MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF FRIENDSWOOD
APRIL 7, 2025

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, APRIL 7, 2025, AT 5:30 P.M. IN THE COUNCIL CHAMBERS OF THE FRIENDSWOOD CITY HALL, LOCATED AT 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING MEMBERS PRESENT CONSTITUTING A QUORUM:

John Ellisor	Councilmember
Trish Hanks	Councilmember
Sally Branson	Councilmember
Robert J. Griffon	Councilmember
Joe Matranga	Mayor Pro Tem
Brent Erenwert	Councilmember
Mike Foreman	Mayor
Morad Kabiri	City Manager
Karen Horner	City Attorney
Leticia Brysch	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 5:30 P.M.

2. INVOCATION

The invocation was led by Reverend Justin Briggle, Ph.D. of Good Shepard Episcopal Church.

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

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

4. COUNCIL FOR A DAY

A. Consider a proclamation declaring April 7, 2025, as Windsong Elementary School Day in the City of Friendswood.

Mayor Foreman introduced the students and teachers from Windsong Elementary. He noted the Council for a Day Program allows second graders from the four elementary schools in Friendswood to "take over" the council dais and sit-in for the Council and Staff, and this was the second year in which Windsong Elementary was participating. Mayor Foreman welcomed all of the students, their families, teachers, and school administrators to the meeting. The participants included the following:

Position	Student Name	Teacher Name
Councilmember 1 (Ellisor)	Jackie Nesrsta	Mrs. Goodrich
Councilmember 2 (Branson)	Logan Peacock	Mrs. Goodrich

Councilmember 3 (Hanks)	Joaquin Valdez	Mrs. Smith
Mayor (Foreman)	Autumn Casteel	Mrs. Smith
Councilmember 4 (Griffon)	Cohen Lucas	Mrs. Williams
Councilmember 5 (Matranga)	Alexa Carnes	Mrs. Williams
Councilmember 6 (Erenwert)	Eli Spitzenberger	Mrs. Biffle
City Attorney (Horner)	Zoe Lin	Mrs. Smith
City Manager (Kabiri)	Irene Mergele	Mrs. Biffle
City Secretary No. 1 (Brysch)	Micaela Valverde	Mrs. Biffle
City Secretary No. 2 (Brysch)	Rhys Hoffman	Mrs. Williams

A motion was made by Councilmember Lincoln Robey (John Ellisor) and seconded by Councilmember Lucy Holland (Sally Branson) proclaiming April 7, 2025, as Windsong Elementary School Day in the City of Friendswood. The vote was the following:

Ayes: Mayor Autumn Castell (Mike Foreman), Councilmember Jacqueline Nesrsta (John Ellisor) Councilmember Logan Peacock (Sally Branson) Councilmember Joaquin Valdez (Trish Hanks), Councilmember Lucas Cohen (Robert J. Griffon), Councilmember Alex Carnes (Joe Matranga) and Councilmember Eli Spitzenberger (Brent Erenwert)

Nays: None

The item passed unanimously.

At 5:45 P.M., Mayor Foreman recessed the meeting for the Council for a Day reception.

At 5:55 P.M., Mayor Foreman reconvened the meeting.

5. COUNCIL COMMENTS AND REPORTS

Mayor Foreman opened the item inviting the Councilmembers to provide their comments and reports.

Councilmember Branson invited the public to attend the Friendswood Community and Economic Development's Small Business Week, from May 4 through May 10, 2025. She outlined the event schedule as follows:

- Keynote Speaker and Networking Event, Monday, May 5, 4:00 p.m.- 6:00 p.m. at Hope Village
- A Kick-off Event, Tuesday, May 6, 7:30 a.m. to 9:00 a.m. at Summer Moon
- Presentations, Wednesday, May 7, from 11:00 a.m. to 1:00 p.m. at the Friendswood Public Library and
- Professional Headshots, May 9, 12:00 p.m. to 2:00 p.m. at DC Stanley for $45.00 per person.

She noted that all were welcome to attend.

Councilmember Ellisor reminded everyone that the Houston Cougars were playing in the National Championship that evening.

Mayor Pro Tem Matranga gave an overview of his tour of the recycling facility where all of the City's recycling goods are picked up and taken for further processing. He noted that he learned a lot about what can and cannot be accepted for recycling. Things that can't be accepted include auto parts, furniture, no stuffed animals, and no batteries. The items that can be accepted include boxes with or without tape, aluminum cans, newspapers, magazines, catalogs and any other clean paper products. Glass bottles, any colored glass, with or without the lids on, gallon milk jugs and tea jugs as well as all plastic bottles like detergent, any other clear or colored plastics as these are considered natural plastic and they have a real market for them.

6. PUBLIC COMMENT

Cassie McGarvey, 908 Laurelfield, requested to speak before the Council to request support of their upcoming Rotary Youth Triathlon to include participation from the Keep Friendswood Beautiful Figgy, assistance from the Parks and Recreation staff and certain road closures.

Janie Schrager, Wilderness Trails, requested to speak before the Council to request that the Council vote against the creation of the proposed Falling Leaf Public Improvement District. She stated that she had many concerns about the development including the environmental issues at the old Exxon Mobil property and the planned extension of Friendswood Parkway through the area, among other things.

Michael Ross requested to speak before the Council on behalf of the Eagle Lakes Homeowners Association to make the Council aware of the issues with their waste collection in their subdivision and noted that the company had been late in picking up their scheduled Wednesday pickup as late at the following day. Mayor Foreman requested that Mr. Ross speak to Deputy City Manager Steven Rhea to discuss the issues with trash collection in order to ensure that the problems he noted were corrected immediately.

7. PROCLAMATION

A. Present a proclamation designating the month of April as Fair Housing Month in the City of Friendswood.

Mayor Foreman presented Ms. Aubrey Harbin, the City's Director of Community Development with the proclamation designating the month of April as Fair Housing Month in the City of Friendswood.

8. COMMITTEES OR SPECIAL REPORTS

A. Receive the Keep Friendswood Beautiful Annual Report.

Keep Friendswood Beautiful Chair Patty Steinke introduced herself and the other members of KFB that were in attendance and noted that the KFB's mission is to enhance the aesthetic appearance of the city and encourage residents to also take a role in maintaining that appearance.

Ms. Steinke presented in their annual report and noted the following highlights:

- In April 2024, they hosted Pollinators in the Park, a free event that celebrated and supported local pollinators. The event featured educational activities, nature-based experiences, and provided Girl Scouts with the opportunity to earn badges while learning about the importance of bees, butterflies, and other pollinators.
- The Spring Sparkle from last year, which is separate and apart from the Spring Sparkle happening this Saturday, had 642 cars, 3.3 pounds of refrigerant, 73.46 tons of collected waste, the shred 6,875 pounds of paper and made $1,399.85 at the garage sale. Also in April, they tackled the removal of invasive wood species in Stevenson Park with Texas Master naturalists cutting mostly Ligustrum species from a small riparian forested area near Cowards Creek.
- In May, they said goodbye to Friendswood High Schools, Mrs. Woodley, who had been the sponsor of the Friendswood High School Recycling Club since its inception.
- In June, they celebrated National Pollinator Month and completed the installation of a new arbor in the Pollinator Garden. Also, the virtually attended the Keep Texas Beautiful Conference and also awarded their photo contest winner. This year, the theme will be Friendswood Community Spirit, and the photo contest will start this Thursday, April 10th, and runs through May 19th.
- In July, they won first place for our 4th of July float entry themed music in America, and they also sponsored movie in the park, which was Moana.
- In August, they awarded the KFB matching grant to Falcon Ridge HOA, who used the funds to reimagine the entrance to their neighborhood. They also attended the Chara back to school Open House, and Figgy was there to greet 60 families.
- In September, the Friendswood High School student Council volunteers started at Stevenson Park and helped clean litter from the banks of Cowards Creek and Mary Queen Creation Care, to beautified Parkwood Avenue from HEB all the way to Windsong Elementary.
- In October, Bird Chirps Estates opened in Stevenson Park, which were prepared by Girl Scouts and installed by city staff. The Girl Scouts also developed a QR code that citizens can use to learn more about the different birds.
- In October, KFB also participated in the annual scarecrow contest with Poly, the pollinator gardener that was made from recycled and reused materials. They also had a visit in Stevenson Park from Casper, the albino squirrel, who appeared just in time for Halloween in Stevenson Park.
- In November, they had a successful Fall Holiday, and they completed their invasive species removal Phase One in Stevenson Park with help from Boy Scouts.
- December brought a refreshed Holiday Fairy Trail and thousands of people visited Stevenson Park for the lighted Christmas trail and Santa in the Park and their holiday programming continues to be very popular.

She further stated that so far in 2025, they have undertaken the following:

- In January, they gave away 100 trees on their Friendswood Arbor Day. In February, they received Gold Star status from Keep Texas Beautiful for the 12th year in a row. They also submitted a GCAA grant application for constructive review because they were not eligible for that grant until next year.
- In March, they also hosted a very successful Rain Barrel Workshop with a new partner, Galveston Bay Foundation.
- In March, in partnership with the Friendswood Downtown Economic Development Corporation (FDEDC), they saw the installation of the artwork on the traffic signal boxes from FM 2351 on FM 518 and ending at Whispering Pines. Additionally, they gave out four Business Beautification Awards in the last 12 months to Friends Church, San Joaquin Parkway HOA, High Point Church, and most recently the Alton Todd Law Firm.

Ms. Steinke stated that they appreciated the hard work, creativity and professionalism of the Parks and Recreation staff, including James, Megan, Catherine, Michael, Garrett, Caleb, Gary, Cece, and all the operations staff. She also extended her appreciation to all of their sponsors and community partners that help to Keep Friendswood Beautiful.

Mayor Foreman and the Council thanked Ms. Steinke for the presentation and commended the KFB volunteers for their incredible work within the community.

B. Receive the Fourth of July Steering Committee Annual Report.

Mayor Foreman noted that the report was submitted for the Council's review in the backup material in the agenda packet and that there would be no in person presentation.

C. Receive and discuss the Community Development Department's Quarterly Update.

Community Developer Director Aubrey Harbin presented the item and stated that she would be giving the Council an overview of CDD's activities in the last quarter. As it relates to the CDD staff she noted that:

- She and Diana attended a FEMA floodplain management class,
- Ruben and Alex attended the Code Enforcement Association of Texas Annual Conference,
- Diana served as a panelist in a discussion at the Texas Association of Governmental Information Technology Managers (TAGITM) Annual Conference, and
- She was a presenter to a group of realtors, mortgage brokers, and title companies in League City hosted by Stewart Title.

Ms. Harbin stated that they had received a $250,000 grant from the Resilient Communities Program (RCP) Community Development & Revitalization Texas General Land Office to update the City's Comprehensive Plan. She noted that the plan will be (1) forward-looking and integrated with the Galveston and Harris County Hazard Mitigation Plans and (2) help identify local hazard risks and how to mitigate those risks. The plan will also include (1) Population Study, (2) Housing Study, (3) Land Use Study/Plan, (4) Zoning Ordinance amendments, if necessary and (5) Infrastructure Study/Capital Improvement Plan. The study must be completed within 24 months from the date of the contract's execution.

Ms. Harbin noted that CDD is the process of updating their permit fees, and the staff continues to review its workflows and permit types to improve their workflows with their new software, City Works. She stated that they have had this new software for about a year and a half for their digital plan review process and that they recently received additional training from the software vendor to help staff continue to improve their processes.

Ms. Harbin also noted that GIS had assisted the Engineering Department and their third-party contractor with the mapping of pavement conditions and qualities. They also created an internal dashboard for the Police Department to map calls and call data and also created a new dashboard for Planning for acreage calculations by zoning districts, FLUM categories and underdeveloped land. Diana actually created a dashboard that allows the staff to actually track the city's undeveloped acreage because it's getting down to the nitty gritty.

As it relates to new development, Ms. Harbin stated that the Story Map is on the City's website to allow anybody to access it at any time, but she wanted to point out a couple of new projects:

- APA designs are underway on Laurel. They demolished the old building that was there and are building a new building. It'll be a floral shop and a cute little winery and tasting room, and
- the staff recently approved a new facade for the Parkwood American Grill, which will be located at the old Rancho Mexican food restaurant on West Parkwood.

The Planning and Zoning Commission, just for this first quarter, has been busy, even though they have only had three meetings this year. So far, the Commission has:

- approved 1 site plans and 1 site plan amendments
- reviewed 10 plats (2 preliminary; 4 final; and 1 replat)
- made 1 zone change recommendation
- reviewed Zoning Ordinance amendments – Section 8 regarding landscaping, and Section M. regarding temporary outdoor uses for commercial businesses (formerly outdoor sales and special events).

Some general items for the Commission include the monitoring of development along FM 528 for recommend updates to the Design Criteria Manual regarding the Downtown District's amenities. She noted that now, that the lighting project is going in by FDEDC and the sidewalks have all been installed, it might be good time to revisit those requirements. From the staff's perspective they continue to review planning topics and monitor the Texas Legislative session for changes that impact CDD.

Mayor Foreman thanked Ms. Harbin for the update.

D. Receive and discuss the 2024 Annual Comprehensive Financial Report.

Witley Penn Representative Lupe Garcia presented the Council with the City's financial Statement audit for the fiscal year ending September 30th, 2024. Mr. Garcia noted that their field work began last summer when they were on site working through interim field work procedures, focusing on internal controls compliance, and doing everything they could in preparation for their year-end field work, which occurred in January 2025.

Mr. Garcia noted that during their field work, they perform audit procedures to obtain audit evidence to support their opinion on the financial statements, which is included in the City's Annual Comprehensive Financial Report. Mr. Garcia further noted that said opinion is in the very first paragraph of the report and that the City had earned an unmodified opinion for fiscal year 2024, which is the best outcome possible in a financial statement audit. This unmodified opinion indicates that the City's financial statements are following all generally accepted accounting principles, what accountants call "GAP", and that these financial statements are fairly stated in all material respects.

Mr. Garcia noted that within the City's financial report, there's two sets of financial statements. The first contains the government wide and net position that is prepared and presented on an accrual basis of accounting, so this includes all the City's assets, liabilities, and the differences reported as the City's net position. Mr. Garcia stated that the City's total assets and deferred outflows of resources on September 30th, 2024, totaled $322.4 million, and that's primarily comprised of the City's cash and investments, as well as the City's capital assets, which were $78.4 million and $226.3 million.

Moving on, Mr. Garcia noted that the City's total liabilities and deferred inflows of resources were $163 million, which is primarily (1) the $10 million in unearned revenue related to the ARPA award which is the unexpended funds related to that federal program, (2) the bonds and unamortized premiums payable of $124 million and (3) the net pension liabilities related to the City's participation in TMRS for retiree pension, that was $13.7 million. Therefore, the City's net position i.e., the difference between the City's assets and liabilities or outflows and inflows was $159.4 million. Mr. Garcia stated that by drilling down further on the City's long-term liabilities, they did decrease from the prior year, by a total of $11.7 million.

Mr. Garcia went over the City's Long-Term Liabilities as noted in Page 21 of the report, which is noted below:

Total Primary Government (Governmental and Business-type Activities)	September 30, 2024	September 30, 2023
General obligation bonds	$83,990,000	$88,245,000
Revenue bonds	32,545,000	34,120,000
Notes payable	1,752,620	2,645,629
Total OPEB liability	1,710,326	1,570,435
Net pension liability	13,715,046	18,930,545
Bond premiums	7,457,574	8,228,323
Compensated absences	2,210,429	1,376,966
Subscription-based IT arrangements	152,509	92,494
Total	**$143,533,504**	**$155,209,392**

Mr. Garcia stated that looking at the City's revenue and general obligation bonds, the two largest components of the City's long-term liabilities both decreased from the prior year due to regularly scheduled principal payments that were made during the past fiscal year. He also noted that the City has notes payable for the acquisition of machine equipment and vehicles that also decreased in the prior year again due to principal payments made during the year.

Mr. Garcia also noted that the City's pension and OPEB liability that's related to the City's retiree benefits and are measured as of the end of the year by the City's actuaries and are comparable to the prior year, even though the pension liability actually did decrease due to favorable market conditions in which the investments increased in value during this particular period of time, however, that is not talking about the market conditions today. Mr. Garcia then went over the City's compensated absences, which are balances accrued by employees for time that they've earned and subscription-based IT arrangements which are related to software licenses.

Moving onto the next slide, Mr. Garcia commented on the City's Statement Revenues, Expenditures and Changes in Fund Balance, Governmental Funds as noted on Page 26 of the report.

Year Ended September 30, 2024	General	Coronavirus State Fiscal Recovery	Bond Construction	Debt Service	Non-major	Total
Total revenues	$36,719,639	$455,612	$1,491,401	$6,260,776	$3,753,388	$48,680,816
Total expenditures	43,147,731	-	12,284,477	6,090,120	1,693,460	63,215,788
Total other financing sources (uses), net	2,985,812	-	-	-	-	2,985,812
Net change in fund balances	(3,442,280)	455,612	(10,793,076)	170,656	2,059,928	(11,549,160)
Fund balance – beginning	16,738,853	367,770	33,540,466	30,793	6,140,990	56,818,872
Fund balance - ending	$13,296,573	$828,382	$22,747,390	$201,449	$8,200,918	$45,269,712

Mr. Garcia reported that the City's fund financial statements reported $45.3 million in ending fund balance at the end of the year, which was a decrease from the prior year of $11.5 million. He noted that said decrease is primarily related to the City's bond construction fund, which completed several drainage projects during the year, hence, there was a plan decrease. He further noted that the general fund reported a decrease in fund balance at $3.4 million, which are expenses related to Hurricane Beryl that occurred during the year, and that the City anticipates being reimbursed in fiscal year 2025. Mr. Garcia stated that the City's general fund budget to actual revenues were greater than final budgeted revenues by $1.6 million and its final actual expenditures were less than budgeted expenditures by $4.7 million. Therefore, overall, Mr. Garcia reported that there was a decrease of $3.4 million in fund balance during the year for an ending fund balance of $13.3 million.

Councilmember Griffon inquired is the City just deferred those expenditures because they were on the balance sheet, or did they just not spend them, or did they not have expenses that total $4.7 million? Mr. Garcia responded that the $4.7 meant that the City didn't have expenditures compared to its final budgeted expenditures. So, the City had a budget, and the staff actually came in under that budget. Now, the $3.4 million represents actual expenditures that occurred during the year that was less than the City's revenues brought in. City Manager Morad Kabiri added to Mr. Garcia's comments and noted that the City had some projects that span multiple fiscal years, so even though the City had expenditures of less than $4.7 million, it is not that the line item wasn't completed, it means that it is being completed in this fiscal year. Mr. Garcia agreed with Mr. Kabiri's comment and noted that while the cost in question was not incurred in fiscal year 2024, it carried over into fiscal year 2025.

Mr. Garcia stated that the City's fund balance of $13.3 million breaks down into a few different categories thee non-spendable fund balance which represents inventory and prepaid items and the restricted fund balance of $0.6 million which represents items earmarked by external parties for certain expenditures, assigned fund balance management that earmarks those $3.2 million, and then unassigned fund balance which is everything else that's not non-spendable, restricted, or assigned available for spending on any lawful purpose of $9.1 million. Mr. Garcia further stated that $9.1 million represented 21% of the City's general fund expenditures, which decreased this year due to Hurricane Beryl-related expenditures. He further noted that the City fully expects the Beryl related expenditures to come back into the general fund in the form of federal disaster related reimbursements. Once this happens the City's fund balance will be better aligned with that of the prior fiscal years.

Mr. Garcia noted that the water and sewer fund reported an ending position of $63.2 million. He noted that the City has an operating revenue of $20.2 million, minus the City's operating expenses of $11.9 million. He noted that the City transfers out of $2.7 million for a positive change in that position of $5.3 million in the City's water and sewer fund.

Mr. Garcia noted that as a part of their audit process, they review the City's accounting policies, and he noted that there were no new pronouncements that the City had to implement. Therefore, the City is following all current U.S. GAP. He also noted that he was happy to report that there were no difficulties in working with City staff through the audit and finishing the audit. Mr. Garcia noted that they had the City's full cooperation, so he extended his thanks to city staff and management for their assistance throughout the entire audit process. At the completion of the presentation, Mayor Foreman opened the discussion for questions from the Council.

Councilmember Hanks inquired if all taxing entities were required to have these types of independent audits. Mr. Garcia responded that an agency that received public tax dollars would technically yes be required pursuant to State Law to have an independent financial statement audit.

With no more questions, Mayor Foreman thanked Mr. Garcia for their report and presentation.

9. WORK SESSIONS

A. Receive and discuss an update regarding the Capital Improvement Projects.

Engineering Director Jil Arias presented the item and stated that he would give the Council an overview of the main capital improvement projects being undertaken by the City at this time. Mr. Arias gave the following points:

The Blackhawk Boulevard Project, Phases II-B & II-C are located at Blackhawk Boulevard (Pennystone Way to FM 2351; Thursa Lane to FM 528). This project costs $9.6 million and is being funded through 2022 and Pct.2 Partnership, street improvements funds (sales tax), water and sewer working capital

Status Update:

- Phase II-B: Original contractor defaulted, therefore (1) and alternate contractor authorized at March 2025 Council Meeting for stop-gap construction, and (2) the City staff continues working with the original contractor's bonding company on completion of II-B.

- Phase II-C: 90% of plans received and TxDOT permits are in process. City staff anticipates the completion of II-C plans anticipated in the near future.

Mayor Pro Tem Matranga asked if all of the driveways that had been left un-poured due to the default by the first contractor, had been completed. Mr. Arias responded that all of the driveways had been poured and are in use now.

Mayor Pro Tem Matranga inquired about when staff expected to be finished with the Blackhawk Projects, both 2B and 2C. Mr. Arias noted that if everything goes well, realistically, a year and a half from now.

24" Clear Creek Water Line Crossing Project is located from Blackhawk Boulevard to FM 518 and has cost of $4.98 million which is being funded by water and sewer bonds and ARPA funds.

Status Update:

- Contract awarded in December 2024,
- The notice to Proceed was issued to the Contractor with construction start date of April 7, 2025,
- Work is estimated to be completed by December 2025, and
- Construction includes open-cut and trenchless methods for installing a 24" water transmission main.

The Tank Project at Surface Water Plan #1 is located at Blackhawk Boulevard near FM 528, and costs $5.02 million that is being funded by water and sewer bonds and ARPA funds.

Status Update:

- Contract awarded in December 2024,
- The notice to Proceed has been issued to the Contractor with construction start date of March 24,
- Work is estimated to be completed by October 2026, and
- The scope includes construction of a new ground storage tank to enhance water storage capacity.

H-GAC Unified Planning Work Program (UPWP) are in multiple locations throughout the city and are being led by the Houston-Galveston Area Council. The cost of $500,000 is being paid for by H-GAC and there is no local match.

Status Update:

- Friendswood Master Trail Plan
  - Kickoff meeting pending.
  - Project will positively impact accessibility, connectivity and safety of cyclists and pedestrians in Friendswood by conducting existing conditions analysis, public engagement activities, opportunity analysis, and making recommendations on actionable strategies.
  - Public meeting dates TBD.

- Friendswood Parkway Corridor Study
  - Public meeting scheduled for Monday, March 31.
  - Study takes into consideration available right-of-way and ongoing development.
  - H-GAC public meetings seek input on the corridor study.

2024 H-GAC Carry-Over Spending Projects are in multiple locations throughout the city and $2.06 million is being funded by H-GAC carry-over funds with a 20% local match, half of which can be another transportation project such as annual street maintenance). These initiatives are led by the Houston-Galveston Area Council, who have determined the projects to meet the Regional Transportation Plan visions and goals.

Status Update:

- TxDOT has started initial engineering work on:
  - FM 528 @ Bay Area Boulevard – Additional lanes utilizing existing right-of-way to increase turning movements & decrease time at intersection.

- FM 528 @ Winding Way – New northbound right turn lane.
- FM 528 @ FM 518 – Dual left turn lanes along FM 528.
- FM 528 @ Sunset – Restriping and reprogramming of traffic signals to add a second left turn southbound Sunset.
- December 2026 Letting, per TxDOT Area Office.
- Friendswood Parkway "E" Phase, North of FM 528 - Environmental and Preliminary Engineering: pending an Advance Funding Agreement with TxDOT

Mr. Arias gave the Council an overview of the potential impacts of tariffs on the City's future capital improvement project costs. He noted that the tariffs on steel, aluminum, and other imported materials remain in place, and they are raising the costs of construction materials. The staff will continue monitoring policy changes as tariff adjustments can shift quickly, impacting availability and pricing, but overall, the tariffs and uncertain financial climate have resulted in increased costs nationwide on infrastructure projects.

Mayor Foreman thanked Mr. Arias for the update.

10. FALLING LEAF RANCH PUBLIC IMPROVEMENT DISTRICT

A. Conduct a public hearing concerning the advisability of the creation of a Public Improvement District (PID) to make certain improvements in the area described as approximately 117.506 acres located southeast of Stonewall Pass Lane, southwest of Baker Road, northeast of Janet Lane, and northwest of Wilderness Trails, Friendswood, Galveston County, Texas.

At 6:48 P.M. Mayor Foreman opened the public hearing and request that staff give the Council an overview of the item and outlined the speaker rules for all those present.

City Manager Morad Kabiri summarized the subject matter of the hearing for the Council and stated that the creation of this public improvement district has been ongoing with the Council for a number of months. Mr. Kabiri noted that last year, the Council created a tax increment reinvestment zone (TIRZ) number two that included approximately 326 acres of which the tract subject to tonight's hearing is 117 acres located on the northern end of this particular corridor. Mr. Kabiri stated that the proposed PID includes the construction of Friendswood Parkway and the development of roughly 117 acres of land for 44 large estate (residential) lots.

Mr. Kabiri noted that at the last City Council meeting, they approved the development agreement associated with the Falling Leaf Ranch Project. Mr. Kabiri noted a few items from that development agreement for the benefit of the overall discussion during the next item, is that there are certain conditions that the developer is required to meet in order for the Public Improvement District to issue bonds for the advancement of infrastructure. One key component to that issuance requires the developer to submit to the City (1) a revised concept plan that sufficiently indicates that they've complied with Exxon's requirements for the deed for that property, and (2) a revised deed being submitted by Exxon to the current landowner, JMK5. Additionally, the City has two more conditions, which is that the developer is required to hire an engineering professional to verify the environmental issues that are present on the site and then submit a plan as to how they intend to comply with the requirements noted in the deed, and also the settlement agreement that the City has in place with Mr. Chris Johnson. Lastly, Section 7.04, the Development Agreement outlines that the developer must obtain from Exxon an updated warranty deed in order to move forward with the project, as well as providing the necessary warrants and covenants associated with the development of the tract.

Mr. Kabiri noted that he understands that there are a lot of concerns related to the environmental viability of this development on this tract; however, he wanted to note that without a public improvement district, State Law prohibits the City from requiring any environmental oversight or studies, which are all being provided through this process. Additionally, Mr. Kabiri pointed out that, if this project doesn't move forward, any environmental issues that exist now, will continue to exists, and the impact to the surrounding neighborhoods will remain, as fences do not protect anyone from any environmental concerns. In fact, requiring the mitigation of environmental issues by the developer is the best approach to remediate environmental concerns in this area.

Councilmember Griffon asked Mr. Kabiri if without the public improvement district, the Council would have no oversight of the project outside of the regular permitting process. Mr. Kabiri noted that he was correct in his statement.

Councilmember Griffon then asked if Mr. Kabiri meant to say that the City has no oversight over the remediation and environmental requirements of this property, whereby if there wasn't a public improvement district, the City would not have those controls. Mr. Kabiri agreed with the statement.

Mayor Foreman called forward the developer's representatives developer's representatives Chris Songster with Laughlin Environmental and Eddie Grant and Johnny Hayes with the Jet Lending.

Mr. Christopher Songster with Laughlin. Laughlin Environmental Services stated that they were engaged by JMK5 as a consulting firm along with SK Consulting for this project. Mr. Songster noted that he is a senior environmental consultant with Laughlin for over 20 years. Mr. Songster noted that portion of the property acquired for this project has deed restrictions placed on it by Exxon, and they are responsible for dealing with the steps needed to meet Exxon's requirements to lift the deed restrictions. He noted that Exxon, knowing there could be a future liability, put certain deed restrictions in place to ensure that the property is put into a position for residential development that would be more stringent than TCEQ and/or federal regulations. Mr. Songster noted that they still have some assessments to do on the property in order to be able to put together a good remediation plan. He noted that so far, what they have identified is that more than anything, they are dealing with mostly chlorides, or essentially salt soils, which are not of big concern for commercial properties, but because the proposed project is residential, they have to mitigate these to a level that would be viable for residential development. Mr. Songster noted that he believed this to be more of an aesthetic issue for the development and it would restrict the growth of trees and other landscaping. He noted that they were looking at removing those salt soils and other contaminants to a level based on Exxon's requirements, which are far more stringent than what the State or Federal governments would require. As he noted earlier, they are still in their assessment phase, and once they complete their mitigation plan, they will submit it to Exxon for their approval prior to implementation of said plan. Mr. Songster noted that only once the remediation is completed will Exxon remove the deed restriction on the property in question.

In response to a question from the Council, Mr. Songster noted that they have done the same type of work but for much larger properties with similar concerns related to Exxon, and while this property is pretty small, the issues are the same, and they are familiar with how Exxon works during these environmental negotiations.

Mr. Eddie Gant with Jet Lending stated that his partner Johnny Hayes was in the audience, and they wanted to briefly outline their involvement with this development. He noted that they have been in Houston for about 22 years. He stated that they had funded over 5,000 commercial projects and right at a billion dollars in real estate transactions. He noted that they have worked with JMK5 on a number of successful projects, and they are the funding for the 117 acres project in Friendswood. He noted that they are standing by their client, and they have the funding in place as soon as this project is ready.

Mr. Randy Hale, 902 Applewood Drive, requested to speak before the Council on this item and stated that now as in the past, he really questioned the use of a TIRZ. He noted that as it relates to TIRZs One, I got it, but TIRZ Two, in his humble opinion, is a bond election workaround. Mr. Hale resubmitted a list of questions related to TIRZs from the last meeting as not all of his questions were answered. Mr. Hale requested that the questions provided, which had more to do with the TIRZs than this PID be reviewed and asked during the discussion portion of the item. Mr. Hale noted that he was again requesting a town hall to explain TIRZs, PIDs, and all other related concepts, as he did early one but didn't happen. He noted that one of the items discussed at the last Council meeting which was noted in his list of questions was how well P3Works and Bracewell were working to protect the City against a developer that may get PID bond draws, and while the City hasn't had a PID bond yet, he believed that this would be the next step and noted that the developer's vendors were not paid. Mr. Hale submitted copies of two of the liens that are currently on TIRZ Number One from equipment rental companies that total over $900,000, and he believed there to be a couple more that would put them close to a million dollars in unpaid liens. Mr. Hale noted that the first PID draw was paid for as of 4:30 p.m. today, and he spoke to one of the vendors who has yet to be paid, so he was not sure that the City was actually being protected and wanted to hear more about that. Outside of these items, Mr. Hale stated that he is not in favor of the Parkway, and while he knew it was probably going to happen, he was against the PID and the TIRZ being used to finance the road.

At 6:51 p.m., Councilmember Ellisor exited the meeting for an excused absence.

Mr. Michael Ross, 310 Woodstream Circle, requested to speak before the Council on this item and stated that he believed Mr. Hale's comments to be really an important point when discussing these types of PID funding structures, and their oversight. Mr. Ross stated that had the City done a MUD, which is a management district, such as West Ranch, there would be financial oversight through the Management District. A PID puts its financing decisions on the City for oversight, and if these bonds are funded in advance, then he would have a series of questions, were he a councilmember. Questions such as: Why did the city agree to a public improvement district versus a municipal management district or other financing structures?

Mr. Ross stated that it was articulated that the city felt it was getting some control over the environmental concerns on this property. However, last week, he noted that the Bracewell attorneys noted that the City did not want to get involved between the developers and their lenders. Mr. Ross noted in the same way, he felt the City should not get involved with developers and their environmental consultants because the City is not really getting coverage other than its sovereign immunity on this environmental issue. He felt that if there is an issue, and he knew it was mostly salt, but there are some leads, and the benzene is a bit of a concern on a couple sites, and they're circumvented off. Mr. Ross, again, reiterated his expertise, which is that has done projects like this and has looked at every Exxon tract in town, he has looked at all their deed restrictions, and he has passed on every one of them because what Exxon tries to do is put the onus on the developer or in this case, the city, through the PIDs and the TIRZs to do their remediation for them. He was unsure as to why, in his opinion, the City was letting Exxon put the environmental remediation of these tracts of land onto the developer or the city.

Mr. Ross also inquired as to the purpose of the PID, as he has seen is with PID One or City Center PID, and he is concerned because he believed that the developer would circumvent the public bid process and named himself the contractor. He inquired if the same thing that happened in City Center PID was going to happen with the proposed PID in that the developer was going to conveniently become the contractor and get to set his own pricing. Mr. Ross stated that he believed this would impact the City because the PID is going to reimburse or pay these costs back, but he felt that those costs would eventually be going to the citizens of the city, which could potentially result in an overburdening cost if the developer is not paying market rate. Mr. Ross requested that the Council look at City Center, and see if they are paying, a fair market rate for the type of work that is being done and compare it to the work being done in the Harris County Flood Controls project and compare the costs related to dirt removal. Mr. Ross asked what safeguards are in place to keep a developer from front loading the development costs by naming themself the contractor, which an unscrupulous developer could take advantage of in order to pocket those as profit and then if this deal wasn't successful, they could walk away from the deal and go bankrupt.

Mr. Ross noted that he was running out of time to speak and he still had a lot of questions; such as, what if the cost is too high and at the end of the day, if the developer's charging too much or everything else related to this development is too much on the front end and the project's not successful because they still have to be able to market the property and sell the homes. What happens if the properties aren't marketable? Those PID bonds have to be assessed and there is an assessment attached to them, so if it doesn't work, how in the world are they going to be reimbursed. He noted that he got that it was the bond holders at risk, and not the city, but then there is the TIRZs that is involved in this too, reimbursing the developer for some of these expenses, so the project has to be successful. He noted that one of the things he looked at was the project plan and not for this part of the project but he looked at the project plan for the other part and it had a significant amount of property, 485,000 square feet of commercial allocated in TIRZ Two, that has more commercial space than what is in the entire city, and it has an attributed value of $615 or $618 per square foot. He challenged the Council to show him one property in the city that's currently being assessed over $615 per square foot but then noted that he already knew the answer to his own question and noted that the two properties are (1) Chick-fil-A and (2) the Valvoline.

At 7:06 P.M., with no further persons signed up to speak, Mayor Foreman closed the public hearing.

B. Consider a resolution authorizing the creation of the Falling Leaf Ranch Public Improvement District, which includes approximately 117.506 acres of land situated in the Robert Hoppel Survey, Abstract Number 83 and the B.B.B. & C.R.R. Co. Survey, Abstract Number 47, which property is generally located being generally located southeast of Stonewall Pass Lane, southwest of Baker Road, northeast of Janet Lane, and northwest of Wilderness Trails, Friendswood, Galveston County, Texas.

City Manager Morad Kabiri presented the item and stated that as a matter of clarity, no PID bonds will be issued for this project until a preliminary and a final service and assessment plan has been created, reviewed, and approved by staff and the City Council. As such, the marketability of those future homes would've already been determined before the PID bonds were issued and as previously stated, the PID bonds will not be issued until those environmental issues have been addressed to ensure the health and safety of those within the development. Mr. Kabiri noted that the fail safes to protect the City are in place, and the developer will know if there are potential viable homeowners out there because they will know what the PID assessments will be long before the PID bonds are issued.

Councilmember Griffon asked Mr. Kabiri to clarify the competitive bidding requirements for these developments. Mr. Kabiri noted that State Law does not stipulate competitive bidding requirements for TIRZ and PIDs. Mr. Kabiri noted that contractors have a risk associated with undertaking this type of project, especially in this particular environment, where they are subject to tariffs and stuff that will make the variability of many commodities move and fluctuate throughout the bidding and construction process. Mr. Kabiri noted that each project is unique on its own, so, for instance, one of the speakers referenced the Harris County Flood Control District rates who get a certain rate based upon their particular project dynamics and where they're able to take their dirt to and the amount of work that they're getting completed versus a smaller site or a larger site. These rates are all based upon economies of scale and what the expectation is, so the short answer here is that there's no competitive bidding required for public improvement districts and for TIRZs; however, if the Council would like to stipulate such, staff can definitely include that requirement. However, Mr. Kabiri, cautioned that should that be a requirement, the City would also be subject to those bids, and as seen on the on Blackhawk Boulevard project, where the contractor that came in as low bid was unable to fulfill their obligation, meaning the City had to then pull their surety bond to get the project completed, making the lives of the impacted residents along that corridor that much harder, so the lowest bids isn't necessarily the best value to the City or most capable.

Mayor Pro Tem Matranga inquired as to what were the cost controls in situations where a general contractor was self-performing work, how is the PID, TIRZs process covered in these types of instances. Mr Kabiri noted that their engineer of record would develop an engineer's estimate of probable costs that goes into the development of the PID assessment that the Council will review and approve. Those engineered-probable costs and their infrastructure plans are reviewed by the City's engineer throughout the process and review various projects throughout the region to see if they're in line with what's proposed. Once that service and assessment plan is final and the steps are taken to issue bonds, at that point, it is what it is, and if the project ends up coming in higher than anticipated, there are no additional funds and in fact, Mr. Kabiri noted that the development agreement stipulates that should that happen, the property owner is responsible for bringing in the excess funds needed to complete the project.

Councilmember Hanks inquired what type of internal controls the City had in place when these things reimbursements come in for payment. Mr. Kabiri noted that in addition to P3Works reviewing the payment invoices, the City's engineer reviews the invoices relative to the infrastructure that's actually being installed out on site. Mr. Kabiri noted that the City has a project manager that is on site daily who reviews things to make sure that they conform with the service and assessment plan that the quantities that are stipulated are in place, and then after all that, the staff reviews the information to make sure that all of the appropriate releases and warranties are included. It was mentioned in the public hearing that there's some liens on the equipment rental, which is very similar to when a person goes to a gas station and puts in their credit card at the pump, there is an automatic charge immediately to their credit card of some nominal amount of money until such time that the transaction is finalized. The same can be said of transactions with rental equipment companies who will place a lien on the subject property knowing that it's going to span multiple months, if not a year, for the project to be completed and to ensure that their liabilities are covered. Typically, these types of companies will file a lien immediately on the property, so it is part of doing business. However, that being said, the City did require and are requiring that the contractor have the liens released before the next PID bond is issued, or before the next draw request is issued.

Councilmember Hanks asked the city manager if the staff verified that the contractors were paid. Mr. Kabiri stated that the staff does check that contractors are paid, but they will not always catch non-payments of a sub-contractor to a sub-contractor, which is why there are payment and surety bonds in place to ensure that the City is adequately covered. Mr. Kabiri further noted that in this particular case, the City has an unconditional release waiver that releases the City from any liabilities associated with these types of liens or non-payments.

Mayor Pro Tem Matranga stated that he had attended the H-GAC meeting that was referred to earlier in the meeting, and there were some questions raised in that meeting that he wanted to put on the record. The first being that the developer filed a petition with the city for the creation of this public improvement district. The City did not necessarily go out and ask the developer to set up a public improvement district. Is this correct? Mr. Kabiri responded that he was correct and while he could not speak as to whether or not any one member of the Council spoke to the developer prior to the petition being submitted to the staff, but he could confirm that no one on staff requested that the developer purchase this property and submit a request for a public improvement district.

Mayor Pro Tem Matranga then noted that as a part of the Council's approval for this evening was to vote on whether the developer and the City had met all the requirements to establish a public improvement district. He asked the city manager is his assessment was correct. Mr. Kabiri responded that he was correct and that all of the legal requirements for the creation of the PID have been met.

Mayor Pro Tem Matranga then asked if the PID was approved, what would be the next steps or items would be coming before the Council for approval. Mr. Kabiri noted that the next steps to come before the Council would be the creation of a preliminary service and assessment plan, but prior to that, the staff must work with the developer to ensure the development of the engineering, and the environmental studies associated with the revision to the concept plan as well as for the developer to continue working with Exxon to get the revised deed. Mr. Kabiri noted that before staff could bring the Council the preliminary services assessment plan, they needed to have identified all the potential costs associated with the development of the public infrastructure, and to know if the plan was even viable before moving forward. An example would be the number of lots identified in the plan, right now, there are 44 lots right now, however, there may be less depending on the outcome of the environmental mitigation and negotiations between the developer and Exxon in order for them to remove the existing deed restrictions. The developer has to work through all of these variables in order to create a viable service and assessment plan that will establish a PID assessment per lot. So, the number of lots is key to identifying the costs of the assessment, a viable market value and ultimately the viability of the project.

Mayor Pro Tem Matranga stated that throughout these PID and TIRZ processes related to this particular development, the developer is required to go out and do Phase One for the investigation related to environmental issues. They are then required to complete Phase Two, or the testing component, and if they see an issue that will require some kind of remediation, that would be handled in Phase Three. Mayor Pro Tem Matranga wanted to know about the different steps of the process he described. Mr. Kabiri responded that in the way that a PID assessment is developed, both sides of the equation must be known; in other words, the total cost of the project, public infrastructure and environmental remediation associated with the public infrastructure must be known as well as the total lot yield in order to know the total number of units that can physically be placed on the property in question. Mr. Kabiri noted that in order to determine that all of the clearances must be completed, that includes Phase One, Phase Two, and possibly Phase Three of the environmental plan completed. He further noted that a plan would have to be in place that would stipulate how the developer would have to comply with the findings of those environmental reports, along with Exxon's agreement to a revised deed that would remove the existing restrictions that must be filed on the property. All these items must be in place in order to know how many lots can be yielded and then be able to complete the preliminary service and assessment plan for the Council's review and approval.

Mayor Pro Tem Matranga asked as to what the requirements were stipulated by Exxon in order to modify the existing warranty deed on the property. Mr. Kabiri noted that the obvious concerns with the properties are environmental, which is a liability to both the developer and Exxon. As such, Exxon will not amend the specialty warranty deed related to these properties; i.e. remove certain deed restrictions that would then allow the developer to build the desired residential structures, until such time as their environmental concerns have been remedied. So once all of this has been resolved the appropriate property instrument will be filed.

Councilmember Griffon asked how staff came up with the estimated costs of $16 million for this public improvement district, when those costs right now are so variable. Mr. Kabiri noted that the costs are based upon public infrastructure and the remediation associated with potential environmental issues for the public infrastructure only. Mr. Kabiri re-affirmed to the Council that the developer would not be reimbursed for environmental remediation costs outside of what's within the right of way for the public improvement; such as Friendswood Parkway, internal streets, the detention pond, and those types of things. Any other remediation that's required on the private lots will have to be borne by the developer, which can then be passed on to customers the price of the lots when they sell them.

Councilmember Griffon inquired if the developer's obligations to the City are only those related to the building of new public infrastructure and not the other existing roads, such as Falling Leaf. Mr. Kabiri noted that the extension of Falling Leaf into this project would be a public roadway covered in this project.

A motion was made by Councilmember Branson and seconded by Councilmember Hanks to approve Resolution No. R2025-14, related to Item 10.B., as submitted. The vote was the following:

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

Nays: Councilmember Brent Erenwert

Absent: Councilmember John Ellisor

The vote was 5 to 1.

The item passed.

RESOLUTION NO. R2025-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AUTHORIZING THE CREATION OF THE FALLING LEAF RANCH PUBLIC IMPROVEMENT DISTRICT WITHIN THE CITY OF FRIENDSWOOD IN ACCORDANCE WITH CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE; CONTAINING

MATTERS RELATED THERETO; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

11. CITY MANAGER'S REPORT

A. Recognize Court Clerk Mariela Lopez on attaining her Level 2 Court Clerk Certification from the Texas Court Clerks Association.

City Manager Morad Kabiri presented the item and recognized Ms. Mariela Lopez for completing her Level Two Court Clerk Certification through the Texas Court Clerks Association. Mariela has been with the City's Municipal Court for a number of years, and she is doing a fantastic job.

B. Present an update regarding the receipt of a Community Development Block Grant - Mitigation (CDBG-MIT) grant for the Resilient Communities Program.

City Manager Morad Kabiri presented the item and stated that Ms. Harbin had stolen his thunder on this item, but he wanted to share that the City received a grant from the GLO for $250,000 towards the City's Comp Plan, which is a huge accomplishment.

To close out his City Manager's Report, Mr. Kabiri thanked the Council for their support of the University of Houston Cougars who were playing in a national championship later that evening.

12. BUSINESS ITEMS

A. Consider an agreement with Axon Enterprises, Inc., for the sole source purchase of taser hardware, software, and related services for the Police Department.

A motion was made by Councilmember Griffon and seconded by Councilmember Branson. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

13. PROPOSED ORDINANCES & RESOLUTIONS

A. Consider on second and final reading an ordinance disannexing (i) approximately 130 acres located along FM 528 at the easternmost city limits, being out of the Thomas Choate League, Abstract 12; the August Whitlock Survey, Abstract 793; the Robert Wilson Survey, Abstract 88; and the John Dickinson Survey, Abstract 15, Friendswood, Harris County, Texas and (ii) portions of FM 528 located adjacent thereto and extending eastward approximately 0.67 miles.

A motion was made by Councilmember Griffon and seconded by Councilmember Matranga to approve the second and final reading of Ordinance No. 2024-10, related to Item 13.A., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

ORDINANCE NO. 2025-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, MAKING CERTAIN FINDINGS; PROVIDING FOR THE DISANNEXATION OF (I) APPROXIMATELY 130 ACRES LOCATED ALONG FM 528, HARRIS COUNTY, TEXAS, AT THE EASTERNMOST LIMITS OF FRIENDSWOOD AND (II) PORTIONS OF FM 528 LOCATED ADJACENT THERETO AND EXTENDING EASTWARD APPROXIMATELY 0.67 MILES THEREFROM, WHICH SAID TERRITORY LIES WITHIN THE PRESENT BOUNDARY LIMITS FOR THE CITY OF FRIENDSWOOD, HARRIS COUNTY, TEXAS; PROVIDING FOR SEVERABILITY; PROVIDING FOR OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

B. Consider on first reading an ordinance amending the term of office for Position No. 1 of the City of Friendswood Planning and Zoning Commission to more effectively stagger the terms of the entire Commission.

A motion was made by Councilmember Hanks and seconded by Mayor Pro Tem Matranga to approve the first reading of a proposed ordinance, related to Item 13.C., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING TERM OF OFFICE FOR POSITION NO. 1 OF THE CITY OF FRIENDSWOOD'S PLANNING AND ZONING COMMISSION TO MORE EFFECTIVELY STAGGER THE TERMS OF THE ENTIRE COMMISSION; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY AND THE EFFECTIVE DATE

C. Consider on first reading an ordinance amending the Fee Schedule contained in Appendix D "Schedule of Fees, Rates, Charges, Deposits, Bond and Insurance Amounts" of the Friendswood City Code to reflect that the enumerated fees are fees to be collected by the City and to update fees for "Buildings and Building Regulations" by adding paragraph (r) to subsection (1) "Building Permit Fees (Electrical)"; paragraphs (i) and (j) to subsection (2) "Building Permit Fees (Plumbing & Gas)"; paragraph (i) to subsection (3) "Building Permit Fees (Mechanical)"; and paragraph (ac) to subsection (5) "Building Permit Fees."

A motion was made by Councilmember Branson and seconded by Councilmember Erenwert to approve on first reading a proposed ordinance related to Item 13.C., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING THE FEE SCHEDULE CONTAINED IN APPENDIX D "SCHEDULE OF FEES, RATES, CHARGES, DEPOSITS, BOND AND INSURANCE AMOUNTS" OF THE FRIENDSWOOD CITY CODE TO REFLECT THAT THE ENUMERATED FEES ARE FEES TO BE COLLECTED BY THE CITY AND TO UPDATE "BUILDINGS AND BUILDING REGULATIONS" FEES, BY ADDING PARAGRAPH (R) TO SUBSECTION (1) "BUILDING PERMIT FEES (ELECTRICAL)"; PARAGRAPHS (I) AND (J) TO SUBSECTION (2) "BUILDING PERMIT FEES (PLUMBING & GAS)"; PARAGRAPH (I) TO SUBSECTION (3) "BUILDING PERMIT FEES (MECHANICAL)"; AND PARAGRAPH (AC) TO SUBSECTION (5) "BUILDING PERMIT FEES"; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY, PUBLICATION AND THE EFFECTIVE DATE.

D. Consider on first reading an ordinance amending Appendix A "Signs," Section 1 "Definitions" of the Friendswood City Code to add a definition of "temporary outdoor use signs" and Section 15 "Temporary Signs" of the Friendswood City Code to add a new subsection to be numbered and entitled subsection e-1 "Temporary outdoor use signs" to allow such signs to advertise a permitted temporary outdoor use.

Mayor Pro Tem Matranga inquired if the proposed ordinance had the exclusion for the charities and nonprofits. Community Development Director Aubrey Harbin noted that said exclusion was still written in the ordinance that allowed nonprofits to put up little temporary signs for their events with the appropriate permit.

A motion was made by Councilmember Hanks and seconded by Councilmember Griffon to approve on first reading a proposed ordinance, related to Item 13.D., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING APPENDIX A "SIGNS," SECTION 1 "DEFINITIONS" OF THE FRIENDSWOOD CITY CODE TO ADD A DEFINITION OF A "TEMPORARY OUTDOOR USE SIGN"; AND AMENDING APPENDIX A "SIGNS," SECTION 15 "TEMPORARY SIGNS" OF THE FRIENDSWOOD CITY CODE TO ADD A NEW SUBSECTION NUMBERED AND ENTITLED SUBSECTION (E-1) "TEMPORARY OUTDOOR USE SIGNS" IN ORDER TO ALLOW TEMPORARY SIGNS TO ADVERTISE FOR A PERMITTED TEMPORARY OUTDOOR USE; PROVIDING A PENALTY FOR VIOLATION IN AN AMOUNT NOT TO EXCEED FIVE HUNDRED AND NO/100 DOLLARS ($500.00); REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; CONTAINING A SAVINGS CLAUSE; AND PROVIDING FOR THE PUBLICATION AND EFFECTIVE DATE

E. Consider an ordinance amending the City's General Budget for Fiscal Year 2024-2025 by approving "Budget Amendment VII" and providing for supplemental appropriation and/or transfer of certain funds.

A motion was made by Councilmember Hanks and seconded by Councilmember Erenwert to approve Ordinance No. 2025-11, related to Item 13.E., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

ORDINANCE NO. 2025-11

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2024-25, PASSED AND APPROVED AUGUST 26, 2024, THE SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2024-25, BY APPROVING "BUDGET AMENDMENT VII" THERETO; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS; PROVIDING FOR SEVERABILITY; PROVIDING FOR OTHER MATTERS RELATED TO THE SUBJECT; AND PROVIDING FOR THE EFFECTIVE DATE.

F. Consider a resolution expressing opposition to Senate Bill 2722 and House Bill 5177 regarding the allocation and use of toll road revenue generated by the Harris County Toll Road Authority.

A motion was made by Councilmember Branson and seconded by Councilmember Griffon to approve Resolution No. R2025-15, related to Item 13.F., as submitted. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

RESOLUTION NO. R2025-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, EXPRESSING OPPOSITION TO SENATE BILL 2722 AND HOUSE BILL 5177, AND URGING THE TEXAS LEGISLATURE TO REJECT THESE MEASURES IN THEIR CURRENT FORM; AND PROVIDING FOR THE EFFECTIVE DATE.

14. CONSENT AGENDA

A motion was made by Councilmember Branson and seconded by Councilmember Griffon to approve Consent Agenda Items 14.A. and 14.Q. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The Consent Agenda passed unanimously.

A. Consider a resolution adopting rules for the receipt of electric bids and proposals.

RESOLUTION NO. R2025-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, ADOPTING RULES FOR THE RECEIPT OF ELECTRONIC BIDS AND PROPOSALS PURSUANT TO TEXAS LOCAL GOVERNMENT CODE SECTION 252.0415 AND REVERSE AUCTIONS; PROVIDING A REPEALING CLAUSE; CONTAINING A SAVINGS CLAUSE; AND PROVIDING FOR THE EFFECTIVE DATE

B. Consider a resolution amending Resolution No. R2024-35 passed on November 4, 2024, to update the Labor Standards Officer and the Alternate Labor Standards Officer for the Community Development Block Grant Programs and American Rescue Plan Programs.

RESOLUTION NO. R2025-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING RESOLUTION NO. R2024-35 TO UPDATE THE LABOR STANDARDS OFFICER AS WELL AS HIS ALTERNATE FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS AND AMERICAN RESCUE PLAN ACT PROGRAMS; REPEALING ALL RESOLUTIONS OR PARTS OF RESOLUTIONS INCONSISTENT OR IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

C. Consider approving education experience affiliations agreements with Galveston College and San Jacinto College for the City to provide clinical emergency medical services instruction.

Generally, under this agreement, the Schools will (i) retain ultimate responsibility for the educational experience; (ii) provide preparatory instruction to the students; (iii) ensure that the students comply with all requirements of federal and state law pertaining to training, immunizations, vaccinations, etc.; and (iv) maintain specified insurance coverages and limits. At all times during the term of the Agreement, the Emergency Medical Services Division will retain the ultimate responsibility for patient care and may immediately remove any student from the educational program for unprofessional behavior. The agreement is for a term of one year and will automatically renew for additional one-year terms but may be terminated for cause or for convenience by giving thirty (30) days' written notice.

D. Consider approving a Purchase Agreement with Sterling McCall Ford for the purchase of one (1) new ambulance remount through the Houston-Galveston Purchase Cooperative, Contract No. AM10-23.

This item authorizes a Purchase Agreement with Sterling McCall Ford (the "Vendor") for the purchase of one (1) new ambulance chassis and the remount of the existing box for Friendswood Ambulance 47 (City asset EM 205 and EM 206) through the Houston-Galveston Purchase Cooperative, Contract No.AM 10-23, in the amount of $210,250.00.

The brake down cost is:

#	Item	Unit Price
1	Module-EMS-X, Configurable EMS Module, Remount	$126,400.00
2	Chasiss, 2025 F-450 Deisel 4X2	$83,250.00

3	HGAC Fee	$600.00
	Total Costs:	**$210,250.00**

E. Consider authorizing a Maintenance License Agreement with the Sterling Creek Homeowners Association.

F. Consider authorizing the City Manager to negotiate and execute an Agreement with Rolling Thunder, Inc., Texas Chapter 2 for the installation and maintenance of a POW/MIA Chair of Honor at Friendswood Veterans Memorial.

G. Consider authorizing a License Agreement with Gulf Coast Authority to access its property for the City's Utility Relocate at Clear Creek Utility Bridge Project.

H. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for the Deepwood Detention Project.

On March 5, 2024, the City and the Galveston County Consolidated Drainage District (the "District") approved an interlocal agreement for the development of detention facilities on properties owned by the City and the District in the Rio Claro and Alamas Peridas Subdivisions in order to improve drainage and minimize public and private losses resulting from flood conditions (the "Agreement"). However, at the District's meeting on August 13, 2024, the District asked the City to provide an amendment to the Agreement in order to switch the responsibility associated with the drainage model, design and construction from the City to the District. The City proposed an amendment to make the requested change; however, due to the passage of time, the contract has now expired. Therefore, this is a new contract which incorporates the change requested by the District.

As you recall, the City acquired various lots adjacent to Minglewood Lane, Woodvine Street, and Deepwood Drive (the "Property") through CDBG's Disaster Recovery Buyout Program to mitigate future disaster losses within the City. Similarly, the Galveston County Consolidated Drainage District ("District") also acquired property in the same area to mitigate future disaster losses within the District. On the property acquired by the City and the District (collectively the "Property"), the District desires to develop, construct, and maintain detention facilities for flood control, flood plain management, and flood damage prevention purposes (the "Project"). As such, this proposed agreement grants the District a license to do so; provided the District:

- creates a drainage model highlighting the proposed improvements;
- engages a professional engineer to create a preliminary engineering report and to prepare plans and specifications for the construction of the Project, which report, plans and specifications are subject to the City's review and approve;
- competitively bids the construction of the Project;
- obtains the required insurance and bonds from the selected contractor prior to the start of construction of the Project;
- constructs the Project in accordance with the plans and specifications approved by the District; and
- provides the City record drawings of the Project.

Once the Project is complete, the District will maintain the Project in perpetuity.

The design and construction phase of the Project are to be complete within one year but, upon agreement of the District and the City, the completion date may be extended for additional one-year periods until construction is complete.

I. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for the Clearview Project.

The City acquired various lots adjacent to Clearview Avenue through FEMA's Hazard Mitigation Grant Buyout Program to mitigate future disaster losses within the City. Similarly, the Galveston County Consolidated Drainage District ("District") has also acquired property in the same area to mitigate future disaster losses within the District. On the property acquired by the City and the District (collectively the "Property"), the parties desire the District to develop, construct, and maintain detention facilities for flood control, flood plain management, and flood damage prevention purposes (the "Project"). As such, this proposed agreement grants the District the right to do so; provided the District:

- creates a drainage model highlighting the proposed improvements;
- engages a professional engineer to create a preliminary engineering report and to prepare plans and specifications for the construction of the Project, which report, plans and specifications are subject to the City's review and approval;
- competitively bids the construction of the Project;
- obtains the required insurance and bonds from the selected contractor prior to the start of construction of the Project;
- constructs the Project in accordance with the plans and specifications approved by the City; and
- provides the City record drawings of the Project.

Once the Project is complete, the District will maintain the Project in perpetuity.

The design and construction phase of the Project are to be complete within one year but, upon agreement of the parties, the completion date may be extended for additional one-year periods until construction is complete.

J. Consider authorizing an Interlocal Agreement with Galveston County Consolidated Drainage District for the Frenchmens Creek Project.

The City acquired various lots adjacent to in the Frenchmans Creek Townhouses Subdivision (the "Property") through CDGB's Disaster Recovery Buyout Program to mitigate future disaster losses within the City. On the Property, the parties desire the District to develop, construct, and maintain detention facilities for flood control, flood plain management, and flood damage prevention purposes (the "Project"). As such, this proposed agreement grants the District the right to do so; provided the District: creates a drainage model highlighting the proposed improvements; engages a professional engineer to create a preliminary engineering report and to prepare plans and specifications for the construction of the Project, which report, plans and specifications are subject to the City's review and approval;

- competitively bids the construction of the Project;
- obtains the required insurance and bonds from the selected contractor prior to the start of construction of the Project;
- constructs the Project in accordance with the plans and specifications approved by the City; and
- provides the City record drawings of the Project.

Once the Project is complete, the District will maintain the Project in perpetuity.

The design and construction phase of the Project are to be complete within one year but, upon agreement of the parties, the completion date may be extended for additional one-year periods until construction is complete.

K. Consider approving the purchase of a new Atlas Copco QAS250 (200KW) trailer-mounted generator with a diesel engine from ROMCO Equipment Co., LLC, through the Hazard Mitigation Grant Program, DR-4586 (Texas Severe Winter Storms).

This item awards the purchase to ROMCO Equipment Co., LLC, in the amount of $142,985. The project will be funded through a combination of federal and local sources, with $113,130 provided by the grant program and the City's $29,855 share funded through Water/Sewer Working Capital.

L. Consider accepting the Super Rancho Waterline Improvements Project and authorizing the commencement of the contractor's one-year maintenance period.

M. Consider accepting the Friendswood High School Utilities Improvements Project and authorizing the commencement of the contractor's one-year maintenance period.

N. Consider two appointments to the Community & Economic Development Committee: (i) Beth Robinson and (ii) Sharon Rowsey for a one-year term, beginning immediately and expiring on June 30, 2026.

O. Consider appointing Carlysle Gulledge to the Construction Board and Adjustment and Appeals to complete an unexpired term effective immediately and ending on June 30, 2026.

P. Consider approving the ad valorem tax report for February 2025.

Q. Consider approving the minutes of the City Council Regular Meeting held on March 3, 2025.

15. EXECUTIVE SESSION

A. Recess and convene into an executive session pursuant to Section 551.074 of the Texas Government Code to deliberate the annual performance of the City Manager.

At 7:27 P.M. Mayor Foreman recessed and convened into an Executive Session.

At 7:53 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.

16. DISCUSSION AND POSSIBLE ACTION

A. Consider taking appropriate action regarding the City Manager's annual performance evaluation.

A motion was made by Councilmember Branson and seconded by Mayor Pro Tem Matranga to authorize the Mayor to negotiate a new City Manager Agreement with Morad Kabiri, which will include a 4% increase on his base compensation. The vote was the following:

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

Nays: None

Absent: Councilmember John Ellisor

The item passed unanimously.

17. ADJOURNMENT

With there being no further business, Mayor Foreman adjourned the April 7, 2025, City Council Regular Meeting at 7:54 P.M.

Mike Foreman, Mayor

Attest:

Leticia Brysch, City Secretary

CITY OF FRIENDSWOOD
STATE OF TEXAS