEMPT	624	624	0	0	0	624

ALL PROPERTY

TAX COLLECTION SYSTEM
SUPPLEMENTAL / ADJUSTMENT CONTROL TOTALS
FOR TAX YEAR: 2013
JURISDICTION: 0337 FRIENDMD CITY
INCLUDES AG ROLLBACK
PAGE: 214

	CERTIFIED ROLL	ROLL AS OF 08/01/2018	SUPPLEMENTALS THIS PERIOD	ADJUSTMENTS THIS PERIOD	NET CHANGE THIS PERIOD	ROLL AS OF 11/30/2018
LAND VALUE	3,137,530,828	3,137,530,828	0	0	0	3,137,530,828
AG EXCLUSION	23,290,819	23,290,819	0	0	0	23,290,819
IMPROVEMENTS	0	0	0	0	0	0
APPRAISED VALUE	3,137,530,828	3,137,530,828	0	0	0	3,137,530,828
EXEMPTIONS	704,624,861	704,624,861	0	170,622-	170,622-	704,454,239
TAXABLE VALUE	2,409,615,148	2,409,615,148	0	170,622	170,622	2,409,785,770
LEVY	17,333.06	17,333.06	.00	1,507.74	1,507.74	18,840.80
UNCOLLECTIBLE	.00	.00	.00	.00	.00	.00
RECEIVABLE					.00	
EXEMPTION COUNTS:						
HOMESTEADS	9,611	9,611	0	4-	4-	9,607
OVER 65	2,398	2,398	0	2-	2-	2,396
DISABLED	183	183	0	0	0	183
VETERAN	215	215	0	0	0	215
TOTAL EXEMPT	618	618	0	0	0	618

Summary of Jurisdiction Remittances Processed

Report run on: December 10, 2018 2:38 PM

For Remitted Deposit Dates 11/01/2018 thru 11/30/2018 as of 12/10/2018

Version 1.50

Tax Unit		M & O Total	I & S Total	TIF Levy	TIF Interest	Fee Total	Total
337 FRIENDWD CITY							
ACH 44259	Print Date:11/08/2018						
	Current	98,065.91	21,359.16	0.00	0.00	0.00	119,425.07
	Delq	(11.00)	(2.42)	0.00	0.00	0.00	(13.42)
Last Deposit Date	11/01/2018	\$98,054.91	\$21,356.74	\$0.00	\$0.00	\$0.00	\$119,411.65
ACH 44299	Print Date:11/08/2018						
	Current	40,730.99	8,871.37	0.00	0.00	0.00	49,602.36
Last Deposit Date	11/02/2018	\$40,730.99	\$8,871.37	\$0.00	\$0.00	\$0.00	\$49,602.36
ACH 44338	Print Date:11/09/2018						
	Current	14,670.43	3,195.27	0.00	0.00	0.00	17,865.70
	Delq	1,188.57	221.20	0.00	0.00	0.00	1,409.77
Last Deposit Date	11/05/2018	\$15,859.00	\$3,416.47	\$0.00	\$0.00	\$0.00	\$19,275.47
ACH 44378	Print Date:11/09/2018						
	Current	54,982.99	11,975.53	0.00	0.00	0.00	66,958.52
	Delq	681.58	149.75	0.00	0.00	0.00	831.33
Last Deposit Date	11/06/2018	\$55,664.57	\$12,125.28	\$0.00	\$0.00	\$0.00	\$67,789.85
ACH 44418	Print Date:11/12/2018						
	Current	68,095.49	14,831.43	0.00	0.00	0.00	82,926.92
	Delq	162.22	35.65	0.00	0.00	0.00	197.87
Last Deposit Date	11/07/2018	\$68,257.71	\$14,867.08	\$0.00	\$0.00	\$0.00	\$83,124.79
ACH 44459	Print Date:11/12/2018						
	Current	78,243.68	17,041.74	0.00	0.00	0.00	95,285.42
	Delq	179.62	39.21	0.00	0.00	0.00	218.83
Last Deposit Date	11/08/2018	\$78,423.30	\$17,080.95	\$0.00	\$0.00	\$0.00	\$95,504.25
ACH 44500	Print Date:11/14/2018						
	Current	7,514.85	1,636.75	0.00	0.00	0.00	9,151.60
	Delq	60.23	6.94	0.00	0.00	0.00	67.17
Last Deposit Date	11/09/2018	\$7,575.08	\$1,643.69	\$0.00	\$0.00	\$0.00	\$9,218.77
ACH 44536	Print Date:11/14/2018						
	Current	32,010.81	6,972.07	0.00	0.00	0.00	38,982.88
Last Deposit Date	11/12/2018	\$32,010.81	\$6,972.07	\$0.00	\$0.00	\$0.00	\$38,982.88
ACH 44575	Print Date:11/15/2018						
	Current	25,280.83	5,506.27	0.00	0.00	0.00	30,787.10
	Delq	4,573.32	685.79	0.00	0.00	0.00	5,259.11
Last Deposit Date	11/13/2018	\$29,854.15	\$6,192.06	\$0.00	\$0.00	\$0.00	\$36,046.21
ACH 44613	Print Date:11/15/2018						
	Current	128,228.88	27,928.80	0.00	0.00	0.00	156,157.68
	Delq	(1,588.93)	(349.14)	0.00	0.00	0.00	(1,938.07)
Last Deposit Date	11/14/2018	\$126,639.95	\$27,579.66	\$0.00	\$0.00	\$0.00	\$154,219.61
ACH 44655	Print Date:11/19/2018						
	Current	59,868.03	13,039.57	0.00	0.00	0.00	72,907.60
Last Deposit Date	11/15/2018	\$59,868.03	\$13,039.57	\$0.00	\$0.00	\$0.00	\$72,907.60

ACTGL_TU_REMIT_SP

Summary of Jurisdiction Remittances Processed

Report run on: December 10, 2018 2:38 PM

For Remitted Deposit Dates 11/01/2018 thru 11/30/2018 as of 12/10/2018

Version 1.50

Tax Unit		M & O Total	I & S Total	TIF Levy	TIF Interest	Fee Total	Total
337 FRIENDWD CITY							
ACH 44694	Print Date:11/19/2018						
	Current	60,863.78	13,256.36	0.00	0.00	0.00	74,120.14
	Delq	1,668.52	332.73	0.00	0.00	0.00	2,001.25
Last Deposit Date	11/16/2018	\$62,532.30	\$13,589.09	\$0.00	\$0.00	\$0.00	\$76,121.39
ACH 44733	Print Date:11/21/2018						
	Current	48,602.96	10,585.93	0.00	0.00	0.00	59,188.89
	Delq	1,857.72	278.96	0.00	0.00	0.00	2,136.68
Last Deposit Date	11/19/2018	\$50,460.68	\$10,864.89	\$0.00	\$0.00	\$0.00	\$61,325.57
ACH 44772	Print Date:11/26/2018						
	Current	22,408.95	4,880.77	0.00	0.00	0.00	27,289.72
	Delq	931.16	208.96	0.00	0.00	0.00	1,140.12
Last Deposit Date	11/20/2018	\$23,340.11	\$5,089.73	\$0.00	\$0.00	\$0.00	\$28,429.84
ACH 44807	Print Date:11/27/2018						
	Current	134,721.73	29,342.90	0.00	0.00	0.00	164,064.63
	Delq	278.52	61.15	0.00	0.00	0.00	339.67
Last Deposit Date	11/21/2018	\$135,000.25	\$29,404.05	\$0.00	\$0.00	\$0.00	\$164,404.30
ACH 44847	Print Date:11/28/2018						
	Current	42,609.75	9,280.59	0.00	0.00	0.00	51,890.34
	Delq	1,950.70	385.40	0.00	0.00	0.00	2,336.10
Last Deposit Date	11/26/2018	\$44,560.45	\$9,665.99	\$0.00	\$0.00	\$0.00	\$54,226.44
ACH 44892	Print Date:11/29/2018						
	Current	46,335.92	10,092.13	0.00	0.00	0.00	56,428.05
Last Deposit Date	11/27/2018	\$46,335.92	\$10,092.13	\$0.00	\$0.00	\$0.00	\$56,428.05
ACH 44936	Print Date:11/30/2018						
	Current	32,640.73	7,109.27	0.00	0.00	0.00	39,750.00
	Delq	147.57	26.23	0.00	0.00	0.00	173.80
Last Deposit Date	11/28/2018	\$32,788.30	\$7,135.50	\$0.00	\$0.00	\$0.00	\$39,923.80
ACH 44981	Print Date:11/30/2018						
	Current	173,484.89	37,785.70	0.00	0.00	0.00	211,270.59
	Delq	1,717.73	346.99	0.00	0.00	0.00	2,064.72
Last Deposit Date	11/29/2018	\$175,202.62	\$38,132.69	\$0.00	\$0.00	\$0.00	\$213,335.31
ACH 45025	Print Date:12/10/2018						
	Current	59,641.20	12,990.05	0.00	0.00	0.00	72,631.25
	Delq	71.66	15.75	0.00	0.00	0.00	87.41
Last Deposit Date	11/30/2018	\$59,712.86	\$13,005.80	\$0.00	\$0.00	\$0.00	\$72,718.66
Total:		\$1,242,871.99	\$270,124.81	\$0.00	\$0.00	\$0.00	\$1,512,996.80



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: 01/14/19

Date Submitted: 01/07/19

Dept. Clearances: Melinda Welsh

Prepared by: Heather Van Dine

Subject: Approve Council Meeting Minutes

Originating Department: City Secretary

Proceeding: Consent Agenda

Degree of importance: Critical ☐ Significant ☒ Elective ☐

Expenditure Required: N/A	Amount Budgeted: N/A
Appropriation Required: N/A	Source of Funds: N/A
FINANCE APPROVAL: N/A	

MK

Morad Kabiri
City Manager

SUMMARY / ORIGINATING CAUSE

The Council Meeting minutes of December 03, 2018, are submitted for Council's review and consideration.

IMMINENT CONSEQUENCES / BENEFIT TO COMMUNITY

Approval of the Council Meeting minutes provides a historical document of actions taken by City Council as provided for in the Local Government Code and in the City Charter.

RECOMMENDATIONS

City Secretary recommends that Council approve the Council meeting minutes as presented.

ATTACHMENTS

[12-03-18 Minutes](#)

DRAFT

STATE OF TEXAS)(
CITY OF FRIENDSWOOD)(
COUNTIES OF GALVESTON/HARRIS)(
DECEMBER 03, 2018)(
)

MINUTES OF A REGULAR MEETING OF THE FRIENDSWOOD CITY COUNCIL THAT WAS HELD ON MONDAY, **DECEMBER 03, 2018**, AT 5:00 PM AT FRIENDSWOOD CITY HALL COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING PRESENT CONSTITUTING A QUORUM:

MAYOR	MIKE FOREMAN
MAYOR PRO-TEM	JOHN SCOTT
COUNCILMEMBER	STEVE ROCKEY
COUNCILMEMBER	SALLY BRANSON
COUNCILMEMBER	TRISH HANKS
COUNCILMEMBER	ROBERT J. GRIFFON
COUNCILMEMBER	CARL GUSTAFSON
CITY ATTORNEY	MARY KAY FISCHER
CITY MANAGER	MORAD KABIRI
CITY SECRETARY	MELINDA WELSH

REGULAR SESSION

Mayor Foreman called the meeting to order.

The invocation was given by Pastor Jim Bass with Friendswood United Methodist Church.

Mayor Foreman led the Pledge of Allegiance to the United States and to the State of Texas.

COMMUNICATIONS FROM THE PUBLIC

Mayor Foreman asked if anyone would like to speak. No one spoke.

WORK SESSION

Mayor Foreman opened the discussion regarding utility rates. City Manager Morad Kabiri introduced Nelisa Heddin with Nelisa Heddin Consulting, LLC, to present the Utility Rate Study. Ms. Heddin presented a PowerPoint presentation regarding the Utility Rate Study and background was given on the study. She recited a quote from Ben Franklin, "When the well is dry, we learn a lot about water", and is seeing this come true figuratively as infrastructure issues are being addressed. Building new infrastructure is extremely expensive to keep up with the needs of growth and there is an infrastructure crisis due to old equipment that needs to be updated or replaced, utilities across the state of Texas and throughout the country are facing the same issues. As a society, we inherently undervalue water. Economic reality was discussed, water has an inherent value to fund infrastructure necessary for treatment and distribution, water is critical to a variety of industries and as a result, the economy. Water is a fundamental building block for communities, and water is a commodity, which we cannot live without. The steps to approach the Utility Rate Study are to determine revenue requirements to meet the next five years of service, functionalize revenue requirements into cost components, allocation cost components to customer classes, and design rates. Revenue requirements include expenses less off-sets, five year outlook, Fiscal Year 2019 budget was used as the starting point, and future debt of \$26.6 Million for water and \$14.1 Million for wastewater.

City Manager Morad Kabiri stated during the budget cycle the Five Year Capital Improvement Plan for Public Works Water and Sewer was discussed, which includes a list of projects over the next five years totaling \$39.1 Million, a majority of projects are contractual obligations. A few partnerships were described, \$12.5 Million dollars for a project to replace a 42-inch water line that is the city's main source

DRAFT

of water, and due to Inflow and Infiltration (I&I) issues over the next five years segments of the city's dated sanitary sewer lines will be updated with newer pipes that will not let storm water seep into the system. There are a handful of projects, if Council is so inclined, that could be made into a seven or potentially an eight year plan, so that there is not quite as big of an impact on the debt structure. Later on the agenda, Council will consider revenue bonds that were issued today for the first round of projects, approximately \$20 Million in Revenue Bonds, and the second issuance will take place in 2021, if Council chooses.

Ms. Heddin continued the PowerPoint presentation regarding revenue requirements for water will need to increase from \$9.1 Million to \$10.5 Million over the next five years and increase from \$6 Million to \$7.5 Million for wastewater. Functionalization recognizes peaking nature of utility systems, identifies functional nature of costs, based upon the base/extra capacity methodology costs are categorized into three categories, base costs of service, extra capacity cost of service, and customer costs of service. Cost allocation recognizes different usage patterns of customer classes. Rates are designed to recover cost of service from each class of customer, and package to mitigate financial impact to customers over a period of time. Three classes of customers have been developed, residential customer class which includes single-family residential, commercial customer class which will include all commercial building including multi-family residential, and an irrigation customer class that will include any residential or commercial customer who has a separate irrigation meter. The recommendation is to change the base fee to be based off the size of meter for water utility, continue with volumetric charge to be tiered depending on usage for each customer class and wastewater utility. A graph was shown of the impact to customer's rates in each customer class over the next five years for water and wastewater with a bi-monthly bill comparison. A comparative benchmarking of neighboring cities such as the City of Pearland, League City, and Alvin was shown to note that recommendations are in par with surrounding communities' rates for 2019.

Discussion took place between Mayor, Council, Nelisa Heddin with Nelisa Heddin Consulting, LLC, and Staff regarding the comparative benchmarking average, at a five-year window were \$39 Million in debt will need to be issued that was not previously in the rate structure due to capital expenses, instantaneous demand a larger meter has or could have on the system, operational cost, existing and new debt costs, automated meters and the possibility of monthly billing in the future, time frame for increase to be reflected in billing cycle, and tax dollars are not used to subsidize the utility water sewer fund, it is self-sufficient.

Mayor Foreman opened the discussion regarding Community Development Block Grant – Disaster Recovery (CDBG-DR) Galveston County Program/Houston-Galveston Area Council Method of Distribution. Fire Marshal Office Deputy Director Brain Mansfield presented a PowerPoint presentation regarding Galveston County's program for Houston-Galveston Area Council (H-GAC) Community Block Grant distribution allocation, H-GAC has developed a Method of Distribution (MOD) to distribute more than \$240 Million to local cities in the H-GAC region (excludes Harris County and City of Houston), and this work session only refers to use of funds for the Galveston County portion of Friendswood. Under the MOD, the City of Friendswood is calculated to receive \$2.7 Million for infrastructure projects and \$2.8 Million for buyouts and acquisitions. Eligible activities under infrastructure/non-housing funding include flood control, drainage repair and improvements, restoration of publically-owned infrastructure, and demolition/rehabilitation/reconstruction of publicly-owned commercial facilities. Ineligible activities under infrastructure/non-housing funding include enlarging a dam or levy beyond the original footprint, assist any privately-owned utility for any purpose, or assist any building/facilities used for the general conduct of government. City of Friendswood projects for infrastructure include a flood control project in the Deepwood Drive area, a flood control project in the Polly Ranch area, a project combining Lift Station No. 1 and 17, completion of Friendswood Lakes Boulevard from FM 528 to FM 2351 as an evacuation route, and an application for local 10% cost share of Federal Emergency Management Agency (FEMA) Public Assistance Projects. City of Friendswood projects for buyouts and acquisitions include acquisition of repetitive loss/severe repetitive loss properties for the purpose of a retention pond. Discussed the Low to Moderate Income (LMI) requirement. The United States Department of Housing and Urban Development (HUD) requires 70% of funds be used on LMI projects. To qualify as an LMI project, 51% or more of the project's service area must be LMI. Friendswood does not have any LMI neighborhoods or projects, and

DRAFT

due to LMI requirements the city may not receive all or any funds allocated to the city within the H-CAD MOD. City of Friendswood projects will have to rely on other jurisdictions having enough LMI projects to cover the 70% LMI requirements.

Discussion took place between Mayor, Council, and Staff regarding that Staff could include the Whispering Pines bridge project on the application and matching funds would need to be obtained if awarded.

Mayor Foreman opened the discussion regarding a Drainage Subcommittee update. Drainage Subcommittee member Lee Coggins presented a PowerPoint presentation regarding that the subcommittee is currently in the analysis phase of the project, most of the data gathering has been completed, analysis is required to assure that the recommendations can be supported by facts and theory, and will rely on testing mitigation scenarios using the model Doctor Phil Bedient is developing at Rice University. The committee is using mathematics and physics to find a good solution to the city's problem of drainage and flooding, and as the committee is troubleshooting the problem, there is a lot of interesting information and challenges this community is encountering. Mr. Coggins showed a cross section diagram of Clear Creek, a definition of creek levels was given to understand how to manage flood waters, ideally the water needs to stay within the banks of Clear Creek, during heavy rain events that is not possible, and an estimated 50% of homes in Friendswood are in the floodway zone. The standard water balance equation can be used, water balance equation is $(P \text{ (precipitation)} \times A \text{ (area)}) = E \text{ (evapotranspiration)} + R \text{ (rate)} + \Delta S \text{ (storage)}$. To determine how to prevent flooding, you must attack one or more variables including precipitation falling during a storm, area of the watershed, evapotranspiration, speed and volume of the water that moves down the stream, and the volume of water held in the system. The speed and volume of water that moves down the stream can be altered. The velocity of the water can be increased by straightening the creek or channelizing the overflow, removing vegetation or other obstructions (bridges, etc.) increases the flowrate, and creating additional water outlets that will increase the volume flow. Drainage Subcommittee member James Stahl stated the volume of water held in the system can also be altered by detention both in-line and off-line, shelving, or creating increased area floodways, creating reservoirs by damming, increase creek height through levees or other means, channel widening, and increasing absorption into the soil. The University of Rice team are tasked to validate the model against known data from Hurricane Harvey, determine the effects de-snagging, bridges, by-pass channeling, outlet to the ocean, and in-line detention. When the subcommittee brings a recommendation to Council, the recommendations will contain the essential engineering, will show the effectiveness of each option and will not be a final design. The costs will not be final costs but best initial estimates, will include the design scope, work, and land purchases. Legal, environmental, and political complications will be included in recommendations. Other items the subcommittee is examining include the General Land Off (GLO) requirements on Low to Moderate Income (LMI) make it difficult to obtain the federal government funding and continues to be a major issue. The alarming frequency of bigger storms is of concern and impacts the City of Friendswood significantly and needs addressing in project definition and requirements, recommendations will likely feature ongoing right-of-way and housing buyout programs. Other items to note from the Drainage Subcommittee include that the subcommittee has connected with Texas A&M University Galveston graduate student Jaimlyn Sypniewski who spoke from the audience at the October Council meeting and is looking forward to seeing her findings on sound walls. Jonah Chen from GLO has joined the subcommittee as a permanent member. The Galveston County Commissioners are actively looking at generating county money for de-snagging Clear Creek. It may be necessary to come back to City Council for an addendum to have more scenarios tested than originally agreed upon with Dr. Bedient. The subcommittee hopes to be able to present their recommendations to Council by March.

Discussion took place between Mayor and Council regarding that 90% of the inflow of water to the City of Friendswood comes from Harris or Brazoria Counties, the subcommittee will provide recommendations to Council and Council will decide how to proceed, and discuss a funding process.

With concurrence of Council, Mayor Foreman moved to Agenda Item 8B, Recognize Friendswood resident and Armadillo Blast Coat owner Martin Griffin for the painting donation of Friendswood Police Department Boats and Trucks.

DRAFT

SPECIAL RECOGNITION AND ACKNOWLEDGEMENTS

Friendswood Police Chief Bob Wieners recognized Friendswood resident and Armadillo Blast Coat owner Martin Griffin, who was unable to attend the meeting, for his painting donation of Friendswood Police Department boats and trucks. Chief Wieners introduced Friendswood Deputy Police Chief Josh Rogers to provide a brief update on what the Police Department is doing with high water rescue vehicles and what the department will be doing over the next six months. Deputy Police Chief Rogers stated after Hurricane Harvey, the Police Department (PD) and Fire Department (FD) decided to integrate rescue operations. PD will operate the heavy rescue boats and the FD would operate their rigid hull inflatable for smaller type rescues. PD purchased a rigid hull inflatable for the FD and the City Manager's Office approved the transfer of the FD's heavy rescue boat to the PD in return for another rigid hull inflatable for the FD. In December 2017, PD delivered the FD heavy boat to Glenn Boatright at Boatright Marine to have upgrades done. After the upgrades were completed, the boat was taken to Martin Griffin at Armadillo Blast Coat to be stripped down, blasted and painted, and is now fully functional. While the heavy boat was being upgraded and painted, Staff began replacing and upgrading some of the high-water rescue vehicles with light mobility tactical vehicles. As of November 2018, PD has started to rehab its original Boatright boat that the PD purchased in 1992, due to repairs needed after Hurricane Harvey, upgrades will be done by Boatright Marine and the motor will be replaced to assist when flooding is experienced along the creeks. All four vehicles will be wheelchair accessible. All these projects have been accomplished by using drug seizure money from the city's drug seizure account approved by the City Manager's Office. The PD and FD recognizes their role when it comes to responding during flooding events and the need for assistance from the local school districts and churches to provide shelters for many residents in need.

City Manager Morad Kabiri thanked the city's Public Works Department who were instrumental in helping with high water rescues during Hurricane Harvey, and heroism was displayed on everyone's part.

Mayor Foreman recessed the meeting at 6:25 PM, and reconvened the meeting at 6:30 PM.

With concurrence of Council, Mayor Foreman moved to Agenda Item 8A, Recognition of Wedgewood Elementary School students.

SPECIAL RECOGNITION AND ACKNOWLEDGEMENTS (continued)

Mayor Foreman introduced the Friendswood Student Education Outreach program and stated the program would be continued at this meeting with Wedgewood Elementary. The outreach program was created to help students learn more about democracy and understand the value of community service. Council wishes to support foster leadership development in students, and the school district's Character Education Program.

Mayor Foreman thanked the teachers from Wedgewood Elementary and Clear Creek Independent School District for participating in the program. The Mayor introduced the second graders that would take Council's place at the dais, Mayor Noah Regner, City Secretary Eli Chambers, City Attorney Brody Mengarelli, City Manager Logan Manning, Council Position No. 1 Bianca Ganoza, Council Position No. 2 Hayden Scott, Council Position No. 3 Brooklyn Gordon, Council Position No. 4 Lojain Khandria, Council Position No. 5 Emily Rojas, and Council Position No. 6 Samuel Herring. Mayor Foreman turned the meeting over to the Wedgewood Elementary students.

City Manager Logan Manning stated Mayor and Council, tonight you have before you Resolution **R2018-24** declaring December 4th, 2018, Wedgewood Elementary Day in Friendswood, Texas. As you know, Wedgewood Elementary is part of Clear Creek Independent School District and is an exemplary campus and a source of pride for the community.

Mayor Noah Regner asked if the City Attorney approved the wording of the resolution, and City Attorney Brody Mengarelli answered that the draft wording of the resolution is in line with the Vision Statement of

DRAFT

the City of Friendswood.

Mayor Noah Regner asked City Secretary Eli Chambers to read the City of Friendswood's Vision Statement for the record.

City Secretary Eli Chambers stated the City of Friendswood has the following statement as its vision; together we build our future in a friendly place to live, work, play, learn and worship.

Mayor Noah Regner read Resolution **R2018-24** – A resolution of City of Friendswood, Texas, declaring December 4th, 2018, as Wedgewood Elementary School Day in the City of Friendswood, Texas.

****Councilmember Bianca Ganoza moved to approve Resolution R2018-24** – A resolution of City of Friendswood, Texas, declaring December 4th, 2018, as Wedgewood Elementary School Day in the City of Friendswood, Texas.

Seconded by Councilmember Hayden Scott. The motion was approved unanimously.

Councilmember Bianca Ganoza stated at Wedgewood Elementary we pledge to be kids with character.

Councilmember Hayden Scott stated at Wedgewood Elementary we will be honest, reliable, and worthy of trust.

Councilmember Brooklyn Gordon stated Wedgewood Elementary students will be responsible and fair, doing what they must.

Councilmember Lojain Khandria stated at Wedgewood Elementary students show with their words and actions that they care.

Councilmember Emily Rojas stated Wedgewood Elementary students will be good citizens and do their share.

Councilmember Samuel Herring stated Wedgewood Elementary students respect themselves and others.

All City Council in unison stated Wedgewood Elementary students would expect the best in all they do.

Mayor Noah Regner adjourned the Wedgewood Elementary portion of the meeting.

Mayor Foreman stated Council would formally consider Resolution **R2018-24**.

With concurrence of Council, Mayor Foreman moved to Agenda Item 12, Resolution R2018-24.

RESOLUTION

****Councilmember Hanks moved to approve Resolution R2018-24** – A resolution of City of Friendswood, Texas, declaring December 4, 2018, as Wedgewood Elementary School Day in the City of Friendswood, Texas.

Seconded by Councilmember Griffon. The motion was approved unanimously.

Mayor Foreman stated cookies and punch would be served in the foyer.

Mayor Foreman recessed the meeting at 6:40 PM, and reconvened the meeting at 7:00 PM.

With concurrence of Council, Mayor Foreman moved to Agenda Item 8C, Presentation of the Five Star Spirit Award for the Third Quarter of 2018.

SPECIAL RECOGNITION AND ACKNOWLEDGEMENTS (continued)

DRAFT

City Manager Morad Kabiri presented the Five Star Spirit Award for the third quarter of 2018 to Parks and Recreation Department Recreation Specialist Katherine Blanchard who has been with the city since May 2012. Ms. Blanchard was nominated by a co-worker who was impressed by the way Ms. Blanchard faced many new challenges after she was promoted to oversee the Friendswood Summer Day Camp. Ms. Blanchard spent many hours working on ideas and improving procedures to make the program better for Staff and the participants. She faced unexpected changes with Staff, made sure there was no negative impact to anyone involved with the program, and added new events for campers and Staff that proved to be huge successes. Ms. Blanchard truly embodies the attributes of the Five Star Spirit Award being courteous, competent, reliable, professional and enthusiastic. The city congratulates Ms. Blanchard on being the recipient of the Five Star Spirit Award for the third quarter of 2018.

Parks and Recreation Department Recreation Specialist Katherine Blanchard introduced her family and thanked everyone that came to support her from the Keep Friendswood Beautiful Committee and city Staff.

COMMUNICATIONS FROM THE PUBLIC

Mayor Foreman asked if anyone would like to speak. No one spoke.

CITY MANAGER'S REPORT

City Manager Morad Kabiri reported that the Keep Friendswood Beautiful Annual Fall Haul-A-Day had great attendance this year with 620 cars and trucks coming through and participating in the cleanup event. Waste Connections was reported to have hauled away 29.47 tons of compacted debris, 39.51 tons of roll off debris, and 4.57 tons of metal box waste. A total of 3,527 pounds of electronics was collected for e-cycling as well. The garage sale was also a success bringing in \$902 with all proceeds benefiting the beautification of city facilities and parks. The items that were left over were taken to Goodwill. The Bay Area Wildlife Rehab picked up animal habitat items that were donated to benefit the injured wild animals that make their home in Friendswood's green space. We want to thank our Keep Friendswood Beautiful volunteers, our city Staff and Waste Connections for making this great event possible.

The City Manager reported on the upcoming Community Holiday Events. An exciting event is the 11th Annual Santa in the Park – “There's no place like home for the holidays,” sponsored by HomeTown Bank of Friendswood on December 8, 2018. There will be live musical entertainment, photos with Santa, a snow hill slide, carnival rides, a petting zoo, and a Holiday Market with more than 70 booths. Following the lighting of the Christmas tree, there will be a spectacular fireworks display synchronized to Christmas music. Admission to the park and live entertainment is free. However, a wristband is required for the amusement rides, snow hill slide, petting zoo, train rides, and face painting. A special discounted wristband presale will take place during normal business hours through December 7, 2018, at Friendswood City Hall. Donate a new, unwrapped toy to the Friendswood Police Officers Association Blue Santa project and receive a \$5 discount. On the day of the event, wristbands will be available for \$10 each. The event will be held at Stevenson Park and is presented by Keep Friendswood Beautiful and the City of Friendswood. The Santa in the Park 2018 app is available for download for Apple and Android products. Keep Friendswood Beautiful will host the Annual Downtown Holiday Lighting Contest, businesses are encouraged to decorate for the holidays with lights and décor so everyone can enjoy the festive look of downtown before and after the night of the parade and Santa in the Park. Judging will end on December 6, 2018, at 10:00 PM, with the winners being announced during the evening program at Santa in the Park. The Friendswood Public Library will remain open during the annual Christmas parade to provide access to restrooms and viewing of the parade from inside the building. The library will serve hot chocolate and the children's department will host a Christmas craft. On December 10, 2018, from 6:30 to 8:00 PM the library will host pictures with Santa and craft time. The Library Book Sale will begin December 15, 2018, and will run through December 21, 2018, during regular library hours. All proceeds from the book sale will go towards supporting library programming. The library will also host a New Year's Eve Party for families on December 31, 2018, at 11:45 AM. Come celebrate with a dance party and a ball drop count-down at noon. Another event is the 7th Annual Deck the House Holiday Lighting

DRAFT

Contest. Five finalists will be selected from all participants and online voting will begin December 6, 2018, and go through December 13, 2018. Citizens can cast their vote through the Friendswood Fine Arts Institute's website at www.friendswoodarts.com. The winner will be announced December 15, 2018.

The City Manager reported that the City of Friendswood ranked 24th in SafeWise's Safest Cities in Texas with total crime statistics of 8.94% violent and 91.06% property related. In order to identify the fifty safest cities in Texas, the most recent Federal Bureau of Investigation (FBI) Crime Report statistics from 2016, along with population data, was reviewed. Texas is making great strides in becoming one of the safest places to live. According to the 2016 FBI Crime Report, 42 of the top 50 safest cities has less than one violent crime per 1,000 people. This recognition is a direct reflection of the hard work of Friendswood Police Department, and the city appreciates their efforts to make the city one of the safest in Texas.

The City Manager reported that Staff continually work with Federal Emergency Management Agency (FEMA) and state representatives for reimbursements from Hurricane Harvey, and another reimbursement check of \$82,000 has been received for the temporary facility the Public Works Department is operating out of after the Deepwood facility flooded.

ACTION ITEMS

****Councilmember Rockey moved to remove from the table approving a contract with Simple Recycling. Seconded by Councilmember Hanks. The motion was approved unanimously.**

****Councilmember Rockey moved to approve a contract with Simple Recycling. Seconded by Councilmember Branson. The motion was approved 5-2 with Councilmembers Scott and Gustafson opposed.**

Discussion took place between Mayor, Council, Keep Friendswood Beautiful Chair Sherri Goen, and Staff regarding that Simple Recycling is an all-in program, services could not be provided at Fall Haul-A-Day and Spring Sparkle events only, program initiation would include an education campaign to residents, phone number will be provided to residents for customer service, and small transit vehicles will be used for pickups. Keep Friendswood Beautiful and Staff recommends Council approve implementation of the Simple Recycling program to assist the City of Friendswood in their recycling efforts.

With concurrence of Council, Mayor Foreman moved to Agenda Item 13A, Ordinance T2018-30.

ORDINANCES

****Councilmember Scott moved to approve the Second and Final reading of Ordinance No. 2018-30 – An ordinance establishing fees for Ground Emergency Medical Services to be provided by the Friendswood Volunteer Fire Department, Inc., as the contractor for the City of Friendswood, Texas, and providing an effective date.**

Seconded by Councilmember Griffon. The motion was approved unanimously.

****Councilmember Branson moved to approve the Second and Final reading of Ordinance No. 2018-31 – An ordinance of the City of Friendswood, Texas, amending the Code of Ordinances, Chapter 14, "Buildings and Building Regulations" by amending Section 14-2 "Registration and Licensing of Providers and Repair Services" relating to contractor registration fees, and amending Section 14-63 "License Required", Section 14-118 "Responsibility for Inspection and Fees", Section 14-160 "Who May Obtain", Section 14-162 "Schedule of Fees" and repealing Division 6. Sections 14-229 through 14-233 relating to electrician's licensing; repealing all ordinances or parts of ordinances inconsistent or in conflict herewith; providing for severability, publication and an effective date.**

Seconded by Councilmember Rockey. The motion was approved unanimously.

****Councilmember Branson moved to approve the Second and Final reading of Ordinance No. 2018-32 – An ordinance adopting an order setting a public hearing on January 14, 2019, at 7:00 PM, to discuss and**

DRAFT

review the updated Land Use Assumptions and Capital Improvements Plan and amendment of Impact Fees.

Seconded by Councilmember Hanks. The motion was approved unanimously.

****Councilmember Scott moved to approve the Second and Final reading of Ordinance No. 2018-33 – An ordinance approving a vacation of a portion of a public right-of-way located adjacent to 4650 FM 2351 within the property platted as Benzi Development Garage Condominiums; authorizing the Mayor to execute and the City Secretary to attest a Quitclaim Deed by and between the City and Nick Deutsch.**

Seconded by Councilmember Branson. The motion was approved unanimously.

****Councilmember Scott moved to approve the Second and Final reading of Ordinance No. 2018-34 – An ordinance approving a vacation of three waterline easements located within the property located at 1501 West Parkwood Avenue in the Gardens at Friendswood Lakes Subdivision; authorizing the Mayor to execute and the City Secretary to attest a Quitclaim Deed by and between the City and Jose Garza.**

Seconded by Councilmember Hanks. The motion was approved unanimously.

****Councilmember Scott moved to approve the Second and Final reading of Ordinance No. 2018-35 – An ordinance amending the Code of Ordinances of the City of Friendswood, Texas, Appendix C – “Zoning,” by amending the zoning classification for a tract or parcel containing 55.159 acres of land located in the Beaty Sealy and Forwood Survey, Abstract 625, in the I&GN RR Company Survey, Section 23, Abstract 624, according to Galveston County Document No. 7402108, Friendswood, Galveston County, Texas; amending the zone classification from Light Industrial (LI) to Light Industrial/Specific Use Permit to allow NAICS Use No. 7139 “Other Amusement and Recreation Industries (shooting ranges);” providing for amendment of the Official Zoning Map; providing a penalty in an amount not to exceed \$2,000 for each day of violation of any provision hereof; and providing for severability.**

Seconded by Councilmember Griffon. The motion was approved unanimously.

Mayor Foreman read the agenda item to approve the First and Final reading of Ordinance No. **2018-38** – An ordinance authorizing the issuance and sale of the City's Waterworks and Sewer System Revenue Bonds, Series 2018; approving the official statement, paying agent/registrars agreement and engagement letter for bond counsel; providing for the pledge of the net revenues of the waterworks and sewer system to secure the payment of the bonds, and agreeing to set utility rates to pay the bonds; and enacting other provisions relating to the issuance and sale of the bonds.

****Mayor Foreman moved to adopt an ordinance authorizing the issuance and sale of the City of Friendswood, Texas Waterworks and Sewer System Revenue Bonds, Series 2018, and approving all other matters incident thereto.**

Seconded by Councilmember Griffon. The motion was approved unanimously.

Financial Advisor John Roebuck with BOK Financial Securities, Inc., presented a PowerPoint presentation regarding final pricing results for the city's Waterworks and Sewer System Revenue Bonds, Bond Buyer Index has dropped to 4.68%, market is better off than it was when discussed in November, \$20 Million sold in Waterworks and Sewer System Revenue Bonds for 2018 series, “All Cost” true interest rate of 3.569%, final debt service requirements, and the final schedule of events.

****Councilmember Scott moved to approve the First and Final reading of Ordinance No. 2018-39 – An ordinance amending City of Friendswood, Texas, Ordinance No. 2018-28, passed and approved October 1, 2018, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2018-2019 by approving “Budget Amendment II” to the “Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2018-2019”; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.**

Seconded by Councilmember Griffon. The motion was approved unanimously.

COMMUNICATIONS FROM THE MAYOR AND COUNCILMEMBERS

Mayor Foreman stated he learned a couple of new words tonight such as functionalization and

DRAFT

evapotranspiration, Wedgwood Elementary was the second of the city's three elementary schools to get experience and exposure on the dais, Westwood Elementary will be at the February meeting, and at the January Council meeting he is planning a kickoff discussion about a bond election and the process.

Councilmember Gustafson wished everyone a Merry Christmas and best holiday wishes to everyone, there are a number of children across Texas and the United States who do not have homes, please consider adoption next year if you have room in your home and heart.

Councilmember Scott wished everyone a Merry Christmas and a Happy New Year, pray for all the young adults that will be traveling home from college in the next few weeks, and pray that everyone returns safely to Friendswood and enjoys time with their family during this special time of year.

Councilmember Griffon wished everyone a Merry Christmas and Happy New Year, and stated his birthday is on Christmas Day. He announced that the United States Army Corps of Engineers, in partnership with the Texas General Land Office (GLO), will host an open forum question and answer session on a Coastal Texas Protection and Restoration Feasibility Study on December 12, 2018, at the Galveston Island Convention Center at 5:30 PM. GLO will open an office in Texas City, and anyone who has been harmed by Hurricane Harvey can receive information on a homeowner's assistance program at www.recovery.Texas.gov.

Councilmember Hanks stated she hopes everyone has a happy holiday and finds peace in their faith and the warmth of family and friends, and wished everyone a Happy New Year.

Councilmember Branson wished everyone a Merry Christmas and Happy New Year, congratulated the Friendswood Police Department on the SafeWise Award, and stated Councilmember Rockey and herself will attend the Annual Friendswood Historical Society tree lighting at the Brown Museum and there will be a children's choir from Friends Church, Police Department is collecting unwrapped toys for the Blue Santa program, and donations stay in the Friendswood area.

Councilmember Rockey stated he hopes everyone has a great holiday, for those that do not know there is a live theater in Friendswood and he will be playing a cosmetic saleswoman in an upcoming comedy Christmas play at Purple Box Theater, performance is the two weekends before the holiday, and cost is \$10.

CONSENT AGENDA

******Councilmember Rockey moved to approve all items on the Consent Agenda as presented: A. Authorizing Council to invoke Rule 1(A) of the Rules of Procedure to schedule the January City Council meeting for January 14, 2019. B. Ratify the Mayor's signature authorizing the City Manager to submit an application for the Fiscal Year 2018 Flood Mitigation Assistance program. C. Approving a Buyout License Agreement for 5338 & 5342 Appleblossom Lane and authorizing the Mayor to execute the agreement. D. Accepting the October 2018 Property Tax Report. E. Approving the minutes of the October 01, 2018, and November 05, 2018, Council Meetings.

Seconded by Councilmember Branson. The motion was approved unanimously.

With concurrence of Council, Mayor Foreman moved to Agenda Item 6, Closed Executive Sessions.

CLOSED EXECUTIVE SESSIONS

Mayor Foreman asked if anyone would like to speak regarding the Executive Sessions. No one spoke.

Council convened into Executive Session in accordance with the Texas Government Code, pursuant to Section 551.087 – Deliberation regarding economic development negotiations; to deliberate the offer of a financial or other incentive to a business prospect, and Section 551.072 – Deliberation regarding real property.

DRAFT

RECONVENE INTO OPEN SESSION

Council reconvened into Open Session with no action taken later in the meeting.

The meeting was adjourned at 8:12 PM.

Attest:

Mayor Mike Foreman

Melinda Welsh, TRMC
City Secretary