

STATE OF TEXAS)(
 CITY OF FRIENDSWOOD)(
 COUNTIES OF GALVESTON/HARRIS)(
 JUNE 24, 2019)(
)

MINUTES OF A SPECIAL MEETING OF THE FRIENDSWOOD CITY COUNCIL THAT WAS HELD ON MONDAY, **JUNE 24, 2019** AT 6:00 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	BRENT ERENWERT
CITY MANAGER	MORAD KABIRI
CITY SECRETARY	MELINDA WELSH

City Attorney Mary Kay Fischer was absent from the meeting.

COMMUNICATIONS FROM THE PUBLIC

Ron Cox, Friendswood resident, addressed Council and stated he recently heard about naming a park or entryway at Lake Friendswood after Former Mayor Paul Schrader. He gave a brief history of Mayor Schrader's interest in Lake Friendswood and stated that Mr. Schrader had championed for the lake since the late 1980's. Mr. Cox further stated he would encourage Council to consider naming the facility after Former Mayor Paul Schrader, was a good Mayor, and is a good man.

John Cole, Friendswood resident, addressed Council and stated he served on the Citizen Advisory Team and was on the Finance Committee, conclusion was interesting, opposed to any new debt, there has been dishonesty towards him, and encouraged Council to remember that they are representatives of the city.

WORK SESSION

Mayor Foreman opened the discussion regarding recommendations from the Citizen Advisory Team. City Manager Morad Kabiri introduced Citizen Advisory Team (CAT) Chair Ron Cox. Mr. Cox presented a PowerPoint presentation regarding recommendations from the CAT, and explained the charge of the committee was to review identified capital projects and make recommendations for potential bond issues. Committee members utilized multiple resources including city Staff, capital plans, historical and projected financial information, and tours/observations. The committee consisted of over 75 citizens that participated, asked CAT participants to stand for acknowledgement, took their job seriously, and thanked the City Manager and city Staff for their work. Mr. Cox further stated the CAT consisted of five subcommittees that included Parks and Recreation led by Brett Banfield, Drainage led by Philip Ratisseau, Finance led by Robin Hall, Streets led by Skipper Jones, and Facilities led by Brian Bounds. The subcommittee chairs did a great job leading their groups, providing them information, and keeping them involved. The CAT group met six times as a body, and the subcommittees met for a combination of 30 times. Meetings included meeting with citizens and Staff, tours of facilities, review of Drainage Committee recommendations, review of Capital Improvements Plan, and review of financing structures and options. Each subcommittee was charged with bringing its recommendations to the CAT meeting, opinions and recommendations of the subcommittees were divergent, every member of the subcommittees had an opportunity to express their opinion, goal was to formulate a decision for the whole, and for the citizens of Friendswood to be able to make decisions that provide the choices and opportunity to decide which projects would be best for the community. Population growth was discussed and on

average the city has grown 3% per year since 1990. In 2019 the population is estimated to be 41,193, and at build-out the city's population is estimated to be 57,000. Property value growth has been an interesting phenomenon. Over the last six years property values have grown by 41%, cannot control economic factors or property appraisals, can control to a large extent the desirability of the City of Friendswood, and the projects that will be recommended speak to the desirability of the city. If the quality of the city's infrastructure and services are not maintained then the city's desirability becomes at risk. The rationale that was provided to the subcommittees for them to base their decisions on included Vision 2020, enhance safety, promote Friendswood as the number one city, improve efficiency in operation, increase attractiveness to prospective businesses, improve quality of life, improve infrastructure, prepare for build-out, benefit to what percentage of residents, and increase value of homes and businesses. These desirable factors were weighed against each project, and in addition to that each subcommittee established and added additional criteria to their discussions. The CAT Drainage subcommittee's additional rationale included reviewing the extensive work of the Drainage Subcommittee performed over the previous nine months, project scope would be the same as the city committee, additional recommendations are prioritization of projects, matching amounts of 25%, inflation of 3%, and proposition wording. The Streets subcommittee's additional rationale included identifying and assess the city's changing mobility needs, align screening criteria with current and future transportation needs, assess existing Capital Improvement Projects (CIP) for compliance with mobility and transportation needs, make responsible and cost effective recommendations for traffic improvements to be funded with bond proceeds, enhance traffic study, reduce congestion on major arteries, provide proactive steps for managing future conditions, maintain/improve access to major commercial, educational and entertainment centers, and deliver benefits to the greatest number of citizens. The Parks and Recreation subcommittee's additional rationale included the overriding sentiment that any potential bond money should first go to improve the parks assets that the city currently has in place before embarking on new projects or park facilities. The subcommittee gave very careful consideration to projects listed in the CIP as proposed by Staff and proposed some additional projects that they felt are greatly needed to improve the overall quality of the Friendswood parks system. The Facilities subcommittee's additional rationale included a tour of every city facility, met with Staff at every facility, prioritized all facilities on the CIP, recommendations to CAT should span across disciplines of public safety, drainage, and civic center. The Drainage subcommittee's recommendations were terracing which removes the need for desnagging, any future design or any design of terracing should be compatible with Parks and Recreation's parks and leisure projects. The Drainage summary has a total project cost of \$152 Million, cost share was raised to 25%, inflation of 3% added since projects are based over 15-year time span, total estimated recommendation cost for drainage is \$47 Million which includes a \$9 Million inflation factor. The Streets subcommittee recommended the city become more aggressive with sidewalks citywide, traffic adjustments around Cline Elementary and Westwood Elementary, improvements to a turn lane eastbound on Sunset Drive at FM 528, turn lane and storage lane improvements be done at FM 518 and FM 2351, add a turn lane to Moore Road to accommodate heavier traffic, enhance traffic study with traffic signalization and optimization study, and seed money for Friendswood Parkway. Total estimated cost for the Streets subcommittee is \$7.6 Million consisting of \$2 Million for sidewalks citywide, \$2.6 Million for traffic enhancements, and \$3 Million for Friendswood Parkway. The Parks and Recreation subcommittee recommended substantial upgrades and repairs to Stevenson Park and Old City Park to include upgrades/improvements to walking trails, restrooms, playground equipment, swimming pool reconstruction, a gateway entrance to Stevenson Park, and additional parking at Old City Park. Recommended upgrades to Renwick Park include restrooms and concession stands, additional field netting and perimeter fencing, Field 5 conversion to synthetic turf, and overall park upgrades. Much of 1776 Park will be transformed for drainage improvements, but it will still be an important part of the Friendswood park system. Recommended upgrades to 1776 Park and the Clear Creek Green Belt include upgrades to the driveway, parking lot, and fencing to provide better access for citizens to utilize pocket parks that would be appropriate for the greenbelt but not impede flow during a flood event. The Parks and Recreation subcommittee strongly encourages a green grid paver system be considered for all future parking in and around Friendswood parks. Parks and Recreation subcommittee's recommendation total estimated cost of \$6.5 Million. Facilities subcommittee looked at all city facilities and made recommendations on facilities that were in the most need. Fire Station No. 2 is in poor condition, additional space is needed for growth, is the city's second oldest facility, and additional equipment storage is needed. Recommended upgrades to the training facility at Fire Station No. 2 will improve

response time, enhance safety to personnel, and maintain efficiency and standards for National Fire Protection Association 1. Public Safety Building expansion includes HVAC upgrade of 20-year-old system, expand emergency management capabilities, additional office space to alleviate overcrowding of personnel, and increase storage and parking space. Public Works building renovations are needed for an emergency shelter for Harris County, efficiency to join multiple departments, and to replace the Public Works building lost during Hurricane Harvey. The activity building (originally the library) is the oldest city facility at 49 years old, size and layout is not conducive to multi-uses, and the condition of the building is poor. The Joiner study pointed out that a remodel would be as costly as a new facility. It is located strategically in downtown, a replacement multi-use building could be used for a Civic Center, recreational and emergency shelter purposes, and for senior programs. Total estimated cost for the Facilities subcommittee is \$18.8 Million consisting of \$7.7 Million for Civic Center (Willowick Activity Center), \$4.1 Million for Fire Station No. 2 reconstruction and training field upgrades, \$5 Million for Public Safety Building expansion, \$2 Million for Public Works and Parks facility renovation. Discussed Finance subcommittee's rationale, provide overall criteria for groups to review, reviewed financial impact to citizens, reviewed funding sources, reviewed current bond maturities, reviewed Emergency Management Services (EMS)/Volunteer Fire contribution, reviewed activity fees, and reviewed tax structure. Discussed funding sources such as homestead exemption, property taxes, bonds – tax increase, sales tax, activity fees, and Fire/EMS volunteer contribution. Evaluated tax rates, consistently lowered since 2003 by the Effective Tax Rate, exemptions for over 65 population, 20% Homestead exemption, and activity fees should be reviewed for benefits received. Discussed tax rate history from 2003 to 2019, since 2003 the tax rate has been lowered by ten cents total, tax rate capacity, tax rate capacity with debt retirement, not relying on property value increase, purely debt service payments. Discussed the Effective Tax Rate, adopting a consistent and constant tax rate allows opportunity for “pay-as-you-go” capital project construction, potentially reducing reliance on bond issues. Bond packaging with recommendation of multiple propositions for voter choice, packaged according to project relationships, and designed to meet current and future needs of the city. Discussed needs and recommendations with needs identified of \$205.2 Million with \$114.3 Million sourced from outside of Friendswood and \$90.8 Million sourced from inside Friendswood, recommendations of \$114.3 Million sourced outside of Friendswood and \$80.6 Million sourced inside Friendswood, impact of \$90 Million over 15 years is estimated at \$.05/\$100. Bond package considerations include drainage projects which includes \$9.5 Million in inflation. The Drainage subcommittee would like the Public Works building costs to be separated from drainage projects in the proposition, and one member of the Finance subgroup would like a plan to eliminate debt completely and not issue any bonds. Recommendations of five separate propositions including Civic Center/Shelter for \$7.7 Million, Drainage/Public Works for \$49 Million including inflation, Parks for \$6.5 Million, Public Safety for \$9.1 Million, Transportation for \$7.6 Million, for a total of \$80.4 Million. The CAT has all acknowledged that drainage is the number one need for the community, represents 62% of total recommendation. Discussed maximum cost of the bond to homeowners, policy considerations, establish a policy for a Flat Tax Rate to fund capital items, consider residents and non-residents activity fees for a new Civic Center, review the contribution amount for Emergency Medical Services/Fire volunteer fee, encourage voters to reapprove the additional sales tax item for street maintenance, new parking structures installed by the city be green grid paver system, and design terracing project to a park like setting to accommodate trails and other amenities. The CAT appreciates the opportunity to make recommendations to meet the needs of the City of Friendswood, and the group stands adjourned and ready to assist Council should an election be called.

Discussion took place between Mayor, Council, Citizen Advisory Team (CAT) members, and Staff regarding separating the drainage proposition from the Public Works building cost, would be specified in the proposition bond language, breakdown of the estimated cost of terracing, buyouts, and engineering for the drainage proposition. Additional contingency from CAT Drainage subcommittee's estimated cost is due to inflation, the uncertainty in how much the project is going to cost, and Harris County would like to accelerate their work from a 10-year timeframe to a five-year timeframe. The results of the Effective Tax Rate versus a Flat Tax Rate in terms of servicing debt, CAT recommends all five propositions go before the voters, the proposed five cent tax rate increase should be the high-end target, estimated costs explained for pool improvements and Friendswood Parkway, project phasing to break up total cost, Public Works facility renovations, waiting on finalization from Federal Emergency Management Agency (FEMA) for the city to complete the building purchase, explanation of green grid paver system, proposed Civic

Center location, explanation of the citywide sidewalk, and gateway entrance to Stevenson Park projects. Council will need take action by the August Council meeting to call a November Bond Election.

ACTION ITEMS

******Mayor Foreman moved to approve naming the entrance area of Lake Friendswood Schrader Park at Lake Friendswood after Former Mayor Paul Schrader.

Seconded by Councilmember Branson. The motion was approved 4-3 with Councilmembers Griffon, Scott, and Erenwert opposed.

This meeting was adjourned at 8:02 PM.

Mayor Mike Foreman

Attest:

Melinda Welsh, TRMC
City Secretary