MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD JULY 6, 2026

THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD MET IN A REGULAR MEETING ON MONDAY, JULY 6, 2026, AT 3:32 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	Mayor Pro Tem
Sally Branson	Councilmember
Trish Hanks	Councilmember
Robert J. Griffon	Councilmember
Randy Hale	Councilmember
Michael P. Ross	Councilmember
Mike Foreman	Mayor
Morad Kabiri	City Manager
Karen Horner	City Attorney
Raquel Martinez	City Secretary

1. CALL TO ORDER

Mayor Foreman called the meeting to order with a quorum present at 3:32 P.M.; all members were present.

2. INVOCATION

The invocation was led by Chaplain Ralph Hobratschk of the Friendswood Police Department.

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 COMMENTS AND REPORTS

Mayor Foreman kicked off the comments by celebrating the City of Friendswood's 4th of July event. He gave kudos to Parks and Recreation and the 4th of July Steering Committee. The council agreed and additionally acknowledged all the volunteers. Councilmember Hale commented over the Friendswood Volunteer Fire Department (FVFD) Pinning Ceremony he attended and thanked them for their service. Councilmember Ross closed the comments echoing what the Mayor said about the incredible job of the steering committee, staff, and volunteers.

5. PUBLIC COMMENT

Mayor Foreman announced the following citizens had signed up to provide a public comment.

Mr. Dan Key, a Polly Ranch resident, brought to Council's attention to the dangerous conditions at an unoccupied residence located at 2205 Pine Drive. The vacant structure has sustained damage from trees and flooding, leaving it in despair with no utilities. He noted this should be in violation of the safety and health codes, and requested the City act as soon as possible.

Ms. Charlotte Permetti, another Polly Ranch resident, shared pictures of the unoccupied, deteriorated house next door to her and Mr. Key. She noted the pool has no electricity, no protection barrier, and poses a hazard to children and animals. She requested the City hel allocate funds to cover the pool and make the situation safer.

Mr. Don Johnson spoke to Council regarding flooding and drainage issues in Friendswood. He shared updates from a recent Clear Creek Watershed Committee meeting concerning detention basins and conveyance improvements. He lastly advocated that detention basins are an essential professional tool and offered to help get information for the city.

6. WORK SESSION TOPICS

A. Discuss the City of Friendswood Master Drainage Plan with Halff.

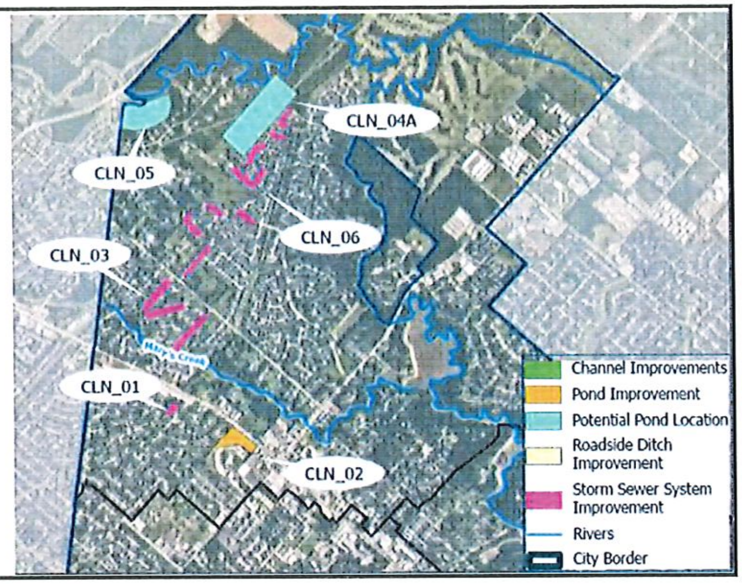
Mr. Jason Beck and Kyle Outten with Halff Associates presented to Council the City of Friendswood Master Drainage Plan project options, as follows:

UPPER CLEAR CREEK		
ALTERNATIVE 1 *Annalea Kingspark & Whitehall Storm Sewer Improvements* Project Description: ▪ Upsize storm sewer within the Annalea Kingspark and Whitehall neighborhood with larger updates to the exiting drainage easement. Estimated Project Cost (**$18.1M**): ▪ Construction: $11,181,715 ▪ ROW: $643,970 ▪ Mitigation (surface): $878,460 ▪ Engineering: $1,809,026 ▪ Contingency: $3,618,052	**ALTERNATIVE 2** *Friendswood Methodist Detention Pond Expansion* Project Description: ▪ Upsize storm sewer within the Annalea neighborhood and expand existing pond of Friendswood Methodist Church to provide project mitigation. Estimated Project Cost (**$7.0M**): ▪ Construction: $3,461,776 ▪ ROW: N/A ▪ Mitigation (surface): N/A ▪ Engineering: $519,266 ▪ Contingency: $1,038,532 ▪ Pipeline Relocation: $2,000,000	**ALTERNATIVE 3** *Dunbar Estates Storm Sewer Improvements* Project Description: ▪ Upsize existing storm sewer of Maplewood Drive, Westwood Drive and Tanglewood Drive with additional improvements to outfall. Estimated Project Cost (**$3.4M**): ▪ Construction: $1,116,582 ▪ ROW: $643,970 ▪ Mitigation (surface): $803,955 ▪ Engineering: $288,080 ▪ Contingency: $576,161
ALTERNATIVE 4A *Majestic Lane Detention Basin* Project Description: ▪ Alternative location to Brio Site Regional Pond that can provide approximately 315 ac-ft of storage to the region. ▪ 2 existing pipeline easements within site. Estimated Project Cost (**$15-20M**): ▪ There are two pipeline easements that run through the project area and would require relocation to allow for pond excavation.	**ALTERNATIVE 5** *Longwood Floodplain Storage Project* Project Description: ▪ Provide a detention facility upstream of the watershed to help reduce downstream water surface elevations of Clear Creek. Estimated Project Cost (**$7.5M**): ▪ Construction: $4,755,214 ▪ ROW: $558,619* (Includes Pearland Property) ▪ Mitigation: N/A ▪ Engineering: $713,282 ▪ Contingency: $1,426,564	**ALTERNATIVE 6** *Forest of Friendswood Storm Sewer Improvements* Project Description: ▪ Upsize storm sewer within Forest of Friendswood neighborhood including outfall improvements near Woodland Trail Drive. Estimated Project Cost (**$28.7M**): ▪ Construction: $18,386,016 ▪ ROW: N/A ▪ Mitigation (surface): $1,394,003 ▪ Engineering: $2,967,003 ▪ Contingency: $5,934,006

CONCEPT OVERVIEW
Upper Clear Creek

Distribution by project type:
- Channel Improvement - 0
- Pond Improvement -1
- New Pond Construction - 2
- Roadside Ditch Improvement - 0
- Storm Sewer Improvement - 3

Total of 6 projects



LOWER CLEAR CREEK

ALTERNATIVE 1
Bay Area Boulevard HOA Pond Improvements

Project Description:
- Combine the three independent (Friendswood Oaks, Friendswood Cove and Autumn Creek HOW) detention basins, provide a consistent bottom elevation and increases the available storage for the neighborhood.

Estimated Project Cost (**$0.96M**):
- Construction: $663,436
- ROW: N/A
- Mitigation: N/A
- Engineering: $99,515
- Contingency: $199,030

ALTERNATIVE 1B
Autumn Creek Storm Sewer Improvements

Project Description:
- Upon combining the storage improvements of Alternative 1, Alternative 1B suggests upsizing existing storm sewer within the Autumn Creek neighborhood.

Estimated Project Cost (**$5.8M**):
- Construction: $3,854,404
- ROW: N/A
- Mitigation (surface): $114,681
- Engineering: $595,362
- Contingency: $1,190,725

ALTERNATIVE 2
Forest Bend Storm Sewer Improvements

Project Description:
- Extensive improvements to the Forest Bend storm sewer system replacing undersized storm sewer with new infrastructure to provide additional conveyance capacity.

Estimated Project Cost (**$128.0M**):
- Construction: $22,053,881
- ROW: N/A
- Mitigation: $66,248,291
- Engineering: $13,245,326
- Contingency: $26,490,652

ALTERNATIVE 3
Friendswood Forest Ditch Improvements

Project Description:
- Increasing the capacity of the existing roadside ditch targeted at managing overflow from the ditch and reducing flood risk to nearby structures.

Estimated Project Cost (**$0.49M**):
- Construction: $324,053
- ROW: N/A
- Mitigation (surface): $11,918
- Engineering: $50,395
- Contingency: $100,791

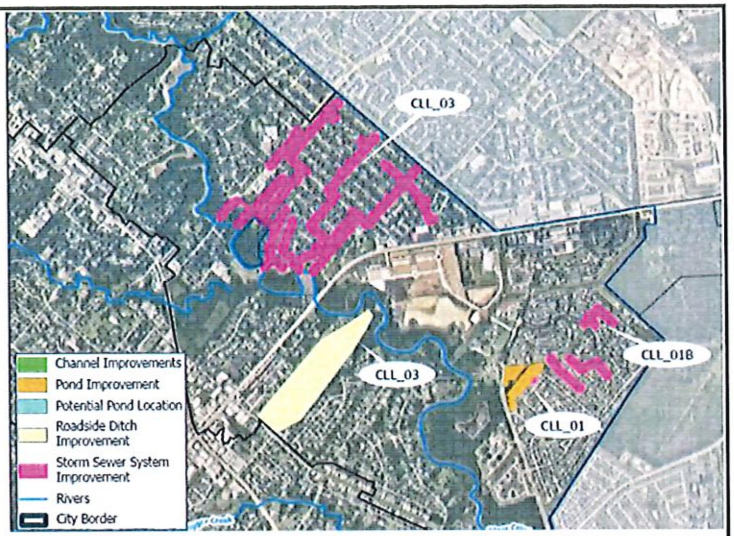
CONCEPT OVERVIEW
Clear Creek Lower

Distribution by project type:

- Channel Improvement - 0
- Pond Improvement - 1
- New Pond Construction - 0
- Roadside Ditch Improvement - 1
- Storm Sewer Improvement - 2

Total of 4 projects

CLL_01B builds upon the pond expansion of CLL_01.



COWARD CREEK

ALTERNATIVE 3
Brigadoon Lane Storm Sewer System Improvements

Project Description:

- Extend new storm sewer system up Brigadoon Street to provide additional storm water management for runoff. Upsize storm sewer of Sunset Drive improving capacity for surrounding area.

Estimated Project Cost (**$27.6M**):

- Construction: $7,489,653
- ROW: $2,066,100
- Mitigation: $8,768,291
- Engineering: $2,438,691
- Contingency: $4,877,383
- Pipeline Relocation: $2,000,000

ALTERNATIVE 4
Woodlawn Drive Storm Sewer System Improvements

Project Description:

- Upsize existing storm sewer and include additional connectivity to West Shadowbend Avenue.

Estimated Project Cost (**$11.3M**):

- Construction: $6,132,370
- ROW: $1,976,137
- Mitigation: $239,639
- Engineering: $955,801
- Contingency: $1,911,603
- Enhanced Tree Protection and Preservation: $100,000

ALTERNATIVE
Coward Creek Channel Improvement

Project Description:

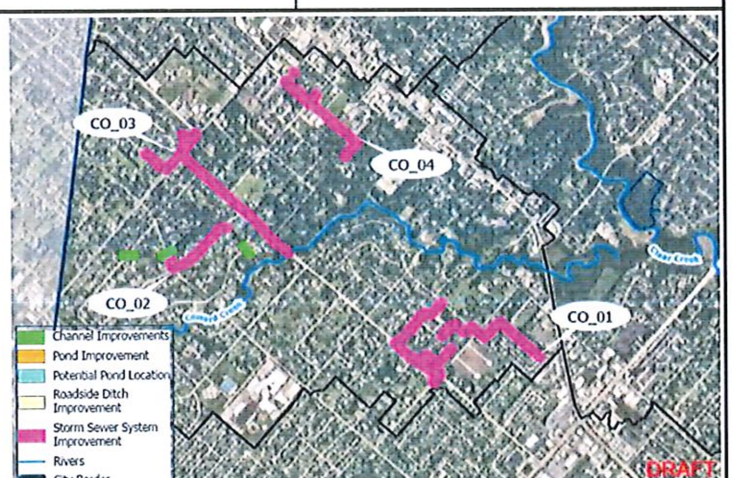
- Further evaluation of channel improvements to reduce Coward Creek water surface elevations and lower tailwater for local drainage system
- High-level project costs and benefits will be presented in MDP Report

CONCEPT OVERVIEW
Coward Creek

Distribution by project type:

- Channel Improvement - 1
- Pond Improvement - 0
- New Pond Construction - 0
- Roadside Ditch Improvement - 0
- Storm Sewer Improvement - 3

Total of 4 projects



CHIGGER CREEK

ALTERNATIVE 1
Falcon Ridge Storm Sewer System Improvements

Project Description:
- Decommissioning of existing storm sewer conduits through private property, and additional capacity added in replacement lines.

Estimated Project Cost (**$20.4M**):
- Construction: $5,275,803
- ROW: N/A
- Mitigation: $8,764,904
- Engineering: $2,106,106
- Contingency: $4,212,212

ALTERNATIVE 2
San Joaquin Estates Channel Culvert Replacement

Project Description:
- Removal of the currently plugged culverts allows for additional flow through the crossings and improves the tailwater elevations for neighborhood drainage system.

Estimated Project Cost (**$0.29M**):
- Construction: $166,200
- ROW: N/A
- Mitigation: N/A
- Engineering: $75,000
- Contingency: $49,860

ALTERNATIVE 3
Glenshannon Subdivision Storm Sewer Improvements

Project Description:
- Upsize of existing storm sewer within the Glenshannon subdivision and outfall system to provide additional capacity in a location that saw undersized infrastructure causing ponding.

Estimated Project Cost (**$22.7M**):
- Construction: $9,179,064
- ROW: N/A
- Mitigation: $6,490,089
- Engineering: $2,350,373
- Contingency: $4,700,746

ALTERNATIVE 4
Sun Meadow Detention Pond

Project Description:
- Utilize existing open space within the Sun Meadow neighborhood to provide detention volume and maintain recreational space.

Estimated Project Cost (**$7.5M**):
- Construction: $1,885,579
- ROW: $4,805,176
- Mitigation: N/A
- Engineering: $282,836
- Contingency: $565,673

ALTERNATIVE 5
Polly Ranch Estates Channel Improvements

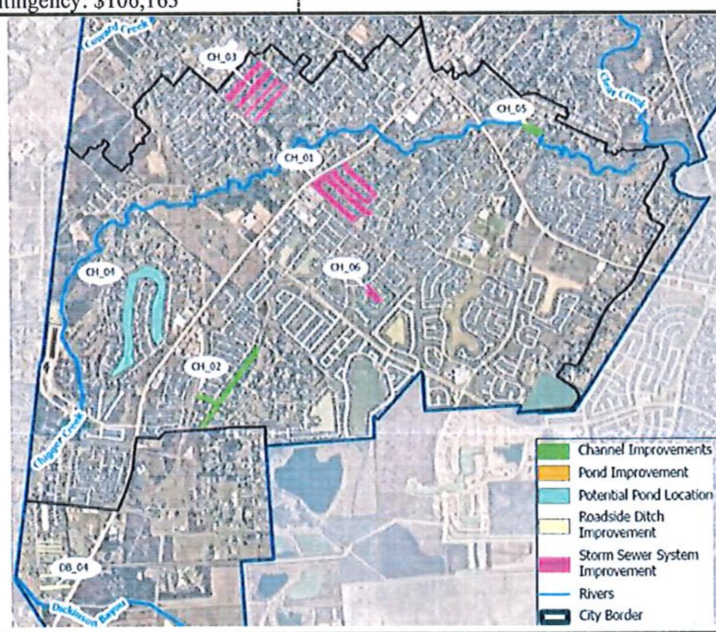
Project Description:
- Expand the existing banks adjacent to the Polly Ranch subdivision with channel shelving in locations of large channel bends which contribute to increases in water surface elevations.

Estimated Project Cost (**$1.1M**):
- Construction: $353,878
- ROW: $596,880
- Mitigation: N/A
- Engineering: $53,081
- Contingency: $106,163

CONCEPT OVERVIEW
Chigger Creek & Dickinson Bayou

Distribution by project type:
- Channel Improvement - 2
- Pond Improvement - 0
- New Pond Construction - 1
- Roadside Ditch Improvement - 1
- Storm Sewer Improvement - 3

Total of 7 projects



Mr. Beck noted that the next steps for the Master Drainage Plan involve the wrapping up project prioritization, completing benefit-cost analysis ratios, and finalizing one-page project summary sheets. The implementation plan will focus on funding, phasing, and partnering to move concepts to construction, with a complete draft report expected within the next month or two. City Manager Morad Kabiri added that because the projects have substantial costs relative to low benefits, the benefit-cost analyses likely will not qualify for federal grants. Thus, Council must decide whether to pursue bond dollars and let voters decide. Additionally, a drainage story map of all projects and corresponding studies is 95% complete and will be shared with Council.

B. Discuss the 2026 Bond Election Propositions and the results of the survey sent out to the community.

City Manager Morad Kabiri explained the Bond Advisory Committee evaluated the City's needs and had proposed to Council an overall bond package of roughly $50.9 million, as shown below, with an estimated tax rate impact of one penny assuming flat values. The staff and committee also provided alternatives for additional projects that needed separate consideration.

Proposition		Amount	Estimated Tax Increase	% of Bond
Facilities	$	5,950,000	0.001169	12%
Drainage	$	20,341,000	0.003995	40%
Parks (w/ options)	$	13,625,000	0.002676	27%
Transportation	$	11,000,000	0.002160	22%
Total	**$**	**50,916,000**	**0.010000**	**100%**

Mr. Kabiri then relayed that staff started a survey regarding the bond committee's work and general quality of life questions. The surveys were distributed via social media, email blasts, and bulletin boards to gather public opinions on projects. The survey was connected to the City's GIS program and Voter Registration rolls. Those results were presented as follows:

DEMOGRAPHICS	RESULT / PERCENTAGE
Total Responses	**1,063**
Home Owners	94%
Registered Voters	95%
Did Not Vote in Last Election	+66%
Age 61 and Over	+46%
Felt the Quality of Life in Friendswood is Good/Excellent	+93%
Willing to pay more in taxes to support categories important to them (1-3¢)	54.66%

WHICH PROJECT GOT THE MOST NUMBER ONE PRIORITY?		
Category	**Percent Score (%)**	**First Place Count**
Drainage	52.59	559
Streets, Transportation & Sidewalks	20.6	219
Parks & Open Spaces	22.2	236
City Facilities	4.61	49

DRAINAGE

Mitigation Type	Details	Total Cost
Storm Sewer	Falcon Ridge and Brill Storm Sewer Improvements	$ 6,012,000
Storm Sewer	Maplewood and Westwood Storm Sewer Improvements	$ 1,482,000
Storm Sewer	Autumn Creek Neighborhood Storm Sewer Improvements	$ 7,106,000
Ponds	Sun Meadow New Pond Construction	$ 3,262,000
Ponds	Autumn Creek Neighborhood Combine Ponds	$ 1,625,000
Channel	Chigger Creek Dig Out at Oak Drive Bridge Crossing	$ 854,000
Total		**$ 20,341,000**

QUESTION: Would you approve a bond proposition for neighborhood-specific drainage projects in the amount of $20,341,000, which is within the proposed one-cent tax rate increase?

RESPONSE: Yes 68.3%; No 31.7%

Category	Percent Score (%)	First Place Count
Chigger Creek Dig Out at Oak Bridge Crossing	29.95	221
Falcon Ridge and Brill Stom Sewer Improvements	22.9	169
Autumn Creek Neighborhood Storm Sewer Improvements	15.45	114
Sun Meadow New Pond Construction	14.63	108
Maplewood and Westwood Storm Sewer Improvements	10.98	81
Autumn Neighborhood at Oak Drive Bridge Crossing	6.1	45

STREETS & TRANSPORTATION

Category	Project	Total Cost
Sidewalk	Sidewalks - City Wide	$ 1,000,000
Traffic Enhancements	Bay Area Reconstruction (FM 528 to WasteWater Treatment Plant)	$ 6,000,000
Traffic Enhancements	Stadium Lane	$ 2,500,000
Traffic Enhancements	Murphy Lane	$ 1,500,000
Total		**$ 11,000,000**

QUESTION: Would you approve a proposition for street and transportation improvement projects in the amount of $11,000,000, which is within the proposed one-cent tax rate increase?

RESPONSE: Yes 68.11% ; No 31.89%

Category	Percent Score (%)	First Place Count
Sidewalks	55.27	404
Bay Area Blvd. from FM 528 to City's Wastewater Treatment Plant	28.26	206
Stadium Lane	11.39	83
Murphy Lane	5.08	38

CITY FACILITIES

Category	Project	Total Cost
City Facilities	Fuel Island at Blackhawk Building	$ 250,000
City Facilities	Fuel Station at Public Safety Building	$ 250,000
City Facilities	Public Safety Building Parking Lot Expansion	$ 750,000
City Facilities	Fire Station 4 Expansion	$ 4,000,000
City Facilities	City Hall Renovations	$ 700,000
Total		**$ 5,950,000**

QUESTION: Would you approve a bond proposition for improvement projects to multiple City facilities in the

Category	Percent Score (%)	First Place Count
Fire Station 4 Expansion	55.1	275
Fuel Station – PSB	15.43	77

amount of $5,950,000, which is within the proposed one-cent tax rate increase? RESPONSE: Yes 46%; No 54%	Fuel Station Blackhawk	11.82	59
	PSB Parking Lot Expansion	7.82	39
	City Hall Renovations	9.82	49

PARKS & OPEN SPACES

Category	Project	Total Cost
Parks	Friendswood Lake Park Bulkhead and Trail Repair	$ 2,400,000
Parks	Sports Complex Upgrades (Renwick and Centennial Parks)	$ 4,225,000
Parks	Stevenson Aquatics Facility Infrastructure, Expansion and Related Systems - 25 Meter Pool	$ 3,800,000
Parks	Stevenson Park Parking Expansion	$ 3,200,000
Total		**$ 13,625,000**

QUESTION: Would you approve a bond proposition for park improvement projects in the amount of $16,825,000, which is within the proposed one-cent tax rate increase?

RESPONSE: Yes 61.9%; No 38.1%

Category	Percent Score (%)	First Place Count
Stevenson Park Parking Lot Expansion and Related Improvements	30.48	204
Stevenson Aquatics Facility Upgrades and Infrastructure Improvements	31.98	213
Sports Complex Upgrades (Renwick and Centennial Parks)	19.97	133
Friendswood Lake Park Bulkhead and Trail Repair	17.57	118

Next, Mr. Kabiri discussed the additional options up for Council's considerations, as follows:

ALTERNATIVE 1
Parks and Open Spaces
Aquatics Center Upgrades

QUESTION: Do you want additional upgrades to the Stevenson Parks Aquatics Facility included in the Bond Proposal? (These options would be within the one cent tax rate increase.)

RESPONSE: Yes 42.05%; No 57.95%

Category	%	Count
Option 1 – Construction of 50-Meter, 10-Lane Pool	31.00	142
Option 2 – Addition of Acqua Play Unit	20.52	94
Option 3 – 50-Meter, 10-Lane Pool and Acqua Play Unit	48.47	222

ALTERNATIVE 2
Parks and Open Spaces
Recreation Center

QUESTION: Would you approve a bond proposition for the construction of a new all-purpose recreation/community center in an amount not to exceed $47,000,000 which is five additional cents to the tax rate?

RESPONSE: Yes 41.02%; No 58.98%

Category	%	Count
Option 1 – Build Recreation Center to Replace Activity Building at 416 Morningside Drive in Downtown Friendswood	51.24	228
Option 2 – Build Recreation Center at Lundy Lane	48.76	217

ALTERNATIVE 1
Drainage
Forest Bend and Forest Creek Neighborhoods

QUESTION: Would you approve a bond proposition for additional drainage projects in the amount of $32,264,000, which would be an additional 2.5 cents to the proposed one-cent tax rate increase?

RESPONSE: Yes 34.43%; No 36.22%; No Response 29.35%

Category	%	Count
Option 1 – Build Recreation Center to Replace Activity Building at 416 Morningside Drive in Downtown Friendswood	51.24	228
Option 2 – Build Recreation Center at Lundy Lane	48.76	217

TOP 10 HIGHEST RANKED PROJECTS

Category	Percent Score (%)	First Place Count	Average Rank
Chigger Creek Dig Out at Oak Drive Bridge Crossing	57.9	221	1.96
Sidewalks	55.2	404	1.23

Falcon Ridge and Brill Storm Sewer Improvements	54.2	169	2.15
Autumn Creek Neighborhood Storm Sewer Improvements	45.7	114	2.57
Sun Meadow New Pond Construction	45.6	108	2.58
Maplewood and Westwood Storm Sewer Improvements	44.6	81	2.63
Stevenson Park Parking Lot Expansion	43.9	204	1.39
Autumn Creek Neighborhood at Oak Drive Bridge Crossing	43.7	45	2.68
Bay Area Blvd. from FM528 to City's Wastewater Treatment Plant	43.3	206	1.70
Stevenson Aquatics Facility Upgrades	42.9	213	1.43

MOST REQUESTED BOND ITEMS			
Rank	**Theme**	**Mentions**	**Example Quote**
1	Streets, transportation, and sidewalks	58	The streets throughout the city need to be addressed somehow. - Bond Comments, row 13
2	Parks and open space	24	Improve city of friendswood parks and rec. - Bond Comments, row 4
3	Drainage	21	Flooding and roads should be priority for all of Friendswood. - Bond Comments, row 55
4	Westwood/Bales or school facility comments	18	Westwood/bales. The poor kids on this side of town are NOT getting the same advancements and opportunities as the other schools in this district. - Bond Comments, row 10
5	City facilities	14	Senior Center improvement and expansion. - Bond Comments, row 66

At 5:06 P.M., Councilmember Griffon stepped out of the meeting and later returned at 5:08 P.M.

Mr. Kabiri ended the presentation recalling that Council put together the Bond Advisory Committee in the hopes of potentially having a bond election in November. He noted that it was incumbent on Council to decide if the City is (1) having an election, (2) what those items are going to be, and (3) how they wanted to package them. Mr. Kabiri stated that while ideally, they would like to put everything on the ballot, he cautioned that making ballots too long could result in voter fatigue and ballot items could fail just for lack of interest.

Mayor Foreman stated that he believed that there was certainly a need for a bond election to fund necessary projects through voter approval, which is essentially the democratic process. He acknowledged the difficulty in coming up with project packaging and prioritization in order to fully explain to voters what they are considering for approval. However, he believed Council is leaning towards having a bond election to fund projects and move the City forward. Mr. Kabiri asked if they want to limit the package to Bond Committee's recommended $50.9 million or expand it to allow for additional projects, such as the Recreation/Community Center. Mayor Foreman responded to expand it to give voters choices.

Councilmember Hanks stated that it made sense to place big-ticket items and large infrastructure needs on a bond ballot. She emphasized the difference between needs and wants, and while she leaned towards wants because of how they enhanced the quality in life in Friendswood, she noted it is not a bond-friendly time right now. Thus, she suggested Council to home in on things the city must have.

Councilmember Hale acknowledged that when there is a long list of things that people need to vote on, it will be a little difficult to get through but felt it was important to have standalone item as a separate ballot item to allow the voters the opportunity to make their decisions. He noted that his preference would be to have every single individual project be a standalone proposition.

Councilmember Griffon reiterated that the appetite for bonds is not good right now and pointed out that the City will have debt service capacity coming their way because their 2015-2017 bonds will roll off their debt service. He recommended letting those bonds roll off and instead build the downtown activity center for $9 million at 30,000 square feet that would not raise a penny in taxes. He noted the City did not have a voting facility and the facility will house their senior activities. He did not want to move forward with the $50.9 million recommendation. With regard to the retirement of 2015-2017 bonds, Councilmember Hale asked what the interest and sinking tax rate would be if no bonds passed and their debts retired. Assistant City Manager Katina Hampton stated it would be about 9¢ or 9.5¢, meaning it would only go down 3¢. Mr. Kabiri added that rates depend on property values, but the tangible payment obligation drops are from $6.5 to $4.3 million.

Adding onto Griffon's idea on the downtown facility, Councilmember Branson suggested they purchase the front end of the block, sell the library, have a community center there, and that a recreation center belongs on Lundy Lane. She further noted that she had a problem with taking bond dollars when they are already collecting dollars from the street maintenance sales and use tax and believed that there was enough in that fund to take care of Bay Area Boulevard. She also agreed that the timing is not good for bonds after the school district bond elections. Councilmember Griffon agreed that it should be a community center and not a recreation center. Mr. Kabiri clarified if it was the desire of the Council for the staff to build a $9 million community center, then they would do so; however, the architecture firm that presented conceptual planning to Council in October of 2024 of a full-scale recreation center gave an estimated costs of $37 million to $46 million, depending on the scale of the facility. Therefore, a $9 million facility would not be a full-scale recreation center. Councilmember Griffon reiterated that it should be a community center downtown to replace the aging Activity Center and then in the future have a bond proposition specifically for a sports complex on the 27 acres off of Lundy Lane.

Mayor Foreman reiterated that Council needed to say yay or nay on the bond election, so the staff could have direction on how to proceed. He heard a few councilmembers say yes, including himself, and some noted that their support would be based on the packaging of the bond propositions. Regarding streets, the Mayor noted that Bay Area Boulevard was a big-ticket item that would utilize more than a year's worth of street maintenance funds by itself. Councilmember Ross reiterated the point of wants versus needs and believed that those needs should be priority.

Mr. Kabiri noted that the Council will be having a meeting in two days, in which this topic can be discussed further if desired. Mr. Kabiri noted that he believed there was a general consensus from the Council to move forward with a bond election but were not yet certain on what that would entail as the Council seemed undecided on the propositions and projects.

Councilmember Ellisor added that he agreed they need to home in on the most important issues and needs and focus on those. Councilmember Hanks requested that the staff tell them at their Retreat Meeting on Wednesday the City's absolute needs that could not be paid for through the City's annual budget, and could not afford, but for a bond.

7. RECESS / RECONVENE

At 6:15 P.M., Mayor Foreman recessed the meeting and later reconvened at 6:30 P.M.

8. TAX INCREMENT REINVESTMENT ZONES / PUBLIC IMPROVEMENT DISTRICTS

A. Receive an overview of tax increment reinvestment zones and public improvement districts, including information concerning the Reinvestment Zone Numbers One and Two, City of Friendswood and Friendswood City Center Public Improvement District.

City Manager Morad Kabiri introduced the item explaining that since the Tax Increment Reinvestment Zone (TIRZ) was created in 2024, there has been some change to City Council, so they wanted to provide a general overview of what TIRZs and Public Improvement Districts (PIDs) can and cannot do. Mr. Jonathan Frels and Ms. Mary Buzak with Bracewell then presented the information to Council with the following highlights:

WHAT IS A PID?

- Public Improvement Districts ("PIDs") are created pursuant to Chapter 372, Local Government Code.
- A PID is formed over a defined, contiguous area in the corporate limits of the City or the City's ETJ.
- Assessments are levied on property within the PID based on the benefit received from PID improvements (public improvements including roads, water, sewer, parks, etc.

PID CREATION

- City receives a petition from a majority of the property owners within the proposed boundaries of the PID.
- City conducts a public hearing on the creation of the PID and the PID is created by a resolution adopted by the city council.
- City files the creation resolution in the real property records of the county within seven (7) days of city council approval.

HOW DOES A PID WORK?

- The PID assessment are used to pay:
  - Debt services on tax-exempt bonds issued to fund PID improvements, or
  - Amounts owed under reimbursement agreement with developer, including interest to reimburse the developer for the costs of the PID improvements.
- Administrative expenses are included in the annual assessment installment.
- The distribution of assessments among properties within the PID is determined by a benefits analysis conducted by the City's PID Administrator. Each property pays for the benefit it receives from the public infrastructure.
- Assessments can be paid in full or paid in annual installments
  - Assessments do not increase as home values increase.
  - Assessments terminate after payment in full (either via prepayment or annual installments).
  - Assessments are a lien that run with the land.
- Assessments are liens on property (like taxes) and are superior to all other liens, except for ad valorem taxes.
- Assessments are collected and enforced like property taxes.
  - They are billed at the same time as property taxes (ideally on the county tax bill).
  - They are delinquent February 1 of each year.
  - They incur penalties and interest.
  - The City can foreclose on property for non-payment of an assessment.

WHY UTILIZE A PID?

- PIDs are used as an economic development incentive tool to promote annexation and development.
- PIDs are often used for urban infill rather than creating an in-city municipal utility district.
- PIDs are used to incentivize the inclusion of amenities that would not be provided by the developer but for the creation of the PID
  - Enhanced plan, design, architecture and building materials that exceed subdivision building standards
  - Lot and residential unit size that align with the City's goals for economic growth
  - Private amenities tailored to the community
    - Playgrounds
    - Fitness Centers
    - Enhanced Trails
- PIDs may help accelerate construction of improvements described in City's Comprehensive Plan, Thoroughfare Plan and Parks Plan.
- The City can require cash contribution from developer (non-PID funds) to fund City projects.
- A PID charges property owners for the costs of public infrastructure that specifically benefits their property, rather than taxing all residents for such infrastructure.
- By issuing bonds backed by the assessments, the City can generate funds to construct the public improvements.

TYPES OF PIDS

- Pay-As-You-Go-PID: allows future long-term reimbursements from assessments to developer.
- Reimbursement Bonds PID: allows reimbursement soon after infrastructure is installed
- Construction Bonds PID: allows for the issuance of up-front bonds to construct infrastructure

FINANCIAL IMPLICATIONS FOR CITY
Creation and Administration

- All City costs incurred as a result of creating the PID should be paid by the developer via a cash escrow deposit with the City.
- Administration is typically contracted to a third party, overseen by the City and paid for by PID assessments.
- The City will have to annually approve updates to the PID plan (the "Service and Assessment Plan" or "SAP").

FINANCIAL IMPLICATIONS FOR CITY
PID Debt

- Non-recourse to the City
- Bondholders cannot demand payment from the City's general fund or from City property tax revenues.
  - Bonds or reimbursement agreements are backed only by the assessments on the property within the PID.
- Issuance of PID debt by City does not reduce City's bonding capacity.
- City keeps all of its ad valorem and sales tax revenues.
- Counts against bank qualified debt limit.
- The bonds are typically non-rated and are sold to a limited number of bond buyers.
- The annual payments of the assessments will be sufficient to fully pay for the debt service on the bonds.
- Bonds are issued by the City, but the City's only obligation with respect to the bonds is enforcement of collection of the assessments and continuing disclosure obligation.
- A default on the bonds means that enough property owners did not pay their annual installment of the assessments to pay debt service on the bonds. The risk is higher when there is only one property owner or only a few property owners.
- A default on the bonds is not likely to be reflected in the City's credit rating and bondholders are aware of the risk of nonpayment. It would, however, be a default of bonds that contain the City's name.
- When property owners don't pay their assessments, the City's obligation is to enforce collection, which means foreclosure on the property.
- The bond indenture will create reserve funds to bridge the gap when property owners pay late or the City has to go through the foreclosure process.

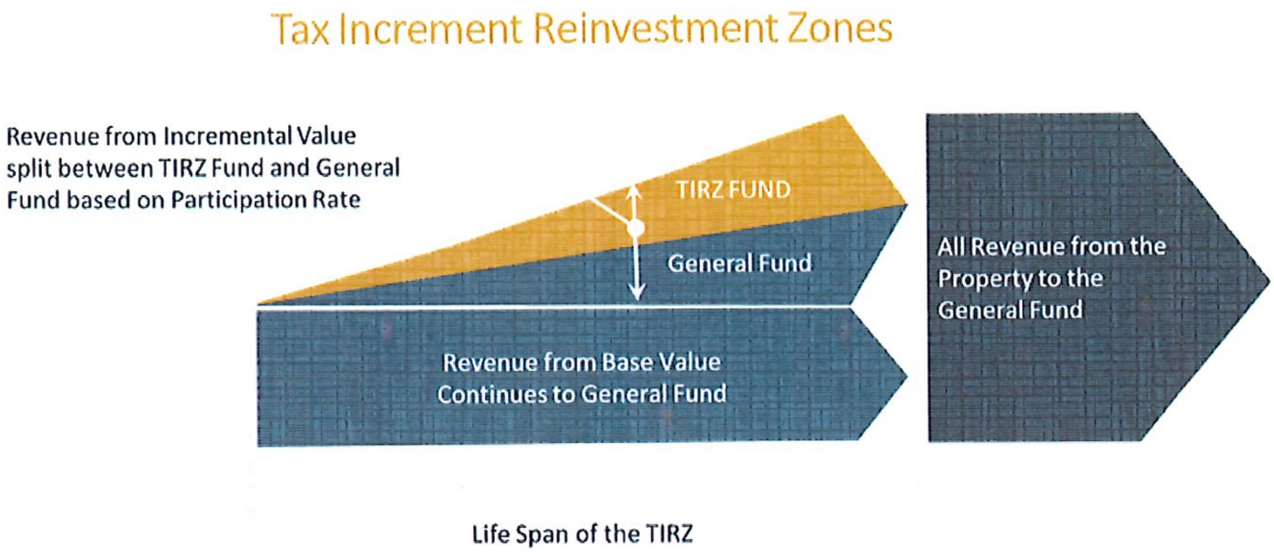
TAX INCREMENT REINVESTMENT ZONE OVERVIEW

Chapter 311 of the Texas Tax Code (the Tax Increment Financing Act) establishes the steps for creating a tax increment reinvestment zone (TIRZ)

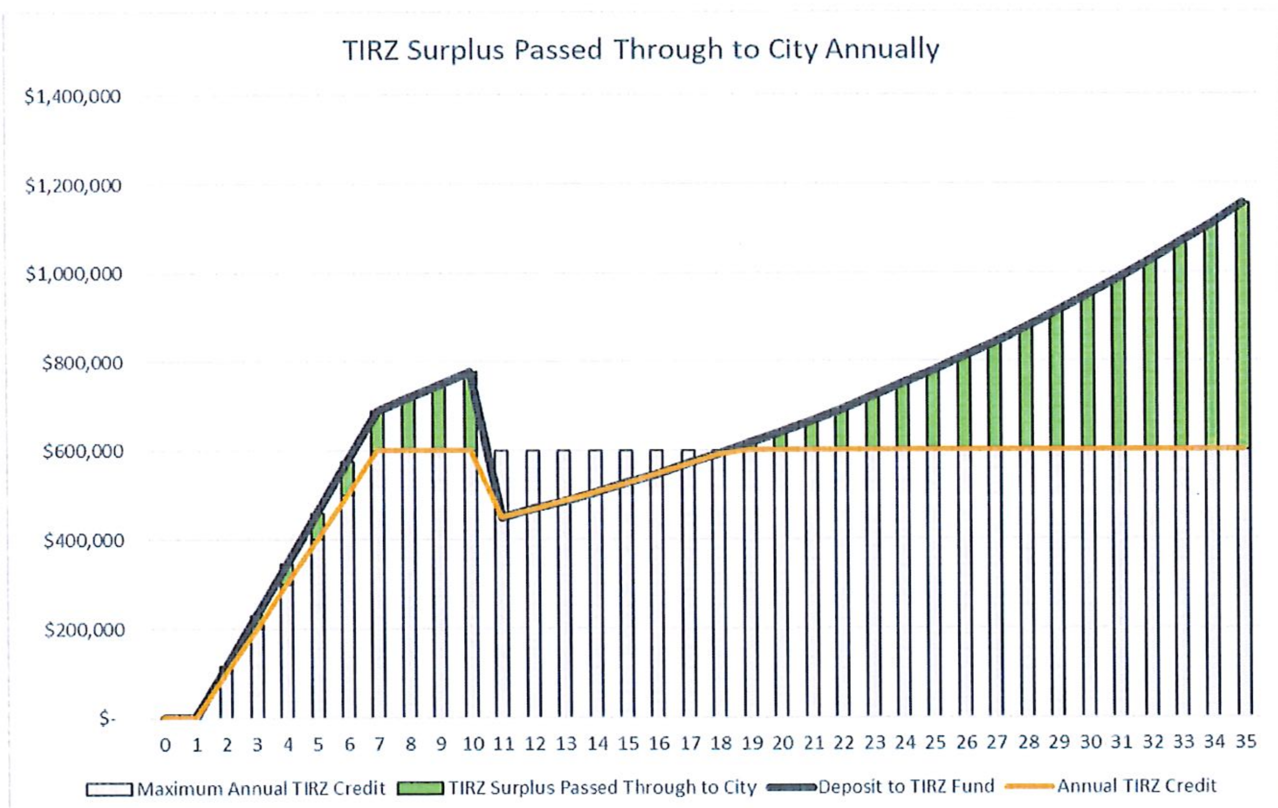
- Create boundaries for the proposed TIRZ
- Prepare a preliminary reinvestment zone financing plan
- Conduct a public hearing on creation of the TIRZ
- Publish notice of the hearing at least seven days prior to the hearing
- Consider and act upon ordinance creating the zone, describing the boundaries, finding that the TIRZ meets the criteria for creation, and establishing the board, the increment contribution, the duration of the TIRZ, and the tax increment fund
- Future Date (e.g. bond sale date) – adopt a project plan and reinvestment zone funding plan for the TIRZ

TIRZ BIG PICTURE CONSIDERATIONS

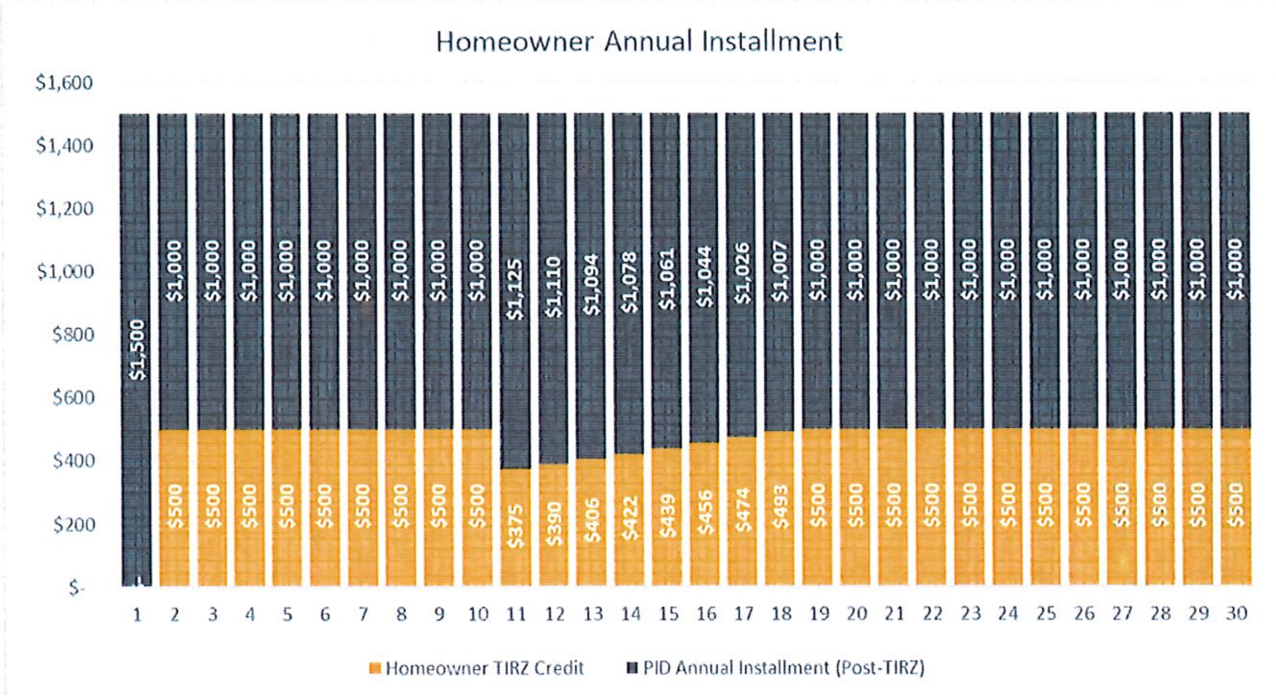
- A TIRZ is a tool that cities and counties can use to finance public infrastructure in a defined area.
- The TIRZ board of directors makes recommendations to the governing body of the city or county on the implementation of the tax increment financing.
- Each taxing unit can choose what percentage, if any, it will contribute.
- A TIRZ obligates future tax revenues from each participating taxing unit to pay for project costs described in the project plan and reinvestment zone financing plan.
- TIRZ revenues can be used to offset annual installments of PID assessments.



PID/TIRZ OFFSET



HOMEOWNER ANNUAL INSTALLMENT (POST-TIRZ)



Councilmember Hale asked at what point is it determined how much TIRZ funds will pay of the total PID bond debt. Mr. Frels responded that those amounts are defined in the development agreement, which is reviewed and approved by the City Council. Councilmember Hale asked his question again, to which Mr. Frels answered there is a specified "up to" amount that annually goes toward that purpose, which is again defined in the related development agreement. In response to questions related to PID assessments from Councilmember Hale, Mr. Frels noted that a PID assessment is a set amount that is charged to each of the property owners within the PID boundaries, the property owners pay said assessment and they may at any time decide to pay off the total amount of their assessment, which will then go away. However, Mr. Frels noted that property owners have no incentive to pay their PID assessment early as it is a fixed amount that does not pick up interest over the 20-year life of the TIRZ/PID. Mr. Frels further noted that once all of the infrastructure debt is paid, those TIRZ dollars will flow back to the City and can be used for additional infrastructure and projects in the Zone.

Councilmember Ross asked who came up with the valuations of the future development projects for the property. Mr. Kyle Shafman with P3Works explained when the City issues PID bonds, there is an appraisal process and a feasibility study projecting the long-term value of the development based on the values provided by the developer. Mr. Kabiri noted that the staff does not just blindly accept the values provided by the developers and conducts its own evaluation with surrounding properties to ensure that the amounts provided are appropriate. Mr. Kabiri further explained that the development agreement has a fail-safe that benefits the City in that if the values outlined in the agreement are not achieved, then the property owners are responsible for a greater portion of that debt burden and not the City.

Further discussion ensued regarding matters concerning current PID and TIRZ developments.

In that discussion, Councilmember Ross noted that in the City Center TIRZ, the developer is also the general contractor, as such, he is incentivized to have their costs match the Engineer's Opinions of

Probable Costs (OPC) to pocket the margin. With that being said, he asked what their thoughts were on protecting the city from that kind of cost overrun. Mr. Kabiri answered if there are leftover funds, they can only be applied to other eligible projects within the PID and cannot be paid back. Additionally, Mr. Frels clarified that there is only a certain amount of debt that can be issued for which the City is responsible for, and anything over that amount, is the developer's responsibility. Therefore, at some point, inflating costs will eventually bite into their own monetary returns because the City is only going to pay for public infrastructure. Mr. Kabiri added that these incentive programs are only put in place for projects that would not have otherwise happened without this incentive mechanism, and once the development agreements are adopted by the Council, they are legally binding and the parties must comply with the agreement terms.

Councilmember Griffon asked if the City Council serves as the Board of Directors of the TIRZs and PID, should the City Center Developer fail to comply with the terms of the development agreement, what authority does the Council have to remove the current developer and replace him with another one that could take over the project and get it done. Mr. Frels stated that he would have to check the terms of the development agreement, but generally he noted that development agreements have a term called "in the event of default" that gives the developer a cure period, which does not allow the Board to replace the developer, but it does allow them to find a default as it relates to the bonds. In other words, if they have a developer that is in default then City would take the bond proceeds and pay down the debt.

Councilmember Ross questioned what the path would be forward in order to get the City Center project completed. Mr. Frels responded that as the City has issued the debt for this project, it would have the necessary funds available to pay for the infrastructure that the City bargained for with this project. If the developer were to go away, then the City would be able to foreclose on the property.

Councilmember Griffon stated there needed to be some mechanism by which if the developer cannot do the job, the Board of Directors can have the authority to remove the project and reassign it to another developer that could finish it. Upon further discussion, Mr. Kabiri clarified that the City's obligation is just the public infrastructure component of the project, which would be paid for through the PID bond proceeds. So were the developer unable to fulfill their obligations pursuant to the development agreement, the City would step in and complete the public infrastructure using the PID bond monies, which are paid for via the PID assessments that are assigned to each property within the PID. Mr. Kabiri stated that it is incumbent on the developer to take action to get the contract fulfilled.

Councilmember Hanks stated that whether the contractor and the developer are one in the same, it does not really matter to the City how much they are charging and paying each other because ultimately, they are going to pay what they have to pay in the TIRZ and PID assessments. Mr. Frels and Mr. Kabiri confirmed that her assessment was correct; i.e., the developer is responsible for paying the debt service and if their expenses are on the high end, they are only hurting themselves.

Councilmember Hanks then asked if there was anything they, as a Board or Council, should do to move this project along, specifically, what the Council's responsibilities are in this matter. Mr. Frels replied that the Council does not have any responsibility as the debt has already been issued and the City has the funding on hand in order to complete the construction of the desired public infrastructure. Mr. Frels noted that the developer is going to be responsible for completing the project and will ultimately be harmed by not getting the project done because they are the ones paying those assessments during the time that it takes to get this project completed. If the developer goes bankrupt, there will be a foreclosure process, but again, the City will have the bond funds available to complete the construction of the public infrastructure.

B. Consider on first reading an ordinance approving the 2026 Annual Update to the Service and Assessment Plan and Assessment Roll for the Friendswood City Center Public Improvement District, including the collection of annual installments.

At 7:21 P.M., Councilmember Hanks stepped out of the meeting and later returned at 7:24 P.M.

Mr. Kyle Shafman with P3Works explained that this item is the annual service plan update. The original service plan for the public improvement district (PID) was approved back in 2004. There is a statutory requirement that the City Council will review the updated five-year service plan and approve the updated assessment roles for 2026. Those assessment roles will be billed by Galveston County for those parcels. This year, the annual installment came out to about $4.7 million. Currently, Mr. Tannos (the developer) does own all the parcels, so he will be responsible to making that annual installment payment.

City Attorney Karen Horner added that there is a red line of the ordinance in front of Council. If they move to approve, the red lines just deal with instructions to staff on what to do, how to file the ordinance, where to file it, and who all needs copies of it.

A motion was made by Councilmember Branson and seconded by Councilmember Griffon to approve the first reading of a Proposed Ordinance, as submitted and related to Item 8.B. The vote was the following:

Ayes: Mayor Mike Foreman, Mayor Pro Tem John Ellisor, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Randy Hale, and Councilmember Michael P. Ross

Nays: None

The item passed unanimously.

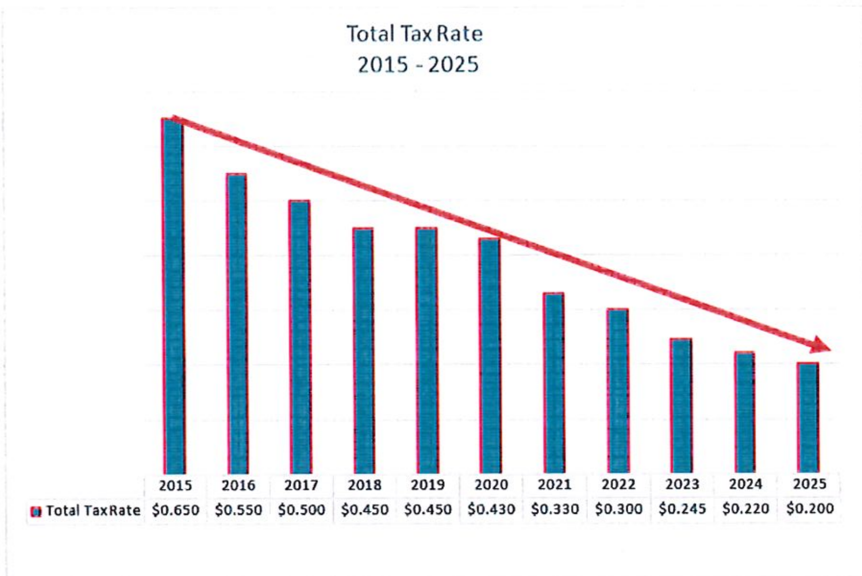
PROPOSED ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, APPROVING THE 2026 ANNUAL UPDATE TO THE SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE FRIENDSWOOD CITY CENTER PUBLIC IMPROVEMENT DISTRICT, INCLUDING THE COLLECTION OF THE 2026 ANNUAL INSTALLMENTS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE THEREOF.

9. COMMITTEES OR SPECIAL REPORTS

A. Receive the West Ranch Management District's Annual Report.

Mayor Foreman noted the report was included in Council's backup material. West Ranch Management District Director Dennis Barber then took moment to further comment on their tax rates.



Mr. Barber reported that their tax rates have been lowered at a higher rate than the values of the properties have gone up. So, the average homeowner has seen a decrease in their tax bill from the management district. What Mr. Barber had hoped to do when he got on this board was to get rid of their bonds as quick as possible. However, the downside to doing that is they are actually earning more in interest from the State than they are paying on the bonds. Thus, it does not make sense to retire these bonds early at this point. He stated there is about $16 million left and all will mature by 2041.

10. CITY MANAGER'S REPORT

A. Present an update on Movies in the Park.

City Manager Morad Kabiri announced July will kick off their Dive-In Movies series. July 10th will be Migration, Jaws will be on the 17th, Finding Nemo on the 24th, and then Pirates of the Caribbean on August 7th. He noted the movies are all aquatic related and will be shown at the Stevenson Park Pool.

B. Present an update concerning National Park and Recreation Month - July 2026.

City Manager Morad Kabiri announced July is National Parks and Recreation Month and thanked the City's Parks and Recreation Team for all their hard work.

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

City Manager Morad Kabiri presented the Friendswood Library Summer Reading Challenge statistics as follows:

- 300 people attended the Summer Reading Kickoff Party on May 22;
- 1,250 participants have read 405,361 minutes for the reading challenge so far;
- More than 5,000 people attended special summer events in the first month; and
- 670 new Friendswood Library cards have been issued since the start of summer.

Mr. Kabiri additionally announced there is a fundraiser gala on September 26th to benefit the library and encouraged everyone to buy tickets.

D. Recognize Friendswood Patrol Captain James Price and EMS Captain David Waindel for completing the Texas Certified Public Manager Program (CPM).

City Manager Morad Kabiri recognized and congratulated Friendswood Police Department Captain James Price and Emergency Medical Services (EMS) Captain David Wyndell for graduating from the Texas Certified Public Manager Program (CPM) program at the University of Houston.

E. Recognize Deputy Finance Director Jennifer Walker for completing the North Central Council of Governments' New and Emerging Finance Directors Program (NEFD).

City Manager Morad Kabiri recognized and congratulated Finance Deputy Director Jennifer Walker for completing the North Central Council of Governments' New and Emerging Finance Directors Program (NEFD).

11. PROPOSED ORDINANCES & RESOLUTIONS

A. Consider an ordinance amending the City's General Budget for Fiscal Year 2025-2026 by approving "Budget Amendment IX" and providing for supplemental appropriation and/or transfer of certain funds.

A motion was made by Councilmember Hanks and seconded by Councilmember Branson to approve Ordinance No. 2026-20, as submitted and related to Item 11.A. The vote was the following:

Ayes: Mayor Mike Foreman, Mayor Pro Tem John Ellisor, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Randy Hale, and Councilmember Michael P. Ross

Nays: None

The item passed unanimously.

ORDINANCE NO. 2026-20

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, AMENDING ORDINANCE NO. 2025-23, PASSED AND APPROVED AUGUST 25, 2025, THE SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY'S GENERAL BUDGET FOR FISCAL YEAR 2025-26, BY APPROVING "BUDGET AMENDMENT IX" 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.

12. CONSENT AGENDA

A motion was made by Councilmember Branson and seconded by Mayor Pro Tem Ellisor to approve Consent Agenda Items 12.A. through 12.X., with the exception of Item 12.G. which was pulled for discussion. The vote was the following:

Ayes: Mayor Mike Foreman, Mayor Pro Tem John Ellisor, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Randy Hale, and Councilmember Michael P. Ross

Nays: None

The Consent Agenda passed.

A. Consider a resolution authorizing the submission of a grant application to the Texas Water Development Board for a Water Supply and Infrastructure Grant for its 24" Waterline Phase II Improvements Project and appointing the City Manager to act as the City's authorized representative for all purposes under the grant.

RESOLUTION NO. R2026-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRIENDSWOOD, TEXAS, REQUESTING FINANCIAL ASSISTANCE FROM THE TEXAS WATER DEVELOPMENT BOARD; AUTHORIZING THE FILING OF AN APPLICATION FOR ASSISTANCE AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

B. Consider authorizing an agreement with Paradigm Consultants, Inc., d/b/a CMT Technical Support Services (Texas) for construction material testing for the Blackhawk Boulevard Reconstruction Phase 2-C Project.

C. Consider authorizing the Second Amendment to the Professional Services Agreement with Guy Engineering Services, Inc., for the Greenbriar Bridge Rehabilitation Project.

D. Consider approving Change Order No. 6 to the New Ground Storage Tank at Surface Water Plant #1 Project, and authorizing Change Order No. 11 to the Clear Creek Crossing Waterline Installation Project to move unspent ARPA funds from the Clear Creek Crossing Waterline Installation Project to the New Ground Storage Tank at Surface Water Plant #1 Project.

E. Consider accepting the Clear Creek Crossing Waterline Installation Project and authorize the commencement of the contractor's one-year maintenance period.

F. Consider authorizing the final acceptance of Riverstone Montessori Infrastructure Improvements Project.

G. Consider authorizing a contract with Construction Masters of Houston, Inc., for the Blackhawk Precast Perimeter Wall Replacement Project through the Harris County Department of Education Choice Partners Cooperative Contract No. 24/018MR-03.

Councilmember Hale noted this item has $225,000 for 780 feet of masonry wall and asked if the iron gates are going to remain there when the wall gets replaced. Public Works Director Steve Vavrecka replied that the item is to replace existing masonry wall that is in disrepair. The iron fence, however, will stay.

A motion was made by Mayor Pro Tem Ellisor and seconded by Councilmember Hanks to authorize a contract with Construction Masters of Houston, Inc., for the Blackhawk Precast Perimeter Wall Replacement Project, related to Item 12.G. The vote was the following:

Ayes: Mayor Mike Foreman, Mayor Pro Tem John Ellisor, Councilmember Sally Branson, Councilmember Trish Hanks, Councilmember Robert J. Griffon, Councilmember Randy Hale, and Councilmember Michael P. Ross

Nays: None

The item passed unanimously.

H. Consider authorizing the purchase of a backhoe from Mustang Machinery Company LLC, D/B/A Mustang CAT through Sourcewell Contract No. 011723-CAT.

I. Consider authorizing the sale of a 2011 Case backhoe through Purple Wave Auctions for the Public Works Department.

J. Consider approving the street closure of W. Castlewood Ave. from Cedarwood Ave. to Merriewood Dr. for the Figgy Youth Triathlon on Sunday, August 9, 2026, from 6:30 a.m. to 10:30 a.m.

K. Consider authorizing the Renewal of the Mowing Contract with Neoglobal Enterprises, LLC, d/b/a Horticare, for parks and facility mowing services.

L. Consider renewing the Landscape and Maintenance Services Agreement with Manor Maintenance, Inc., for the second one-year renewal term.

M. Consider authorizing an Interlocal Agreement with Galveston County for the FY2027 Congregate Meal Program.

N. Consider authorizing a School Resource Officer Agreement with the Friendswood Independent School District.

O. Consider approving the disposal of two (2) Police Department vehicles through E-Block.

P. Consider authorizing the City Manager to negotiate and execute pre-event contracts for debris removal services with CrowderGulf, LLC, and DRC Emergency Services, LLC.

Q. Consider authorizing the City Manager to negotiate and execute pre-event contracts for debris monitoring services with Tetra Tech, Inc., and Thompson Consulting, LLC.

R. Consider authorizing the City Manager to negotiate and execute pre-event contracts for disaster logistics with Environmental Earth-Wise, LLC., and Garner Environmental Services, Inc.

S. Consider appointing (i) Beth Robinson (ii) Sharon Rowsey, and (iii) Brian Shelley to the Community and Economic Development Committee for a three-year term, beginning July 1, 2026, and expiring on June 30, 2029.

T. Consider appointing (i) Cindy Deaton, (ii) Billy Mendoza, (iii) Randy Weisinger, (iv) Les French, and (v) Carlysle Gulledge as regular members, and (vi) Dave Yelovich as an alternate member to the Construction Board of Appeals for a two-year term beginning July 1, 2026, and expiring on June 30, 2028.

U. Consider appointing (i) Jake Potter, (ii) Kristina King, and (iii) Hether Dieste to the Fourth of July Steering Committee to complete unexpired terms ending on October 31, 2027.

V. Consider appointing (i) Brad Ballard, (ii) Joseph Whittington, (iii) Joe Matranga, (iv) Sean Mickler, (v) Adam Hill, (vi) Eugenio Gonzales, and (vii) Marcy Linebarger to the Capital Improvement Advisory Committee for staggered terms.

W. Consider approving the ad valorem tax report for May 2026.

X. Consider approving the minutes of the City Council Regular Meeting minutes held on June 1, 2026.

13. ADJOURNMENT

With there being no further business, Mayor Foreman adjourned the July 6, City Council Regular Meeting at 7:36 P.M.

Mike Foreman, Mayor

Attest:

Raquel Martinez, TRMC, City Secretary

CITY OF FRIENDSWOOD
STATE OF TEXAS