

MINUTES
CITY OF ALVIN, TEXAS
216 W. SEALY STREET
REGULAR CITY COUNCIL MEETING
THURSDAY, AUGUST 6, 2020
7:00 P.M.

VIA VIDEO/TELECONFERENCE

CALL TO ORDER

BE IT REMEMBERED that, on the above date, the City Council of the City of Alvin, Texas, met in Regular at 7:00 P.M. via video/teleconference with the following members present: Mayor Paul A. Horn; Mayor Pro-Tem Joel Castro; Councilmembers: Gabe Adame, Brad Richards, Glenn Starkey, 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; Rex Klesel, Fire Chief; Dan Kelinske, Parks and Recreation Director; Ron Schmitz, EMS Director/EM Coordinator; and Robert E. Lee, Police Chief.

This meeting was held via video/teleconference in accordance with order of the Office of the Governor issued March 16, 2020, in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19).

INVOCATION AND PLEDGE OF ALLEGIANCE

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

PRESENTATION

Proclamation – Johanna McWilliams, Alvin Manvel Chamber of Commerce

Mayor Horn thanked Johanna McWilliams for her tenure at the Alvin Manvel Chamber of Commerce.

PUBLIC COMMENT

There were no comments from the public.

CONSENT AGENDA

Consider approval of the July 16, 2020 City Council Regular meeting minutes.

Consider Resolution 20-R-22, establishing voting locations and times for a Special Election to be held on November 3, 2020, as authorized by Resolution 20-R-13 and Resolution 20-R-04, for the purpose of submitting to the qualified voters of the City of Alvin, Texas, a proposition to vote “for” or “against” the “Adoption of the fire fighters’ and police officers’ civil service law, applicable to only the police department;” and providing for other related matters thereto.

Consider a final plat of Caldwell Ranch Section 2 (located along the east side of FM 521 and north of Juliff-Manvel Road), being a subdivision of 18.445 acres of land situated in the William Hall League, abstract 31, Fort Bend County, Texas, also being a partial replat of lot 5 of the T.W. & J. W. B. House Subdivision, as recorded in volume 7, page 301 of the Fort Bend County deed records.

Consider a final plat of Highway Six Gas Station (located at 4901 W. Highway 6), being a subdivision of 1.7485 acres, being a replat of the J.M. O’Donnell Survey, Abstract No. 473, Brazoria County, Texas.

Consider a final plat of Mustang Crossing Section 8 (located northwest of the intersection of FM 1462 and Mustang Crossing Boulevard), being a Planned Unit Development subdivision containing 10.43

acres of land, being a partial replat of lots 25, 26, 27, and 28 of section 18, Hooper & Wade Survey, Abstract 488, in the City of Alvin, Brazoria County, Texas.

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

OTHER BUSINESS

Consider Ordinance 20-S, authorizing the issuance of City of Alvin, Texas, Tax and Revenue Certificates of Obligation Bond, Series 2020, for the construction of improvements to and the equipment of city streets, sidewalks, and related drainage facilities; the construction of improvements to and the equipment of city parks and recreations facilities; and the cost of professional services related thereto; levying a tax and providing for the security and payment thereof; and enacting other provisions relating thereto.

On June 4, 2020, City Council authorized the publishing of a notice of the City's intent to issue \$5,500,000 in Certificates of Obligations for the purpose of funding the construction of the following drainage improvements and park improvements:

<i>Project Name</i>	<i>Estimated Project Costs</i>
<i>Moller Road Phase 1</i>	<i>\$3,700,000</i>
<i>Park Improvements (Lighting & Concession Stand)</i>	<i>\$1,749,000</i>
<i>Total:</i>	<i>\$5,500,000</i>

City staff participated in ratings call with Standard & Poor's on June 29, 2020. Standard & Poor's affirmed the City's Revenue Bond rating of AA on the Series 2020 Certificates of Obligations on July 20, 2020.

The Series 2020 Certificate of Obligation Bonds are scheduled to be competitively bid at 10:00 a.m. on August 6, 2020. Thereafter, staff will know the exact dollar amount of bonds that will need to be issued to cover the project costs as well as other bond issuance costs. The City's Financial Advisors will be at the City Council meeting to present the results of the sale and request City Council to approve Ordinance 20-S, authorizing the bond sale. Should City Council authorize the issuance of the Series 2020 Certificate of Obligation Bonds, the bonds are expected to close, with funds deposited into the City's accounts on August 27, 2020.

Council member Starkey moved to approve Ordinance 20-S, authorizing the issuance of City of Alvin, Texas, Tax and Revenue Certificates of Obligation, Series 2020; for the construction of improvements to and the equipment of city streets, sidewalks, and related drainage facilities; the construction of improvements to and the equipment of city parks and recreations facilities; and the cost of professional services related thereto; levying a tax and providing for the security and payment thereof; and enacting other provisions relating thereto. Seconded by Council member; motion carried on a vote of Thompson; motion carried on a vote of 6 Ayes.

Discuss and take a record vote to propose a tax rate of \$0.7680 per \$100 of assessed valuation, which is a tax increase of 6.85% above the No New Revenue Rate, to be adopted at a future meeting.

The tax rate adoption process consists of the comparison of four (4) rates: the No New Revenue Rate, the Voter Approval Rate, the De Minimis Rate and the City's Proposed Tax Rate.

The No New Revenue Rate (\$0.718765 per \$100 of assessed valuation) is a hypothetical benchmark tax rate. It is used to calculate the total tax rate needed to raise the same amount of property tax revenue from the same properties on the tax roll in both the 2019 tax year (FY20) and the 2020 tax year (FY21).

The Voter Approval Rate (\$0.804325 per \$100 of assessed valuation) is the highest tax rate that the City may adopt without voter approval and requires an election (petition or mandatory) to go above the rate.

The De Minimis Rate (.978801 per \$100 of assessed valuation) is a hypothetical benchmark tax rate that allows cities (under 30,000 in population) to adopt a tax rate that generates \$500,000 more in property tax revenue than the previous

year. The *de minimis* rate is designed to give cities some relief from the 3.5 percent Voter -Approval Tax Rate -- allowing a small city to exceed the Voter Approval Rate of 3.5% and not require an election.

The Proposed Tax Rate (\$0.768000 per \$100 of assessed valuation) is the rate proposed to generate property tax revenues to be used for the general maintenance and operational costs of providing City services, and paying the annual principal and interest on bonds and other debt secured by property tax revenues. The additional revenue (above the No New Revenue rate) that will be generated is proposed to be used for the following projects and operational costs up for your consideration in FY21:

Additional personnel:

- Five Patrol Officers
- One Assistant City Engineer
- One Kennel Technician
- One Permit Coordinator
- One Meter Technician
- Pool Renovations
- Utility Equipment
- Competitive compensation for city personnel

According to the Local Government Code, when a city initially proposes a tax rate that exceeds the lower of the Voter Approval Rate or the No New Revenue Rate, the city council must vote to place a proposal to adopt the proposed rate on the agenda of a future meeting as an action item. If the motion passes, the governing body must schedule one public hearing on the City's proposed tax rate.

For FY21, staff is proposing to lower the City's current tax rate by 1 (one) cent – from \$0.7780 per \$100 of taxable assessed valuation to \$0.7680 per \$100 of taxable assessed valuation. Because the City's Proposed Tax Rate exceeds the lower of the No New Revenue Rate or the Voter Approval Rate, one (1) public hearing is required to be held before adopting the proposed tax rate. This public hearing is scheduled for August 20, 2020.

The City Council will consider adopting the City's "final" tax rate at the regular meeting of the City Council on September 3, 2020, at 7:00 p.m.

Council member Adame moved to propose a tax rate of \$0.7680 per \$100 of assessed valuation, which is a tax increase of 6.85% above the No New Revenue tax rate, to be adopted at a future meeting. Seconded by Council member Starkey; motion carried with all members present voting Aye.

Consider setting one (1) public hearing concerning the proposed tax rate on Thursday, August 20, 2020, at 7:00 p.m., in the City Council Chambers, City Hall, 216 West Sealy, Alvin, Texas, or possible virtual meeting due to the COVID-19 pandemic.

The City's proposed tax rate exceeds the No New Revenue tax rate, but is less than the Voter Approval Rate. As a result, the Local Government Code requires City Council to set (1) public hearing on the proposed tax rate. The City Council will consider adopting the final tax rate at the regular meeting of the City Council on September 3, 2020, at 7:00 p.m.

Council member Vela moved to set one (1) public hearing concerning the proposed tax rate on Thursday August 20, 2020 at 7:00 p.m., in the Council Chambers, City Hall, 216 West Sealy, Alvin, Texas, or via virtual meeting due to the COVID-19 pandemic. Seconded by Council member Richards; motion carried on a vote of 6 Ayes.

Consider Ordinance 20-T, granting a permit to Baymark Pipeline, LLC. to construct certain pipeline facilities in certain property or rights-of-way of the City; regulating such construction, the date of completion, and the locations of street crossings; providing for a notice to proceed, fees, deposits, insurance, and a guaranty of performance; providing for non-waiver by the City; regulating conflicting terms of laws; providing a penalty in an amount not to exceed \$1,000.00 per day for each day of violation of any provision hereof; providing for severability; and other matters related thereto. Baymark Pipeline, LLC. is proposing the construction of a 12" Ethylene Pipeline in an existing pipeline right-of-way (south of the Kendall Lakes Subdivision). This line will extend 91 miles from LaPorte, Texas (Bayport) to Markham, Texas, with approximately 1.55 miles of it being within the City Limits of Alvin. Construction is scheduled to begin upon

permit approval and is expected to reach completion in the fourth quarter of 2021. The proposed overall alignment of the line is shown on Exhibit (ii) of the attached application.

Baymark Pipeline, LLC., through its right-of-way agent Percheron, LLC., has submitted all required information as required by Chapter 16 Article IV Pipelines of the City's Code of Ordinances. Staff recommended approval of Ordinance 20-T.

Council member Vela moved to approve Ordinance 20-T, granting a permit to Baymark Pipeline, LLC. to construct certain pipeline facilities in certain property or rights-of-way of the City; regulating such construction, the date of completion, and the locations of street crossings; providing for a notice to proceed, fees, deposits, insurance, and a guaranty of performance; providing for non-waiver by the City; regulating conflicting terms of laws; providing a penalty in an amount not to exceed \$1,000.00 per day for each day of violation of any provision hereof; providing for severability; and other matters related thereto. Seconded by Council member Castro; motion carried on a vote of 6 Ayes

Consider Ordinance 20-U, granting a permit to South Texas NGL Pipelines, LLC. to construct certain pipeline facilities in certain property or rights-of-way of the City; regulating such construction, the date of completion, and the locations of street crossings; providing for a notice to proceed, fees, deposits, insurance, and a guaranty of performance; providing for non-waiver by the City; regulating conflicting terms of laws; providing a penalty in an amount not to exceed \$1,000.00 per day for each day of violation of any provision hereof; providing for severability; and other matters related thereto. *South Texas NGL Pipelines, LLC. is proposing the construction of an 8" Polymer Grade Propylene Pipeline in an existing pipeline right-of-way (south of the Kendall Lakes Subdivision). This line will extend 134 miles from League City to Port Lavaca, Texas with approximately 1.55 miles of it being within the City Limits of Alvin. Construction is scheduled to begin upon permit approval and is expected to reach completion in the fourth quarter of 2021. The proposed overall alignment of the line is shown on Exhibit (ii) of the attached application.*

South Texas NGL Pipelines, LLC., through its right-of-way agent Percheron, LLC., has submitted all required information as required by Chapter 16 Article IV Pipelines of the City's Code of Ordinances. Staff recommended approval of Ordinance 20-U.

Council member Vela moved to approve moved to approve Ordinance 20-U, granting a permit to South Texas NGL Pipelines, LLC. to construct certain pipeline facilities in certain property or rights-of-way of the City; regulating such construction, the date of completion, and the locations of street crossings; providing for a notice to proceed, fees, deposits, insurance, and a guaranty of performance; providing for non-waiver by the City; regulating conflicting terms of laws; providing a penalty in an amount not to exceed \$1,000.00 per day for each day of violation of any provision hereof; providing for severability; and other matters related thereto. Seconded by Council member Thompson; motion carried on a vote of 6 Ayes.

Consider Resolution 20-R-21, approving the Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TXDOT) for the replacement of the County Road 172 (Parker School Road) bridge at the C-1 Drainage Ditch, and authorize the Mayor to sign the Agreement upon legal review.

Resolution 20-R-21 approves an Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TXDOT) for the replacement of the County Road 172 (Parker School Road) bridge over the C-1 Drainage Ditch. Attachment B of the AFA includes a map of the bridge location. This proposed bridge replacement is made possible through the Highway Bridge Replacement and Rehabilitation Program (HBRRP) administered by the Texas Transportation Commission. The program allows for the funding of off-system bridge replacements that are funded 80% by Federal funds, 10% by State funds through TXDOT and 10% by the local government. The City's 10% share of the project is \$49,973 as shown in Attachment D of the agreement.

Since 2005, eight (8) bridges within the City have been replaced utilizing this program through Advance Funding Agreements with TXDOT. Staff recommended approval of Resolution 20-R-21.

Council member Castro moved to approve Resolution 20-R-21, approving the Advanced Funding Agreement (AFA) with the Texas Department of Transportation (TXDOT) for the replacement of the County Road 172 (Parker School Road) bridge at the C-1 Drainage Ditch, and authorize the Mayor to sign the Agreement upon legal review. Seconded by Council member Adame; motion carried on a vote of 6 Ayes.

Consider Ordinance 20-V, granting consent to the addition of approximately 202.673 acres of land to Brazoria County Municipal Utility District No. 3; making findings of fact; providing a severability clause; and providing an effective date.

On March 7, 2020, the City consented to the creation of Brazoria County Municipal Utility District No. 3 (the "District") by Resolution No. 19-R-11. The District was created by an order of the Texas Commission on Environmental Quality on September 1, 2019, and operates pursuant to Chapters 49 and 54 of the Texas Water Code.

On July 27, 2020, the City of Alvin, Texas, received a Petition for Consent to Include Additional Land from the District and D.R. Horton-Texas, Ltd., a Texas limited partnership, 258 Colony Investments, Ltd., a Texas limited partnership, and Hannover Estates, Ltd., a Texas limited partnership (collectively referred to herein as the "Property Owner"), to include approximately 202.673 acres into the District. Section 54.016 of the Texas Water Code provides that no land within the corporate limits of a city or within the extraterritorial jurisdiction of a city, shall be included within a municipal utility district unless such city grants its written consent to the inclusion of the land within the district. Staff recommended approval of Ordinance 20-V.

Council member Thompson moved to approve Ordinance 20-V, granting consent to the addition of approximately 202.673 acres of land to the Brazoria County Municipal Utility District No. 3; making findings of fact; providing a severability clause; and providing an effective date. Seconded by Council member Starkey; motion carried on a vote of 6 Ayes.

Discuss, consider, and take any needed action regarding the Karpeles Museum project at the historic Methodist Church building located at 800 West Sidnor.

February 5, 2015, City Council approved the appropriation of \$20,000 to the Karpeles Museum from the Hotel Motel Tax Fund for the purpose of promoting tourism in the City of Alvin according to Chapter 351 of the Texas Tax Code. The motion also stated that the funds would be appropriated and released to Karpeles Museum only after the Karpeles Museum has met the City's code requirements resulting in a certificate of occupancy.

Since 2015, the Karpeles Museum Project has encountered numerous delays. However, per Tom Stansel, some of the major items that are needed to obtain the certificate of occupancy include installing the commercial fire alarm and overlaying the parking lot.

To support the completion of the Karpeles Museum, it has been requested that City Council consider the following:

- 1.) Increasing the appropriation from \$20,000 to \$30,000 to cover unexpected costs.*
- 2.) Authorizing the disbursement of the \$30,000 when the certificate of occupancy has been issued.*

At the July 16, 2020 meeting, City Council tabled this item and directed the City Attorney to review the applicable Hotel Occupancy Tax laws and to draft an agreement for City Council to review before any further action is taken.

Mayor Horn stated that an agreement/letter should be attached to any funding issued to the Museum.

Council member Starkey moved to approve \$30,000 from the Hotel Occupancy Tax Fund for the Karpeles Museum project when a certificate of occupancy has been issued by the City of Alvin. Seconded by Council member Richards; motion carried on a vote of 4 Ayes and 2 Nos by Council member Vela and Council member Adame.

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 he reviewed the preliminary list for the August 20, 2020 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.

Council member Thompson commended Mr. Roland, City Manager, and staff for the Council meetings being conducted in an efficient manner.

Council member Vela also commended the City Manager and Staff.

Council member Starkey echoed the comments of Council member Thompson and Vela.

Mayor Horn recognized the Keep Alvin Beautiful organization for being awarded a \$250,000 grant from Texas Department of Transportation. The proceeds will be used to enhance the intersection of Highway 6 and Gordon St. He thanked KAB for their efforts in improving the image of Alvin and he pointed out that Mr. Richard Klapper was instrumental in writing the grant.

ADJOURNMENT

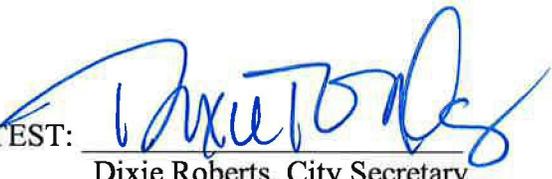
Mayor Horn adjourned the meeting at 7:48 p.m.

PASSED and APPROVED the 20th day of August 2020.



Paul A. Horn, Mayor

ATTEST:


Dixie Roberts, City Secretary