

City of Alvin, Texas

Paul Horn, Mayor

Keith Thompson, Mayor Pro-tem, District C
Brad Richards, At Large Pos. 1
Joel Castro, At Large Pos. 2
Scott Reed, District A



Adam Arendell, District B
Glenn Starkey, District D
Gabe Adame, District E

ALVIN CITY COUNCIL AGENDA THURSDAY MARCH 21, 2019 7:00 P.M. (Council Chambers)

Alvin City Hall, 216 West Sealy, Alvin, Texas 77511

Persons with disabilities who plan to attend this meeting that will require special services please contact the City Secretary's Office at 281-388-4255 or drobot@cityofalvin.com 48 hours prior to the meeting time. City Hall is wheel chair accessible and a sloped curb entry is available at the east and west entrances to City Hall.

NOTICE is hereby given of a Regular Meeting of the City Council of the City of Alvin, Texas, to be held on **THURSDAY, MARCH 21, 2019** at 7:00 p.m. in the Council Chambers at: City Hall, 216 W. Sealy, Alvin, Texas.

REGULAR MEETING AGENDA

1. CALL TO ORDER

2. INVOCATION AND PLEDGE OF ALLEGIANCE

3. PRESENTATIONS

- A. Presentation of the Certificate of Achievement for Excellence in Financial Reporting awarded to the City of Alvin for Fiscal Year ending September 30, 2017.
- B. Proclamation: April 2019 Fair Housing Month.
- C. Utilities Departmental Presentation.

4. PUBLIC COMMENT

5. CONSENT AGENDA: CONSIDERATION AND POSSIBLE ACTION: An item(s) may be removed from the Consent Agenda for full discussion by the request of a member of Council. Item(s) removed will automatically become the first item up for discussion under Other Business.

- A. Consider approval of the March 7, 2019 City Council meeting minutes.
- B. Consider the appointment of Belt Harris Pechacek, LLP as the City's auditors for the Fiscal Year ending September 30, 2019; and authorize the City Manager to sign the Auditor's Engagement Letter.
- C. Consider authorizing the City Manager to send a letter to the Brazoria County Mosquito Control District for the continuation of aerial spraying services for the 2019 season.

6. OTHER BUSINESS

- A. Presentation by Belt Harris Pechacek, LLP of the City's Comprehensive Annual Financial Report (CAFR) as of September 30, 2018; and acknowledge receipt of the 2018 CAFR.

- B. Consider Resolution 19-R-12, adopting the “City of Alvin Financial Management Policy Statements.”
- C. Consider Ordinance 19-F, amending the City of Alvin, Texas Ordinance 18-O passed and approved on September 20, 2018, same being an ordinance approving and adopting the City of Alvin’s budget for Fiscal Year 2018-19 by approving a budget amendment to the original 2018-19 budget; providing for supplemental appropriation and/or transfer of funds for the purpose of amending the budget and the organizational chart of the Engineering Department by funding an additional Construction Inspector position as set forth in “Exhibit A;” providing for severability; and providing for other matters related thereto.
- D. Acknowledge receipt of the Parks and Recreation Department’s five-year list of recommended park improvement projects.

7. REPORTS FROM CITY MANAGER

- A. Review preliminary list of items for next Council meeting.

8. ITEMS OF COMMUNITY INTEREST

Pursuant to 551.0415 of the Texas Government Code reports or an announcement about items of community interest during a meeting of the governing body. No action will be taken or discussed.

- A. Hear announcements concerning items of community interest from the Mayor, Council members, and City staff, for which no action will be discussed or taken.

9. ADJOURNMENT

I hereby certify that a copy of this notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City’s website: www.alvin-tx.gov, in compliance with Chapter 551, Texas Government Code on MONDAY, MARCH 18, 2019 at 4:00 P.M.



(SEAL)


Dixie Roberts, City Secretary

Removal Date: _____

**** All meetings of the City Council are open to the public, except when there is a necessity to meet in Executive Session (closed to the public) under the provisions of Chapter 551, Texas Government Code. The Council reserves the right to convene into executive session on any of the above posted agenda items that qualify for an executive session by publicly announcing the applicable section of the Open Meetings Act, including but not limited to sections 551.071 (litigation and certain consultation with the attorney), 551.072 (acquisition of interest in real property), 551.073 (contract for gift to city), 551.074 (certain personnel deliberations), or 551.087 (qualifying economic development negotiations).**

**Minutes
City of Alvin
Parks and Recreation Board Meeting
Senior Citizens Center
February 5, 2019
6:30 P.M.**

CALL TO ORDER

The meeting was called to order by Dwight Rhodes, Chair at 6:35 p.m.

ROLL CALL

Board members present were Dwight Rhodes, Chair; Terrie Beasley, Vice-Chair; Carrie Parker, Secretary; Randy Race and Kerry Ulm. Other Attendees: Dan Kelinske, Director of Parks and Recreation.

APPROVAL OF MINUTES

The January 19, 2019 minutes were unanimously approved.

PETITIONS/REQUEST FROM THE PUBLIC

There were no petitions or requests from the public.

CHAIRMAN REPORT

There was no report from the Chairman.

DIRECTOR REPORT

Update on upcoming events

- Father Son Bowling was held on January 25. There were 38 participants.
- Daddy Daughter Dance was held on February 2; there were 151 participants.
- The Lights out Easter Hunt will be held on April 18th.

Update on park projects/improvements

- Mustang Bayou bank repair – pending engineering

Account Balances

- Tree preservation \$22,300
- ASR Donation- up to date
- Park Dedication \$262,605.83
 - Locked \$181,905.83
 - Unlocked \$80,700

FY2019 funded Capital Improvement projects:

- Pearson Park Sidewalk \$150,000
- Disc Golf –\$300,000 bid opened on 12/11/18
 - Workshop on February 12th with Council to discuss funding options.
- Design/Engineering Phase III H&B-\$100,000
 - Meeting with TxDot to discuss crossing Hwy. 35. TxDot prefers the option to run under the surface along the bayou banks.

- YTD 2019 enrollments
 - Course Participants: 1097
 - Course Enrollment Transactions: 1384
 - General Enrollment: 999
 - Online Enrollment: 383
 - Event Participants: 3899

NEW BUSINESS

Discuss and recommend accepting the donation of a little library at Sealy Park.

Carrie Parker moved to approve the donation of a little library at Sealy Park. Seconded by Terrie Beasley; motion to approve was unanimous.

ITEMS OF COMMUNITY INTEREST

There were no items of community interest.

ADJOURNMENT

The meeting was called to adjourn at 8:24 p.m. by Dwight Rhodes.

Upcoming meetings: Parks and Recreation Board Meeting – March 5, 2019 6:30PM

Alvin Senior Board Meeting Minutes

February 11, 2019

Call to order at 8:00 a.m. Board members present: Board President Judy Zavalla, John Burkey, Betty Hodges, Beverly Kimbrough, Marie Hodges, Nell Shimek and Loretta Smith.

Visitors: Charles Buckalew, Judy Roark and Gola Merkle.

Approval of Minutes: Beverly Kimbrough made the motion to approve the Minutes for Board Meetings of December 10, 2018 and January 14, 2019. Marie Hodges seconded the motion.

Petitions/Request from the Public: Judy Roark spoke to the Alvin Senior Center Board on behalf of Vernon Gray. Vernon was bullied and made fun by several members of the group because his game skill was not acceptable to the players. It was suggested that he even go to a beginner's class. Vernon is 89 and his memory is not as sharp as it was in the past and his feelings were hurt because he was no longer wanted by the group. The effect of this treatment caused Vernon to go into depression.

Gola Merkle replied that he was treated fairly but he was not able to play at their skill level.

John Burkey suggested that the center consider starting a beginner's domino group.

Board President Report: Judy Zavalla, President, reported that work on the parking lot was being done. Bus repair cost was \$2000. Judy Zavalla continues to follow up on getting a new bus. John Burkey offered to help Judy with the Bus Acquisition. Judy was appreciative for his assistance.

Director Report:

Dan Kelinske reports about the Easter egg hunt that Parks and Recs will be having. Disc golf is under way and Pearson Park is getting revamped. Drainage work is being done. Other programs are available at the center for children and adults. Parks Board workshop sponsored by the city.

Senior Center Manager Report:

Marla Grigsby reported the soup swap was successful. Mardi Gras catered luncheon by Roux Pour will be held on February 28. Umbrella parade and best dressed costumes will be held. Security system will be review and repaired. New exercise program TXER size will be a 12 week program.

Rules and Regulations of the Alvin Senior Center were reviewed at the February 11, 2019 meeting. Review code open meeting guidelines. Building updates and security issues.

Meeting Adjourned at 9:24 a.m.

Respectively submitted by;



Marie Hodges, Alvin Sr. Board Secretary



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: Finance

Contact: Florence Chapa, Interim Finance Director

Agenda Item: Presentation of the Certificate of Achievement for Excellence in Financial Reporting awarded to the City of Alvin for the Fiscal Year ending 9/30/2017.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Alvin by the Government Finance Officers Association of the United States and Canada (GFOA) for its Fiscal Year end 9/30/2017 Comprehensive Annual Financial Report (CAFR). The Certificate of Achievement is the highest form of significant accomplishment by a government and its management.

Funding Expected: Revenue Expenditure N/A **Budgeted Item:** Yes No N/A

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes No

Legal Review Required: N/A Required **Date Completed:** 3/13/2019 SLH

Supporting documents attached:

- Certificate of Achievement for Excellence in Financial Reporting Award
- News Release

Recommendation: Congratulate Finance, the auditors, and all city staff who contributed to the achievement of this significant accomplishment.

Reviewed by Department Head, if applicable

Reviewed by City Attorney, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Alvin
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION
NEWS RELEASE

FOR IMMEDIATE RELEASE

09/24/2018

For more information contact:

Michele Mark Levine, Director/TSC

Phone: (312) 977-9700

Fax: (312) 977-4806

E-mail: mlevine@gfoa.org

(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **City of Alvin** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

Government Finance Officers Association is a major professional association servicing the needs of nearly 19,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.

PROCLAMATION

WHEREAS, the Department of Housing and Urban Development has initiated the sponsorship of activities during the month of April of each year designed to reinforce the Department's commitment to the concept of Fair Housing and Equal Opportunity; and

WHEREAS, the City of Alvin affirmatively supports the efforts of the Federal Government and the State of Texas to assure equal access to all Americans to rental housing and homeownership opportunities; and

WHEREAS, the City of Alvin welcomes this opportunity to reaffirm its commitment to provide equal access to housing to all of its residents without regard to race, color, religion, sex, disability, familial status, national origin or source of income; and

WHEREAS, the City of Alvin affirmatively supports programs that will educate the public concerning their rights to equal housing opportunities and to participate in efforts with other organizations to assure every person their right to fair housing; and

WHEREAS, the City of Alvin is honored to join the Federal Government, the State of Texas, and local jurisdictions across America in celebrating the rich diversity of our people and the right of all citizens to live where they choose without fear of discrimination.

NOW, THEREFORE, be it resolved, the City of Alvin, does hereby proclaim April as the month to celebrate and honor all efforts which guarantee the right to live free of discriminatory housing practices and proclaim this month as:

“FAIR HOUSING MONTH”

and urge all local officials and public and private organizations to join activities designed to further Fair Housing objectives.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Alvin to be affixed this the 21st day of March, 2019.

Paul A. Horn, Mayor City of Alvin

Water/Wastewater

City of Alvin - Departmental Update



Utilities Department



- Supply potable water with prompt, courteous service for the residents, businesses, and visitors of Alvin.
- Provide reliable sanitary sewer service through the City in all types of weather.
- Be proactive in lieu of reactive in dealing with maintenance issues within the distribution system, collection system, treatment plant, and water production facilities.

Fairway and South Street Water Line Improvements



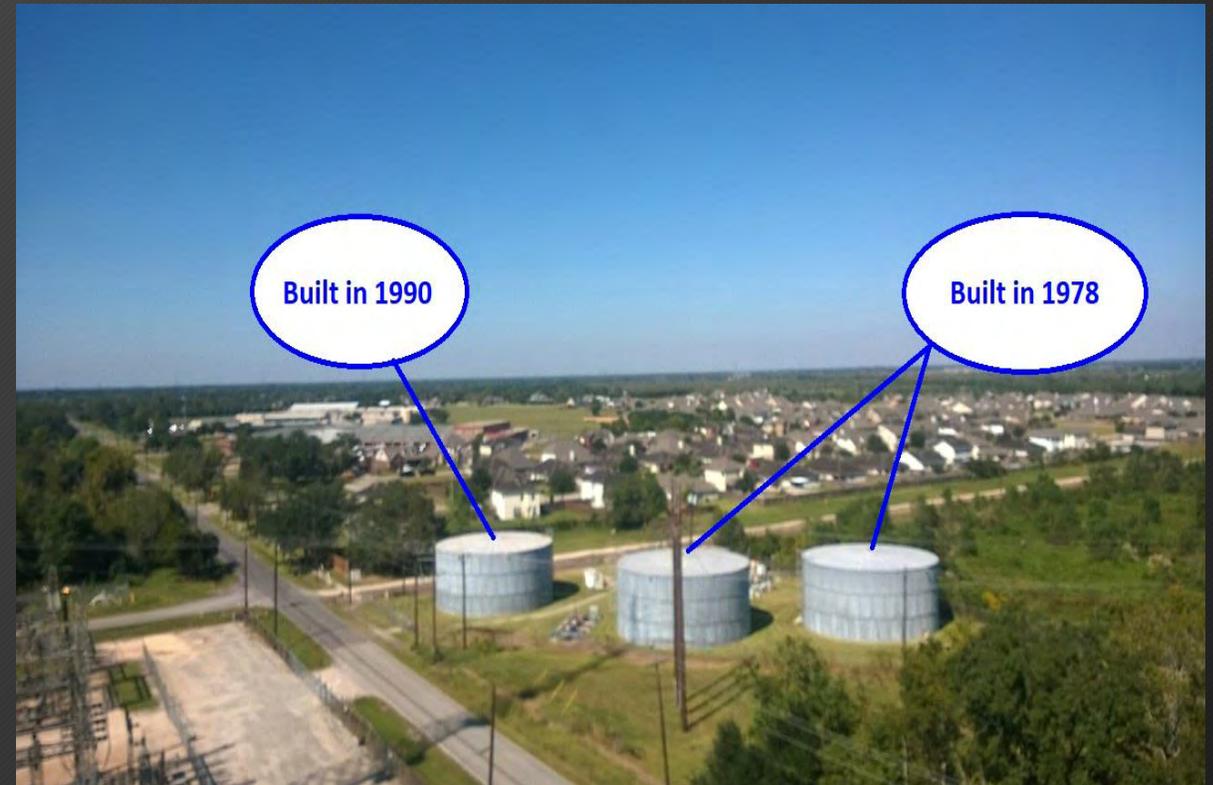
- New 12 inch water line
- Will increase transmission capacity between the new Dyche water tower and the Verhalen water tower
- This will allow the water level in both towers to be similar



Water Well #6 Tank Replacement



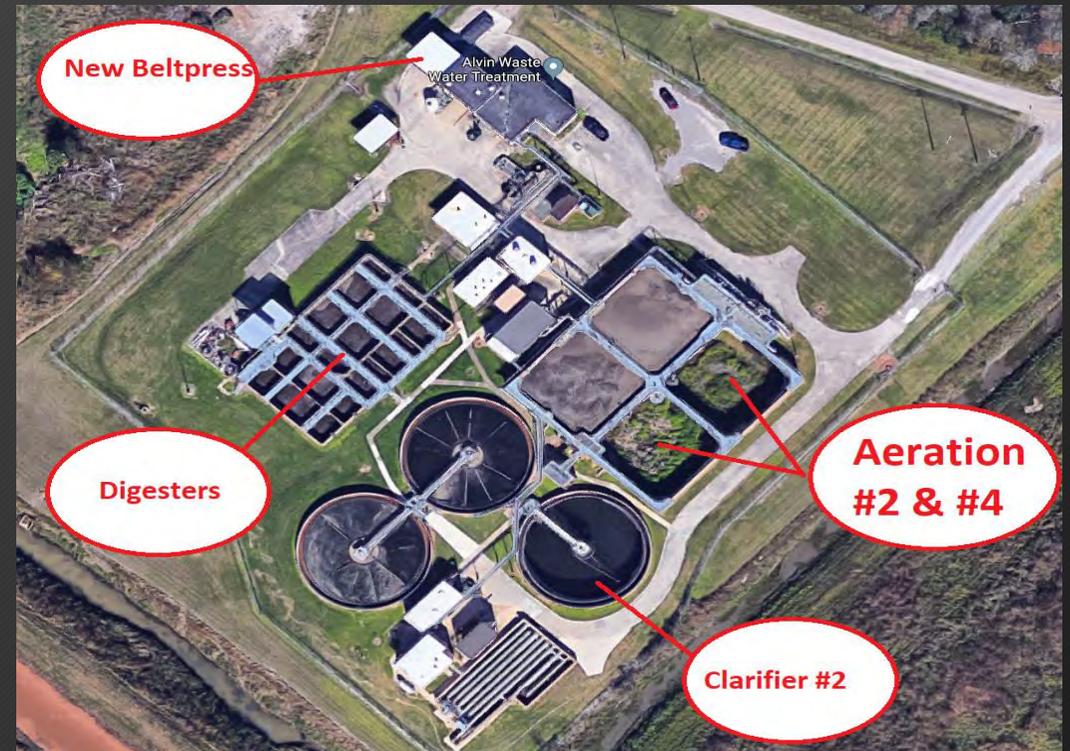
- Replace three existing 0.43 million gallon ground storage tanks with one 1.5 million gallon ground storage tank
- Current tanks are constructed of steel (prone to corrosion)
- New tank will be concrete
- This will help by providing more storage capacity and improve water quality



Wastewater Treatment Plant Phase II



- Installing new air diffusers in Aeration Basins #2 and #4
- Replacing catwalk/center well in Clarifier #2
- Upgrading the non-potable system (re-use water within the plant)
- New belt press
- Replacing diffusers in the digester tanks



Eastside Interceptor



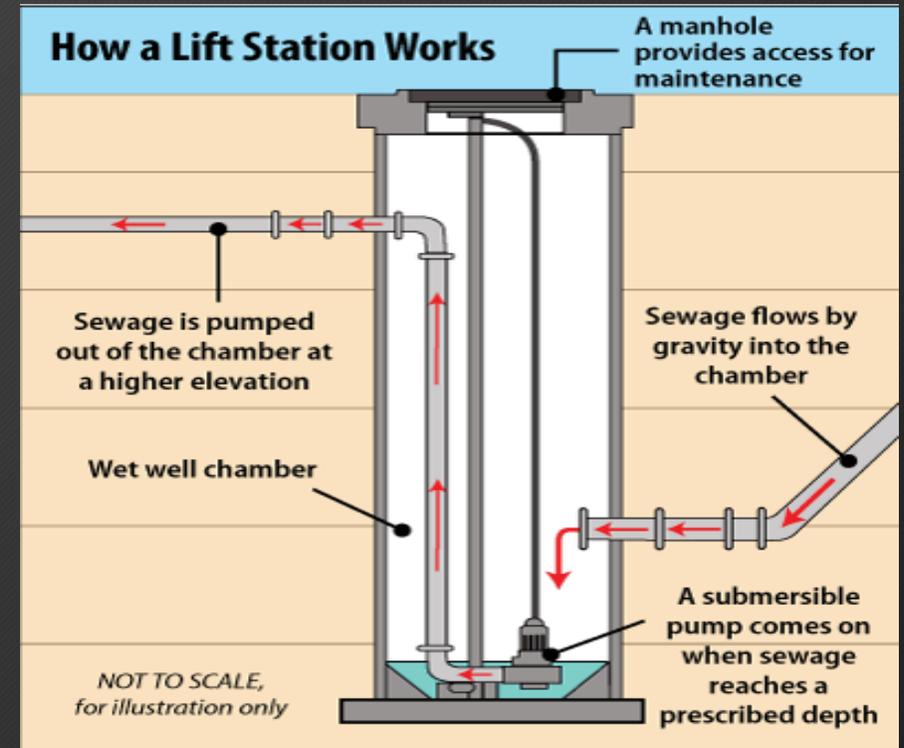
- Replaces the existing 27” and 33” lines
- New 54” pipe
- Project starts at Jephson/Hwy35 ends at the WWTP (About 3 miles long)
- New line will convey projected wastewater peak flows through 2035



Lift Station 14 & 17 Rehab



- Condition assessment results showed these lift stations to be in very poor condition
- Includes replacement or rehabilitation of the following components: wet well, piping, pumps, valves, and electrical control systems



Lift Station 30 Expansion



- Receives flow from 10+ lift stations upstream
- Expansion will provide more capacity for growth
- Construction includes: 4 new pumps, new wet well, and all new controls



Thank you



MINUTES
CITY OF ALVIN, TEXAS
216 W. SEALY STREET
REGULAR CITY COUNCIL MEETING
THURSDAY MARCH 7, 2019
7:00 P.M.

CALL TO ORDER

BE IT REMEMBERED that, on the above date, the City Council of the City of Alvin, Texas, met in Regular Session at 7:00 p.m. in the Council Chambers at City Hall, with the following members present: Paul A. Horn, Mayor; Keith Thompson, Mayor Pro-Tem and Councilmembers: Gabe Adame, Joel Castro, Brad Richards, Scott Reed and Glen Starkey.

Staff members present: Junru Roland, City Manager; Suzanne Hanneman, City Attorney; Dixie Roberts, City Secretary; Michelle Segovia, City Engineer; Dan Kelinske, Director of Parks and Recreation; and Robert E. Lee, Police Chief.

INVOCATION AND PLEDGE OF ALLEGIANCE

Reverend John Taolson, St. John the Baptist Church gave the invocation.

Council member Starkey led the Pledge of Allegiance to the American Flag.

Council member Reed led the Pledge to the Texas Flag.

PUBLIC COMMENT

No public comment received.

CONSENT AGENDA

- A. Consider approval of the February 12, 2019 City Council workshop minutes.
- B. Consider approval of the February 21, 2019 City Council meeting minutes.
- C. Consider an amending plat number 2 of Cline Crossing No. 2 (located near the southeast corner of Bypass 35 and Highway 6), being a subdivision of a 21.5083 acre tract located in the I. & G. N. Railroad Company Survey, Abstract No. 400, City of Alvin, Brazoria County, Texas, and being all of Reserves A, B, C, D, E, F, G and H, Block 1, Cline Crossing No. 2 Amending Plat, according to the map or plat thereof recorded in Brazoria County Clerk's File No. 2018019058 of the official records of Brazoria County, Texas.
On January 31, 2019, the Engineering Department received the amending plat no. 2 of Cline Crossing No. 2 for review. The property is located near the southeast corner of Bypass 35 and Highway 6 and is being platted in order to enlarge Reserve A to accommodate future development. This plat complies with all requirements of the City's Subdivision Ordinance. The City Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.
- D. Consider a final plat of O'Reilly Alvin Addition (located at 1042 South Gordon), being a replat of Alvin / Hi-Lo Addition, an addition to the City of Alvin, Brazoria County, Texas, situated in the H.T. & B.R.R. Company Survey, Section 14, Abstract No. 449, as recorded in Volume 22, page 295, of the Plat Records of Brazoria County, Texas.
On January 31, 2019, the Engineering Department received the final plat of O'Reilly Alvin Addition for review. The property is located at 1042 South Gordon and consists of 1 lot and 1 block. The property is being replatted from two lots into one lot in order to build an addition to the north side of the existing O'Reilly Auto Parts building. This plat complies with all requirements of the City's Subdivision Ordinance. The City Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.
- E. Consider a final plat of Lenamon Grove Addition (located at the northeast corner of the intersection of Highway 35 and Moore Road), being a 3.36 acre tract of land situated in the Hennell Stevens Survey, Abstract No. 595, Brazoria County, Texas, being all that certain called 3.64 acre tract of land

described in deed to Barbara Jule Lenamon, as recorded in Document No. 2014027766, official public records of Brazoria County, Texas.

On January 31, 2019, the Engineering Department received the final plat of Lenamon Grove Addition for review. The property is located in the City of Alvin Extraterritorial Jurisdiction (ETJ) at the northeast corner of the intersection of Highway 35 and Moore Road. The plat consists of 2 lots and 1 block and is being platted for future development. This plat complies with all requirements of the City's Subdivision Ordinance. The City Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.

F. Consider a final plat of Huntington Place Section 3 (located in the City of Alvin's ETJ at the northeast corner of FM 521 and Juliff Manvel Road), being a planned unit development subdivision of 17.638 acres of land situated in the William Pettus League Survey, Abstract 68, Fort Bend County, Texas.

On January 31, 2019, the Engineering Department received the final plat of Huntington Place Section 3 for review. This section consists of sixty-three (63) single-family residential lots, three (3) blocks, and four (4) reserves, and is located northeast of the intersection of FM 521 and Juliff Manvel Road in the City of Alvin's Extraterritorial Jurisdiction (ETJ) within Fort Bend County. The Master Preliminary Plat of Huntington Place was approved by City Council on June 6, 2017. The property is being subdivided for a new single family residential planned unit development subdivision. This plat complies with all requirements of the City's Subdivision Ordinance. The Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.

G. Consider a preliminary plat of Southern Colony Section 5 (located in the City of Alvin's ETJ along the east side of FM 521 and north of Juliff-Manvel Road), being a planned unit development, subdivision of 2.598 acres of land situated in the William Hall League, Abstract 31, Fort Bend County, Texas.

On January 31, 2019, the Engineering Department received the Preliminary Plat of Southern Colony Sections 5 for review. This subdivision is in the City of Alvin's Extraterritorial Jurisdiction (ETJ) located along the east side of FM 521 and north of Juliff-Manvel Road. This Preliminary Plat consists of 8 lots, 4 reserves, and 1 block. This plat complies with all requirements of the Planned Unit Development Section of the City's Subdivision Ordinance. The Southern Colony Subdivision currently consists of four previously platted sections. The City Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.

H. Consider a master preliminary plat of Southern Colony Expansion Phase 1 (located in the City of Alvin's ETJ along the east side of FM 521 and north of Juliff-Manvel Road), being a planned unit development, subdivision of 83.1 acres of land out of the W.M. Hall Survey, Abstract Group 3, Fort Bend County, Texas.

On January 31, 2019, the Engineering Department received the Master Preliminary Plat of Southern Colony Expansion Phase 1 for review. This subdivision is in the City of Alvin's Extraterritorial Jurisdiction (ETJ) located along the east side of FM 521 and north of Juliff-Manvel Road. This Preliminary Plat consists of 379 lots, 16 reserves, and 15 blocks. This plat complies with all requirements of the Planned Unit Development Section of the City's Subdivision Ordinance. The Southern Colony Subdivision currently consists of four previously platted sections. The City Planning Commission unanimously approved the plat at their meeting on February 19, 2019. Staff recommended approval.

I. Consider a final plat of Fairway Lake (located along Nelson Road to the north of the lake property owned by Brazoria County Conservation and Reclamation District #3), being a planned unit development, subdivision of 9.759 acres, being a replat of Reserve "A," final plat of Fairway Lake property, File No. 2018038022, O.P.R.B.C. situated in the H.T. & B.R.R. Co. survey, Abstract No. 225, City of Alvin, Brazoria County, Texas.

On January 31, 2019, the Engineering Department received the final plat of Fairway Lake for review. The property is located along the south side of Nelson Road north of the lake property owned by the Brazoria County Conservation and Reclamation District #3. This final plat consists of fifty (50) single-family lots, four (4) reserves, and two (2) blocks. This plat complies with all requirements of the City's Subdivision Ordinance. The City Planning Commission voted 8 votes to 1 vote to approve the final plat of Fairway Lake at their meeting on February 19, 2019. The Commission Member that voted against approval of the plat did not state a reason for their denial of the plat. Staff recommended approval.

Council member Reed removed Item D from the consent agenda: Consider a final plat of O'Reilly Alvin Addition (located at 1042 South Gordon).

Council member Adame moved to approve the remaining items of the consent agenda. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

OTHER BUSINESS

Item removed from the consent agenda by Council member Reed: Consider a final plat of O'Reilly Alvin Addition (located at 1042 South Gordon), being a replat of Alvin / Hi-Lo Addition, an addition to the City of Alvin, Brazoria County, Texas, situated in the H.T. & B.R.R. Company Survey, Section 14, Abstract No. 449, as recorded in Volume 22, page 295, of the Plat Records of Brazoria County, Texas.

Council member Reed stated that a variance request was previously denied for this location and therefore must adhere to the ordinance. He asked if O'Reilly's was going to redo the whole frontage, or just the add-on. Ms. Segovia stated that this plat includes the 30x80 addition, 30 ft. across the front and 80 ft. across the north side of the building will be CMU block; nothing will be done to the existing part of the building. Brief discussion continued.

Council member Reed moved to approve a final plat of O'Reilly Alvin Addition (located at 1042 South Gordon), being a replat of Alvin / Hi-Lo Addition, an addition to the City of Alvin, Brazoria County, Texas, situated in the H.T. & B.R.R. Company Survey, Section 14, Abstract No. 449, as recorded in Volume 22, page 295, of the Plat Records of Brazoria County, Texas. Seconded by Council member Castro; motion carried on a vote of 6 Ayes.

Consider a variance request to the building façade requirement of Chapter 35, Section 35-19 of the City of Alvin Code of Ordinances, for Southwest Refractory of Texas, located at 2443 N. Gordon Street.

On January 31, 2019, the Engineering Department received a variance request from Rodney Rudell of Southwest Refractory of Texas (2443 N. Gordon St.), for a waiver to the façade requirement of Section 35-19 of the City Code of Ordinances. Mr. Rudell is proposing to construct building #4 on the property and has requested a variance to allow the proposed building to be constructed with an Exterior Insulation and Finish System (EISF) façade on the front elevation and 75 feet down the north and south elevations. Mr. Rudell was granted a similar variance several years ago when building #3 was constructed. Section 35-19 requires that the exterior façade on all sides of the building that are visible from the corridor (Gordon Street) to be constructed of brick, stone, stucco, EISF, or masonry. The City Planning Commission voted unanimously to approve this variance request at their meeting on February 19, 2019. Staff recommended approval.

Council member Reed moved to approve a variance request to the building façade requirement of Chapter 35, Section 35-19 of the City of Alvin Code of Ordinances, for Southwest Refractory of Texas, located at 2443 N. Gordon Street. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

Consider a variance request for the property owner of the vacant lot located at 113 W. Lang Street, to reduce the street side building setback requirement of Chapter 21, Section 37(a) of the City of Alvin Code of Ordinances, from 25 feet to 10 feet, for the construction of a single-family residence or duplex.

On February 19, 2019, the Engineering Department received a variance request from the property owner of the vacant lot located at 113 W. Lang Street, to reduce the street side building setback along Hardie Street from 25 feet to 10 feet for the construction of a single-family home or duplex. The construction of a home/duplex with a street side building setback of 10 feet will not cause any traffic safety concerns and will blend with the existing structures in the area. If the variance is granted the new structure would be 28 feet from the edge of the Hardie Street pavement.

The City Planning Commission voted unanimously to deny this variance request at their meeting on February 19, 2019. The consensus of the Commission was that approval of the variance would allow for a denser development of the property in an already congested area of town near a major thoroughfare (Gordon Street).

Council member Reed moved to approve a variance request for the property owner of the vacant lot located at 113 W. Lang Street, to reduce the street side building setback requirement of Chapter 21,

Section 37(a) of the City of Alvin Code of Ordinances, from 25 feet to 10 feet, for the construction of a single-family residence or duplex. Seconded by Council member Castro; motion carried on a vote of 4 Ayes, with City Council member's Richards and Starkey voting No.

Consider Resolution 19-R-10, granting a blanket easement to CenterPoint Energy Houston Electric, LLC., for the installation of 3-Phase electrical power to the Wastewater Treatment Plant, and authorize the Mayor to sign the easement agreement upon legal review.

Resolution 19-R-10 grants a blanket easement across the Wastewater Treatment Plant property to CenterPoint Energy for the installation of 3-phase electrical power with associated equipment to the plant. This work is part of the ongoing Wastewater Treatment Plant Optimization Improvements Phase II Project. Once the installation is complete and energized a defined 10' wide ground easement and 30' aerial easement along the overhead lines will be requested and once granted CenterPoint will release this blanket easement. Staff recommended approval of Resolution 19-R-10.

Council member Castro moved to approve Resolution 19-R-10, granting a blanket easement to CenterPoint Energy Houston Electric, LLC., for the installation of 3-Phase electrical power to the Wastewater Treatment Plant, and authorize the Mayor to sign the easement agreement upon legal review. Seconded by Council member Richards; motion carried on a vote of 6 Ayes.

Consider Ordinance 19-E, amending Chapter 24, Traffic, of the Code of Ordinances, City of Alvin, Texas, for the purpose of designating the prima facie speed limit of 20 miles per hour within the Forest Heights Subdivision; authorizing and directing the placement and installation of speed control signage; providing for a penalty and publication; and setting forth other provisions related thereto.

In January 2019, it was brought to the Engineering Department's attention that the speed limit signs at the entrance to the Forest Heights Subdivision state 20 miles per hour (MPH) for the entire subdivision, and that the recently constructed Forest Heights Section 7 has speed limit signs showing 30 MPH. After reviewing Chapter 24 of the City Code of Ordinances, it was discovered that Barras Street was the only street within Forest Heights that was included in the ordinance to be posted at 20 MPH. In order for the 20 MPH speed limit to be enforceable, the City must approve an ordinance to amend Chapter 24 Traffic to incorporate the speed limit. Ordinance 19-E establishes a posted speed limit of 20 MPH within the entire Forest Heights Subdivision; authorizes Staff to install the appropriate signage and provides for enforcement of the designated speed limit. Staff recommended approval of Ordinance 19-E.

Council member Castro moved to approve Ordinance 19-E, amending Chapter 24, Traffic, of the Code of Ordinances, City of Alvin, Texas, for the purpose of designating the prima facie speed limit of 20 miles per hour within the Forest Heights Subdivision; authorizing and directing the placement and installation of speed control signage; providing for a penalty and publication; and setting forth other provisions related thereto. Seconded by Council member Richards; motion carried on a vote of 6 Ayes.

Consider an Interlocal Agreement with the City of League City for use of the Alvin Police Department Gun Range, with a one (1) year automatic renewal; and authorize the City Manager to sign subject to legal review.

This Interlocal Agreement will memorialize an agreement between the Alvin Police Department and the League City Police Department, for the League City Police Department's use of the City of Alvin's gun range for law enforcement training purposes. The League City Police Department has agreed to adhere to the City of Alvin's rules and guidelines for use of the gun range and has agreed to provide its own certified instructors for its law enforcement training purposes.

This Interlocal Agreement will continue until June 30, 2020 and contains a one (1) year automatic renewal. Staff recommended approval of the Interlocal Agreement.

Council member Starkey moved to approve an Interlocal Agreement with the City of League City for use of the Alvin Police Department Gun Range, with a one (1) year automatic renewal; and authorize the City Manager to sign subject to legal review. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

Consider Resolution 19-R-11, granting consent to the creation of Brazoria-Fort Bend Counties Municipal Utility District No. 3; and other related matters thereto.

On or about February 5, 2019, the landowners of real property located in Brazoria and Fort Bend Counties petitioned the City for consent to the creation of Brazoria-Fort Bend Counties Municipal Utility District No. 3 to serve approximately 362.666 acres of land in Brazoria and Fort Bend Counties, Texas, all of which is located within the extraterritorial jurisdiction of the City of Alvin. This property is along the east side of FM 521 and north of the Southern Colony Subdivision

This property is located within an area which will experience a substantial and sustained residential growth within the foreseeable future, is urban in nature, and is not supplied with adequate water, sanitary sewer, drainage facilities and services, and roads. The health and welfare of the future inhabitants of the proposed MUD require the provision of adequate water, storm and sanitary sewer facilities and services, and roads. The property cannot be developed without the creation of the District to finance the water, sanitary sewer, drainage facilities and services, and roads; therefore, a public necessity for the creation of a municipal utility exists. The proposed improvements are practicable and feasible, and the terrain of the territory to be included in the proposed District is of such a nature that water, storm and sanitary sewer facilities and services, and roads can be constructed or provided at a reasonable cost; and said District will be rapidly developed primarily for residential purposes with some commercial and retail use. Staff recommended approval of Resolution 19-R-11.

Council member Reed moved to approve Resolution 19-R-11, granting consent to the creation of Brazoria-Fort Bend Counties Municipal Utility District No. 3; and other related matters thereto. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

REPORTS FROM CITY MANAGER

Review preliminary list of items for next Council meeting.

Mr. Junru Roland reviewed the preliminary list for the March 21, 2019 City Council meeting.

ITEMS OF COMMUNITY INTEREST

Hear announcements concerning items of community interest from the Mayor, Council members, and City staff, for which no action will be discussed or taken.

Mrs. Roberts reviewed items of community interest.

Council member Thompson stated that he has been asked several times about the white sandbags being placed along the inlets on Mustang Road and that this is work prefacing the installation of waterlines, crews will soon be digging in the area for the placement of these lines.

Council member Reed stated that he attended Brazoria County Day in Austin recently, and while he was there attended a Commerce of the Arts meeting. He stated that he was told there are a lot of untapped resources the City could be utilizing for the funding of art related activities and/or festivals in our community.

Council member Castro stated that he attended Brazoria County Day in Austin and was able to attend a meeting of the Texas Workforce Commission. He stated that there are several untapped resources that could be utilized in Brazoria County to help promote and expand the workforce in the area. He also encouraged everyone to head out to the upcoming Alvin Music Festival.

Council member Starkey stated that he recently attended Brazoria County Day in Austin and would like to thank Larry Buehler, Director of Economic Development for his work on this event, and for coordinating various meetings for members of Council to attend. He also stated that he would like the City to look into the possibility of becoming certified by the Texas Film Commission, which could benefit our community economically. The only other certified cities in our area are Pearland, League City and Seabrook. Council member Starkey also congratulated Captain Tim Hubbard of the Alvin Police Department on his recent graduation from the Leadership Command College – The Law Enforcement Management Institute of Texas.

Mayor Horn thanked Larry Buehler for all of his hard work done for Brazoria County Day. He stated that during his meeting with TxDOT one of the first topics of discussion was the City of Alvin Bypass and Grand Parkway B.

ADJOURNMENT

Mayor Horn adjourned the meeting at 7:34 p.m.

PASSED and APPROVED the 21st day of March 2019.

Paul A. Horn, Mayor

ATTEST: _____
Dixie Roberts, City Secretary



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: Finance

Contact: Florence Chapa, Interim Finance Director

Agenda Item: Consider appointment of Belt Harris Pechacek, LLP as the City's auditors for the Fiscal Year ending September 30, 2019; and authorize the City Manager to sign the Auditor's Engagement Letter.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: Chapter 103 of the Texas Local Government Code requires cities to have its records and accounts audited, and an annual financial statement prepared based on the audit. Belt Harris Pechacek, LLP (BHP) has served as the City's independent auditors since FY09. BHP is proposing a base estimated fee of \$42,480 for the City's FY19 financial statement audit; with an additional single audit* one program base fee (if required) of \$8,725.

Staff is requesting that City Council approve the engagement of BHP to provide auditing services for FY19. By engaging BHP for FY19, the City retains an audit firm that is extremely knowledgeable of the City's accounting and internal controls.

BHP's Prior Fiscal Year Engagement Fees

Base audit fee: \$38,910 + \$7,000 for single audit one program + \$1,000-\$2,500 Other Post Employment Benefit (OPEB)

FY19 Audit Budgets for Comparative Cities

- Lake Jackson: \$50,000
- Webster: \$46,000
- Friendswood: \$56,200
- La Porte: \$66,100
- Deer Park: \$58,000

* A "single audit" is additional auditing procedures that are required if the City expends over \$750,000 of federal (grant) funds in a fiscal year.

Funding Expected: Revenue Expenditure N/A Budgeted Item: Yes No N/A

Funding Account: _____ Amount: _____ 1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: 3/13/2019 SLH

Supporting documents attached:

- Auditor's Engagement Letter

Recommendation: Move to appoint Belt Harris Pechacek, LLP as the City’s auditors for the Fiscal Year ending September 30, 2019; and authorize the City Manager to sign the Auditor’s Engagement Letter.

Reviewed by Department Head, if applicable

Reviewed by City Attorney, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Manager



Engagement Letter - Single Audit

March 12, 2019

Mr. Junru Roland, City Manager
City of Alvin
216 W. Sealy Street
Alvin, Texas 77511-2341

We are pleased to confirm our understanding of the services we are to provide for the City of Alvin (the "City") for the years ended September 30, 2019.

Audit Services

We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City as of and for the year ended September 30, 2019.

The component units will be audited as part of the audit of the financial statements of the City as noted below:

1. Tax Increment Reinvestment Zone Number One: Blended, No Separate Financial Statements
2. Tax Increment Reinvestment Zone Number Two: Blended, No Separate Financial Statements
3. Tax Increment Reinvestment Zone Number Three: Blended, No Separate Financial Statements
4. Kendall Lakes TIRZ Redevelopment Authority: Blended, Separate Financial Statements

Limited Procedures

Accounting standards generally accepted in the United States of America provide for certain Required Supplementary Information (RSI), such as Management's Discussion and Analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles (GAAP) and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Budgetary Comparison Schedule(s)
3. Net Pension Liability and Contribution Schedule(s)
4. Total OPEB Liability Schedule(s)

In Relation Opinion

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditors' report on the financial statements:

1. Combining Statements, Schedules, and Other Statements
2. Schedule of Expenditures of Federal Awards

Unaudited Information

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information:

1. Introductory Section
2. Statistical Section

Nonaudit Services

In connection with the engagement, we will perform services unrelated to our attest function. The additional services we will provide include:

1. **Preparation of Documents**
We will assist in preparing the financial statements and related notes of the City in conformity with GAAP based on information provided by the City.
2. **Advisory Services**
We will provide routine advisory services through phone calls, conferences, or otherwise, in connection with incidental matters arising during the year. We encourage open lines of communication throughout the year as part of our services.
3. **Correspondence**
We will handle all normal correspondence from grantor, regulatory, or oversight agencies related to the audit.
4. **Professional Proofing**
To ensure documents issued in connection with the audit engagement are professional in appearance, we will submit both client-prepared information, as well as documents created entirely by the auditor, to an independent professional proofreader for a cover-to-cover inspection. This review will include consistent formatting, grammar, logic, and any other items that may detract from the document. This process is over and above technical reviews performed.
5. **Printing and Binding**
All final hard copy documents will be printed on a 1200 dpi or better resolution copier and bright white report paper. Reports will be bound with GBC-brand plastic combs with 30 mil oversized covers. We will manually inspect each page from one document and spot check remaining reports for printing errors. Our reports will be centered, properly aligned, and free of smudges and other detracting elements.
6. **Electronic Adobe Searchable PDF**
In addition to providing hard copy documents, we will also provide all final documents in electronic image files in Adobe PDF format, suitable for posting in electronic agenda packages, posting on websites, or transmitting by email to regulatory agencies.
7. **Client Portal - Auditbox**
We will provide the City access to our proprietary AuditBox online site to provide a central repository where both the City's personnel and audit team members can see documents being exchanged during the

process to eliminate duplicate requests from audit team members. Both the City's documents, as well as final audit documents, will be hosted on the site providing an archive of information that new personnel may access in subsequent years, if information is needed regarding what was provided for a prior year audit or a copy of audit documents issued.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the City in conformity with GAAP and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with GAAP; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"); (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported

audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review prior to the beginning of our audit fieldwork.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, on which we have been engaged to report, in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with the preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on---

1. Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

2. Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and the Uniform Guidance.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to management and members of the governing body of the City. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written

representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures-Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the Federal Audit Clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Belt Harris Pechacek, LLLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to any oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Belt Harris Pechacek, LLLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Fees for our services are based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs such as report production, word processing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Items that likely will increase the fee estimate include:

1. Assistance with addressing matters that were designated as management's responsibility, which include closing schedules and closing entries.
2. Submission of audit data within 60 days of a client requested completion date or filing deadline, requiring overtime hours to meet the deadline.
3. Changes in accounting pronouncements, professional standards, laws, and regulations not known to us as of the date of this letter that have a significant impact on time requirements.
4. Changes in the operations and significant matters that materially change the audit scope such as evaluation of the impact of joint ventures, debt issuance/refunding/advance extinguishment, forbearance agreements, notice of material events, enforcement actions, required corrective actions, self-insurance, environmental liabilities, going concern, and/or other postemployment benefits.
5. Significant increases in State or Federal funding requiring State and/or Federal Single Audits and/or increases to the number of grants classified as major programs by Office of Management and Budget (OMB) or State requirements.
6. Follow up on allegations or discovery of a) noncompliance with laws, regulations, and policies; b) fraud, waste, and abuse; c) significant deficiencies in internal control; d) nepotism; and e) related party transactions.

As customary in the industry, the price quoted is an estimate. In accordance with rules of the State Board of Public Accountancy, we cannot be bound to provide the audit for the amount estimated. However, in practice, we honor our fee quotes unless adverse conditions such as those described above are encountered.

Fee Estimates

	2019
Financial Statement Audit	\$ 42,480
Single Audit Base Fee	\$ 3,850
Per Major Program Fee	\$ 4,875

Single Audit Engagement

A single audit is required by the OMB's Uniform Guidance when federal funds over \$750,000 are expended. Single audit fees vary based on the number of major programs as defined by OMB. The number of major programs is established by OMB criteria. If a single audit is required, there will be at least one major program. Prior year single audit reports will help plan for the number of major programs, but they will vary from year to year based on the level of funding. Should you not exceed OMB's single audit threshold, a single audit will not be required. If you anticipate exceeding the single audit threshold, please contact us as far in advance as possible so that we can begin doing preliminary single audit work.

Billing Protocol

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Generally, 40 percent will be billed and payable upon completion of interim audit procedures (normally one to four months before year end) and 60 percent after a draft of the financial statements is issued. Accordingly, the fee will be split 40/60 between budget years. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

Required Attachments

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2015 peer review accompanies this letter.

Foreign Terrorists Organizations

Pursuant to Chapter 2252, Texas Government Code, we represent and certify that, at the time of execution of this letter, neither we nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of the same (i) engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code or Subchapter F of Chapter 2252 of the Texas Government Code or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code. The term 'foreign terrorist organization' in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Required Non-Appropriation Clause

Notwithstanding anything contained in this engagement to the contrary, in the event no funds or insufficient funds are appropriated and budgeted or are otherwise unavailable in any fiscal period for fees due under this engagement agreement, the City will immediately notify us in writing of such occurrence and this agreement shall terminate on the last day of the fiscal period for which appropriations have been received or made.

Authorization of CPA's Disclosure

Any client certified public accountant involved with assisting us shall not be prohibited from disclosure of information required to be made available by the standards of the public accounting profession in reporting on the examination of financial statements. Management understands and provides permission to staff certificate or registration holders as required under the Rules of Professional Conduct, Texas Administrative Code, Title 22, Part 22, Chapter 501, Subchapter C, Section 501.75.

We appreciate the opportunity to be of service to the City and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Belt Harris Pechacek, LLLP
Certified Public Accountants

Authorized by:



Michael Brotherton, CPA
Partner

RESPONSE:

This letter correctly sets forth the understanding of City of Alvin.

Mr. Junru Roland, City Manager

Date



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: City Secretary

Contact: Dixie Roberts, City Secretary

Agenda Item: Consider authorizing the City Manager to send a letter to the Brazoria County Mosquito Control District for the continuation of aerial spraying services for the 2019 season.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: This is an annual request for authorization from the Brazoria County Mosquito Control District for the continuance of aerial spraying over the City of Alvin. The spraying is performed during massive outbreaks of mosquitoes (typically in summer and fall months) by the contracted aerial sprayer. The County will put out notifications through their respective social media accounts and other means available. The flying schedule depends heavily upon the landing rate counts, weather and wind conditions. As a result of the variables listed, the County is unable to give notice of the specific flying time in advance.

Aerial spraying has proven to be an effective measure for mosquito control in Brazoria County. More information can be obtained by calling the Brazoria County Mosquito Control Office at 979-864-1532 or by visiting: <http://brazoriacountytexas.gov/departments/mosquito-control/spray-request>. Residents can also submit spray requests by calling their office, or by visiting the website listed above.

Funding Expected: Revenue Expenditure N/A Budgeted Item: Yes No N/A

Funding Account: _____ Amount: _____ 1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: 3/13/2019 SLH

Supporting documents attached:

- Proposed letter of authorization from City Manager
- Letter of Request from Brazoria County Mosquito Control Dist.

Recommendation: Move to authorize the City Manager to send a letter to the Brazoria County Mosquito Control District for the continuation of aerial spraying services for the 2019 season.

Reviewed by Department Head, if applicable

Reviewed by City Attorney, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Manager



CITY OF ALVIN

216 West Sealy Street • Alvin, Texas 77511 • (281) 388-4248 • FAX (281) 388-4294

Office of the City Manager

March 21, 2019

Ms. Fran Henderson, Director
Brazoria County Mosquito Control District
1380 CR 213
Angleton, TX 77515

Re: Aerial Spraying over the City of Alvin

Dear Ms. Henderson:

The City of Alvin would like the Brazoria County Mosquito Control District to continue providing aerial spraying over the City of Alvin. We understand the spraying will be done during heavy outbreaks of mosquitoes.

We would like to thank you for providing this service and agree this type of spraying has been a big help in controlling mosquitoes in our area.

Sincerely,

Junru Roland
City Manager

Rec'd 3/11/19



**BRAZORIA COUNTY
MOSQUITO CONTROL DISTRICT**

**Fran Henderson
Director, Mosquito Control**

**1380 CR 213
Angleton, Texas 77515
Phone: 979-864-1532
kellyg@brazoria-county.com**

March 4th, 2019

**City of Alvin
City Secretary
216 W. Sealy
Alvin, Tx 77511**

RE: AERIAL SPRAYING OVER BRAZORIA COUNTY

The Brazoria County Mosquito Control is updating its files for the 2019 season of aerial spraying over cities and towns in Brazoria County. We would like your permission "to spray" or "not to spray" over your area. The spraying is done during heavy outbreaks of mosquitos by our aerial contract sprayer.

Aerial spraying takes place only after a public notification to inform the citizens of Brazoria County that we will be spraying. There will be notifications of aerial spraying through notices posted at the Courthouse. In addition, the notifications can be found on the Brazoria County website as well as Facebook and Twitter – Brazoria County. The flying schedule depends heavily upon landing rate counts, weather and wind conditions. As a result of these variables, we are unable to give a specific flying time in advance.

*If your governing body would like to continue receiving this service over your city or town, please send your **approval** or **disapproval** on letterhead stationery. Please have one of the following officials sign the letter: (a) Mayor, (b) City Manager, (c) Chief of Police, (d) City Council, or (e) County Commissioner.*

Aerial spraying has certainly been a step forward for mosquito control in Brazoria County.

We would appreciate your prompt response to our request.

Respectfully,

**Fran Henderson
Director, Mosquito Control**



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: Finance

Contact: Florence Chapa, Interim Finance Director

Agenda Item: Presentation by Belt Harris Pechacek, LLP of the City's Comprehensive Annual Financial Report (CAFR) as of September 30, 2018; and acknowledge receipt of the 2018 CAFR.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: As required by state statute, an independent audit has been completed by the CPA firm of Belt Harris Pechacek, LLP, for the fiscal year ending September 30, 2018. At the end of an audit, Generally Accepted Auditing Standards mandate that auditors must express an opinion on the financial records. For FY18, the City received an unmodified opinion from the auditors – which is the highest form of assurance that our financial statements “give a true and fair view” of the City’s financial position.

Pursuant to Section 103.003 of the Texas Local Government Code, the annual financial statements, including the auditor’s opinion must be filed with the City Secretary within 180 days after the last day of the fiscal year (September 30, 2018). The CAFR, which includes the auditor’s opinion, will be presented to the Mayor and City Council, and to the City Secretary for filing.

Mike Brotherton, from Belt Harris Pechacek, LLP will present the report. Hard copies of the report will also be available for you at the council meeting. Click [HERE](#) to view CAFR.

Funding Expected: Revenue Expenditure N/A **Budgeted Item:** Yes No N/A

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes No

Legal Review Required: N/A Required **Date Completed:** 3/13/2019 SLH

Supporting documents attached:

- Auditor Disclosure Letter
- FY18 CAFR

Recommendation: Move to acknowledge receipt of the Fiscal Year 2018 Comprehensive Annual Financial Report.

Reviewed by Department Head, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Attorney, if applicable

Reviewed by City Manager



Required Auditor Disclosure Letter

February 20, 2019

To the Honorable Mayor and
City Council Members of the
City of Alvin, Texas:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alvin, Texas (the "City"), for the year ended September 30, 2018. Professional standards require that we provide the City Council (the "governing body") with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit.

I. Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 9, 2018, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with the governing body's oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve the governing body or management of its responsibilities.

II. Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to the governing body in our engagement letter dated March 9, 2018.

III. Significant Audit Findings

1. Qualitative Aspects of Accounting Practices

- A. Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in the notes to the financial statements. As described in the notes to the financial statements, the City changed accounting principles related to accounting for postemployment benefits by adopting Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in 2018. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Activities. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

- B. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the useful lives of capital assets as based on industry standards relating to capital assets. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

Estimates are used in the calculation of the pension and other postemployment benefit liability and the required annual contributions. The Texas Municipal Retirement System (TMRS) and the Texas Emergency Services Retirement System (TESRS) hire licensed actuaries to make key assumptions and to perform calculations, as well as independent auditors to review those assumptions and calculations. We evaluated the reasonableness of the employee data provided by the City to TMRS and TESRS.

- C. The financial statement disclosures are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of long-term debt in the financial statements is significant to financial statement users because it discloses the City's long-term financial obligations.

2. Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

3. Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached schedule summarizes both material and immaterial misstatements detected as a result of our audit procedures.

4. Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

5. Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 20, 2019.

6. Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

7. Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

IV. Other Matters

We applied certain limited procedures to the Required Supplementary Information (RSI), as identified on the table of contents that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information, as identified in the table of contents, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

V. Restrictions on Use

This information is intended solely for the use of the Mayor, City Council, and management and is not intended to be, and should not be, used by anyone other than these specified parties.

BELT HARRIS PECHACEK, LLLP

Belt Harris Pechacek, LLLP
Certified Public Accountants
Houston, Texas



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: City Manager

Contact: Junru Roland, City Manager

Agenda Item: Consider Resolution 19-R-12, adopting the “City of Alvin Financial Management Policy Statements.”

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: At the February 12, 2019 Special Meeting (Goals/Visioning workshop) of the City Council, staff presented a draft version of the Financial Management Policy Statements to City Council for review. For the most part, the proposed Financial Management Policy Statements combine the City’s financial policies into one, all-inclusive document. As stated during the special meeting, the Financial Management Policy Statements were drafted in response to inquiries from bond rating agency.

The Financial Management Policy includes the following sections:

1. Accounting, Auditing, and Financial Reporting
2. Budget and Long-Range Financial Planning
3. Revenues & Expenditures
4. Fund Balance Policy
5. Capital Expenditures and Improvements
6. Debt Policy
7. Cash Management & Investments
8. Grants

These sections have been reviewed and revised by the City Manager’s office, Finance Department, as well as the City’s Financial Advisors.

The City Council should also be aware that as is the case with all City policy documents, this is a “living document” and can therefore be revised by action of the City Council when necessary. It is common best practice that municipalities as well as other governmental entities adopt financial policies.

Funding Expected: Revenue Expenditure N/A **Budgeted Item:** Yes No N/A

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes No

Legal Review Required: N/A Required **Date Completed:** 3/13/2019 SLH

Supporting documents attached:

- Resolution 19-R-12
- Financial Management Policy Statements - Draft

Recommendation: Move to approve Resolution 19-R-12, adopting the City of Alvin Financial Management Policy Statements.”

Reviewed by Department Head, if applicable

Reviewed by City Attorney, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Manager

RESOLUTION 19-R-12

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS, ADOPTING THE CITY OF ALVIN FINANCIAL MANAGEMENT POLICY STATEMENTS.

WHEREAS, the City Council is required to review and approve the City’s Financial Management Policy Statements; and

WHEREAS, the *Financial Management Policy Statements* were reviewed by the staff as well as the City’s Financial Advisors; and

WHEREAS, it was recommended that the *Financial Management Policy Statements* be accepted;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purpose as findings of fact.

Section 2. Open Meetings. It is hereby officially found and determined that the meeting at which this Resolution is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED on this the 21st day of March 2019.

CITY OF ALVIN, TEXAS:

ATTEST:

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary

City of Alvin

Financial Management Policy Statements

Purpose

The City of Alvin's Financial Management Policy Statements combine the City's financial policies into one, all-inclusive document. These statements, adopted by the City Council, instruct City staff how to manage the City's finances to meet current and future service needs. While most of these statements have been written to comply with federal law, state, law and the City Charter, others have been written to follow industry best practices and ensure transparency and accountability in the use of public funds.

There may be situations that require exceptions to these policy statements. In such situations, the policy requiring an exception, the reasons for the exception, and possible impacts of the exception will be brought before City Council and/or City Manager for approval.

Accounting, Auditing, and Financial Reporting

The City of Alvin strives to maintain accounting practices that comply with federal, state, and local statutes and regulations and follow Generally Accepted Accounting Principles (GAAP). Staff will regularly prepare and present reports that analyze and evaluate the City's financial performance and economic condition.

A. Accounting Practices and Principles

All accounting practices used by the City will conform to GAAP as defined by the Governmental Accounting Standards Board (GASB), which sets accounting standards for government bodies. Excluding monthly interim financial reports (which are on a cash basis and will be reported as budgeted), all City financial statements will meet these standards. Such documents include official statements accompanying debt issues, the Comprehensive Annual Financial Report (CAFR), and continuing disclosure statements. At year-end, the general ledger and financials will be converted to GAAP and GASB.

B. Financial and Management Reporting

Interim Financial Reports will be provided monthly to the City Council and presented to City Council on a quarterly basis. These reports will be reviewed monthly with the City Manager and provided to the City Council.

Quarterly, the status of Capital Projects will be reported to the City Manager and provided to the City Council.

C. Annual Audit

The City shall have its records and accounts audited annually and shall have an annual financial statement and CAFR prepared based on the audit. A certified public accountant (CPA) licensed in the State of Texas shall conduct the audit. The official CAFR (including a Single Audit of Federal and State Grant report, when applicable) shall be issued within six months following the end of the City's fiscal year. The Chief Financial Officer (CFO) shall be responsible ensuring that all audit recommendations are resolved in a timely manner.

The CFO or his/her designee will provide certain annual financial information to various information repositories through disclosures, documents or set of documents that include the necessary information as required by the Securities and Exchange Commission (SEC) Rule 5c2-12.

D. Signature of Checks

All checks shall have two signatures. Persons authorized to sign checks shall be the Mayor, City Manager, CFO, or City Secretary. Signatures shall be affixed to all City checks either with handwritten signatures, signature stamp or with a secure laser check printing system.

E. Compliance with Policy Statements

The Financial Management Policy Statements will be reviewed bi-annually and updated, revised or refined as deemed necessary. Policy statements adopted by the City Council are guidelines, and occasionally exceptions may be appropriate and required. Exceptions will be identified, documented, and explained to the City Council and/or City Manager.

Budget and Long-Range Financial Planning

A. Balanced Budget

A structurally balanced budget for the ensuing fiscal year shall be filed with the City Council by the City Manager pursuant to the prevailing state and local law. A structurally balanced budget is further defined as total estimated expenditures of all types of fund types and shall not exceed the total estimated resources of each fund (prospective income plus cash on hand) and shall adhere to fund balance policies. Short-term loans will be avoided as budget balancing techniques.

B. Current Funding Basis (Recurring Revenues)

The City shall budget on a current funding basis. Recurring expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funding exclusively with recurring revenue sources to facilitate operations on a current funding basis.

C. Use of Non-Recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance of fund balance in excess of policy can only be budgeted/used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

D. Pay-as-you-go Capital Projects

The transfer from the City's General Fund and the City's Utility Fund to fund pay-as-you-go capital projects will be budgeted when financially feasible and when projects present themselves for funding. The transfer will be based on the financial health of each fund with the long-term goal of adequately funding rehabilitation.

E. Revenue Estimating for Budgeting

The City shall use a conservative, objective, reasonable, and analytical approach when preparing revenue estimates to protect the City from revenue shortfalls and to maintain a stable level of service. The process shall include historical collection rates, trends, development, and probable economic changes. This approach is intended to reduce the likelihood of actual revenues falling short of budget estimates. When possible, the City will seek outside sources of revenue to leverage local dollars. Such revenue sources include federal, state, and local grants.

F. Employee Performance Evaluation Increases

In addition to an annual tenure 2%- step increase (based on date of hire), the City Manager may determine and budget funds to compensate fulltime employees based on rating results from annual performance evaluations. This amount will be calculated for each fund, based on a percentage of employee hourly rate. In addition, funds may be budgeted to bring identified jobs up to market salary rates when appropriate.

G. Budget Preparation

The primary responsibility for formulating budget requests rest with Department Heads. New or expanded services should support City Council goals, City Manager priority direction, and department goals.

Action on items that come up throughout the year can be made in full context of the annual budget process and long-range plan, unless unforeseen circumstances present themselves.

The City will seek to obtain the GFOA Distinguished Budget Award annually. The budget will be presented in a way that not only meets the criteria of the award, but also clearly communicates the budget to the public.

H. Budget Management

In accordance to Article 7, Section 14 of the City Charter, the City Council shall delegate authority to the City Manager or his/her designee to transfer appropriation balances from one expenditure account to another within a single department, within a fund. The City Manager will report to the City Council all inter-departmental or interfund budget transfers he or she has authorized during the fiscal year according to the City Council requirements.

Department Heads are responsible for recommending budget transfers within their department. Approval from the City Manager or authorized designee is required to complete the process. If a supplemental appropriation is deemed necessary during the fiscal year, the City Manager is responsible for verifying the availability of funds. A budget ordinance is then sent to City Council for approval. City Council may approve emergency appropriations which may arise during the fiscal year by emergency ordinance, requiring only one reading in accordance with the provisions of the City Charter.

I. Policy Statements on Interfund Transfers

When utilities and other industries use city property to distribute their services, cities are permitted by law to collect rental fees, also know as ‘franchise’ fees, for the use of public property. Similar to the private sector, the utility, EMS, Sanitation, and Cemetery fund will be charged a ‘franchise’ fee as compensation for the use of public right-of-way or easements. The ‘franchise’ fee is based on a percentage of gross revenues. In addition, the Utility, EMS, Sanitation, Cemetery, CVB and Sales Tax fund will be assessed an administration charge for human resource, city management, account and legal services. These charges are based on a percentage of costs in the affected departments. Both franchise and administrative charges are transferred into the General Fund.

J. Performance Management

Performance measures will be utilized in department budgets. The City will maintain a measurement system that reports trends as a management tool to monitor and improve service delivery.

K. Operating Deficits

If at any time during the fiscal year expenditure and revenue re-estimates are such that “net income’ is lower than budgeted, the City shall take immediate corrective action. Such actions may include:

1. Deferral of capital equipment purchases
2. Deferral of percentage annual funding to replacement funds
3. Deferral of pay-as-you-go capital improvements
4. Expenditure reductions
5. Deferral of certain positions
6. Hiring freezes

7. Use of volunteers
8. Increase fees
9. Reduce work hours with subsequent reduction in pay
10. Eliminate positions which may require laying off employees if there aren't other vacant positions for which they are qualified

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit, only with a subsequent approval of a plan to replenish the fund balance if it is brought down below policy level.

L. Long-range Financial Plans

The City shall develop and maintain a five-year financial forecast for each major operating fund, in conjunction with the annual budget process. The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide, an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investments can be made; identify future commitments and resource demands; and identify the key variable that may cause change in the level of revenue.

Major operating funds are as follows:

1. General Fund
2. Debt Service Fund
3. Utility Fund

The forecast should enable current services and current service levels provided to be sustained over the forecast period. Operating impacts from completed capital improvement projects in the City's Five-Year CIP shall be included in the forecast. Commitments/obligations already made that require future financial resources shall also be included. The forecast should identify impacts to property taxes and utility rates. Major financial decisions should be made in the context of the Long-Range Plan.

Revenues

A. Balance and Diversification in Revenue Sources

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which may adversely impact that source.

B. User Fee Creation and Revision

The Finance Department will work with each department to determine the cost for each service and determine a full-cost price. Proposed fees will be

compared to the market, evaluated for potential effects on users such as low-income households, market demands, etc. A fee will then be recommended to the City Manager and City Council based on all information gathered through the fee evaluation.

C. User Fees – General Fund

For services that benefits specific users, the City shall establish and collect fees to recover the costs of those services. Where services provide a public benefit, the City shall recover the costs of those services through property and sales taxes. The City will strive to, at a minimum, cover direct costs. At a minimum, user fees should be reviewed every two or three years and adjusted to avoid sharp increases. Factors in setting fees shall include, but not be limited to, market and competitive pricing, effect of demand for services, and impact on users, which may result in recovering something less than direct, indirect and overhead costs. The City may set a different rate for residents versus non-residents. User fees shall be adopted by Council Ordinance and included in the Annual Comprehensive Fee Schedule.

D. User Fees – Enterprise Funds

Utility rates and other fund user fees shall be set at a level sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide pay-as-you-go funding for capital improvements, and provided adequate levels of working capital. The City may set a different rate for residents versus non-residents. The Five-Year Financial Plan may serve as the basis for rate change considerations. Factors in setting of fees shall include but not be limited to, market competitive pricing, effect on demand for services, and impact on users, which may result in recovering something less than full cost.

E. Revenue Collection

The City shall maintain high collection rate for all revenues by monitoring monthly receivable. The City shall follow an aggressive, consistent, yet reasonable approach to collecting revenues fully allowed by law for all delinquent taxpayers and others overdue in payments to the City. Actual revenues received will be compared to budgeted revenues by the Finance Department. Any significant variances will be investigated. The City shall contract for billing and collection services when it makes financial sense to do so.

The City shall contract for collection of delinquent receivables when it makes economic sense for the City to do so. Uncollectable receivables shall be considered for write-off as follows:

1. State statute authorizing the release of extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable

2. Undeliverable mail-accounts that remain outstanding for 12 months and all steps have been exhausted
3. Accounts outstanding for three years, identified as uncollectible, and all attempts to collect have been taken
4. Uncollectible Accounts may be written-off annually near year-end.
5. The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City
6. The City shall estimate uncollectible accounts through an allowance for uncollectible accounts in each fund with receivables

Expenditures

A. Operating Expenditures

Identify services, establish appropriate service levels, and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

B. Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at sufficient levels to protect the City's investments, to minimize future replacement and maintenance costs, and to maintain service levels.

C. Periodic Program/Services Reviews

The City Manager and staff shall undertake periodic reviews of City programs and services for both efficiency and effectiveness. Programs or services determined to be inefficient and/or ineffective shall be recommended through the annual budget process to be reduced in scope or eliminated.

D. Outsourcing of City Services

Attempting to perform the many municipal services the City provides to its citizens in-house could dilute the City's efficiency and not be cost effective. Outsourcing and managed competition processes, the mere consideration of which provides economic benefits that flow from competition, are two management tools utilized by the City to maximize efficiency and cost effectiveness. The economic benefits of competition include lower costs and improved quality of performance irrespective of whether a given service is ultimately performed in-house or outsourced.

E. Purchasing

Article VII, Section 11 of the City Charter provides that the uniform guide for purchasing procedures be reviewed to determine consistency with state and federal laws.

Fund Balance Policy (Resolution 11-R-22)

The purpose of this policy is to establish a key element of the financial stability of the City by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the City's general operations.

Definitions

Fund Equity – A fund's equity is generally the difference between its assets and its liabilities

Fund Balance – An accounting distinction is made between the portions of fund equity that are spendable and non-spendable. These are broken up into five categories:

1. *Non-spendable fund balance* – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds.
2. *Restricted fund balance* – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include grants and child safety fees.
3. *Committed fund balance* – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
4. *Assigned fund balance* – comprises amounts intended to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body

delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

5. *Unassigned fund balance* – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Policy

- A. *Committed Fund Balance* – The City Council is the City’s highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Council at the City’s Council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.
- B. *Assigned Fund Balance* – The City Council has authorized the City’s Chief Financial Officer and/or City Manager as the officials authorized to assign fund balance to a specific purpose as approved by this fund balance policy.
- C. *Minimum Unassigned Fund Balance*

General Fund – It is the goal of the City of achieve and maintain an unassigned fund balance equal to 25% of expenditures. The City considers a balance of less than \$1,500,000 to be cause for concern, barring unusual or deliberate circumstances.

If the unassigned fund balance falls below the goal or has a deficiency, the City will take immediate action which includes the following, until the fund balance is replenished:

1. Deferral of capital equipment purchases
2. Deferral of percentage annual funding to replacement funds
3. Deferral of pay-as-you-go- capital improvements
4. Expenditure reductions

5. Deferral of certain positions
6. Hiring freezes
7. Use of volunteers
8. Increase fees
9. Reduce work hours with subsequent reduction in pay
10. Eliminate positions which may require laying off employees if there aren't other vacant positions for which they may be qualified

Debt Service Fund – It is the goal of the City of achieve and maintain an unassigned fund balance equal to 50% of annual debt payments.

Sales Tax Fund – It is the goal of the City to achieve and maintain an unassigned fund balance equal to 25% of expenditures. The City considers a balance of less than 15% of annual revenues to be cause for concern, barring unusual or deliberate circumstances.

If the unassigned fund balance falls below the goal, or has a deficiency, the City will take immediate action which includes the following, until the fund balance is replenished:

1. Deferral of capital equipment purchases
2. Deferral of percentage annual funding to replacement funds
3. Deferral of pay-as-you-go capital improvements
4. Expenditure reductions
5. Deferral of certain positions
6. Hiring freezes
7. Use of volunteers
8. Reduce work hours with subsequent reduction in pay
9. Eliminate positions which may require laying off employees if there aren't other vacant positions for which they are qualified

D. *Order of Expenditure Funds* – When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restricted category and spend those funds first before moving down to the next category of available funds.

Capital Expenditures and Improvements

City staff will annually review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding alternatives, and availability of resources.

A. *Capitalization Threshold for Tangible Capital Assets (Resolution 10-R-32)*

Tangible capital items should only be capitalized if they have an estimated useful life of at least four years following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value by use and has a cost of not less than \$10,000 for any individual item.

The capitalization threshold of \$10,000 will be applied to individual items rather than to a group of similar items, unless doing so would have a material impact on financial reporting.

B. *Five-Year Capital Improvement Plan (CIP)*

The City shall annually prepare a five-year capital improvement plan based on the needs for capital improvements and equipment, the status of the City infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvement or additions to the City's facilities/infrastructure and become a part of the City's asset inventory. Capital projects can be further categorized into land, building, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, etc.

The City shall consider input from citizens, City staff, current master plans, and the City Council while developing the CIP. Projects shall be reviewed for their overall effect on the City's finances including the need to issue debt, potential impacts on the tax rate, and operation and maintenance impacts. Once complete, the City Manager shall recommend the Five-Year CIP to the City Council for adoption.

Capital costs typically consist of preliminary design, final design, and construction, and may involve the acquisition of land or easements. Additionally, project costs shall be estimated, funding sources identified, and annual operation and maintenance costs computed. Subsequent years

are for planning purposes only, and may move up, back, or be phased as the project becomes more refined based on preliminary engineering and completion of design work.

Projects are to be reviewed annually through the budget process and at year-end. For those identified as complete, any remaining funds will close to fund balance. For those projects with identified savings, the project budget will be reduced, and the subsequent savings will flow to fund balance. These funds can then be re-appropriated during the next fiscal year capital budget. Funds remaining from bond proceeds will only be used in accordance with legal use of those funds.

The Five-Year CIP shall be limited to the affordability limits identified in the long-range financial plans of the City, taking into consideration pay-as-you-go funding, debt capacity, operating costs, etc. Affordability shall be determined by the revenue assumption used to build the five-year forecast. Projects that cannot be funded in the Five-Year CIP using the affordability assumptions will be included in the CIP for future reference as an appendix of unfunded requests and considered for future funding or a bond referendum.

C. Infrastructure Evaluation and Replacement/Rehabilitation

Water, wastewater, drainage, street lighting, streets and sidewalks, municipal facilities, and other infrastructure are fundamental and essential functions for public health and safety, environmental protections, and the economic well-being of the City. As a result, the City's CIP should be focused on ensuring that infrastructure replacement and maintenance costs, and to maintain existing levels of service and accommodate growth.

High priority should be given to replacing/rehabilitating capital improvements prior to the time that they have deteriorated to the point where they are hazardous, incur high maintenance costs, negatively affect property values, or no longer serve their intended purpose.

The decision on whether to repair, replace, or to rehabilitate an existing capital asset will be based on which alternative is most cost-effective, which would include life-cycling costing, and provides the best value to the City.

- D. Replacement of Capital Assets on a Regular Schedule (Fleet and Technology).
The City shall prepare a schedule for the replacement of its fleet and high technology capital assets on an annual basis. Funding for the replacement of these assets will be accomplished through the annual budget process, within the resources available each fiscal year. Funding sources shall include, but not be limited to, cash on hand and lease/purchase, based upon a determination of what would be in the best of the City.

- E. Capital Expenditure Financing
The City recognizes that there are three basic methods of financing its capital assets: funding from current revenues, funding from fund balance, or funding through the issuance of debt. Types of debt and guidelines for issuing debt are set forth in the Debt Policy Statements.

Debt Policy

Establish guidelines for debt financing that will provide needed facilities, land, capital equipment and infrastructure improvements while minimizing the impact of debt payments on current and future revenues

A. Use of Debt Financing

Debt financing, to include general obligation bonds, revenue bonds, certificates of obligation, certificates of participation, lease/purchase agreements, and other obligations permitted to be issued or incurred under Texas law, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance and to fund infrastructure improvements and additions, or for the purposes of refunding existing obligations. Debt will not be used to fund current operating expenditures.

B. Affordability

The City shall use an objective analytical approach to determine whether it can afford to issue general-purpose debt, both General Obligations and Certificates of Obligation, water/sewer debt, sales tax revenue debt, and any other financing permitted by State law. The process shall include an internal feasibility analysis for each long-term financing which analyzes the impact on current and future budgets, which would include the tax and utility rates. The process shall also include the benefits of the proposed projects. The

decision on whether to issue new debt shall be based on the benefits of the projects, current conditions of the municipal bond market, and the cost to the City of the new debt.

C. Bond Ratings

In the evaluation issuance of additional debt to finance projects, the City shall consider the statements of the rating agencies on the City's financial situation and shall, with the assistance of the City's Financial Advisor, consider the appropriateness of pursuing a rating in connection with an issuance of obligations. The City shall also maintain full disclosure of operations and open lines of communications with the rating agencies, coordinating such communications with the City's Financial Advisor, whether in connection with an issuance of obligations or as a routine surveillance, and to ensure timely and appropriate disclosure of any changes in the City's rating.

The City will continually strive to maintain or increase the City's current bond ratings by prudently managing its funds and be reviewing and monitoring financial policies, budgets, forecasts and the financial health of the City. Ratings reflect the assessment and evaluation of the following factors:

1. Local economic activity
2. Strong financial policies
3. Budgetary performance and flexibility
4. Total liquidity and reserve balances
5. Debt and contingent liability – evaluation of debt carrying costs as a percent of expenditures, with adjustments for self-supporting debt
6. Impact of future debt issuance on bond ratings/debt profile and outlook

D. Debt Capacity

The City shall complete an annual debt capacity assessment to ensure that proposed debt is affordable and contributes to the financial strength of the City. The debt capacity is the upper limit on the dollar amount of capital improvements that the City can afford to fund from debt.

In no case will the City issue general obligation debt that will require a debt service tax rate of \$1.50 per \$100 assessed valuation, based on a 90% collection rate, which is the maximum tax rate permitted by State law.

For long-term planning, debt capacity calculations shall assume market rates for the average annual interest costs at the time the capacity is determined. Future refunding of any outstanding bonds and debt service requirements on current and proposed debt shall not be considered in such analysis.

The maximum capacity on debt supported by property tax shall be determined by an amount of annual debt service that the City can absorb within the proposed tax rate allocation for debt based on assumed growth in assessed valuation.

The maximum capacity for revenue debt shall be determined by the amount of annual debt service that the City can absorb within a proposed rate structure, or which can be supported by existing revenues or projected revenues pursuant to revenue bond covenants, including but not limited to the additional parity bonds test and the coverage of revenues by total annual parity bond debt service.

Factors that may be included in the annual debt capacity determination shall include:

1. Existing debt obligations
2. Various measure of debt burden on the community
3. Debt-to-assessed-value ratio
4. Evaluation of revenue and expenditure trends
5. Debt per capita
6. Taxable value per capita
7. Market factors such as interest rates, credit ratings or market status
8. Statutory or constitutional requirements

E. Certificates of Obligations (CO)

Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. It is the City's policy to utilize CO's to finance public improvements in certain circumstances and only after determining the City's ability to assume additional debt. Such circumstances include, but are not limited to:

1. Issuing CO's when conditions require a capital improvement to be funded rapidly rather than waiting for a GO bond election

2. Issuing CO's for projects when there is no funding source available and the project is determined to be in the best interest of the City
3. Issuing CO's if it would be more economical to issue CO's rather than issuing GO bonds or revenue bonds
4. Issuing CO's for projects for which the City will be reimbursed by Developer (principal and interest)
5. Issuing CO's for projects that need to be completed regardless of voter approval, such as street construction and maintenance, rehabilitation of water and sewer lines, etc.

F. Revenue Bonds

Revenue bonds are generally payable from a designated source of revenue. They do not require voter approval. For the City to issue new revenue bonds, revenues, as defined in the ordinance authorizing the revenue bonds in question, shall meet the bond coverage ratio as defined in the ordinance and shall meet the additional parity bonds test if parity bonds are outstanding. Annual adjustments to the City's rate structures for enterprise funds will be made as necessary to maintain the coverage factor.

If the City should issue CO's for water/sewer improvements, the Water/Sewer fund should pay the annual debt service associated with the issue.

G. General Obligation Bonds (GO)

When the list of unfunded projects contains projects that the City Council wishes to fund but cannot afford, the City may consider using GO bonds to fund the projects. GO bonds require voter approval and are secured by a promise to levy taxes in an amount necessary to pay annual debt service and must be issued for projects that are in accordance with the work in the bond proposition.

H. Bond Elections

The time of general obligation bond elections shall be determined by the inventory of current authorized, unissued bonds remaining to be sold and the Five-Year CIP. The total dollar amount of bond election propositions recommended to the voters should typically not exceed the City's estimated ability to issue the bonds within a seven-year period. An analysis showing

how the new debt, combined with current debt, impacts the City's tax rate and debt capacity should accompany every future bond issue proposal.

I. Debt Structures

The City shall normally issue bonds with a life not to exceed 25 years for general obligation bonds and 30-years for revenue bonds, but in no case longer than the useful life of the asset. The City shall seek level or declining debt repayment schedules and shall seek to retire 90% of the total principal outstanding within 20-years of the year of issuance. There should be no debt structures that include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception or as special situations may warrant. There shall be no 'balloon' bond repayment schedules, which consists of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest paid in the first fiscal year after a bond issue. Normally, there shall be no capitalized interest included in the debt structure except for debt issuances reimbursing developers for infrastructure or in the case in which the project will generate revenue, but it takes a couple of years to produce the revenue. Capitalized interest should normally not exceed two years.

J. Debt Refunding

The City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. Generally, the net present value savings of a particular refunding should exceed 3% of the refunded maturities unless (1) a debt restructuring is necessary; or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt or (3) the refunding is combined with a new debt issuance.

K. Interest Earnings and Remaining Bonds Proceeds

Debt interest earning on bond proceeds will be limited to funding changes to the bond financed CIP in compliance with the voted propositions, cost overruns on bond projects, or be applied to debt service payments on the bonds issued. Issued but unspent bond proceeds may be appropriated for projects consistent with the ballot language after completion of projects identified in the approved bond propositions.

L. Sale Process

The City shall use a competitive bidding process in the sale of debt unless the nature of the issue warrants a negotiated sale. The City may consider utilizing, in consultation with the City's Financial Advisor, a negotiated process when the issue is, or contains, a refinancing that is dependent on market/interest rate timing, if the interest rate environment or market/economic factors may affect the bond issue, or if the nature of the debt is unique and requires particular skills from the underwriters involved. The City shall award the bonds based on a true interest costs (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis if the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

M. Underwriting Syndicates

The City's financial advisor shall attempt to involve qualified and experienced firms, which consistently submit ideas to the City and financial advisors and actively participate in the City's competitive sale in its negotiated underwritings. In conjunction with the City, the City's financial advisor shall recommend the structure of underwriting syndicates, which will be optimal for the type and amount of debt being issued. However, the City's financial advisor is prohibited from underwriting the City's bonds while under contract with the City for municipal advisory services, and for a period of one year after termination of the municipal advisory contract.

N. Covenant Compliance

The City will comply with all covenants state in the bond ordinance, including providing for annual disclosure information and providing for material event notices.

O. Arbitrage Rebate Monitoring and Reporting

Arbitrage is the interest earned on the investment of bond proceeds above the interest paid on the debt. The City will maintain a system of recordkeeping and reporting to meet the arbitrage rebate compliance requirement of the IRS regulation. The recordkeeping shall include tracking projection expenditures, interest earned on the bonds, calculating rebate payments, and remitting any rebate earnings to the federal government in a timely manner to preserve the tax-exempt status of the outstanding debt. Arbitrage rebate calculations will be performed annually on all debt issues and the liability recorded for any positive arbitrage. Due to the specialized

nature of the calculations, this function will typically be outsourced.

P. Lease/Purchase Agreements

The City will use lease/purchase agreements for the acquisition of equipment when it is cost-effective, cost-efficient, and provides for attractive terms. All lease purchase agreements above \$50,000 will be approved by the City Council.

Cash Management and Investments (in compliance with the most recently adopted Investment Policy)

Objective is to maintain the City's cash in such a manner to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield.

A. Investment Policy

All aspects of cash/investment management shall be designed to ensure safety and integrity of the City's financial assets. Cash/investment management activities shall be conducted in full compliance with prevailing local, state, and federal regulation.

The City shall design and establish policies relating to a variety of investment management issues, such as the eligibility and selection of various broker/dealers, safekeeping requirements, collateral requirements, delivery versus payment requirements, weighted average maturity requirements and such other aspects of the program, which necessitate standard setting in pursuit of appropriate prudence and enhance protection of assets.

B. Investment Strategy

The City maintains a consolidated portfolio in which it pools its funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, and reasonable yields commensurate with the preservation of principal and liquidity. Refer to the City's Investment Strategy as adopted by the City Council in the City's Investment Policy.

C. Interest Income

Interest earned from investments shall be distributed to the funds from

which the funds were provided.

D. Arbitrage Investments and Reporting

Investment on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. Investment of bond proceeds will be clearly tracked, and investment earnings recorded for arbitrage purposes. If there is a positive arbitrage, the rebated earnings will be sent to the IRS, as necessary.

E. Depository

The City will select its official bank through a formal bidding process to provide the City with the most comprehensive, flexible, and cost-effective banking services available. The City will, at a minimum, bid depository services every five years. The City will review the financial health of the City's depository annually to include, but not limited to, earnings, assets, capital, and liquidity.

Only officials authorized by the City Council through the deposit contract may open accounts in the name of the City or its component units.

F. Collateralization of Deposits

The City shall have pledged collateral held by an independent third-party institution and evidenced by a written receipt.

The value of the pledge collateral should be marked to market monthly and shall be at least 102% of the par or market value of the investments, whichever is greater.

Substitutions of collateral shall meet the requirements of the collateral agreement and have prior written approval. Collateral shall not be released until the replacement collateral has been received, if the release of the collateral should result in the value being under 102% of par value.

The pledge of collateral shall comply with the City's Investment Policy.

Grants (Resolution 13-R-Grant Policy)

The City will seek, apply for, and effectively administer federal, state, and local grants,

which support the City's current priorities and policy objectives

A. Approval

Any grant to be utilized by the City must be approved by the City Manager prior to submission of any application for grant funds.

B. Grant Administration

When a new grant agreement is signed, the Chief Financial Officer will initiate a meeting with the department who will be the program contact for the grant. At this meeting roles and responsibilities relating to the administration of the grant will be established; and account numbers for the payment of invoices provided. Finance Department requires all grant files contain the following:

1. Copy of signed grant application/agreement
2. Copy of check vouchers and/or invoices for all expenditures that are allocated to the grant
3. Copy of draw requests
4. Any correspondence (email, fax, etc.) relating to the grant

Most grants require quarterly reports. Quarterly financial reports are prepared by the Chief Financial Officer, based on financial and other information provided by the department administering the grant. Program reports are generally prepared by the department administering the grant.

Reimbursement requests should be prepared as often as possible; and excessive expenditures should not build up before preparing a reimbursement request. Once the draw amount is known, a copy of the request is made for the CFO.

C. File Review

The Finance Department reviews each grant file before the annual and interim audit. Single audit summary reports are prepared by the Finance Department for the auditor's review. Any supplemental schedules are prepared by the Finance Department as part of the single audit.



AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: Engineering

Contact: Michelle Segovia, City Engineer

Agenda Item: Consider Ordinance 19-F, amending the City of Alvin, Texas Ordinance 18-O passed and approved on September 20, 2018, same being an ordinance approving and adopting the City of Alvin's budget for Fiscal Year 2018-19 by approving a budget amendment to the original 2018-19 budget; providing for supplemental appropriation and/or transfer of funds for the purpose of amending the budget and the organizational chart of the Engineering Department by funding an additional Construction Inspector position as set forth in "Exhibit A;" providing for severability; and providing for other matters related thereto.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: The City Engineer is requesting an additional Construction Inspector to service the City. The city has only one Construction Inspector, and the increase in construction activity in our city is necessitating the need for an additional construction inspector. Currently, there are 7 (seven) City CIP projects and 1 (one) subdivision development that are under construction and being inspected by the Construction Inspector, with the help of the CIP Project Manager. Two additional City CIP projects will start construction in April, and 7 (seven) more will begin construction before the end of the year. In addition to the CIP projects, there are at least 4 (four) subdivision developments that will be starting infrastructure construction before the end of the year as well, hence the need for the additional Construction Inspector.

Essential Functions of a Construction Inspector

Simply put, the Construction Inspector is the Engineer's "eyes & ears" in the field when a capital infrastructure project is being constructed. Once plans are approved, whether they are designed by the City Engineer or by a Consultant Engineer (hired by the City or by a Developer), the Inspector's job is to make sure that the construction of all capital infrastructure (water mains, sanitary sewer mains, lift stations, water plants, storm sewer mains, detention ponds, roadways, etc.) is built in accordance with the approved plans and specifications.

The essential functions include, but are not limited to:

- Overseeing city construction projects throughout all phases of construction;
- Inspecting construction projects for compliance with codes, ordinances, standards of quality, and contract specifications;
- Ordering, scheduling and analyzing the results and implications of various types of laboratory testing; and
- Responding to citizen inquiries and complaints regarding the construction that is taking place.

Full-Time Preference

Staff prefers hiring a full-time Construction Inspector rather than a part-time Construction Inspector for the following reasons:

- 1.) The City's current project workload requires a full-time inspector (40+ hours per week).

2.) Contract/part-time inspectors are typically scheduled and paid per inspection, therefore, they do not handle all the extra items like coordination with other entities, citizen notification/complaint resolution, and problem-solving in the field when projects do not work as planned.

3.) Difficulty finding a person that is qualified and willing to work part-time.

Funding

Current Year funding for the additional Construction Inspector position will come from salary savings from current year employee vacancy lapses.

Funding Expected: Revenue Expenditure N/A **Budgeted Item:** Yes No N/A

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes No

Legal Review Required: N/A Required **Date Completed:** 3/18/2019 SLH

Supporting documents attached:

- Ordinance 19-F
- Exhibit A – Proposed Engineering Organization Chart
- Exhibit B – Current Engineering Organization Chart

Recommendation: Move to approve Ordinance 19-F, amending the City of Alvin, Texas Ordinance 18-O passed and approved September 20, 2018, same being an ordinance approving and adopting the City of Alvin’s budget for Fiscal Year 2018-19 by approving a budget amendment to the original 2018-19 budget; providing for supplemental appropriation and/or transfer of funds for the purpose of amending the budget and the organizational chart of the Engineering Department by funding an additional Construction Inspector position as set forth in “Exhibit A;” providing for severability; and providing for other matters related thereto.

Reviewed by Department Head, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Attorney, if applicable

Reviewed by City Manager

ORDINANCE NO. 19-F

AN ORDINANCE AMENDING CITY OF ALVIN, TEXAS ORDINANCE NO. 18-O, PASSED AND APPROVED SEPTEMBER 20, 2018, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY OF ALVIN'S BUDGET FOR FISCAL YEAR 2018-2019 BY APPROVING A BUDGET AMENDMENT TO THE ORIGINAL 2018-19 BUDGET; PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF FUNDS FOR THE PURPOSE OF AMENDING THE BUDGET AND THE ORGANIZATIONAL CHART OF THE ENGINEERING DEPARTMENT BY FUNDING AN ADDITIONAL CONSTRUCTION INSPECTOR POSITION AS SET FORTH IN EXHIBIT A; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS;

Section 1. That the City of Alvin 2018-2019 Fiscal Year Budget and Ordinance 18-O adopting said budget are hereby amended for the purpose of funding the position of "Construction Inspector" by amending the organization chart of the Engineering Department to indicate such position as funded as set forth in Exhibit "A," attached hereto and incorporated herein by reference.

Section 2. All portions of the existing Alvin 2018-19 Fiscal Year Budget, except as amended herein, shall remain in full force and effect, and are not otherwise affected by the adoption of this amendatory ordinance.

Section 3. Severability. Should any section or part of this Ordinance be held unconstitutional, illegal, invalid, or the application to any person or circumstance for any reasons thereof ineffective or inapplicable, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no way affect, impair or invalidate the remaining portion or portions thereof; but as to such remaining portion or portions, the same shall be and remain in full force and effect and to this end the provisions of this Ordinance are declared to be severable.

Section 4. Open Meetings Act. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED and APPROVED on the ____ day of _____ 2019.

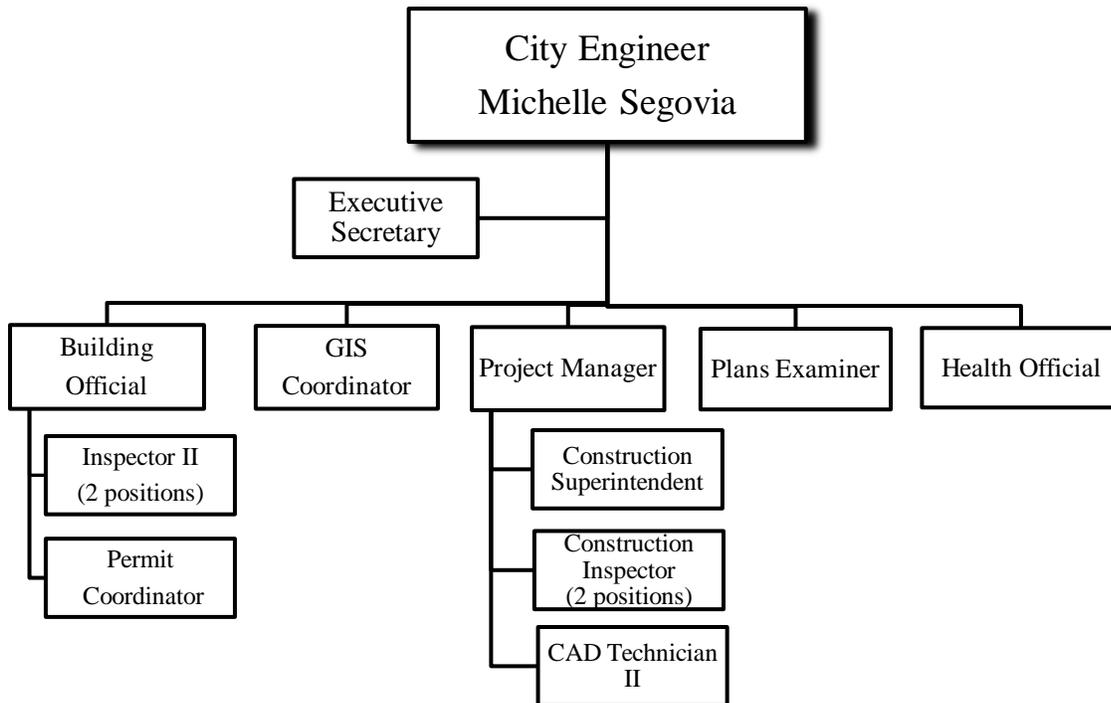
CITY OF ALVIN, TEXAS:

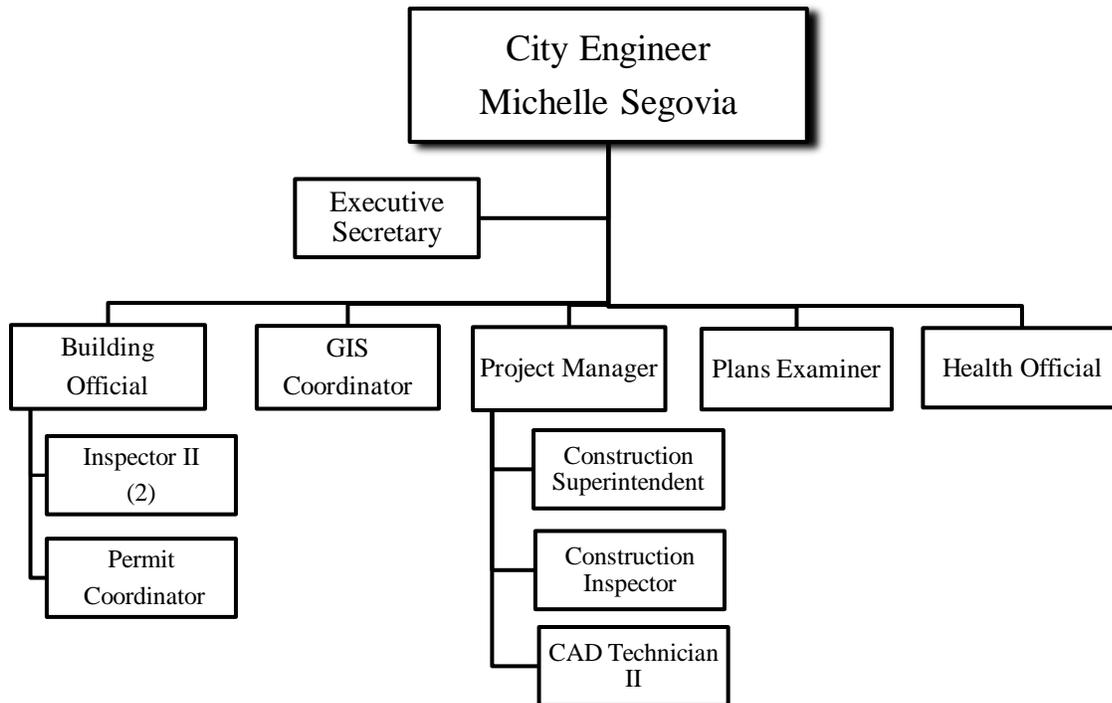
ATTEST

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary

Engineering Department
Proposed Organizational Chart







AGENDA COMMENTARY

Meeting Date: 3/21/2019

Department: Parks and Recreation

Contact: Dan Kelinske, Director

Agenda Item: Acknowledge receipt of the Parks and Recreation Department's five-year list of recommended park improvement projects.

Type of Item: Ordinance Resolution Contract/Agreement Public Hearing Plat Discussion & Direction Other

Summary: The City Charter requires the Parks and Recreation Board to make recommendations to the City Council for the improvement and betterment of public parks and recreational facilities by March 1st of each year. The Parks and Recreation Board discussed and finalized this list on January 19th following a tour of 17 locations including 12 parks, hike and bike trail, pool and other publicly owned property. The list was presented to City Council during the February 12th workshop alongside other recommended City of Alvin Capital Improvement Projects. The Parks and Recreation Board unanimously approved the list of recommended park improvements at the regular meeting on March 5th. The park improvement projects will remain part of the City's comprehensive Capital Improvement Project list, reviewed by the Planning Commission and presented to City Council again in the month of April.

The five-year park improvement projects list is a planning document. City staff recognizes that funding may not be available to fund all projects listed.

Funding Expected: Revenue Expenditure N/A **Budgeted Item:** Yes No N/A

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes No

Legal Review Required: N/A Required **Date Completed:** 3/13/2019 SLH _____

Supporting documents attached:

- Recommended park improvement projects list

Recommendation: Move to acknowledge receipt of the Parks and Recreation Department's five-year list of recommended park improvement projects.

Reviewed by Department Head, if applicable

Reviewed by City Attorney, if applicable

Reviewed by Chief Financial Officer, if applicable

Reviewed by City Manager

**CITY OF ALVIN
2020 - 2024 CAPITAL IMPROVEMENT PROGRAM
PARKS**

Project No.	Project Name	Projected Thru 2019	2020	2021	2022	2023	2024	Project Total	2020 - 2024 Allocation
PA1802	Disc Golf Course	787,531	0	0	0	0	0	787,531	0
PA1901	Pearson Park Capital Improvement Rec.	150,000	0	1,740,000	21,200	84,800	47,700	2,043,700	1,893,700
PA1902	Tom Blakeney Trail Park Capital Imp. Rec.	100,000	0	0	2,756,000	0	0	2,856,000	2,756,000
PA2001	Briscoe Park Capital Improvement Rec.	0	0	380,480	104,400	69,600	93,280	647,760	647,760
PA2002	Nat. Oak Park & Bob Owen Pool Capital Imp. Re	0	0	116,000	0	34,980	0	150,980	150,980
PA2003	Newman Park Capital Improvement Rec.	0	0	86,100	55,000	0	198,220	339,320	339,320
PA2101	Prairie Dog Park Capital Improvement Rec.	0	0	64,000	197,200	0	232,000	493,200	493,200
PA2102	Ruben Adame Park Capital Imp. Rec.	0	0	29,000	66,000	0	127,600	222,600	222,600
PA2103	Talmadge Park Capital Improvement Rec.	0	0	58,000	0	81,200	0	139,200	139,200
PA2201	Hugh Adams Park Capital Improvement Rec.	0	104,940	0	0	93,280	0	198,220	198,220
PA2202	Lions Park Capital Improvement Rec.	0	0	116,000	129,920	0	522,000	767,920	767,920
PA2203	Morgan Park Capital Improvement Rec.	0	0	0	46,400	0	11,600	58,000	58,000
PA2301	Sealy Park Capital Improvement Rec.	0	0	0	0	174,000	88,000	262,000	262,000
PA2302	Marina Park Capital Improvement Rec.	0	0	0	0	200,000	2,200,000	2,400,000	2,400,000
PA2303	Bob Owen Municipal Pool Improvement Rec.	0	0	0	0	47,700	0	47,700	47,700
	TOTAL	\$1,037,531	\$104,940	\$2,589,580	\$3,376,120	\$785,560	\$3,520,400	\$11,414,131	\$10,376,600

PROJECT DESCRIPTION
 FY2019 includes: base bid of \$294,660 for course construction, lighting for holes 1-9 (Alternative Bid Item #1) \$242,206.75, lighting for holes 10-10 (Alternative Bid Item #2) \$206,087 and 6% contingency \$44,577.00



PROJECT ORIGIN AND JUSTIFICATION
 Construction and illumination of an 18 hole disc golf course would provide added value to the existing park system. "Parks and open space investments contribute to the community's livability and quality of life, which in turn enhances its attractiveness as a place to live and conduct business." (Comprehensive Plan Page 4-2) Currently no other illuminated disc golf courses exist in the State of Texas, making this course unique which could to attract regional players and promoting tourism. (Parks and Recreation Master Plan, strategy 4.2.2)

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	8,000.00	8,000.00	-	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ 8,000.00	\$ 8,000.00	\$ -	\$ -	\$ -

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report	\$15,000								
Land/Right of Way									
Design/Surveying	\$4,500								
Construction	\$135,000	\$300,000	\$742,954						\$742,954
Equipment and Furniture	\$121,000								
Contingency			\$44,577						\$44,577
TOTAL COSTS	\$275,500	\$300,000	\$787,531	\$0	\$0	\$0	\$0	\$0	\$787,531

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue		\$0	\$337,645						\$337,645
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$275,500	\$300,000	\$449,886						\$449,886
TOTAL SOURCES	\$275,500	\$300,000	\$787,531	\$0	\$0	\$0	\$0	\$0	\$787,531

Explain & Identify Type of Other Sources: HOT Funds, MOU w/ C&R #3 for grading/dirt work

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2019, budget approved for replacement of approximately 6,216.82 linear feet of sidewalk. In fiscal year 2021, replacement lighting for nine athletic fields and renovation of east end concession building. In fiscal year 2022, it is recommended to construct a wooden picnic deck near basketball court. In fiscal year 2023, installation of sixteen bleacher shade coverings is recommended. In fiscal year 2024, installation of irrigation on nine athletic playing fields.



PROJECT ORIGIN AND JUSTIFICATION
 The current wooden poles are very old and many are not vertically straight which causes mis-alignment of the lighting. In addition a permanent field conversion from football to softball has left four fields without proper lighting, creating a hazard for players at night. The east end concession building is in need of renovation in order to function properly. A wooden deck near the basketball court would allow a hard surface resting area for court users. Located under the existing oak trees shade would be available and would prevent the grass from being trampled and creating an unattractive and unsafe surface. Bleacher shade would provide relief from the sun to spectators during softball games. Irrigation would allow for improved athletic turf management when applying granulated fertilizer, seed or ant treatment.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (See Below)					
Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	\$ 22,500.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 22,500.00

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$150,000				\$150,000				\$150,000
Construction	\$1,795,000	\$150,000	\$150,000		\$1,500,000	\$20,000	\$80,000	\$45,000	\$1,795,000
Equipment and Furniture									
Contingency	\$98,700				\$90,000	\$1,200	\$4,800	\$2,700	\$98,700
TOTAL COSTS	\$2,043,700	\$150,000	\$150,000	\$0	\$1,740,000	\$21,200	\$84,800	\$47,700	\$2,043,700

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$150,000		\$150,000						\$150,000
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds	\$1,740,000				\$1,740,000				\$1,740,000
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$153,700					\$21,200	\$84,800	\$47,700	\$153,700
TOTAL SOURCES	\$2,043,700	\$0	\$150,000	\$0	\$1,740,000	\$21,200	\$84,800	\$47,700	\$2,043,700

Explain & Identify Type of Other Sources: Park Dedication Fund and/or General Projects Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION

In fiscal year 2019, preliminary engineering/design for Phase III was included in the budget. In fiscal year 2022, construction of Phase III is recommended as the sewer line is being replaced along a portion of the projected trail on the lake property.

PROJECT IMAGE

TOM BLAKENEY JR. TRAIL PROPOSED PHASE III



PROJECT ORIGIN AND JUSTIFICATION

Phase III of the hike and bike trail is planned to extend from South Street to Alvin Community College. This route was designed by a steering committee, approved by the Parks and Recreation Board and ultimately adopted by City Council as part of the 2035 Comprehensive Plan (Goal 4.3, Obj. 4.3.1, pg. 4-21) Phase III is emphasized in the 2017 Parks and Recreation Master Plan (Goal 2.0, obj. 2.1, Strategy 2.1.1, pg. 3.22)

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	10,000.00	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$2,700,000	\$100,000	\$100,000			\$2,600,000			\$2,700,000
Construction									
Equipment and Furniture									
Contingency	\$156,000					\$156,000			\$156,000
TOTAL COSTS	\$2,856,000	\$100,000	\$100,000	\$0	\$0	\$2,756,000	\$0	\$0	\$2,856,000

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund		\$100,000	\$100,000						\$100,000
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds	\$2,856,000					\$2,756,000			\$2,756,000
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -									
TOTAL SOURCES	\$2,856,000	\$100,000	\$100,000	\$0	\$0	\$2,756,000	\$0	\$0	\$2,856,000

¹Explain & Identify Type of Other Sources: Park Dedication Fund and/or General Projects Fund

Project Manager: Parks and Recreation Director

PROJECT NAME Briscoe Park Capital Improvement Recommendations					PROJECT # PA2001		PAGE 13		
PROJECT DESCRIPTION					PROJECT IMAGE				
<p>In fiscal year 2021, construction of a splash pad and fishing pier over the retention pond are recommended. In fiscal year 2022, installation of a curb and gutter around entrance to asphalt parking lot is recommended. In fiscal year 2023, three bleacher shade covers are recommended, one for each of the three bleachers located adjacent to one of the football fields. Install two shade canopies within the large dog area of the dog park. In fiscal year 2024, installation of solar lighting for the dog park is recommended.</p>									
PROJECT ORIGIN AND JUSTIFICATION									
<p>A splash pad is the most needed park amenity according to a survey found in the 2017 Parks and Recreation Master Plan. A fishing pier, would also promote fresh water fishing in our community as the pond is currently registered with the Texas Parks and Wildlife Department, aka "Briscoe Pond" and stocked with fish annually. Installing a curb and gutter would help to prevent vehicular traffic from rutting up the grass. Three bleacher shade covers would provide relief to spectators watching football games as there is significant lack of shade at the park. Two shade canopies within the large dog area of the dog park have been requested by park users to park staff as there is minimal to no shade in that area. Solar lighting at the dog park would allow for extended use of the park during the evening hours, especially during the winter months.</p>									
INCREMENTAL OPERATING AND MAINTENANCE COSTS									
Impact on operating budget <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (See Below)									
Fiscal Year	2020	2021	2022	2023	2024				
Total Revenue	-	-	-	-	-				
Personnel Services	\$ -	-	-	-	-				
Operation & Maintenance	-	10,000.00	-	-	4,400.00				
Capital Outlay	-	-	-	-	-				
Total Expense	\$ -	\$ 10,000.00	\$ -	\$ -	\$ 4,400.00				
PROJECT COSTS ALLOCATION		TOTAL BUDGET	FY PROJECTED ALLOCATIONS						
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$47,800				\$32,800	\$9,000	\$6,000		\$47,800
Construction	\$566,000				\$328,000	\$90,000	\$60,000	\$88,000	\$566,000
Equipment and Furniture									
Contingency	\$33,960				\$19,680	\$5,400	\$3,600	\$5,280	\$33,960
TOTAL COSTS	\$647,760	\$0	\$0	\$0	\$380,480	\$104,400	\$69,600	\$93,280	\$647,760
FUNDING SOURCES		TOTAL BUDGET	FY PROJECTED FUNDING SOURCES						
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
General Project Fund Revenue	\$384,880				\$330,480	\$54,400			\$384,880
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$262,880				\$50,000	\$50,000	\$69,600	\$93,280	\$262,880
TOTAL SOURCES	\$647,760	\$0	\$0	\$0	\$380,480	\$104,400	\$69,600	\$93,280	\$647,760
Explain & Identify Type of Other Sources: Park Dedication Funds, General Operating Funds					Project Manager: Parks and Recreation Director				

PROJECT DESCRIPTION
 In fiscal year 2021, relocation of the existing playground and construction of a congregation/picnic area is recommended. In fiscal year 2023, installation of parking lot lights for the Sidnor Street parking lot (near bridge) is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 Currently, the playground is located in close proximity to the skatepark. With the greater volume of skatepark participants, a larger area is needed so skate park users can rest and socialize. Moving the playground closer to the existing swing set will consolidate playspaces into a single area which will allow for improved park usage. The parking lot lights would improve visibility of the parking lot and provide added security lighting because the lot is located at the dead-end of Sidnor and is regularly used by community members to quickly access the Nature Observation Area or pedestrian bridge on the hike and bike trail.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	3,000.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 3,000.00

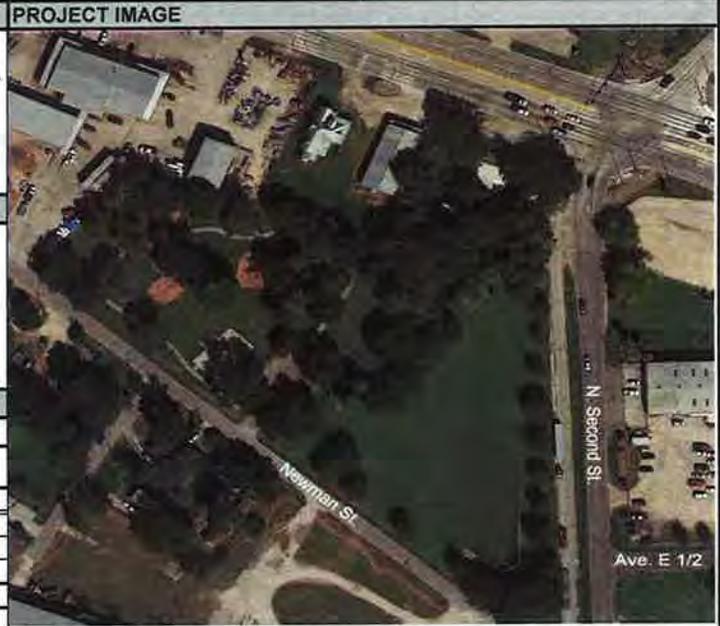
PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS								PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024		
Prelim. Engineering Report	\$3,000						\$3,000		\$3,000	
Land/Right of Way										
Design/Surveying	\$10,000				\$10,000				\$10,000	
Construction	\$130,000				\$100,000		\$30,000		\$130,000	
Equipment and Furniture										
Contingency	\$7,980				\$6,000		\$1,980		\$7,980	
TOTAL COSTS	\$150,980	\$0	\$0	\$0	\$116,000	\$0	\$34,980	\$0	\$150,980	

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES								PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024		
General Project Fund Revenue	\$58,386				\$23,406		\$34,980		\$58,386	
Certificates of Obligation (CO)										
General Obligation Bonds (GO)										
New/Proposed CO Bonds										
New/Proposed GO Bonds										
W/S Revenue Bonds										
W/S Project Fund Revenue										
Impact Fees										
Sales Taxes										
Other Funding Sources ¹ -	\$92,594				\$92,594				\$92,594	
TOTAL SOURCES	\$150,980	\$0	\$0	\$0	\$116,000	\$0	\$34,980	\$0	\$150,980	

¹Explain & Identify Type of Other Sources: Park Dedication Fund and/or General Projects Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2021 replacement of two wooden pavilions is recommended along with shade cover for bleachers at basketball court. In fiscal year 2022, extending the existing concrete walking path is recommended. In fiscal year 2024, installation of pathway lighting is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 The wooden pavilions are over twenty years old, showing deterioration and need to be replaced. Replacement pavilion design, material and color should follow the site furnishing standard outlined the Park Standards Manual (pg. E.12). Extending the concrete walking path has been requested by residents. Walking/Biking trails were also identified as a need in the Parks and Recreation Master Plan. Installation of pathway lighting would provide an opportunity for community members to utilize the park in the evening, especially during the winter months.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	10,000.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$24,500				\$7,500			\$17,000	\$24,500
Construction	\$295,000				\$75,000	\$50,000		\$170,000	\$295,000
Equipment and Furniture									
Contingency	\$19,820				\$3,600	\$5,000		\$11,220	\$19,820
TOTAL COSTS	\$339,320	\$0	\$0	\$0	\$86,100	\$55,000	\$0	\$198,220	\$339,320

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$43,100				\$26,100			\$17,000	\$43,100
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$296,220				\$60,000	\$55,000		\$181,220	\$296,220
TOTAL SOURCES	\$339,320	\$0	\$0	\$0	\$86,100	\$55,000	\$0	\$198,220	\$339,320

1Explain & Identify Type of Other Sources: Park Dedication Fund and/or General Projects Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2021, expansion of Prairie Dog Park is recommended through acquisition and demolition of the EMS building coupled with re-design of the park footprint. In fiscal year 2022, recommend installation of an outdoor exercise area and concrete pathway to join all park amenities. In fiscal year 2024, construction of a splash pad and park lighting is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 With the relocation of the EMS department, removal of the wooden privacy fence along with the building itself would allow for expansion and significant visibility of the the park from House Street. Parking and progressive park amenities such as an outdoor exercise area and splash pad can create unique attractions within this park (Parks Master Plan Strategy 3.2.2, pg. 3.29 & Survey Table pg. 3.15). Park lighting will be necessary to allow park users to utilize the park in the evening especially during the winter months (Parks Master Plan Objective 2.3, page 3.26).

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	15,750.00	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ 15,750.00	\$ -

PROJECT COSTS ALLOCATION **FY PROJECTED ALLOCATIONS**

PROJECT COSTS ALLOCATION	TOTAL BUDGET	2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$42,000				\$5,000	\$17,000		\$20,000	\$42,000
Construction	\$420,000				\$50,000	\$170,000		\$200,000	\$420,000
Equipment and Furniture									
Contingency	\$31,200				\$9,000	\$10,200		\$12,000	\$31,200
TOTAL COSTS	\$493,200	\$0	\$0	\$0	\$64,000	\$197,200	\$0	\$232,000	\$493,200

FUNDING SOURCES **FY PROJECTED FUNDING SOURCES**

FUNDING SOURCES	TOTAL BUDGET	2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
General Project Fund Revenue	\$181,200				\$64,000	\$17,200		\$100,000	\$181,200
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$312,000					\$180,000		\$132,000	\$312,000
TOTAL SOURCES	\$493,200	\$0	\$0	\$0	\$64,000	\$197,200	\$0	\$232,000	\$493,200

¹Explain & Identify Type of Other Sources: Park Dedication Fund and/or General Projects Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2021, construct remaining 1/2 basketball court. In fiscal year 2022, install lighting for the basketball court, playground and backstop area, purchase and install new swing set with parent child swing(s) or other unique feature. In fiscal year 2024, install shade canopy over the basketball court.



PROJECT ORIGIN AND JUSTIFICATION
 Construction of the remaining 1/2 basketball court is recommended because the amount of CDBG funding in FY 2015 only allowed for 1/2 of the planned full basketball court. Illumination of the basketball court, playground and backstop area is recommended to allow use of these amenities in the evening hours, especially during the winter months (Parks Master Plan Obj. 2.3, page 3.26) A shade canopy over the basketball court would provide users protection from the sun, cooler playing conditions and attract more users (Parks Master Plan Strategy 3.2.2, page 3.29).

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	\$ 5,000.00	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$18,500				\$2,500	\$5,000		\$11,000	\$18,500
Construction	\$193,000				\$25,000	\$58,000		\$110,000	\$193,000
Equipment and Furniture									
Contingency	\$11,100				\$1,500	\$3,000		\$6,600	\$11,100
TOTAL COSTS	\$222,600	\$0	\$0	\$0	\$29,000	\$66,000	\$0	\$127,600	\$222,600

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$192,600				\$29,000	\$36,000		\$127,600	\$192,600
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$30,000					\$30,000			\$30,000
TOTAL SOURCES	\$222,600	\$0	\$0	\$0	\$29,000	\$66,000	\$0	\$127,600	\$222,600

¹Explain & Identify Type of Other Sources: General Projects Fund and/or Park Dedication Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2021, construction of a concrete pathway connecting park amenities and parking lot is recommended. In fiscal year 2023 construction of a full court concrete basketball court, lighting and electrical outlets at the pavilion and installation of a unique play structure is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 Construction of a full court concrete basketball court and addition of a unique playscape combined along with installation of lights and electrical outlets on the existing pavilion would provide an attractive feature for park users. Construction of a concrete pathway connecting the parking lot and all amenities would assist with accessibility within the park.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	\$ 1,500.00	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ 1,500.00	\$ -

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$12,000				\$5,000		\$7,000		\$12,000
Construction	\$120,000				\$50,000		\$70,000		\$120,000
Equipment and Furniture									
Contingency	\$7,200				\$3,000		\$4,200		\$7,200
TOTAL COSTS	\$139,200	\$0	\$0	\$0	\$58,000	\$0	\$81,200	\$0	\$139,200

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$139,200				\$58,000		\$81,200		\$139,200
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -									
TOTAL SOURCES	\$139,200	\$0	\$0	\$0	\$58,000	\$0	\$81,200	\$0	\$139,200

¹Explain & Identify Type of Other Sources: General Projects Fund and/or Park Dedication Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2020, replacement of seven wooden picnic pavilions. In fiscal year 2022, installation of a shade canopy over the playground area.



PROJECT ORIGIN AND JUSTIFICATION
 The existing wooden pavilions are in need of replacement. Replacement pavilion design, material and color should follow the site furnishing standard outlined the Park Standards Manual (pg. E.12). The playground is currently in direct sunlight. Shade would allow for cooler temperatures on all playstructure surfaces as well as offer kids protection from the sun as recommended in the Park Standards Manual (Table 1 pg. E.4). Shade will also help maintain the integrity of the playground components and prevent premature color fading.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (See Below)					
Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -				

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$17,000			\$9,000			\$8,000		\$17,000
Construction	\$170,000			\$90,000			\$80,000		\$170,000
Equipment and Furniture									
Contingency	\$11,220			\$5,940			\$5,280		\$11,220
TOTAL COSTS	\$198,220	\$0	\$0	\$104,940	\$0	\$0	\$93,280	\$0	\$198,220

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$198,220			\$104,940			\$93,280		\$198,220
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -									
TOTAL SOURCES	\$198,220	\$0	\$0	\$104,940	\$0	\$0	\$93,280	\$0	\$198,220

¹Explain & Identify Type of Other Sources: Park Dedication Fund, General Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2021, re-asphalt walking trail is recommended. In fiscal year 2022, installation of fourteen bleacher shade covers along with replacement of fourteen metal dug out roofs. In fiscal year 2024, installation of one large picnic pavilion to include four picnic tables, five smaller picnic pavilions with ten total picnic tables, playground designed for 5-12 year old children with age recommendation and safety rules sign along with athletic field lighting for the remaining three athletic playing fields and an irrigation system for all seven athletic playing fields.



PROJECT ORIGIN AND JUSTIFICATION
 The bleacher shade covers will provide relief from the direct sun to everyone attending/watching games at all seven athletic fields. The current dug out roofs are built with corrugated tin aluminum and will need to be replaced with heavier gauge aluminum preferably having a sun reflective finish to maintain cool temperatures within the dug out (refer to Park Standards Manual). Picnic pavilions with tables are needed because none exist currently and there is a need for relief from the sun to sit, eat and relax during breaks from baseball games. A playground is needed to provide a recreational outlet to park visitors, nothing currently exists. Athletic field lighting is always in demand, currently four of the seven fields have lights.

INCREMENTAL OPERATING AND MAINTENANCE COSTS					
Impact on operating budget <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (See Below)					
Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	11,500.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 11,500.00

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$66,200				\$10,000	\$11,200		\$45,000	\$66,200
Construction	\$662,000				\$100,000	\$112,000		\$450,000	\$662,000
Equipment and Furniture									
Contingency	\$39,720				\$6,000	\$6,720		\$27,000	\$39,720
TOTAL COSTS	\$767,920	\$0	\$0	\$0	\$116,000	\$129,920	\$0	\$522,000	\$767,920

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue									
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds	\$522,000							\$522,000	\$522,000
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$245,920				\$116,000	\$129,920			\$245,920
TOTAL SOURCES	\$767,920	\$0	\$0	\$0	\$116,000	\$129,920	\$0	\$522,000	\$767,920

¹Explain & Identify Type of Other Sources: Park Dedication Funds and/or General Project Funds

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal Year 2022, purchase and installation of four bleacher shade covers are recommended. In fiscal year 2024, installation of irrigation for the two athletic fields is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 Bleacher shade would provide relief from the sun to spectators during athletic games. Irrigation would allow for improved athletic turf management when applying granulated fertilizer, seed or ant treatment.

No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	5,000.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
FTE Staff Total					

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$5,000					\$4,000		\$1,000	\$5,000
Construction	\$50,000					\$40,000		\$10,000	\$50,000
Equipment and Furniture									
Contingency	\$3,000					\$2,400		\$600	\$3,000
TOTAL COSTS		\$0	\$0	\$0	\$0	\$46,400	\$0	\$11,600	\$58,000

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$58,000					\$46,400		\$11,600	\$58,000
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -									
TOTAL SOURCES	\$58,000	\$0	\$0	\$0	\$0	\$46,400	\$0	\$11,600	\$58,000

Explain & Identify Type of Other Sources:

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION

In fiscal year 2023, construct permanent restrooms. In fiscal year 2024, construction of full court basketball court with lighting.

PROJECT IMAGE



PROJECT ORIGIN AND JUSTIFICATION

Permanent Restrooms were also requested by park users as this park features tremendous shade and thus is an ideal area to host birthday and family gatherings. Without onsite restrooms, guests are often forced to leave to seek an available restroom. An onsite restroom could be offered as a fee based amenity and/or established public hours. Park users have suggested expanding the existing court to a full court.

INCREMENTAL OPERATING AND MAINTENANCE COSTS

Impact on operating budget No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	15,000.00	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -

FY PROJECTED ALLOCATIONS

PROJECT COSTS ALLOCATION	TOTAL BUDGET	2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$20,000						\$15,000	\$5,000	\$20,000
Construction	\$230,000						\$150,000	\$80,000	\$230,000
Equipment and Furniture									
Contingency	\$12,000						\$9,000	\$3,000	\$12,000
TOTAL COSTS	\$262,000	\$0	\$0	\$0	\$0	\$0	\$174,000	\$88,000	\$262,000

FY PROJECTED FUNDING SOURCES

FUNDING SOURCES	TOTAL BUDGET	2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	PROJECT TOTAL
General Project Fund Revenue									
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$262,000						\$174,000	\$88,000	\$262,000
TOTAL SOURCES	\$262,000	\$0	\$0	\$0	\$0	\$0	\$174,000	\$88,000	\$262,000

¹Explain & Identify Type of Other Sources: General Projects Fund and/or Park Dedication Fund

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2023, preliminary engineering/design for a parking lot, trail and pedestrian bridge connection to downtown and existing hike and bike trail destinations. In fiscal year 2024, construction of parking lot, trail and pedestrian bridge.



PROJECT ORIGIN AND JUSTIFICATION
 In FY 2018 the City acquired ownership of the 5.2 acre undeveloped land, by conveyance, from Brazoria County. The property is seated perfectly as a scenic pedestrian & pedicyclist throughfare from Highway 6 and the surrounding residential neighborhood to the existing hike and bike trail and downtown destinations.

No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ -
FTE Staff Total					

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying	\$200,000						\$200,000		\$200,000
Construction	\$2,000,000							\$2,000,000	\$2,000,000
Equipment and Furniture									
Contingency	\$200,000							\$200,000	\$200,000
TOTAL COSTS	\$2,400,000	\$0	\$0	\$0	\$0	\$0	\$200,000	\$2,200,000	\$2,400,000

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue									
Certificates of Obligation (CO)									
General Obligation Bonds (GO)	\$2,200,000							\$2,200,000	\$2,200,000
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -	\$200,000						\$200,000		\$200,000
TOTAL SOURCES	\$2,400,000	\$0	\$0	\$0	\$0	\$0	\$200,000	\$2,200,000	\$2,400,000

¹Explain & Identify Type of Other Sources:

Project Manager: Parks and Recreation Director

PROJECT DESCRIPTION
 In fiscal year 2023, replacement of the existing cyclone fence is recommended.



PROJECT ORIGIN AND JUSTIFICATION
 The existing fence is showing wear and tear making it unattractive. The replacement fence should be AmeriStar Montage Commercial Invisible Style, or equivalent, black powder coated steel fence with curved picket used to prevent a breach while providing a traditional decorative fence appearance.

No Yes (See Below)

Fiscal Year	2020	2021	2022	2023	2024
Total Revenue	-	-	-	-	-
Personnel Services	\$ -	-	-	-	-
Operation & Maintenance	-	-	-	-	5,000.00
Capital Outlay	-	-	-	-	-
Total Expense	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00
FTE Staff Total					

PROJECT COSTS ALLOCATION	TOTAL BUDGET	FY PROJECTED ALLOCATIONS							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
Prelim. Engineering Report									
Land/Right of Way									
Design/Surveying									
Construction	\$45,000						\$45,000		\$45,000
Equipment and Furniture									
Contingency	\$2,700						\$2,700		\$2,700
TOTAL COSTS	\$47,700	\$0	\$0	\$0	\$0	\$0	\$47,700	\$0	\$47,700

FUNDING SOURCES	TOTAL BUDGET	FY PROJECTED FUNDING SOURCES							PROJECT TOTAL
		2019 ADOPTED BUDGET	PROJECTED THRU 2019	2020	2021	2022	2023	2024	
General Project Fund Revenue	\$47,700						\$47,700		\$47,700
Certificates of Obligation (CO)									
General Obligation Bonds (GO)									
New/Proposed CO Bonds									
New/Proposed GO Bonds									
W/S Revenue Bonds									
W/S Project Fund Revenue									
Impact Fees									
Sales Taxes									
Other Funding Sources ¹ -									
TOTAL SOURCES	\$47,700	\$0	\$0	\$0	\$0	\$0	\$47,700	\$0	\$47,700

¹Explain & Identify Type of Other Sources:

Project Manager: Parks and Recreation Director