

**MINUTES OF THE SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
JUNE 22, 2024**

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A SPECIAL MEETING ON SATURDAY, JUNE 22, 2024, IN THE PUBLIC WORKS CONFERENCE ROOM, LOCATED IN THE BLACKHAWK FACILITY, 15355 BLACKHAWK BOULEVARD, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

John Ellisor	Councilmember
Sally Branson	Councilmember
Trish Hanks	Councilmember
Robert J. Griffon	Councilmember
Joe Matranga	Mayor Pro Tem
Mike Foreman	Mayor
Morad Kabiri	City Manager
Karen Horner	City Attorney
Raquel Martinez	Deputy City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 8:00 A.M. All members were present with the exception of the absence of Councilmember Brent Erenwert.

2. INVOCATION

The invocation was led by Councilmember John Ellisor.

3. PLEDGE OF ALLEGIANCE

Mayor Foreman led the Pledge of Allegiance of the United States and to the State of Texas.

4. PUBLIC COMMENT

Mayor Foreman announced no member of the public had signed up to speak for a public comment.

5. DISCUSSIONS

A. Receive and discuss current and future City operations, plans, budgets, and goals for the City of Friendswood.

The item was opened with Mayor Foreman discussing over the City Council Liaison List for FY 2024-2025, which was presented as follows:

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

City Manager Morad Kabiri noted there were two (2) big topics they were going to discuss today: 1) their strategic plan and visioning, and 2) the budget. Mr. Kabiri noted the last time the City of Friendswood looked at their visioning comprehensively was in 1998. Their mission statement was presented as follows:

"It is the mission of the Council and Staff of the City of Friendswood to provide the highest level of service to our citizens at the greatest value."

At that time, the City Council had also adopted the following philosophy:

- To act in the best interest of the citizens;
- To consistently demonstrate respect to Staff;
- To invest our resources effectively for the future of Friendswood; and
- To handle disagreements/conflicts in a respectful manner.

Mr. Kabiri then identified the current challenges their organization was facing as follows:

- Organizational culture
- Generational culture
- Employee retention
- Inflation
- Community Expectations
- Generational Equity
- Future Citizen Concerns
- Aging Infrastructure
- Sustainability
- Operational Solvency
- Developed Environment

With that stated, Mr. Kabiri established their goals for the meeting as follows:

- Identify Council's Vision for Friendswood;
- Develop their Mission as an Organization; and
- Unify Council's Vision to the Organization's Mission.

To develop their vision, Mr. Kabiri engaged each Councilmember to discuss their individual priorities for the City of Friendswood. Each Councilmember provided their priorities as follows:

Mayor Foreman

- Drainage and flooding
- Mobility
- Diversification of Tax Base
- Maintain Small Town Feel

Councilmember Branson

- Drainage and Flooding
- Mobility
- Diversification of Tax Base
- Public Safety
- Maintain Great Level of Service and Invest in Personnel

Councilmember Griffon

- No New Revenue Rate Budgeting as a Starting Point
- Maintain Great Level of Service and Invest in Personnel
- Emergency Preparedness
- Mobility (to include Friendswood Pkwy and Greenbriar Drive)

Councilmember Hanks

- Manage Growth
- Good Stewards of Taxpayer Dollars
- Mobility

- Maintain Great Level of Service/Quality of Life
- Good Relationship with Friendswood Schools
- Diversification of Tax Base
- Address Deferred Maintenance
- Downtown
- Friendswood Parkway

Mayor Pro Tem Matranga

- Public Safety
- Education
- Good Stewards of Taxpayer Dollars
- Transparency/Communication
- Mobility
- Drainage and Flooding
- Maintain Small Town Feel

Councilmember Ellisor

- Infrastructure
- Mobility
- Drainage and Flooding
- Public Safety
- Emergency Preparedness
- Transparency

Councilmember Erenwert

- [Absent]

Based on this feedback, Mr. Kabiri summarized that Council wants to foster an environment that invests in safety, infrastructure (mobility and drainage), quality of life, and transparency while being good stewards of taxpayer dollars. He relayed that he would also visit with the absent Councilmember Erenwert to have this same discussion with him on his priorities. Subject to that discussion, Mr. Kabiri would come up with a vision statement for the City of Friendswood and later present that to Council.

Councilmember Matranga gave additional requests that he wished to also discuss with Staff and Council. He discussed the benefit it would be to have City Staff live in Friendswood. Councilmember Hanks concurred with this idea. Mayor Foreman suggested evaluating an incentive for City employees to be able to live in Friendswood. In addition, the Councilmembers requested dollars to be allocated to boost communication with citizens. Along that same note, Councilmember Griffon requested to improve the communication between Council and the Planning and Zoning Commission. Councilmember Matranga

also wondered if their community wanted more Flock/License Plate Cameras and, if so, to work with homeowner associations (HOAs) to offset the costs.

Councilmember Matranga then wished to discuss matters concerning the procedures of their City Council meetings. City Attorney Karen Horner presented and discussed with Council possible revisions to their Rules of Procedure. The revisions up for Council's consideration were to better align their rules with the City Charter and to further streamline their City Council meetings.

Moreover, Councilmember Matranga requested and inquired if there was a way to better drain Stevenson Park. Councilmember Hanks requested that the erosion of Lake Friendswood be addressed. She also wished to establish a "Friends of the Park" program for each park in Friendswood.

At 9:37 A.M., Mayor Foreman recessed the meeting for a short break and later reconvened at 9:54 A.M.

Director of Finance Rhonda Boskas provided Council with a presentation on the City of Friendswood FY2024-2025 Budget. Ms. Boskas identified and discussed over their key budget drivers as follows:

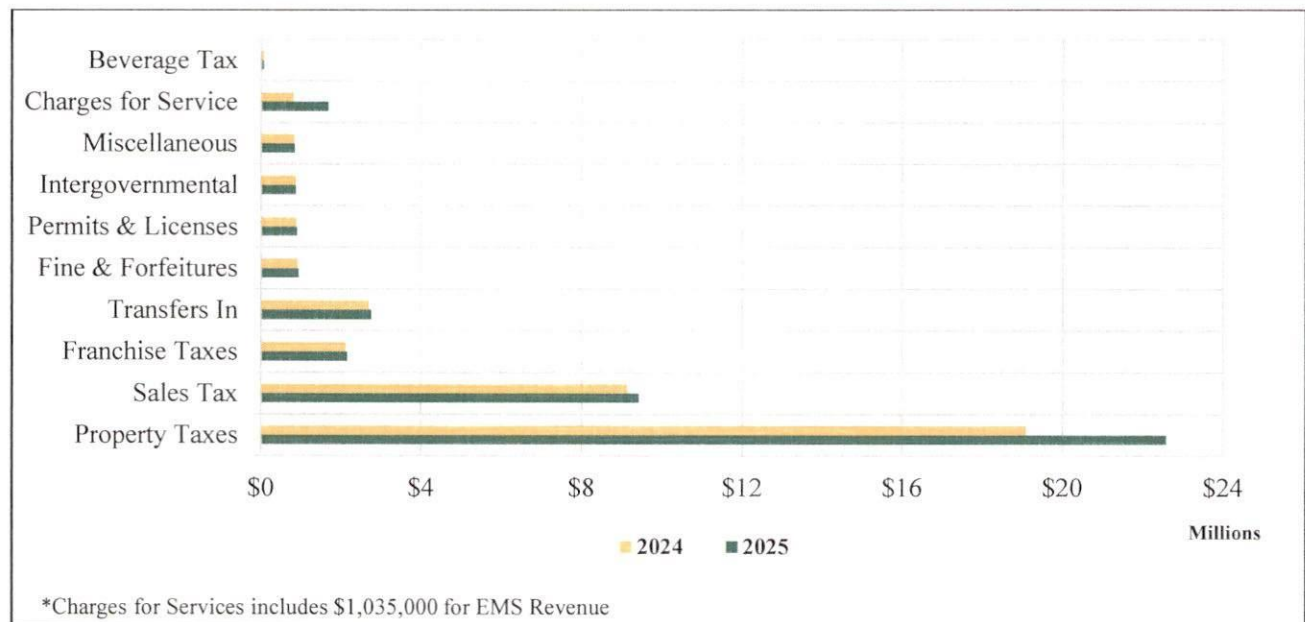
INSURANCE COSTS 5% Increase • Windstorm • Vehicle Insurance • Real and Personal Property	DEFERRED MAINTENANCE \$500,000	FVFD CONTRACT FY25 Increase - \$64,125 • Inflation Adjustment • Stipend • Equipment Costs
OPERATIONAL COSTS 5% Increase • Supplies • Services	GRANT ADVANCE FUNDING Not included in the tax rate	BOND PROJECT IMPACTS Increase Operating Budget Overhead \$44K • Utilities • Janitorial • Maintenance
PERSONNEL COSTS 4% - 5% Increase Includes: Wages, Taxes, Benefits, and Overtime • Merit Increase • Salary Survey Adjustments • Health and Dental Insurance	EMS ONBOARDING FY25 Expenses - \$2,953,095 • Personnel • Operational Costs • Facilities Maintenance • Information Tech Costs • TESRS Obligations Less Revenue/Savings - \$2,305,821 Net addition - \$647,274	GRANT PROJECT IMPACTS Increase Operating Budget Bid Publications \$27K

In addition, Ms. Boskas presented the following chart regarding the City's ageing infrastructure:

WATER & SEWER AGING INFRASTRUCTURE PROJECTS	
FY25 Project Costs	\$29.9M
FY26 Project Costs	\$26.9M
FY27 Project Costs	\$14.6M
FY28 Project Costs	\$12.5M
FY29 Project Costs	\$5.5M

Ms. Boskas noted this list did not include grant funded projects. For FY2025, the City of Friendswood's Engineering Department has been encumbered for projects without a funding source for construction. The estimated costs of these unfunded projects totaled nineteen point two million dollars (\$19.2 M). The Councilmembers requested a list of those unfunded projects.

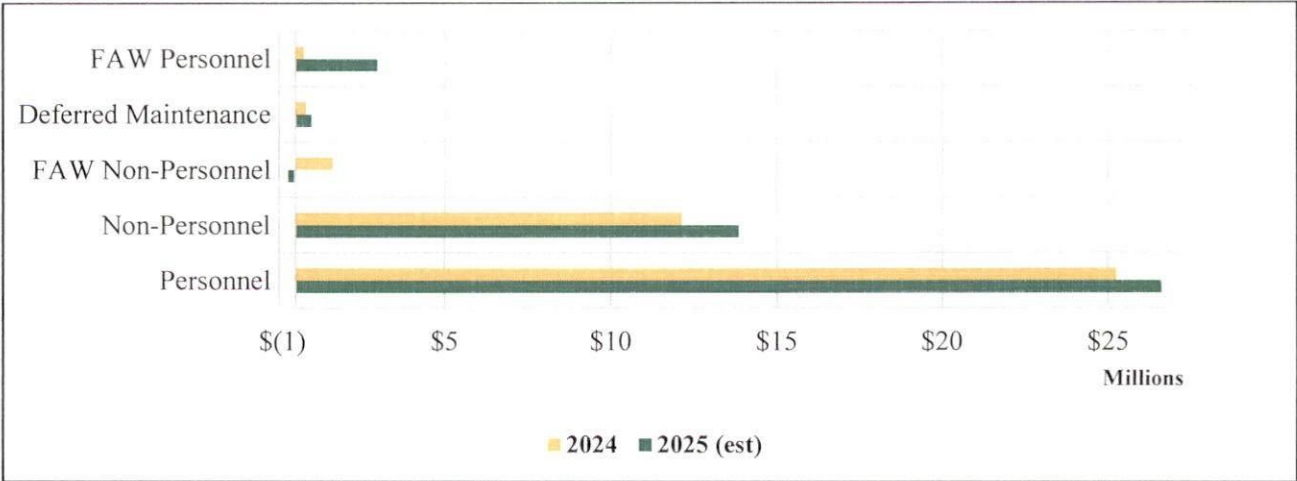
With regard to the General Fund, Ms. Boskas relayed their revenues were at forty-two point two million dollars (\$42.2 M). She displayed the following graph for Council to further illustrate their revenues:



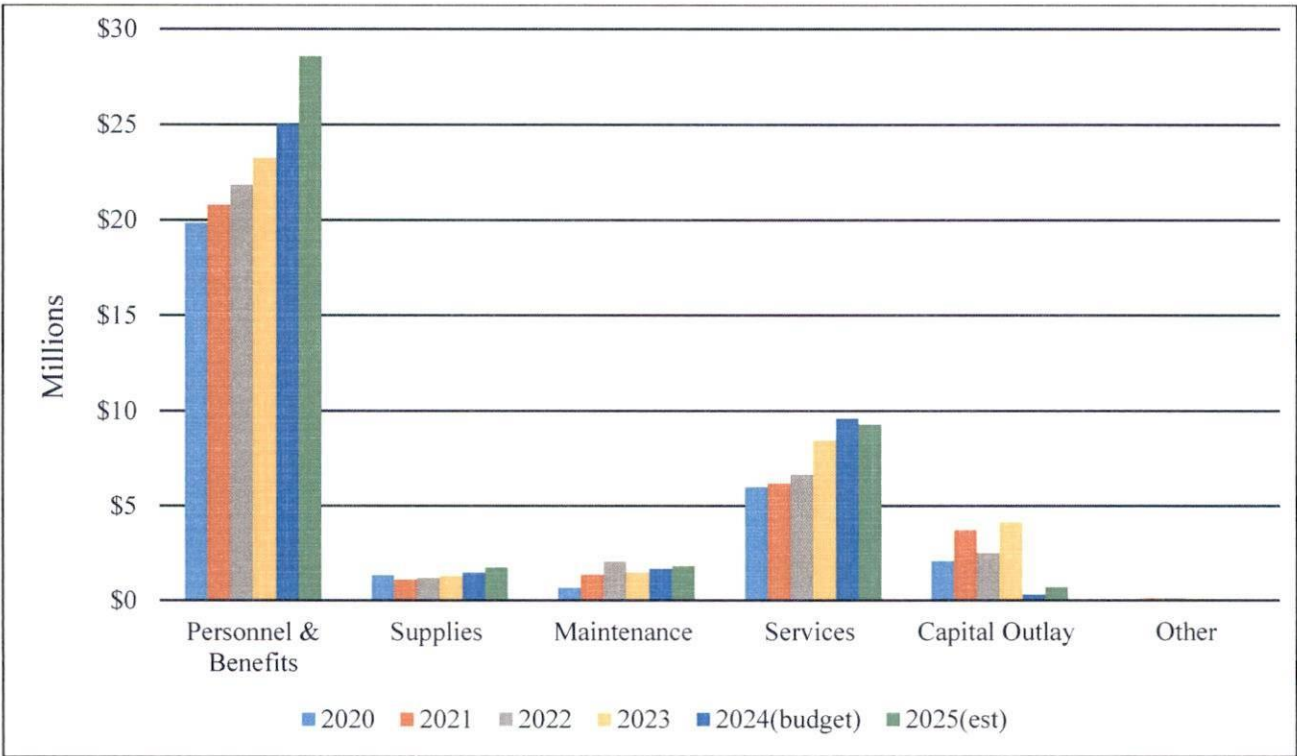
Ms. Boskas noted the budget was being developed with an expected tax increase. The City received preliminary net taxable values from both Galveston County Appraisal District (GCAD) and Harris County Appraisal District (HCAD). She noted that estimated taxable value was at six point one billion dollars (\$6.1 B), which is up five hundred and ninety-eight million dollars (\$598 M). Five point nine million dollars (\$5.9 M) of that value would go to tax debt service obligations.

The General Fund expenditures were presented to be forty-two point two million dollars (\$42.2 M). Ms. Boskas presented the following charts to further illustrate those expenditures:

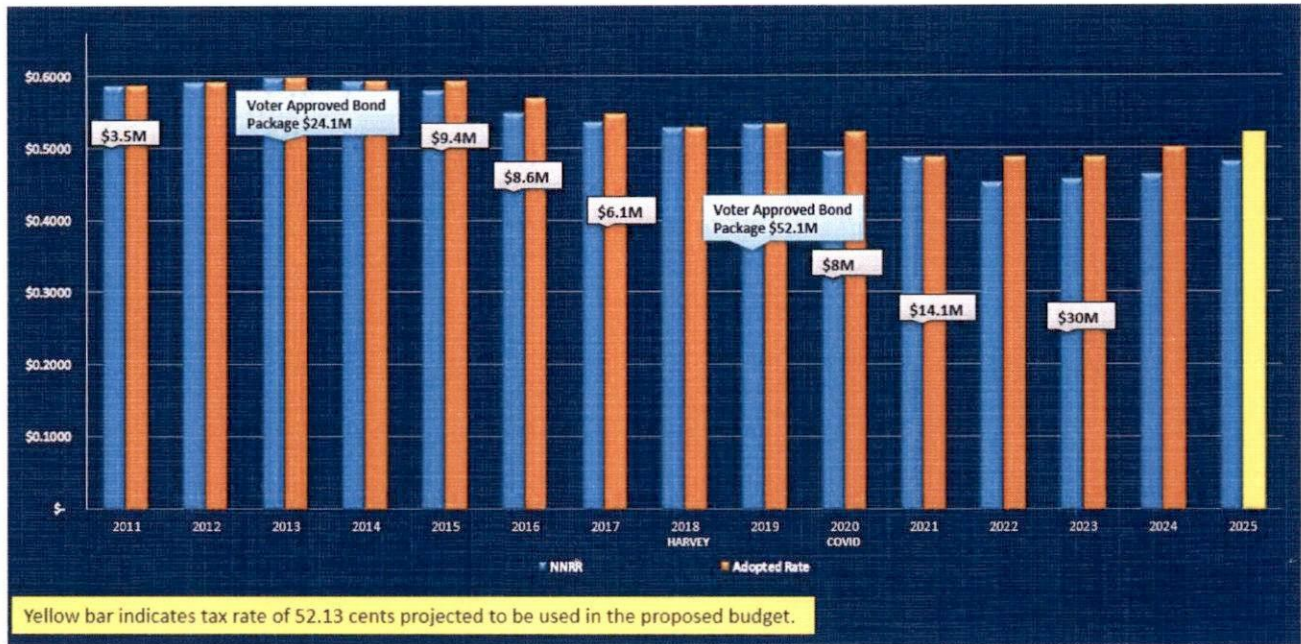
PERSONNEL \$28.6M (UP \$3.5M)		NON-PERSONNEL \$13.6M (UP \$513K)	
EMS Personnel Onboarding	\$2.4M	Operational Impact	5%
Merit and Salary Adjustment	4%	G.O. Bonds and Grants Impact	\$66K
Health & Dental Increase	4-5%	Deferred Maintenance	\$500K
Police 12-Hr Shifts	\$305K	EMS Contract Elimination	(\$1.02M)
FAW Parks Maintenance Worker	\$88K	FAW Vehicles (PR, PD, ENG)	\$206K



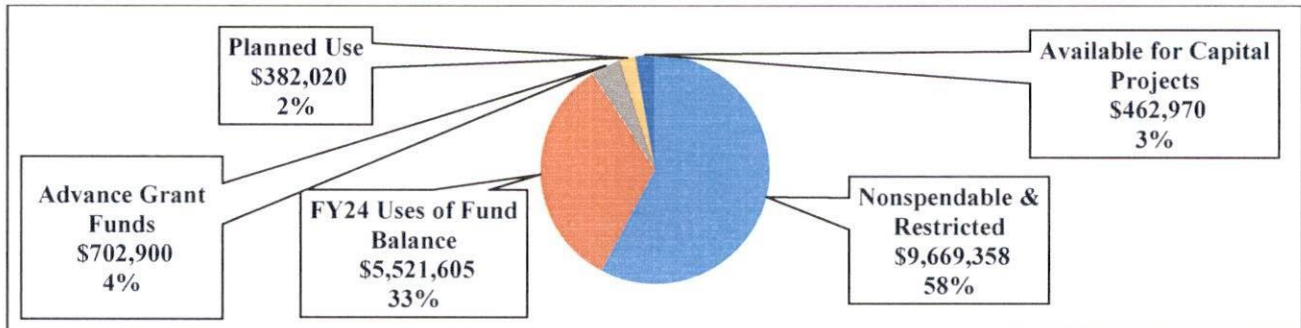
GENERAL FUND - EXPENDITURES BY CATEGORY



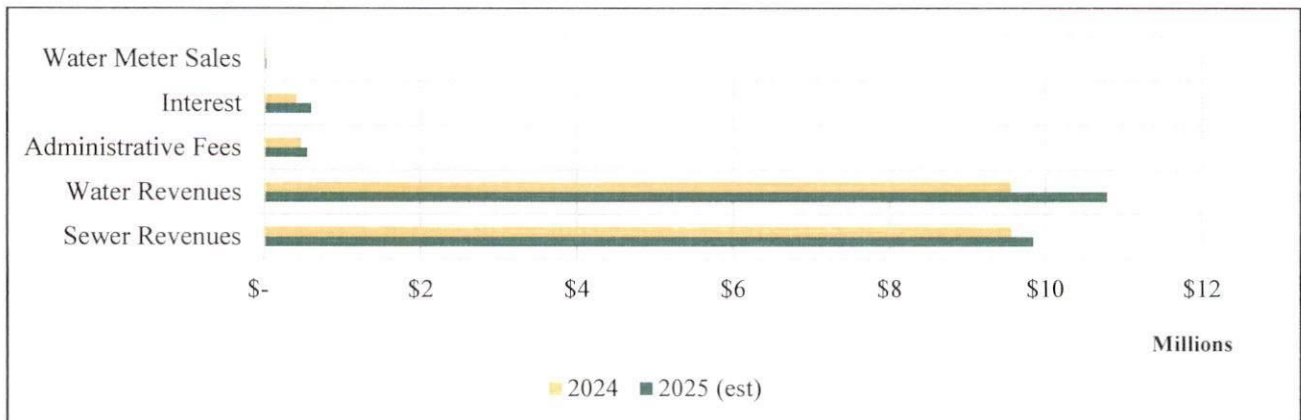
TAX RATE ANALYSIS WITH DEBT ISSUANCE



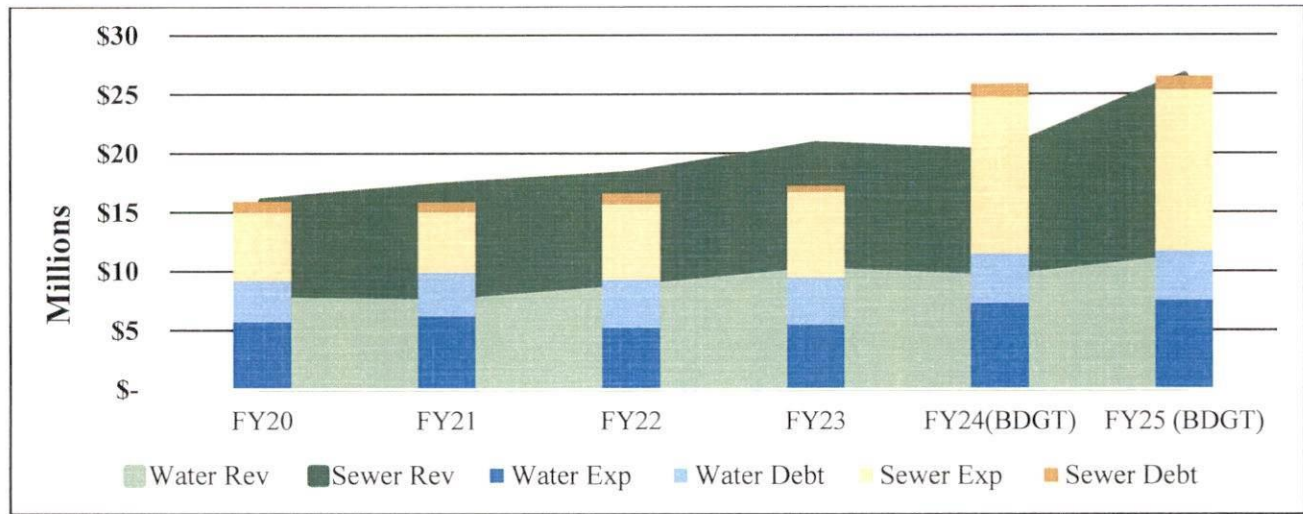
GENERAL FUND – FUND BALANCE ~ \$16.7M



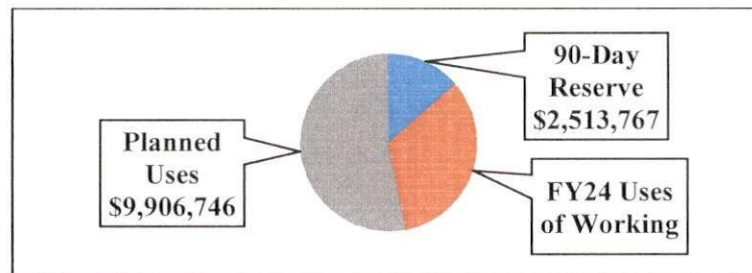
The Water and Sewer Fund revenues were presented to be twenty-one point eight million dollars (\$21.8 M). Ms. Blossas provided the following chart to further illustrate the fund's revenues:



WATER & SEWER FUND UTILITY REVENUE & EXPENDITURE COMPARISON



WATER & SEWER WORKING CAPITAL ~ \$17.8M



As of June 3, 2024, Ms. Blosskas noted the net balance for their working capital is negative seven hundred seventy-two thousand one hundred and thirty-five dollars (-\$772,135). To close the discussion on the City of Friendswood FY2024-2025 Budget, Ms. Blosskas presented the following key dates as their next steps:

- Proposed Budget Delivered – 08/01/2024
- Budget Work Session – 08/05/2024
- Proposed Budget Public Hearing (Special Meeting) – 08/26/2024
- Public Hearing on Tax Rate – 09/09/2024
- Budget and Tax Rate Adoption – 09/09/2024

At 11:11 A.M., Councilmember Griffon stepped out of the meeting and later returned at 11:13 A.M.

At 11:17 A.M., Mayor Foreman recessed the meeting for a short break and later reconvened at 11:25 A.M.

Upon the meeting reconvening, Police Chief Josh Rogers provided the following updates to Council on current City of Friendswood Police Department affairs:

- Challenges with Retention/Recruitment
- 8 to 12-Hour Shift Changes
- Staffed at 66 (67 Total – 1 position vacant)
- Officer Mental Health
- Policy Accreditation/Training Requirements
- Flock Systems/License Plate Recognition Cameras (Around 30 total)

At 11:50 A.M., Mayor Foreman recessed and convened into an Executive Session pursuant to Section 551.071 of the Texas Government Code to consult with the City Attorney regarding legal issues concerning the current and future operations, plans, budgets, rules, policies, and/or goals for the City of Friendswood.

At 1:14 P.M., Mayor Foreman reconvened the meeting and announced that, in accordance with Section 551.102 of the Texas Government Code, no action was taken in the Executive Session.

6. ADJOURNMENT

With there being no further business to discuss, Mayor Foreman adjourned the June 22, 2024, City Council Special Meeting at 1:15 P.M.


Mike Foreman, Mayor

Attest:


Leticia Brysch, City Secretary

