

**MINUTES  
CITY OF ALVIN, TEXAS  
216 W. SEALY STREET  
REGULAR CITY COUNCIL MEETING  
THURSDAY SEPTEMBER 5, 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: Mayor Paul A. Horn; Mayor Pro-Tem Glenn Starkey; Councilmembers: Gabe Adame, Joel Castro, Brad Richards, Keith Thompson and Martin Vela.

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

**INVOCATION AND PLEDGE OF ALLEGIANCE**

Mr. Darrell Bailey gave the invocation.

Council member Castro led the Pledge of Allegiance to the American Flag and Council member Thompson led the Pledge to the Texas Flag.

**PUBLIC COMMENT**

(Note: During this time of the meeting Mayor Horn was absent; therefore, Mayor Pro-Tem Starkey conducted the meeting until his return at the consent agenda portion of the meeting.)

There was no public comment.

**PUBLIC HEARING**

Second public hearing to receive comment on the proposed tax rate of \$0.7780 per \$100 of valuation for the Fiscal Year 2019-2020 (2019 tax year).

Mayor Pro-tem Starkey opened the public hearing at 7:02 p.m. There were no comments made. Mayor Pro-tem Starkey closed the public hearing at 7:03 p.m.

**CONSENT AGENDA**

Consider approval of the August 8, 2019 City Council Workshop minutes.

Consider approval of the August 15, 2019 City Council Regular meeting minutes.

Consider a final plat of Hinson Acres (5026 Wickwillow Lane), being 5.02 acres of land, known as the easterly 38.05 feet of lot 10 and the adjoining westerly 220.48 feet of lot 9, of the N. Chatfield Subdivision, an addition in Brazoria County, Texas, according to the map or plat thereof recorded in volume 2, page 39, of the plat records of Brazoria County, Texas, and being a part of the F. Moore League, Abstract 100, less and except the southerly 20 feet thereof, City of Alvin ETJ, County of Brazoria, State of Texas.

*On August 1, 2019, the Engineering Department received the final plat of Hinson Acres for review. The property is located at 5026 Wickwillow Lane, in the City of Alvin's Extraterritorial Jurisdiction (ETJ) and is being platted into two lots for conveyance of lot 2. This plat complies with all requirements of the City's Subdivision Ordinance. The City Planning Commission unanimously approved the plat at their meeting on August 20, 2019. Staff recommended approval.*

Consider an Agreement with Horizon International Group, LLC, through the Choice Partners Cooperative Purchasing Network, to provide and install bullet resistant teller windows and ballistic paneling for the Municipal Court and Utility Billing office suites within City Hall, in an amount not

to exceed \$68,925.00 (\$64,002); and authorize the City Manager to sign the Agreement upon legal review.

*In an ongoing effort to improve safety and security of employees, staff recommends replacement of the current glass teller windows with bullet resistant windows and ballistic paneling below the counters for the Municipal Court and Utility Billing office suites.*

*In June 2019, the following safety and security projects were completed at City Hall: redirecting public access to the south entrance, centralizing handicapped parking, establishing an employee only entrance, and adding internal doorways for employees in both the Municipal Court and Utility Billing office suites.*

*Advantages of using Choice Partners Cooperative Purchasing Network:*

- 1.) Fast Track procurement process*
- 2.) Lower procurement and administrative costs*
- 3.) Fewer change orders and claims*
- 4.) Competitively bid local pricing in a lump sum proposal*
- 5.) Ability to accomplish a substantial number of individual projects with a competitively bid contract*
- 6.) Oversight through Choice Partners with audits the accuracy of all job order contract proposals*

*For local vendors to be considered for this project, they must meet Horizon International Group LLC's insurance requirements, expected quality of work and competitively submit a bid. Horizon has completed several building interior renovation projects for the City of Alvin, including the Senior Center, Public Service Facility, and most recently the Museum.*

*The pricing came in under what was originally anticipated. The cost was reduced from \$68,925, as stated in the posted agenda amount, to \$64,002. The Court Security Fund (Fund 124) will fund one-half of this project, with the other half being funded by the General (Fund 311) and Utility (Fund 220) Capital Projects Funds.*

Consider a one-year contract extension through December 31, 2020, with Wells Fargo Bank, for depository and banking services for the City of Alvin; and authorize the City Manager to sign upon legal review.

*On August 20, 2015, Council approved a depository agreement with Wells Fargo to be the City's depository and provider of banking services. The current contract began on January 1, 2016, with an original end date of December 31, 2018. On October 18, 2018, Council approved the first one-year extension through December 31, 2019. Staff requests that Council approve the final one-year extension from January 1, 2020 through December 31, 2020 to Wells Fargo Bank. A Bank Depository RFP will begin in early 2020 to allow time to establish a new contract beginning January 1, 2021. Staff recommended approval of this one-year contract extension.*

Consider an emergency purchase of a new Lakeside Raptor Multi-Rake Bar Screen and Lakeside Raptor Wash Press from Coastal Pump Services, for use at the Wastewater Treatment Plant, in an amount not to exceed \$213,562.00.

*The Bar Screen is located at the City of Alvin Wastewater Treatment Plant. This is an essential piece of equipment that removes solids from the wastewater before entering the plant. The current bar screen was installed in 2002 and has recently failed. It was disassembled, inspected, and determined to be unrepairable. Staff obtained three (3) quotes from various vendors for this purchase. Coastal Pump Services is the lowest quote received.*

*Emergency purchases necessary to preserve or protect public health or safety and procurements necessary because of unforeseen damage to public machinery, equipment or other property are exempt from the competitive sealed bidding and competitive sealed proposal requirements of state law.*

Item D was removed from the consent agenda. Council member Adame moved to approve the remaining items of the consent agenda as modified. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

### **OTHER BUSINESS**

Item D removed from Consent Agenda - Consider an Agreement with Horizon International Group, LLC, through the Choice Partners Cooperative Purchasing Network, to provide and install bullet resistant teller windows and ballistic paneling for the Municipal Court and Utility Billing office suites

within City Hall, in an amount not to exceed \$68,925.00 (\$64,002); and authorize the City Manager to sign the Agreement upon legal review.

Dan Kelinske stated that the price has been reduced for this project from \$68,925.00 to \$64,002.00.

Council member Castro moved to approve an Agreement with Horizon International Group, LLC, through the Choice Partners Cooperative Purchasing Network, in an amount not to exceed \$64,002.00 to provide and install bullet resistant teller windows and ballistic paneling for the Municipal Court and Utility Billing office suites within City Hall; and authorize the City Manager to sign the Agreement upon legal review. Seconded by Council member Vela; motion carried on a vote of 6 Ayes.

Consider Ordinance 19-U, amending Chapter 8½, Emergency Medical Services, and Chapter 28, Comprehensive Fee Ordinance, for the purpose of revising certain Emergency Medical Service fees; providing for Utility Fee for Emergency Medical Services to be added to residential/commercial utilities for an effective date of October 2019; and setting forth other provisions related thereto.

*The City's current ordinance allows resident residents to pay a "voluntary and elective contribution" on their utility bill for which the City will forgive that portion of the Emergency Medical Service's (EMS) bill, not covered by a third-party insurance carrier. This voluntary contribution is currently \$7 per month. However, with continued reductions in private and public insurance payments, the EMS fund's current revenues are not able to adequately support operations. To illustrate, in FY17, FY18, and (projected) FY19 the EMS fund incurred net operating losses of \$171,343, \$187,001, and (projected) \$382,850, respectively.*

*In order to provide sustainable revenues and future operational growth, City staff is recommending a mandatory fee of \$6 per month be added to the residential utility bill, \$6 per month per occupied unit for apartment complexes or mobile home park serviced by a master meter, and \$10 per month for commercial accounts. This would allow the City to forgive all resident's EMS bills that are not covered by a third-party insurance carrier. This means that anyone who lives in the City would not be financially responsible for any EMS bill that is not covered by insurance. Currently, if a resident does not pay the voluntary contribution and they required EMS transport to a hospital, they would receive a bill for \$2,000.00 (on average). The average insurance coverage would pay \$750.00 leaving a balance of \$1,250.00 for which the resident would be responsible for. If Council approves the proposed fee, the resident in the above scenario would owe \$0 after any insurance payments (no out-of-pocket charges). This applies to all permanent residents of a household. Residents would be covered by this benefit beginning October 1, 2019, and the EMS utility fee would begin in the first billing cycle for October 2019.*

*Should City Council elect not to adopt Ordinance 19-U, the EMS fund is projected to incur a negative cash flow by the end of FY20. Staff recommended the approval of Ordinance 19-U.*

(Note: At this time during the meeting Mayor Horn was absent; therefore, Mayor Pro-Tem Starkey facilitated the meeting. Mayor Horn returned during the discussion of Ordinance 19-U.)

Council member Starkey moved to approve Ordinance 19-U, amending Chapter 8½, Emergency Medical Services, and Chapter 28, Comprehensive Fee Ordinance, for the purpose of revising certain Emergency Medical Service fees; providing for Utility Fee for Emergency Medical Services to be added to residential/commercial utilities for an effective date of October 2019; and setting forth other provisions related thereto. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

Consider Ordinance 19-V, amending Chapter 28, Comprehensive Fee Ordinance for the purpose of revising the fees to be charged for water services, by offering a twenty percent Senior Discount on single family residential water base rate for the first increment of water usage up to and including 2,000 gallons, for an effective date of October 2019 billing cycles; and setting forth other provisions related thereto.

*Beginning in FY20, staff recommends that a discount be offered to Senior Citizens (65+) who have single family residential water accounts. The 20% discount will be applied to the first increment of water usage up to and including*

2,000 gallons on the base water rate. Staff recommended approval of Ordinance 19-V. This discount will be advertised on the city's website, social media and in the Alvin Sun.

Council member Thompson moved to approve Ordinance 19-V, amending Chapter 28, Comprehensive Fee Ordinance for the purpose of revising the fees to be charged for water services, by offering a twenty percent Senior Discount on single family residential water base rate for the first increment of water usage up to and including 2,000 gallons, for an effective date of October 2019 billing cycles; and setting forth other provisions related thereto. Seconded by Council member Vela; motion carried on a vote of 6 Ayes.

Consider Resolution 19-R-35, accepting the petition for annexation of 3.97 acres, more or less, parcel of land located along State Highway 35 and Moore Road, in Brazoria County, Texas; setting an annexation schedule that includes public hearings on October 3, 2019 and October 17, 2019; providing for open meetings and other related matters.

*Jacob Stauffer, the Manager of DGOAlvintx10252018, LLC., is petitioning the City to annex approximately 3.97 acres of land, for the purpose of developing the tract by constructing a Dollar General Store. A final plat of the property, entitled Lenamon Grove Addition, was approved by City Council on March 7, 2019. This Resolution will set two public hearings for October 3, 2019, and October 17, 2019. Staff recommended approval of Resolution 19-R-35.*

Council member Vela moved to approve Resolution 19-R-35, accepting the petition for annexation of 3.97 acres, more or less, parcel of land located along State Highway 35 and Moore Road, in Brazoria County, Texas; setting an annexation schedule that includes public hearings on October 3, 2019 and October 17, 2019; providing for open meetings and other related matters. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

Consider Resolution 19-R-34, revising the Special Districts Policy for the City of Alvin and renaming to Alvin Development Proposal Guidelines; including criteria and guidelines governing Municipal Utility Districts, Tax Increment Reinvestment Zones, Planned Unit Developments, and Public Improvement Districts within the city limits and in its Extra Territorial Jurisdiction (ETJ); and setting forth related matters thereto.

*The City of Alvin established a set of development guidelines in 2007. This was to establish a common understanding and consistent approach to guide developers, City staff, the Planning Commission, and the general public through an evaluation process for development proposals that request City consideration. This policy with guidelines is being revised to better reflect the 2035 Comprehensive Plan and our future growth patterns. It will be applicable within the City and within its Extra-Territorial Jurisdiction ("ETJ"). For those proposed developments that meet the goals and criteria of these guidelines, the City is willing to consider the following types of special districts: Municipal Utility Districts ("MUD"), Tax Increment Reinvestment Zones ("TIRZ"), Planned Unit Developments ("PUD"), and Public Improvement Districts ("PID"). This has a table of the requirements and a process for review and recommendation to the full Council. Staff recommends approval of Resolution 19-R-34. Staff has also added the step of presenting new development projects before Planning Commission before coming to City Council for consideration. The Planning Commission unanimously approved the proposed guidelines at their meeting on August 20, 2019.*

Council member Starkey moved to approve Resolution 19-R-34, revising the Special Districts Policy for the City of Alvin and renaming to Alvin Development Proposal Guidelines; including criteria and guidelines governing Municipal Utility Districts, Tax Increment Reinvestment Zones, Planned Unit Developments, and Public Improvement Districts within the city limits and in its Extra Territorial Jurisdiction (ETJ); and setting forth related matters thereto. Seconded by Council member Richards; motion carried on a vote of 6 Ayes.

Consider Resolution 19-R-36, delegating authority to sign Form 2848, IRS Power of Attorney, to the City's Chief Financial Officer; and authorizing the firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC (Mitchell Williams), the power to negotiate and engage in settlement discussions with the Internal Revenue Service on behalf of the City of Alvin.

*The Department of Revenue and the Internal Revenue Service (IRS) has various reporting requirements for employer health insurance coverage information for large employers (i.e. 50 or more full time employees). Employer Form 1094-C reports to the IRS summary information for each large employer, and Form 1095-C reports information about each employee to the IRS and to the employee. These Forms are part of the Affordable Care Act (ACA) reporting requirements which provides that individuals must have minimal essential coverage, qualify for an exemption from the minimal essential coverage, or make an individual share responsibility payment when they file their federal income tax return.*

*These forms are typically due February 29 of the following year to the IRS. However, in recent years, the deadline has been extended. For example, for the 2015 tax year, the deadline for filing the 1095-C to the IRS was extended to June 30, 2016 (if filing electronically). For 2017, the deadline was extended to April 2, 2018 (if filing electronically). The Department of the Treasury (Treasury) and the IRS determined that some employers needed additional time to adapt and implement systems and procedures to gather, analyze, and report this information. Many employers do not have the requisite staff to complete the filing requirements and as a result, are forced to hire external agencies to assist in the filing, such as payroll tax organizations.*

*Texas Municipal League Multistate – Intergovernmental Employee Benefits Pool (TML-IEBP) provides health coverage for the City of Alvin employees. TML-IEBP partnered with Greatland Inc. to perform the filings for the City of Alvin for 2015, 2016, 2017 and 2018. TML-IEBP may have failed to timely file the IRS Forms 1094-C and 1095-C (the “Tax Forms”) for the 2016 and 2017 federal tax years on behalf of the City of Alvin, related to the City of Alvin’s provision of minimum essential health coverage to its employees. The Board of Trustees of TML-IEBP have agreed to resolve any proposed imposition of penalties and fines by the IRS for the late filing of the Tax Forms on behalf of all affected members of the Pool, including the City of Alvin.*

*Section 6721 of the IRS Code imposes a penalty for failing to timely file or for filing an incorrect or incomplete information return. The City received a notice from the IRS on August 12, 2019, that there was a penalty of \$62,920.00 (242 forms x \$260.00) for the late filing of form 1095-C for 2017, which was filed November 14, 2018. The City either can agree and pay the penalty or submit a reasoning to the IRS for why the penalty should not be charged. The City has not received any notices or penalties for the 2016 tax year which was filed the same time as the 2017 forms. However, there is a reasonable probability that the City of Alvin will not receive a notice from the IRS for the late filing of the 2016 forms for a couple of reasons. First, to date, the City has not received a notice from the IRS. Additionally, the IRS may allow for lenience for tax year 2016 for late filings, as a result of complications in employers still learning how to file the forms.*

*The City was contacted by TML-IEBP around August 12, 2019, regarding assistance to the City of Alvin. The TML Board of Trustees has since engaged the law firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC (“Mitchell Williams”) to represent the Pool and its members before the IRS. In order for Mitchell Williams and its attorneys to communicate with the IRS regarding any Penalties proposed to be assessed against the City of Alvin, an authorized official of the City of Alvin must execute a Form 2848 IRS Power of Attorney authorizing the attorneys to represent the City of Alvin before the IRS. There will not be any cost to the City of Alvin when engaging Mitchell Williams and its attorneys.*

Council member Thompson moved to approve Resolution 19-R-36, delegating authority to sign Form 2848, IRS Power of Attorney, to the City’s Chief Financial Officer; and authorizing the firm of Mitchell, Williams, Selig, Gates & Woodyard, PLCC (Mitchell Williams), the power to negotiate and engage in settlement discussions with the Internal Revenue Service on behalf of the City of Alvin. Seconded by Council member Richards; motion carried on a vote of 6 Ayes.

**Consider an appointment to the Senior Citizens Board to fill the unexpired term of Judy Zavalla.**

*With the resignation of Ms. Zavalla, there are now six (6) members on this Board. The Alvin Code of Ordinances state that the board is to be comprised of seven (7) members. This specific positions term will end in December 2019. Darrell Brady submitted his application to serve as a replacement member to this position. Mr. Brady has previously served on this board and would like to be considered for reappointment. He is retired and at the Senior Center on a daily basis. If City Council so chooses to re-appoint Mr. Brady, his term would expire in December 2019, at which time he could be considered for the reappointment to serve a full two (2) year term on the Board.*

Council member Adame moved to appoint Darrell Brady to the Senior Citizens Board to fill the unexpired term of Judy Zavalla through December 2019. Seconded by Council member Castro; motion carried on a vote of 6 Ayes.

**REPORTS FROM CITY MANAGER**

Items of Community Interest and review preliminary list of items for next Council meeting.

Mr. Junru Roland announced items of community interest; and reviewed the preliminary list for the September 19, 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 announced that school was back in session and to drive with caution.

Council member Starkey cautioned city employees to stay hydrated. He inquired about the construction next Kroger.

**ADJOURNMENT**

Mayor Horn adjourned the meeting at 7:33 p.m.

PASSED and APPROVED the 19th day of September 2019.

\_\_\_\_\_  
Paul A. Horn, Mayor

ATTEST: \_\_\_\_\_  
Dixie Roberts, City Secretary