

STATE OF TEXAS)
CITY OF FRIENDSWOOD)
COUNTIES OF GALVESTON/HARRIS)
AUGUST 05, 2013)

MINUTES OF A REGULAR MEETING OF THE FRIENDSWOOD CITY COUNCIL THAT WAS HELD ON MONDAY, **AUGUST 05, 2013**, AT 4:30 PM AT FRIENDSWOOD CITY HALL COUNCIL CHAMBERS, 910 S. FRIENDSWOOD DRIVE, FRIENDSWOOD, TEXAS, WITH THE FOLLOWING PRESENT CONSTITUTING A QUORUM:

MAYOR	KEVIN HOLLAND
MAYOR PRO-TEM	BILLY ENOCHS
COUNCILMEMER	STEVE ROCKEY
COUNCILMEMBER	JIM HILL
COUNCILMEMBER	PAT MCGINNIS
COUNCILMEMBER	JOHN SCOTT
CITY ATTORNEY	ARNOLD POLANCO
CITY MANAGER	ROGER ROECKER
CITY SECRETARY	MELINDA WELSH

Councilmember Gustafson was absent from the meeting.

REGULAR SESSION

Mayor Holland called the meeting to order.

The invocation was given by Pastor McCauley Austin with Friendswood Baptist Church.

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

COMMUNICATIONS FROM THE PUBLIC

Lucy Woltz, Friendswood resident, addressed Council and stated she is with the Friendswood Lions Club, recently had their first Crawfish Festival at Centennial Park, was well attended, over 1,700 in attendance, everyone that sold alcohol at the event was Texas Alcoholic Beverage Commission (TABC) certified, all fees were paid to the City for use of the park, hired officers for the event, please approve allowing alcohol in the parks.

Cooper Dixon, Scout in Troop 445, addressed Council and discussed use of Imperial Estates for a disc golf course, would like to build the course as an Eagle Scout project, spelled out the plans, received input from other disc golf courses, estimated cost would be \$7,000 for a 9-hole course, to raise funds would sell hole sponsorships to local businesses, would use collaboration from his troop for the labor, Scouts are excited about the prospect, closest disc golf course is 20 minutes away, funding would be community based.

Penny Burke, Friendswood resident, addressed Council and stated she took her grandchildren to see Wicked and quoted a line from the play, City was incorporated over 50 years ago, and gave a history of the parks in Friendswood. If alcohol is served in Renwick Park the Nation League of Little League would have to cancel their sponsorship of all league games, interested in Council's response to alcohol served in the parks. Ms. Burke further stated she is opposed to serving alcohol in the parks, would like City parks to remain true to their mission to provide for the recreation and leisure needs of the community. Friendswood has a reputation for traditional values and quality education that will serve well into the next 100 years.

Faye Roberson, Friendswood resident, addressed Council and stated there is a lot of children present in the meeting whose parents have worked hard to get the City of Friendswood where it is today, 1,700

people is a small portion of citizens in Friendswood, the way to reach out to young people is by helping them, community activities help them, parks should be free of alcohol, gave an example of a recent event in the news of police searching for someone responsible for serving alcohol to someone who caused a fatality accident. Please vote no for alcohol in the City's parks, do not promote public intoxication which is what Council will be doing if they say okay to alcohol in the parks.

Trey Hill, Friendswood resident, addressed Council and state he represents Friendswood Youth Football Association (Broncos Football), home field is at Centennial Park, have two scoreboards at the park that have been in disrepair, attempted to raise money to replace scoreboards, largest contributors were Texas Bank and Hometown Bank, meets windstorm standards, will also be used by the Junior High, needs help with wiring for use.

WORK SESSIONS

Mayor Holland opened the discussion with David Quin, Program Manager from Public Power Pool regarding the method in which the City purchases electricity. Mr. Quin, presented a PowerPoint presentation regarding the method in which the City purchases electricity, explained about the program, have 84 members with two additional coming in with the new contract in 2014, savings of \$114 Million against market rates, members have saved \$60 Million since 2009. In August of 2012, a Request For Proposal (RFP) was sent out and Public Power Pool Board narrowed the response down to four conforming bidders, and October 2012 requested executable pricing to all regional variations. A three-year agreement with Constellation NewEnergy for electricity supply was executed, beginning with the first meter reading in January 2014, winning bid was a fixed weighted three-year average price for the whole group of \$47.710/MWh - or 4.771 cents/kWh, there are regional variations. By being a member of the Public Power Pool the City has saved \$355,000 since 2002, under the new contract the City is projected to save \$159,000 for the year 2014. In addition to the bulk purchasing power of members working together to get a lower rate, one of the best advantages of membership is the contract, large load additions can be done without penalties from the provider, penalties for any late or bad bills are included, conduct audits, work with members to make sure legal counsel is available if needed, continually work with members to revise budget numbers. Mr. Quin gave reasons why the Public Power Pool is the City's best option for purchasing power, negotiate bulk discounts unavailable to individual entities, nonprofit owned and operated by its members, transparent aggregation fee is the lowest in the business, valued and customized support to City Staff, and the contracts are the most member-friendly contracts in the business.

Mayor, Council, and Mr. Quin held a discussion regarding commodity rates, no control over negotiation of commodity rates, kilowatt rate is determined by hours of usage and peak demand, another money saving option for the City that could be done without a penalty is energy efficiency projects.

Mayor Holland opened the discussion regarding the City's proposed Fiscal Year 2013-2014 General Fund Budget. City Manager Roger Roecker stated he would like to spend some time looking back before looking forward, did internal service level assessment, Staff thought they were delivering a good level of service, a citizen survey was done and 96% thought quality of life was good or excellent, were assessing services, are a blended City in regards to contracting externally, conservatively Staffed, goal and charge from Council is to provide excellent service. Discussed the typical City employee with number of employees being 194, average age of employees 43.69, average years of service with the City is 9.81, median annual salary is \$47,577, and average yearly retirement benefit is \$18,864. Discussed where a Friendswood resident's tax dollars go. In Harris County, Clear Creek Independent School District (CCISD) receives 52.4%, Harris County 23.5%, City of Friendswood 23.0%, and Flood Control 1.1%. In Galveston County, Friendswood Independent School District (FISD) receives 49%, Galveston County 24.7%, City of Friendswood 21.4%, and the Drainage District 5%. The City Manager further stated the number of employees will decrease this upcoming year, and Administrative Services Director Cindy Edge will explain further, are continually trying to do better.

Administrative Services Director Cindy Edge addressed Council and stated she would like to recognize the Budget Team which is Senior Staff who worked hard, pretty intense, have a unique process, and

discussed historical perspective from Fiscal Year 2008 until now. The City has developed budgets with no new programs, no City-wide adjustments to base budget, effective tax rate or slightly less than effective tax rate adopted during this period, deferral of street maintenance, some facilities maintenance and equipment purchases, technology infrastructure, limited merit funding in recent years, operating budget savings of \$365,843, limited growth in property values, decline in sales tax revenue in Fiscal Year 2011-2012 was back on track in Fiscal Year 2012-2013, and investment income declined by approximately 86%. Discussed the accomplishments in Fiscal Year 2013, City completed a number of Capital Improvement Projects, Fire Station No. 3 renovations, Blackhawk Blvd reconstruction, Oak Vista Drive reconstruction, a portion of Wandering Trails was reconstructed, lighting of Field No. 33 at Centennial Park, Stevenson Park Splash Pad Phase 1 installation, complete build out of the Animal Control Facility, \$4.5 Million of General Land Office (GLO) Round 2 funding that will widen and improve Friendswood Link Road, maintained grant funding for Crime Victim Liaison, Emergency Management Performance Grant (EMPG), and other public safety-related grants, \$50,000 from Texas Department of Transportation's (TxDOT) Transportation Enhancement Program for the Falcon Ridge Boulevard Striping Project, worked with a group of citizens to determine, prioritize and recommend capital improvement needs and explore funding options, issued a Request for Proposal (RFP) to replace the City's Enterprise Software, citizen survey was completed and results shared with Council and citizens, implemented software to process and electronically deposit utility billing payments, recognized as the 20th Safest City in America in 2013, Keep Friendswood Beautiful (KFB) received 3rd place in Keep Texas Beautiful's Governor's Community Achievement Award, and maintained the City's excellent record, received excellence in Financial Reporting Award from Government Finance Officers Association of the United States and Canada (GFOA), received the Award for Distinguished Budget Presentation from GFOA, received the Texas Comptroller's Leadership Circle "Gold" designation for financial transparency, and sustained the Excellence in Reporting Recognition from Keep Texas Beautiful. Staff has received the certified property tax values from Galveston County. Due to the fact that Harris County has not provided numbers as of yet, calculated where values are and estimated the same trend in Harris County as Galveston County, property value has gone up, if new construction is taken out then pretty much at break-even point, there is \$12 Million in exemptions. The 2012 current tax value was \$2.435 Billion, estimated 2013 taxable value is \$2.428 Billion, estimated value loss of \$6.4 Million. The Effective Tax Rate is a calculated rate that would provide the taxing unit with about the same amount of revenue it received in the year before on properties taxed in both years. If property values rise, the effective rate will go down and if values decline, the effective rate will go up. Friendswood offers a 20% Homestead Exemption, the City of Friendswood and the City Webster are the only cities in the surrounding area to offer the 20% Homestead Exemption. Ms. Edge gave a brief explanation of other exemptions offered on property tax, and showed a chart reflecting the impact of the Over-65 freeze ceilings. Fiscal Year 2014 budget highlights effective tax rate, no new programs, recognized full operation and maintenance (O&M) costs of the new Animal Control Facility, expanded the Summer Day Camp Program, and maintained current service levels. Ms. Edge discussed the Forces at Work from the General Fund, Health Insurance increase - \$34,370, Worker's Compensation increase - \$4,000, Windstorm Insurance increase - \$9,145, fuel increase - \$83,103, League City GRID annual contract - \$12,000, T-1 line radio maintenance - \$10,020, breath alcohol testing program increase - \$3,798, Animal Control cleaning contract - \$29,304, operating costs for the Splash Pad - \$1,838, increase in insurance for the Splash Pad - \$250, July 4th event overtime - \$12,436, Summer Day Camp additional operating - \$24,406, and vehicle costs for the expansion to the fleet - \$5,050. Decision Packages from the General Fund, Employee Merit - \$239,561, dispatch console upgrade and digital voice recorder - \$366,218, Friendswood Volunteer Fire Department (FVFD) State Fire Fighter Pension increase - \$15,552, FVFD Health Insurance cost increase - \$3,125, FVFD Electronic Patient Care Report System annual maintenance fee increase - \$4,200, Purchasing Manager - \$103,750, background checks - \$1,500, and roof replacement for Jones Hangar at Leavesley Park - \$22,500. Upcoming decisions are Enterprise Software, and, if applicable, November 2013 Election. Decision Packages funded through other sources are television monitors for City Hall - \$8,000 from Public, Education, and Government Access (PEG) funds. Forces at Work from the Water and Sewer Fund, Health Insurance increase - \$13,268, Worker's Compensation increase - \$600, Windstorm Insurance increase - \$3,585, Fuel decrease of \$15,000, City of Houston 96-inch raw water line - \$70,000, and Water Meter Reading Service contract - \$23,547. Decision Packages from the Water and Sewer Fund are Employee Merit - \$24,665, automated water meter reading monitors - \$12,750, new sewer line cleaning jet machine - \$105,000, and a new dump truck - \$98,000. Staff is looking for direction from

Council regarding the steps to adoption, proposed calendar, Public Hearing for the budget September 09, 2013, budget work session September 09, 2013, and budget adoption October 07, 2013.

Mayor, Council, and Staff held a lengthy discussion regarding issues in the future that would reflect a savings in the budget, Impact Fee reduction and Utility Rate Study. There was further discussion regarding increase in fuel costs, need to continue to look at costs savings for fuel, pension increase for the Fire Department (FD) is a Decision Package from the FD, not a requirement from the State, 20% Homestead Exemption, Purchasing Manager position, position would be utilized by all departments, there are more regulations for bids and other items, and a lot of Staff time is currently being used to make sure the City is compliant with the State's minimum requirements.

Mayor Holland recessed the meeting at 6:03 PM and reconvened the meeting at 6:12 PM.

Mayor Holland opened a discussion regarding alcohol in City Parks. Parks and Recreation Board Chair Thomas Goodwin presented a PowerPoint presentation to Council regarding concerns that were raised recently following the Friendswood Fine Arts Institute's (FFAI) Art in the Park and the Lion's Club Crawfish Festival events where alcohol was sold. Current Park Policies were adopted by Council in 1998, Centennial Park came online afterwards, rental of park facilities for various private events is allowed, the sale of consumables and other crafts with prior approval of the Parks Director is allowed, and the possession of alcohol with proper permits and procurement of security services by the Friendswood Police Department is allowed. The discrepancies in the Parks Policy are that the rules vary slightly by facility, most park properties prohibit the possession and consumption of alcohol while attending events specifically organized for the participation of minors, but still allow for possession of alcohol with proper permits and procurement of security services by the Friendswood Police Department. The Parks and Recreation Board voted 3-1 at their July 24, 2013, meeting to not regulate the consumption of alcohol in City Parks, and to allow the sale of alcohol by third party groups subject to securing proper Texas Alcoholic Beverage Commission (TABC) permits, and providing for proper security from the Friendswood Police Department. Staff has always been cognizant of minors that would be involved in an event, Renwick Park will not be one of the parks that will be open to the sale or consumption of alcohol, Little League is played at Renwick Park, cannot sell alcohol at Little League events. The suggestion was made at the July 24th Parks and Recreation Board meeting to review the Park Policies and Procedures in their entirety in order to make the policies uniform and to correct any conflicts that currently exist in the policy. The City of Alvin, City of Houston, and Galveston County Parks allow for the sale and consumption of alcohol. The City of League City, Harris County Parks, and the City of Pearland does not allow the sale of alcohol, but does allow the consumption of alcohol. The City of Pasadena does not allow the consumption or sale of alcohol. The City of Pearland is currently reviewing their policy regarding the sale of alcohol, due to repeated requests.

Mayor, Council, Chair Goodwin, and Staff held a discussion regarding the Art in the Park and the Crawfish Festival events where the first request to sell alcohol the City was received. The private groups rented Stevenson Park and Centennial Park and the groups met the requirements listed in the park policies. One Parks and Recreation Board member was opposed to the decision made by the board. The question was asked if the Friendswood Fine Arts Institute (FFAI) or Lions Club were given special favoritism for their events, and per the City Manager no favoritism was given, rules have been in place since 1998. The Parks and Recreation Board recommends one policy for all parks, current policy is cumbersome on Staff when a request is made, would like to bring the Parks Policies as a whole back to Council for review, not just a section at a time, and need direction from Council on how to handle the alcohol use and consumption. Direction given by Council was for the Parks and Recreation Board to work on forming one policy for City Parks, in the policy include policies for the consumption of alcohol at parks and City functions, and possibly make an exception for Jones Hangar.

Mayor Holland opened the discussion regarding voting details and options for the proposed November Election. City Secretary Melinda Welsh stated as discussed at the June and July Council meetings, due to a change in election law regarding November elections, if Council chooses to order a Special Election for November 2013, the City will be required to contract with Galveston County and Harris County for election services. Contracting the election services for the City's election will be a first for the City of

Friendswood. Traditionally the City has conducted their own elections. Historically, the City has chosen to purchase or lease its election equipment so it would not have to contract with the county for election services due to ongoing concerns. According to the Secretary of State, the Election Code requires that the City must share the same polling locations as the counties in November elections for Early Voting and on Election Day. Currently both counties can only give an estimated range regarding costs of the election, depending on the number of entities that contract which each county for their election services, cost is split between the number of entities. Estimated costs to contract election services with both counties for a November 2013 Special Election is \$19,000 to \$20,000. If a Special Election was held in May 2014 the estimated cost would be \$4,500 to \$5,000 due to the fact that the City could use its own election equipment and would not be required to contract with the counties. Galveston County voters will vote in the second floor conference room of Friendswood City Hall or at any of Galveston County's designated Vote Centers. Harris County voters will have to vote in Clear Lake. The City Secretary's office will do everything in their power to educate voters on the proper place for them to cast their vote if a November election is called.

Mayor, Council, and Staff held a discussion regarding where Harris County voters would be required to vote for Early Voting and for Election Day, the additional costs to hold the Special Election in November 2013 instead of May 2014 would be \$14,000 to \$15,000, and Council was in agreement that the election should be held in November 2013.

CLOSED EXECUTIVE SESSION

Mayor Holland asked if anyone would like to speak regarding the Executive Session. No one spoke.

Council convened into Executive Session in accordance with the Texas Government Code, pursuant to Section 551.087 – Deliberation regarding Economic Development Negotiations; to deliberate the offer of a financial or other incentive to a business prospect.

RECONVENE INTO OPEN SESSION

Council reconvened into Open Session with no action taken later in the meeting.

JOINT PUBLIC HEARING

Mayor Holland called a Joint Public Hearing to order to receive comments from the public, both oral and written, regarding amending Appendix C, Zoning Ordinance of the City of Friendswood Code of Ordinances, regarding amendments to Section 15.D, Notice of Joint Public Hearings, regarding notice requirements to school districts.

There was no quorum of the Planning and Zoning Commission present so their portion of the Joint Public Hearing was not opened.

Assistant City Manager Morad Kabiri explained the State legislature recently passed a law requiring municipalities to notify the school district anytime there is a zoning change regarding residential properties, is an additional notice requirement.

Mayor Holland asked if anyone would like to speak in favor of or in opposition of the request. No one spoke.

Mayor Holland left Council's portion of the Joint Public Hearing open.

COMMUNICATIONS FROM THE PUBLIC

Tina Wood, Friendswood resident, addressed Council and stated she is President of Friendswood Animal Advocates and a volunteer at the Friendswood Animal Shelter, reported on all of the items Friendswood Animal Advocates (FAA) offers and does for the community. FAA has spent \$7,500 for veterinary

services to the Animal Shelter, and the organization is sponsored totally by volunteers with a passion for animal advocacy.

COMMUNICATIONS FROM COMMITTEES AND SPECIAL REPORTS

Community and Economic Development Committee (CEDC) member Hilmar Zeissig, addressed Council and stated Chairman Skip Evans was out of town so he would present the annual report. Mr. Zeissig recognized CEDC members Toni Annan, Mark Conrad, Jeremy Magnuson, Skip Evans, Brett Banfield, Marcus Perry, Pauline Moore, and Bill Provenzano. Mr. Zeissig stated he has been on the committee for seven years, all members are active business people, give advice and recommendation, liaisons are Carol Marcantel, President of the Friendswood Chamber of Commerce, Trish Hanks, Superintendent of Friendswood Independent School District (FISD), Eva-Marie deCardenas with Clear Creek Independent School District (CCISD), Dan Seal, Executive Director of Bay Area Houston Economic Partnership (BAHEP), Don Gartman, President of Galveston County Economic Alliance, and Councilmember Gustafson. The liaisons have attended almost all meetings and the committee has learned a lot from them. The CEDC held 13 meetings in 2012, and eight so far for 2013. Some of the CEDC's accomplishments and recommendations over the past year are the CEDC drafted and approved the FM 528 Strategic Development Plan that was created to discuss the importance and impact of development along the FM 528 corridor in correlation to the City's overall goal to diversify the tax base. The CEDC has spent a great deal of time meeting with property owners, reviewing infrastructure needs, and reviewing incentives. Monthly reports have been provided to the committee regarding numerous landowner meetings and several progress reports have been provided to Council. The City's Economic Development Office received one Gold and two Silver Excellence in Economic Development awards from the International Economic Development Council. The marketing awards were for the Retail Recruitment Advertisement, New Business Guide, and Live Here Work Here campaign. The CEDC hosted the 10th Annual Broker and Developer Day at Timber Creek Golf Club in collaboration with the Friendswood Chamber's Annual Golf tournament. There were approximately 50 attendees and around 30 attendees stayed to play golf and network. The CEDC presented a \$15,000 municipal grant check to Friendswood Family Chiropractic Clinic (FFCC) for the completion of their new downtown office building. The \$1.3 Million building is 10,250 square feet and home to FFCC and Spuhler Medical Associates, and 21 jobs were created from this project. CEDC participated in a Joint Work Session with Council to discuss the committee's annual report and 2013 goals. Committee members reported their interest in encouraging economic development in commercial zoned areas of the City, envisioned the FM 528 corridor as the greatest economic opportunity for retail and commercial businesses, and special financing districts, Capital Improvement projects, water and sewer projects, and development reimbursement agreements were briefly discussed as ways to spur commercial development along FM 528 for areas that currently lack infrastructure. CEDC also participated in a Joint Work Session with Council and the Planning and Zoning Commission (P&Z) to present the FM 528 Development Strategy. At Council's request, CEDC discussed the need to require a fiscal impact analysis for rezoning requests. There was consensus by the committee that a fiscal impact analysis should be prepared and submitted to the City for all downzoning or rezoning requests from commercial to any type of residential zone including a residential Planned Unit Development (PUD). The committee reviewed DR Horton Homes, Inc., land plan for a proposed development along FM 528 and was satisfied with the commercial allocation of land by the landowner. Based on the CEDC's previous review and proposal at the March meeting, Council approved a \$20,000 municipal grant to Masa Sushi Japanese Fusion Restaurant to construct a new 5,236 square foot full-service restaurant to be occupied by the business, and a 4,242 square foot retail building that will be leased. The \$1.545 Million project to be constructed at the corner of FM 518 and Hunters Lane, will have a positive economic impact to the City by increasing property and sales tax revenues by approximately \$44,400 annually, and Masa Sushi Japanese Fusion Restaurant will employ 23 people. The CEDC will have a Joint Work Session with Council in October or November to discuss the committee's conclusions and recommendations from the FM 528 Strategic Plan. The committee is also currently planning the 11th Annual Broker and Developer Day that will be held at Timber Creek Golf Club on Thursday, October 17, 2013. The committee would like to invite and encourage Councilmembers to attend the broker event, and if they play golf, stay and help be a spokesperson for the City by playing golf with guests who may be a real estate broker, developer, or prospect. Mr. Zeissig further stated that CEDC appreciates all the work and effort Economic Development Coordinator Karen Capps contributes

to the committee, and CEDC is looking forward to Council's continued support.

CITY MANAGER'S REPORT

City Manager Roger Roecker reported that the City's 118th Annual Fourth of July Celebration took place on Thursday, July 4, 2013, and once again it was a great success. Thousands from Friendswood and the surrounding communities came out to celebrate the nation's Independence Day. The Grande Parade started down Main Street at 10:00 AM with over 100 entries all decorated to the theme "You're a Grand Old Flag". At the end of the parade at Stevenson Park, the Day Program included interactive play equipment such as a rock wall, bungee trampoline, waterslides and a mechanical bull. The evening program at Centennial Park featured the musical act The Matchmaker Band, and the evening was capped off with a spectacular fireworks display. There are many unsung heroes that make the City of Friendswood's Fourth of July celebration so successful. The community has high expectations every year, and the many volunteers and Staff who work on this event make sure no one is disappointed. The City Manager thanked the Fourth of July Steering Committee members, local sponsors David Weekly Homes, Advantage BMW, Allstate Agent Joyce Tolliver, and Justin's Seafood, the many parade participants, City employees, and many volunteers who give up their holiday to help make this annual event the best Fourth of July celebration in the State of Texas.

The City Manager reported that for the fourth year in a row, the City of Friendswood received the State Comptroller's Gold Leadership Circle Award, recognizing the City for financial transparency. The Texas Comptroller recommends that all local government share their financial transparency by posting documents online including the annual budget, the annual financial report and all check registers. The award criterion is also based on how easily the information can be accessed on the City's website. The Texas Comptroller's Office has applauded the City of Friendswood for the focus on giving taxpayers a transparent look at local expenditures. The Leadership Circle gold insignia is found on the City's website as well as on the Comptroller's "Texas Transparency" website.

The City Manager asked Councilmember Rockey to report on the recognition a local citizen has received. Councilmember Rockey reported that the Friendswood Historical Society's own Joycina Baker has been honored by the Galveston Historical Foundation with recognition for her "Friendswood Quaker Trail" project. Ms. Baker was notified in July that she had been selected to receive a Sally B. Wallace Preservation Award in the Community Service category. The "Friendswood Quaker Trail" project was a series of seven Historical Markers placed throughout the City in the fall of 2012 by the Friendswood Historical Society. The markers designate the first home, first Post Office, first business, the fig preserving plant, the Perry Home, the fig orchards, and The Academy. Marking a first for the annual awards, projects from across Galveston County were welcomed to be nominated. The annual award ceremony is named after the late Sally B. Wallace, one of the driving forces behind Galveston Island's preservation movement. Ms. Baker was nominated by Helen Mooty and the Galveston County Historical Commission. All entries were judged on impact to the community. Criteria included sensitivity to the historic integrity of the building and its site, preservation or replication of historic materials and quality of project craftsmanship and impact of the project, or program, on the preservation of Galveston County's historic fabric, neighborhoods and resources. Ms. Baker will receive her award at a reception on Saturday, August 24, 2013, on the top floor of the Thomas Jefferson League Building in Galveston. The City Manager congratulated Ms. Baker on her award and thanked her for her efforts in preserving Friendswood's heritage.

The City Manager reported the City has been working on a number of park projects over the past several and wanted to take this opportunity to update Council on the progress. The proposed bridge connecting Stevenson Park and Old City Park, Staff has been working with a local surveyor to obtain critical data in order to move forward with the bridge's design, hopes to be in a position to present a design contract to Council at the September Council meeting, and Staff hopes to have worked out an agreement with an adjoining property owner to better connect the two parks. With respect to Stevenson Park, the City recently completed the first phase of the splash pad behind the Sesquicentennial Swimming Pool. It has been a great success, is being heavily utilized, Staff has received inquiries from users as to when future phases will be completed. Regarding Lake Friendswood, survey data was recently received allowing

Staff to complete plan specifications and drawings to fence the lake property, Staff hopes to have firm prices to present to Council at the September meeting. This, in conjunction with a possible bond election this fall, would determine to what extent the lake property can be developed. At the July meeting, Council authorized the filing of an instrument to amend the deed restrictions for Section 1 of Imperial Estates. In the coming weeks, Staff will be soliciting proposals for various phases of the park improvements outlined by Council previously. Since these projects are small enough in cost that they do not require formal bids, Staff will obtain proposals and proceed with implementing the projects, unless the Council advises otherwise. Later on in the agenda, there is an item to expand 1776 Memorial Park by incorporating approximately 30 plus acres of Federal Emergency Management Agency (FEMA) "buyout lots."

The City Manager reported that Council may recall that last November a resolution was passed in support of traffic control striping improvements along Falcon Ridge Boulevard. The resolution was acted upon in conjunction with a grant application from the Texas Department of Transportation (TxDOT), namely their Transportation Enhancement Program. Staff has recently received word that the City of Friendswood was awarded 80% grant funding up to a maximum amount of \$50,324. As mentioned during the grant application process, the overall improvements are anticipated to be approximately \$63,000. In the coming weeks, a project agreement will be presented to Council for consideration prior to commencing any improvements.

ACTION ITEMS

**Councilmember Scott moved to approve the appointment of alternate member Craig Lovell to the Zoning Board of Adjustment and Appeals with a term to expire July 2016; appointment of alternate member Dennis Rundell to fill a vacancy of an unexpired term on the Senior Citizen Advisory Committee with a term to expire November 2013; and the appointment of Robert Lee, Animal Control Supervisor for the City of Friendswood, to the Animal Shelter Advisory Committee to replace the former Animal Control Supervisor who resigned.

Seconded by Councilmember Hill. The motion was approved 6-0.

**Councilmember Scott moved to approve the reappointment of J.J. Stanford to the West Ranch Management District Board with a term to expire June 01, 2017.

Seconded by Councilmember McGinnis. The motion was approved 6-0.

**Councilmember Scott moved to approve the dedication of an easement in Leavesley Park to Texas-New Mexico Power for utility maintenance at Lift Station No. 6 and authorizing the Mayor to execute the agreement.

Seconded by Councilmember Hill. The motion was approved 6-0.

**Councilmember Scott moved to approve accepting a donation of two scoreboards for Centennial Park and authorizing an appropriation for the installation costs for the scoreboards.

Seconded by Councilmember Rockey. The motion was approved 6-0.

Mayor Holland recessed the City Council meeting at 7:40 PM to convene into a meeting of the City of Friendswood Employee Benefit Trust.

CITY OF FRIENDSWOOD EMPLOYEE BENEFIT TRUST

A meeting of the City of Friendswood Employee Benefit Trust was called to order per the posted agenda at 7:40 PM.

**Councilmember Scott moved to approve all items on the Consent Agenda as presented: A. Consider action accepting the renewal offer from Blue Cross Blue Shield for Employee Medical and Pharmacy Insurance. B. Consider action accepting the renewal offer from Guardian for Employee Dental Insurance. C. Consider action to accept the renewal offer from Guardian for Employee Life/AD&D Insurance. D. Consider action to accept the renewal offer from VSP for Employee Vision Insurance. E. Consider action to accept the renewal offer from Lincoln Financial for Employee Long Term Disability (LTD) Insurance.

Seconded by Councilmember Rockey. The motion was approved 6-0.

Mayor Holland adjourned the City of Friendswood Employee Benefit Trust meeting, and reconvened the City Council meeting at 7:44 PM.

RECONVENE CITY COUNCIL MEETING

******Councilmember Scott moved to approve authorizing the monthly transfer of funds from the City of Friendswood to the City of Friendswood Employee Benefit Trust.

Seconded by Councilmember McGinnis. The motion was approved 6-0.

******Councilmember Enochs moved that the City place on the November 2013 election ballot an option that allows the citizens to vote on taking advantage of the 0.5% sales tax that the City is not currently utilizing. Seconded by Councilmember Hill. The motion **failed** 2-4 with Mayor Holland, and Councilmembers Rockey, McGinnis, and Scott opposed.

Councilmember Enochs presented a PowerPoint presentation in regards to the sales tax and bond election proposal, \$33 Million is the most debt the City has taken on in the past 17 years, if all bond items pass the debt load would be estimated at \$45 Million, debt load would be about 20% of the City's annual revenue. The reason the City should consider taking advantage of the additional 0.5% sales tax that is available is 50% of sales tax is paid by non-Friendswood residents, would allow the City to consider a smaller bond amount, keeping payments reasonable. The \$10 Million bond could be distributed with \$5.5 Million for streets, \$2 Million for the library and \$2.5 Million for the expansion of the Fire Department at the Public Safety Building. The \$1.3 Million additional sales tax could be distributed with \$650,000 per year for streets and \$650,000 per year for parks.

Mayor, Council, and Staff held a discussion regarding the additional sales tax available to the City, the items on the Bond Election are mainly infrastructure items used by residents and nonresidents, additional sales tax would help share the burden, all options should be employed to help pay for improvements to the City. The Bond Advisory Group's recommendation was against the additional sales tax, could damage other items in the Bond Election, should stay two separate issues, could adversely affect the public's decision making regarding the bond issue.

RESOLUTIONS

******Councilmember Rockey moved to approve Resolution No. **R2013-11** - A resolution of the City Council of the City of Friendswood, Texas, establishing the date, time and place for a Public Hearing on the amendment of land use assumptions, Capital Improvements Plan and Impact Fees for Friendswood and its extraterritorial jurisdiction; and providing for the effective date thereof.

Seconded by Councilmember McGinnis. The motion was approved 6-0.

******Councilmember Rockey moved to approve Resolution No. **R2013-12** - A resolution of the City Council of the City of Friendswood, Texas, approving an advance funding agreement with the State of Texas for construction and maintenance of a landscape development project along FM 2351 between FM 518 and Beamer Road.

Seconded by Councilmember McGinnis. The motion was approved 6-0.

******Councilmember Scott moved to approve Resolution No. **R2013-13** - A resolution of the City of Friendswood, Texas, dedicating the use of real property as Municipal Park Land and declaring its acceptance and inclusion into 1776 Memorial Park; and repealing all other resolutions inconsistent or in conflict herewith.

Seconded by Councilmember Rockey. The motion was approved 6-0.

ORDINANCES

******Councilmember Hill moved to approve the Second and Final reading of Ordinance No. **2013-26** – An

ordinance amending Ordinance No. 2012-04 in order to approve an annual rate adjustment as provided for in the City of Friendswood – IESI Solid Waste franchise.
Seconded by Councilmember McGinnis. The motion was approved 6-0.

****Councilmember Scott** moved to approve the First and Final reading of Ordinance No. **2013-27** - An ordinance amending City of Friendswood, Texas, Ordinance No. 2012-26, passed and approved October 1, 2012, same being an ordinance approving and adopting the City's General Budget for Fiscal Year 2012-2013 by approving "Budget Amendment XIII" to the "Original General Budget of the City of Friendswood, Texas, for the Fiscal Year 2012-2013"; providing for supplemental appropriation and/or transfer of certain funds; providing for severability; and providing other matters related to the subject.
Seconded by Councilmember Rockey. The motion was approved 6-0.

****Councilmember McGinnis** moved to approve the First reading of Ordinance No. **T2013-28** - An ordinance amending Chapter 14 of the Code of Ordinances of the City of Friendswood, entitled "Buildings and Building Regulations," Article VII, entitled "Substandard Buildings and Structures," by deleting the subject Article VII, in its entirety, substituting new provisions in place thereof under the same title updating the subject regulations and creating a Building and Standards Commission commensurate with and as an extension of the powers and duties of the Board of Adjustment, pursuant to Chapters 54 and 214 of the Texas Local Government Code; establishing new procedures; repealing all ordinances or parts of ordinances inconsistent or in conflict herewith; providing for severability; and providing for penalties in an amount not to exceed \$2,000.00 unless otherwise specified herein.
Seconded by Councilmember Rockey. The motion was approved 6-0.

COMMUNICATIONS FROM THE MAYOR AND COUNCILMEMBERS

Councilmember Rockey stated he did not think Agenda Item 19A, Councilmember McGinnis' comments regarding reports and tools for budgetary and bond consideration, is in order on the agenda since it addresses items previously discussed, wanted to make sure no rules were being violated.

City Attorney Arnold Polanco stated it does comply with the Open Meetings Act.

Councilmember McGinnis stated he could make the presentation without deliberation.

Councilmember Rockey stated Council may need to vote on presenting the item at this point in the agenda.

****Councilmember Rockey** moved to suspend the normal rules and allow Councilmember McGinnis to present his presentation.
Seconded by Councilmember Hill. The motion was approved 6-0.

Councilmember McGinnis explained and presented his PowerPoint presentation regarding a summary of Local and State debt information. The Federal Government has a debt problem, the United States National debt is estimated to be \$16.9 Trillion, and the nation owes more than the whole economy can produce in one year. The State of Texas also has a debt problem. The State of Texas debt is estimated to be \$279 Billion. Between the years 2000 and 2009, the amount of outstanding Texas local government debt grew more quickly than local government spending. In 2011, local debt of \$192.7 Billion comprised of 83% of Texas's \$233.2 Billion outstanding state and local debt. Local government debt has more than doubled in the past 10 years. How does the City of Friendswood compare regarding total outstanding debt per capita, out of 36 cities with a population between 30,000 and 50,000 the City of Friendswood was ranked 21st, Friendswood average outstanding debt per capita is \$1,964. Councilmember McGinnis further stated regarding the Bond Election, make the ballot language very explicit, per issue that is proposed.

Councilmember McGinnis reported on the uptick of crime in Friendswood, been talking to the City Manager Roger Roecker and Police Chief Bob Wieners about hosting a crime prevention event, gave out Police Officer Kevin Crouch's information for citizens to contact with questions regarding the safety of

their residence, there is a need to educate homeowner's.

Councilmember Scott reported he missed the last Council meeting due to the fact that his grandmother had passed away the morning of the Council meeting, appreciates the prayers and cards.

Councilmember Hill reported that he had talked to Councilmember Gustafson this morning, had back surgery, is in pain, and Councilmember Gustafson wanted to thank Friendswood Emergency Medical Services (EMS) for the supreme care they gave him.

Councilmember Enochs reported he and Councilmember Hill attended the last Galveston County Mayors' and Councilmembers' Association (GCMCA) meeting, was about social media, need to find out what the City is currently doing and what the City could be doing in regards to social media, offered to host the July 9, 2014, GCMCA meeting. Thanked Police Chief Bob Wieners and the Police Department for all the work they are doing in the neighborhoods that have experienced an uptick in crime.

Councilmember Rockey stated he was working in Buckeye, Arizona, met the Public Works Director there, helpful to hear his concerns. He reported his brother had a motorcycle wreck a few weeks ago, ran into a dog, he is a physician so he is out of work, has several injuries, reminded citizens there is a stiff fine in the City of Friendswood if you have an animal loose.

Mayor Holland stated the 4th of July event was awesome, appreciates how it was orchestrated, events were on time, and organizers have it down.

CONSENT AGENDA

**Councilmember Scott moved to approve all items on the Consent Agenda as presented: A. Authorizing the Police Department to dispose of three City vehicles through Houston Auto Auction. B. Authorizing Council to invoke Rule 1(A) of the Rules of Procedure to schedule the September City Council meeting for September 9, 2013, due to the Labor Day holiday on Monday, September 2, 2013. C. Authorizing Council to invoke Rule 1(A) of the Rules of Procedure to schedule a second regular meeting in August for Monday, August 12, 2013, at 7:00 PM, for the purpose of approving an Ordinance to call a Special Election for a Bond Referendum on Tuesday, November 5, 2013. D. Approving excusing the absence of Councilmember John Scott from the July 1, 2013, Council Meeting. E. Authorizing the acceptance of improvements associated with the Surface Water Plant 2, Phase II Upgrade Facilities Project, into the contractor's one-year maintenance period. F. Authorizing final acceptance of public utility improvements for the FM 2351/Beamer Road Utilities Project, releasing the contractor from the one-year maintenance period. G. Authorizing final acceptance of the Water Plant No. 6 Rehabilitation Project, releasing the contractor from the one-year maintenance period. H. Authorizing final acceptance of natural gas emergency generators for Water Plant No. 2 and Surface Water Plant No. 1, releasing the contractor from the one-year maintenance period. I. Authorizing final acceptance of natural gas emergency generators for Fire Stations No. 1 and 2, releasing the contractor from the one-year maintenance period. J. Accepting the June 2013 Property Tax Report. K. Approving the Minutes of the June 03 and June 22, 2013, Council Meetings.

Seconded by Councilmember Hill. The motion was approved 6-0.

The meeting was adjourned at 8:36 PM.

Mayor Kevin Holland

Attest:

Melinda Welsh, TRMC
City Secretary