

**MINUTES
CITY OF ALVIN, TEXAS
216 W. SEALY STREET
REGULAR CITY COUNCIL MEETING
THURSDAY AUGUST 18, 2022
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 at 7:00 P.M. in the Council Chambers at City Hall, with the following members present: Mayor Paul A. Horn; Mayor Pro-Tem Gabe Adame; Councilmembers: Martin Vela, Keko Moore, Joel Castro, Glenn Starkey, Richard Garivey, and Chris Vaughn.

Staff members present: Junru Roland, City Manager; Suzanne Hanneman, City Attorney; Dixie Roberts, Assistant City Manager/City Secretary; Michael Higgins, Director of Administrative Services; Dan Kelinske, Parks and Recreation Director; Michelle Segovia, City Engineer; Brandon Moody, Director of Public Services and Robert E. Lee, Police Chief.

INVOCATION AND PLEDGE OF ALLEGIANCE

Kurt Wise with Alvin Bible Church gave the invocation. Council member Castro led the Pledge of Allegiance to the American Flag. Council member Garivey led the Pledge to the Texas Flag.

PUBLIC HEARING

Public hearing to receive comment on the proposed Fiscal Year 2022-23 Annual Budget.

Mayor Horn opened the public hearing at 7:01 p.m. Eugene Bauer presented comments regarding completing construction projects and proposed construction plans. Mayor Horn closed the public hearing at 7:03 p.m.

PUBLIC COMMENT

Cody Baldwin presented comments regarding the speed limit in his neighborhood. He lives in Fairway Lakes subdivision where the speed limit is 30 miles per hour, he requests it be reduced to 15 miles per hour because of the number of children in the neighborhood.

Tim Frisbee presented expressed gratitude for City Council working with the Police Department to increase their compensation. He also commented on his experience working with the city to have solar panels installed at his residence.

Eugene Bauer presented comments regarding the Code of Ethics for City Employees.

CONSENT AGENDA: CONSIDERATION AND POSSIBLE ACTION

Consider approval of the August 4, 2022, City Council meeting minutes.

Call a public hearing to consider the readoption of the Economic Development Policy for the City of Alvin; including criteria and guidelines governing tax abatements, tax increment reinvestment zones and additional economic incentives within the City for Thursday,

September 1, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall located at 216 West Sealy, Alvin, Texas.

The Texas Tax Code, Chapter 312.002(c), states that a policy establishing tax abatement guidelines and criteria must be adopted by the governing body at least every two (2) years. Said policy must be in effect before the governing body may enter into tax abatement agreements. A public hearing is required before the readoption or amendments can be considered. This policy is used by staff as a guideline to work with development projects.

The recommended changes to the current policy adopted in 2020 are to remove the downtown area from the policy, therefore creating a less restrictive policy, promoting developments in ALL areas of the City including the downtown area. The Alvin Downtown Business Incentive Program speaks directly to the revitalization of the downtown area. Abatements will be considered on a case-by-case basis.

The public hearing notice will be published in the Alvin Sun and will be placed on the City's website as required by law. The proposed policy will also be published on the city website for public review. No action other than calling the public hearing for September 1, 2022 will be considered at this meeting. The Resolution readopting this policy will be considered at the September 1st meeting after the public hearing is held.

Accept resignation from Parks and Recreation Board member, Clarence Wittwer.

The City Secretary's Office received email confirmation from Mr. Wittwer resigning from the Parks and Recreation Board for his term ending December 31, 2022. This agenda item is the formal acceptance of his resignation.

Mr. Wittwer is moving from the city and will no longer be eligible to serve on the Parks Board. Article IX of the Alvin Charter states that members must be residents, qualified voters of the City of Alvin and who have resided within the City of Alvin for a period of not less than six months immediately preceding their appointment.

With the resignation of Mr. Wittwer, there will be six (6) members on the Parks and recreations Board. Article IX of the Alvin Charter states that there must be at least seven (7) members, no more than nine (9) members on the Parks and Recreation Board. City Council will consider an appoint to fill this vacancy at a future meeting.

Acknowledge receipt of the quarterly Fiscal Year 2022 Capital Improvement Projects Report.

Consider authorizing the expenditure of American Rescue Plan Act (ARPA) funds for the purchase of a Utility Terrain Vehicle (UTV) from UVC Powersports in an amount not to exceed \$20,549.

The ARPA is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law on March 11, 2021. Of the \$1.9 trillion, the City of Alvin was allocated approximately \$6.6 million.

Several public meetings were held to discuss and consider various projects that could be funded using the funds allocated to the City of Alvin. The purchase of the CRD cell towers were identified as a viable project and funds were appropriated by City Council on March 17, 2022 (per Ordinance 22-V). Upon approval of Ordinance 22-V, staff indicated that before funds were expended, final authorization would come before City Council for approval.

The E.M.S. Department is requesting to purchase a Utility Terrain Vehicle (UTV) using American Rescue Plan Act (ARPA) funds and procure the equipment.

The Utility Terrain Vehicle (UTV) is a multipurpose vehicle that would enhance the City's capabilities for public safety response. The vehicle would allow for the transportation of personnel and equipment to areas inaccessible to standard vehicles. The vehicle can be fitted with inserts such as stretcher mounts to transport the sick or injured as well as foam tanks and pumps for firefighting.

Consider a one (1) year Contract with Aqua Backflow for the Base Program Cross Connection Control Services; and authorize the City Manager to sign the Contract upon legal review.

The Texas Commission on Environmental Quality (TCEQ) rules place the responsibility for recognizing and evaluating hazards within the Public Water Systems (PWS) distribution system on the Public Water System. The City of Alvin's Public Water System serves a wide variety of customers, and it is our responsibility to provide clean potable drinking water to every resident, business owner, and visitor of the City. In order to protect the drinking water, TCEQ requires the PWS to establish an effective cross connection program to prevent any possible hazard that could cause contamination. This is done by identifying the health hazards and non-health hazards within the distribution system, and then determining what type of backflow assembly is necessary to prevent a cross connection or possible contamination.

Backflow assemblies are purchased by the customer and placed on the private side (typically inside structures) and are required to be annually tested by a certified TCEQ backflow assembly tester. The tester will then submit the completed compliant test form to the City to keep on record. There are an estimated 1,200 backflow assemblies in the City on private fire protection lines, in restaurants, in doctor's offices, irrigation systems, and places where hazardous chemical are used.

Aqua Backflow's Cross Connection Program Services will notify customers, track all records for testing, and monitor compliance on all backflow assemblies within City's PWS. The City will provide all identified records stored on backflow devices to Aqua Backflow who will then create an online database of customers for the City. Aqua Backflow will notify customers by mail thirty (30) days in advance of their annual inspection required for compliance. Customers can utilize any registered certified TCEQ backflow assembly tester of their choosing. The cost of the program is free to the City, but there will be a \$9.95 fee per backflow test that is paid by the backflow tester. Typically, testers will pass this fee onto the customer having the backflow assembly tested. Once Aqua Backflow receives the completed compliant test form, they will upload the form to the online database and the customer will be in compliance until the next annual inspection is due. The database will store all the backflow assemblies test results for the City, therefore keeping the City's (PWS) in compliance with TCEQ rules and regulations.

This is not a new requirement for customers with backflow assemblies. The City of Alvin's Code of Ordinances Chapter 17, Plumbing, Article II, addresses the Cross Connection Control. All the requirements pertaining to backflow assemblies are currently in place and have been for many years. This section of the Code is included in your packet for reference.

Prior to the implementation of the backflow program, staff will publish information regarding this program on social media, the city's website, and will also include an article in the upcoming fall/winter edition of the Alvin Rail newsletter.

Staff recommends signing a one (1) year contract with Aqua Backflow for the Base Program Cross Connection Services.

Council member Starkey moved to approve the consent agenda as presented. Seconded by Council member Castro; motion carried with all members present voting Aye.

OTHER BUSINESS

Consider Resolution 22-R-16, authorizing publication of Notice of Intention to issue Certificates of Obligation; authorizing the preparation of preliminary official statements and notices of sale; declaring intent to reimburse certain prior capital costs; and providing for other matters related thereto.

The City is currently planning the issuance of Certificates of Obligation ("Certificates") to finance the costs associated with (i) the construction of improvements to and the equipment of City parks and recreational facilities; (ii) the construction of improvements to and the equipment of City drainage facilities; and (iii) the costs of professional services related thereto.

Section 271.045 (a) of the Texas Local Government Code states that a governing body may authorize Certificates to pay a contractual obligation to be incurred for the construction of any public work; the purchase

of materials, supplies, equipment, machinery, buildings, land, and rights-of-way for authorized needs and purposes; and the payment of contractual obligations for professional services, including services provided by tax appraisers, engineers, architects, attorneys, map makers, auditors, financial advisors, and fiscal agents. However, before city council may approve an ordinance authorizing the sale of the Certificates, Section 271.049 of the Texas Local Government Code, requires the City to publish a notice of its intention to issue the Certificates. The public notice must state:

- 1.) the time and place tentatively set for the passage of the order or ordinance authorizing the issuance of the certificates,*
- 2.) the purpose of the certificates to be authorized,*
- 3.) the maximum amount of certificates that can be authorized; and*
- 4.) the manner in which the certificates will be paid for, whether by taxes, revenues, or a combination of the two.*

Resolution 22-R-16 authorizes the publication of the statutorily required notice. In addition, Resolution 22-R-16 authorizes the City's administrative staff, with the assistance of Bond Counsel (Bracewell LLP) and Financial Advisors (US Capital Advisors LLC), to proceed with the preparation of the preliminary official statements and notices of sale for the proposed certificates.*

Contents of the Notice of Intention to Issue the Certificates

The contents of the notice of intention to issue the Certificates are dictated by state law. The maximum par amount listed in the notice of intention sets the maximum amount of certificate proceeds that may be used for the purposes outlined above. To date, the City has received preliminary estimates for the parks renovation building, while the other items have not been bid out, so the amount reflected in the Notice of Intent is the maximum estimated costs. If the final costs of the projects come in lower than the maximum estimated (noted on the Notice of Intent), the City may either lower the amount requested on the Notice of Intent or add similar items listed in the notice (up to the maximum) and remove those items from the FY23 budget.

Pledging of Resources for the Certificates

The Certificates will be secured by a pledge of ad valorem taxes and a limited pledge of a subordinate lien of the net revenues of the City's water and sanitary sewer system. The pledge of water and sewer system revenues will be a de minimis limited pledge of net revenues in a total amount not to exceed \$1,000. The City does not intend to pay the debt service on the Certificates from the net revenues of the City's water and sewer system and is not required to do so as a result of the limited pledge (beyond the \$1,000 pledged). However, state law requires the attachment of a valid pledge of revenues in order to issue certificates of obligation.

The City is limited in the sources of revenue from which it may make a valid pledge of revenues for this purpose and has traditionally used a de minimis pledge of the net revenues of its water and sewer system. For example, state law prohibits the City from pledging sales taxes to the payment of the Certificates. As a result, the City cannot replace the limited pledge of water and sewer revenues with a pledge of sales tax revenues. However, to the extent that the projects funded from with the Certificates are eligible for payment from sales tax revenues, the City could in the future use sales tax revenues to pay the portion of debt service on the Certificates allocable to the projects eligible to be funded from the sales taxes.

** The Preliminary Official Statement (POS) is an informational disclosure document released prior to the sale, that describes the proposed new issue of bonds prior to final determination of the maturity amounts, interest rates, and offering prices/yields. The POS contains preliminary information on the terms and conditions of the bond sale, including the purpose, security features, and discloses economic, financial and legal information applicable to the issue. The POS is used by potential investors to evaluate the structure and credit quality of the transition.*

Michael Higgins, Director of Administrative Services, presented this item before Council with explanation.

City Council expressed concern in expending money on this building for use as a Recreation Center and asked that other locations be examined for possible placement of a Recreation Center. Council expressed interest in scheduling a workshop on this topic for future consideration. No action was taken on this item.

Consider Ordinance 22-QQ, amending Chapter 28, Comprehensive Fee Ordinance of the Code of Ordinances of the City of Alvin, for the purpose of revising certain water and wastewater fees for residential and commercial customers; providing for a ten percent (10%) penalty for late payment; providing for an effective date on the October 2022 billing cycles for Fiscal Year 2022-2023; and setting forth other provisions related thereto.

The City Ordinance requires that water and sewer rates be increased, at minimum, based on the annual consumer price index rate for all urban consumer (CPI-U) for the Houston-Galveston-Brazoria, Texas area. The ordinance also allows the consideration of other factors to determine if an additional increase in water and sewer rates is warranted.

The water and sewer rate adjustment is equal to the percentage that the CPI-U has changed over the previous 12-month period. The CPI-U has increased by 8.5%. For FY23, staff is recommending the minimum water and sewer rate adjustment of 8.5%, in accordance with the City's water and sewer fee ordinance. This calculates to a \$7.09 monthly increase to the average residential customer, using 5,000 gallons per month. The revenue generated from the rate increase will be used to fund the continuation of the Utility Master Plan capital improvement program, water and wastewater operations and maintenance needs, as well as the annual principal and interest on bonds and other bond covenant requirements.

In FY21, City Council authorized the appropriation of funds to hire a consultant to study the City's utility revenues and make recommendations to council concerning water and sewer rates; as well as analyze the revenue needs and rates for future years in lieu of the projects identified in the Utility Master Plan. The results of the study will be completed and presented to council in the near future.

The proposed water and wastewater rate increases for FY23 are as follows:

WATER RATES	Current Rate	8.5% rate Increase	Proposed Rate
Base 2,000 Gallons			
Residential	\$20.43	\$1.74	\$22.17
Commercial	\$21.44	\$1.82	\$23.26
Per each 1,000 (2,001- 7,000)	\$5.22	\$0.44	\$5.66
Per each 1,000 (7,001- above)	\$7.97	\$0.68	\$8.65

WASTEWATER RATES	Current	8.5% rate Increase	Proposed Rate
Base 2,000 Gallons			
Residential	\$31.68	\$2.69	\$34.37
Commercial	\$32.59	\$2.77	\$35.36
Per each 1,000 (2,001- above)	\$5.22	\$0.44	\$5.66

Staff recommends adoption of Ordinance 22-QQ.

Michael Higgins, Director of Administrative Services, presented this item before Council with explanation.

Council member Garivey moved to approve Ordinance 22-QQ, amending Chapter 28, Comprehensive Fee Ordinance of the Code of Ordinances of the City of Alvin, for the purpose of revising certain water and wastewater fees for residential and commercial customers; providing for a ten percent (10%) penalty for late payment; providing for an effective date on the October 2022 billing cycles for Fiscal Year 2022-2023; and setting forth other provisions related thereto. Seconded by Council member Vela; motion carried with all members present voting Aye.

Consider, if any, requests from individual council members for an item or items to be placed on the upcoming agenda for the next regularly scheduled meeting.

No items were requested.

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 September 1, 2022, 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 Garivey wished good luck to Pearland Leaguers competing in the Little League World Series.

Council member Starkey reminded everyone that school is back in session and to be cautious out on the roadways.

ADJOURNMENT

Mayor Horn adjourned the meeting at 7:32 p.m.

PASSED and APPROVED the 1st day of September 2022.

Paul A. Horn, Mayor

ATTEST:

Dixie Roberts, City Secretary