



**AGENDA
REGULAR MEETING
FREEPORT CITY COUNCIL
MONDAY, MAY 4, 2020 at 6:00 P.M.**

Mayor:

Brooks Bass

Council Members:

Ken Green
Jerry Cain
Sandra Loeza
Roy Yates

City Manager:

Timothy Kelty

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON MONDAY, THE 4TH DAY OF MAY 2020, AT 6:00 P.M., AT THE FREEPORT POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD, FREEPORT TEXAS

BECAUSE OF THE PUBLIC HEALTH THREAT, THE MEETING WILL BE CLOSED TO ATTENDANCE IN PERSON BY THE GENERAL PUBLIC. THE GENERAL PUBLIC MAY JOIN THE PUBLIC MEETING REMOTELY BY TELECONFERENCE BY DIALING:

(425) 436-6312 AND USING ACCESS CODE 315225

OR

AUDIO VISUAL CONFERENCE CALL USING:

PCs, Macs®, Chromebooks™, iOS and Android™ phones and tablets.

For users wanting to view and listen to the council meeting via a web browser go to

https://join.freeconferencecall.com/city_council_05042020

enter access code 315225 and the online meeting code is: city council 05042020.

OR

Visit the App Store or Google Play to download FreeConferenceCall. Enter the phone number, access code and online code listed above to view the meeting.

THE MEETING IS BEING HELD FOR THE FOLLOWING PURPOSES:

CALL TO ORDER: *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

CITIZENS' COMMENTS:

Members of the public are allowed to address the City Council at this time. *Note*, comments must be submitted electronically, and must include name and address specific factual information or a recitation of existing policy may be furnished in response to an inquiry made, but any deliberation, discussion, or decision with respect to any subject about which the inquiry was made shall be limited to a proposal to place such subject on the agenda for a subsequent meeting for which notice is provided in compliance with the Texas Open meetings Act unless said notice appears herein. The public is reminded that there is a (4) minute time limit as approved by City Council on June 21, 2010.

PRESENTATIONS/ANNOUNCEMENTS: Announcements by Mayor, City Council and/or Staff.

1. Emergency management briefing COVID-19. **(Motley/Garivey)**
2. Presentation of the Investment Report for the quarter ending March 31, 2020. **(Russell)**

CONSENT AGENDA:

Consent Agenda items are considered to be routine in nature and may be acted upon in one motion. Any item requiring additional discussion may be withdrawn from the Consent Agenda by the Mayor, Councilmember or City Manager, and acted upon separately.

3. Consideration and possible action on the approval of City Council meeting minutes from April 20, 2020, and Special Meeting on April 30, 2020. **(Wells)**
4. Consideration of request for road closure on May 22, 2020, of portions of following streets. East Park and Fourth Street, down 2nd Street to Brazosport Blvd. to Freeport Municipal Park, for the Brazosport High School Graduation Parade. **(Kelty)**

COUNCIL BUSINESS – REGULAR SESSION:

5. **Public Hearing:** Public Hearing and possible action of a proposed replat Muhm and Halbin Subdivision a two-lot subdivision of the Lolita Ruth McNeill Muhm called 2.437 acre tract. Recorded in volume 1237, page, 113 of the Brazoria County deed records and the Mary Ann Halbin called 0.706 acre tract and called 0.161 acre tract recorded in volume 1682, page 72 of the Brazoria County deed records situated in the T. B. Bell League abstract 41. City of Freeport Brazoria County, Texas. **(Shoemaker)**
6. Discussion and direction regarding Sales Tax Overpayment and Repayment Options. **(Russell)**
7. Consideration and possible action awarding Request for Qualifications (RFQ) #2003, Engineering Services, to Freese and Nichols, Inc. **(Russell)**

WORK SESSION:

8. The City Council may deliberate and make inquiry into any item listed in the Work Session.

- A. Mayor Brooks Bass announcements and comments.
- B. Councilman Green Ward A announcements and comments.
- C. Councilman Cain Ward B announcements and comments.
- D. Councilwoman Loeza Ward C announcements and comments.
- E. Councilman Yates Ward D announcements and comments.
- F. City Manager Tim Kelty announcements and comments.
- G. Updates on current infrastructure.
- H. Update on reports / concerns from Department heads.

ADJOURNMENT:

9. Adjourn.

Items not necessarily discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

ACCESSIBILITY STATEMENT This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 233-3526.

CERTIFICATE I certify the foregoing notice was posted in the official glass case at the rear door of the City Hall, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, before 6:00 p.m. in accordance with Open Meetings Act.



Betty Wells, City Secretary
City of Freeport, Texas



City Council Agenda Item # 2

Title: Presentation of the Investment Report for the quarter ending March 31, 2020

Date: May 4, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

This report is presented for informational purposes. No Council Action is required.

Item Summary:

This report reflects that on March 31, 2020, the City's total portfolio of \$9.8M was managed in compliance with the PFIA and the City's investment policies.

Background Information:

The Public Funds Investment Act (PFIA), Texas Government Code, Chapter 2256 states that no less than quarterly, the Investment Officer(s) shall prepare and submit to the governing body a written report of investment transactions for all funds covered by the Act for the preceding reporting period. Presentation of this report fulfills that requirement.

Special Considerations: N/A

Financial Impact: N/A

Board or 3rd Party recommendation: N/A

Supporting Documentation:

Quarterly Investment Report



City of Freeport

**FY2019-2020
Quarterly Investment Report
Period Ending March 31, 2020**



Management Summary

In accordance with the City's Investment Policy, the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This management summary is prepared in a manner consistent with the requirements of Section 2256.023 of the PFIA which should allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The City invests cash that is not immediately needed for operations in TexPool and Securities issued by Agencies of the Federal Government as allowed by the Public Funds Investment Act and the City's Investment Policy.

As of March 31, 2020, the City's cash and investments were as follows:

Investment Category	Book Value	Percentage	Weighted Average Maturity (Days)
Cash in Demand Accounts	\$ 3,445,321	35.06%	1.00
Government Pools	\$ 6,381,576	64.94%	1.00
Certificates of Deposit	\$ -	0.00%	0.00
TOTAL	\$ 9,826,897	100.00%	1.00

The portfolio is highly liquid with over \$9.8 million or 100% available immediately.

Interest rates on investments range from 1.34 % to 1.43% which is down 10 to 17 percent from the last quarter. According to the Federal Reserve, nominal interest rates are low in the United States and other advanced economies. Low nominal interest rates may constrain the ability of policymakers to provide accommodation through reductions in interest rates during an economic downturn.

Compliance: The City requires its depository banks to provide collateral for all deposits in excess of Federal Deposit Insurance. As of March 31, 2020, the market value of collateral pledged by TIB Capital Markets to the City was \$5,960,000.00, 186% of deposits.

Market Value: The City currently holds no investments in which the book value differs from the market value. For all holdings, the book value is equal to the market value.



Quarterly Investment Report
January 1, 2020 - March 31, 2020

G/L Account	Description	Book Value	Current Interest Rate	Yield to Maturity	Maturity Date	Days to Maturity	Beginning Market Value for Period	Changes to Market Value	Ending Market Value for Period	Interest Paid YTD
Cash in Demand Accounts										
99-101-000	Operating Account	\$ 3,350,137	1.43%	1.43%	Demand	1	\$ 2,984,449	\$ 365,688	\$ 3,350,137	\$ 23,085
87-101-000	Clearing Fund 87	\$ 47,347	1.43%	1.43%	Demand	1	\$ 48,104	\$ (757)	\$ 47,347	\$ 378
64-101-000	Capital Purchase DS	\$ 2,819	1.43%	1.43%	Demand	1	\$ 2,809	\$ 10	\$ 2,819	\$ 22
65-101-000	COO2008 \$3.3M DS	\$ 11,109	1.43%	1.43%	Demand	1	\$ 11,068	\$ 41	\$ 11,109	\$ 86
56-101-043	Water and Sewer I&S	\$ 11,361	1.43%	1.43%	Demand	1	\$ 11,319	\$ 42	\$ 11,361	\$ 88
	Historical Museum	\$ 22,548	0.00%	0.00%	Demand	1	\$ 22,573	\$ (25)	\$ 22,548	\$ -
Total Cash in Demand Accounts		\$ 3,445,321					\$ 3,080,322	\$ 364,999	\$ 3,445,321	\$ 23,659
Invested in Government Pools										
Multiple	TexPool	\$ 6,381,576	1.34%	1.34%	Demand	1	\$ 6,359,492	\$ 22,083	\$ 6,381,576	\$ 49,858
Total Invested in Pools		\$ 6,381,576					\$ 6,359,492	\$ 22,083	\$ 6,381,576	\$ 49,858
TOTAL ALL INVESTMENTS		\$ 9,826,897					\$ 9,439,815	\$ 387,082	\$ 9,826,897	\$ 73,518

Investment Category	Book Value	Percentage	Weighted Average Maturity (Days)
Cash in Demand Accounts	\$ 3,445,321	35.06%	1.00
Government Pools	\$ 6,381,576	64.94%	1.00
Certificates of Deposit	\$ -	0.00%	0.00
TOTAL	\$ 9,826,897	100.00%	1.00

Investment schedules presented per the provisions of the Texas Code Chapter 2256 (Public Funds Investment Act) and the City's Investment Policy.

The City requires its depository banks to provide collateral for all deposits in excess of Federal Deposit Insurance. As of March 31, 2020, the market value of collateral pledged by Baker Bond Accounting to the City was \$5,960,000, 186% of deposits.

Unrealized gain/loss is the difference between the market value of the City's securities and what it paid for them. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold all securities to maturity, it is unlikely that unrealized gains and losses will be realized. As of March 31, 2020, the City had no unrealized gains or losses.

Prepared By: Stephanie Russell 4/28/2020
Stephanie Russell, Investment Officer Date

Verified By: Giselle Hernandez 4/29/2020
Giselle Hernandez, Investment Officer Date

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, April 20, 2020 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council:

- Mayor Brooks Bass
- Councilman Jerry Cain
- Councilman Ken Green
- Councilwoman Sandra Loeza
- Councilman Roy E. Yates

Staff:

- Tim Kelty, City Manager
- Stephanie Russell, Assistant City Manager
- Betty Wells, City Secretary
- Laura Tolar, Assistant City Secretary/ Special Projects Coordinator
- Chris Duncan, City Attorney
- Brenda Miller-Ferguson, Human Resource Director via teleconference
- LeAnn Strahan, Freeport Destination Director via teleconference
- Chris Motley, Freeport Fire Chief
- Ray Garivey, Freeport Police Department Chief
- Billy Shoemaker, Director for Building and Code

Visitors: Via Teleconference

- Mario Muraira
- Vander Williams
- Jacque Weatherly
- David Towers

- Nicole Mireles
- Nick Irene (Facts Newspaper)
- Jerry Meeks, Veolia
- Adam Conner, Freese & Nichols

Call to order.

Mayor Brooks Bass called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Invocation and the Pledge of Allegiance was conducted was by Mayor Bass.

Citizen's Comments

Melanie Oldham called in and said that she wants to speak on item #5 the Social Media policy for city employees, she said that she thinks the rules need to be more specific. She asked what is and what is not appropriate for employees to say on the city's website. She said this is a freedom of speech issue. Ms. Oldham said she can understand the city wanting to have some control over information that the employees are giving out. Ms. Oldham also spoke on the presentation item #2 Direction regarding Water

and Wastewater rate study. She said that the rates were increased this year by 7%, and it is proposed for 2021 an increase of 16% for residential and 22% for commercial. She said that she wants to make sure that the citizens have a right to speak on this. Mayor Bass said this is something that we will take up during our budget process, and the residents will have the opportunity to speak on this.

PRESENTATIONS/ANNOUNCEMENTS: Announcements by Mayor, City Council and/or Staff

Emergency management briefing COVID-19.

Mayor Bass spoke about the eighteen new COVID-19 cases in Brazoria County as of today's date. He said that Freeport has seven cases, three have recovered and there are four active cases. Mayor Bass said that it is imperative that we continue to practice social distancing, washing our hands or using hand sanitizer, and wearing face mask when outside of our homes. He said that we need to protect each other. Mayor Bass said that Greg Abbot stated there will be a relaxation on some of the orders, there will be more information on this next Monday. Mayor Bass said that we must follow the directions as best as we can. He said the City is strong.

Freeport Fire Chief, Chris Motley said there has been daily conference calls for the last three weeks with Brazoria County. Chief Motley said that they are following up with a meeting with Sectrac, this is the hospital side of emergency management. Chief Motley said that the EMS has a PPE shortage in gowns. There was a local industry that stepped up to help with this shortage. Chief Motley said that the hand sanitizer is still in good supply. He said that the dispatchers are screening the calls with a series of questions so that the department will know what level of PPE is required for each call that comes in. Chief Motley also stated if you call for an ambulance, then you need to use this ambulance call, so that the PPE equipment is not being wasted. He reminded us all to keep hand washing regularly with soap and water, hand sanitizer will kill the bacteria, but will not remove it. Stay home when you are sick, cover your cough and sneezes and dispose of the tissue. Mayor Bass asked, "if there was anything more that the department needs at this time", and Chief Motley said "no".

Freeport Police Chief Raymond Garivey spoke to council, he said that the department is still servicing the community. He thanked the community for the supplies that have been dropped off at the Police Department. Chief Garivey also spoke about Easter Sunday and there were no large gatherings. He said that his department along with the rest of the City employees are having temperature screenings before each shift.

City Manager Tim Kelty said that we must protect the public as well as our employees. Daily monitoring of temperatures for city employees, and face mask has been provided for each employee. City offices are closed to the public, beaches are closed, as well as the park equipment. The golf course was partly opened back up to members only, and they are not allowed to interact with the staff while on the course. Mayor Bass said that there is childcare service that is being provided to city employees, he and council appreciates the help from staff for our city employees.

Presentation and Possible Direction regarding Water and Wastewater Rate Study.

Assistant City Manager Stephanie Russell spoke to council about the Water and Wastewater Rate Study She said that this item does not need immediate action.

Adam Conner with Freese and Nichols presented the Water and Wastewater (W/WW Fund) Rate Study to council. Mayor Bass asked if the General Fund has been supporting the W/WW Fund? Mr. Conner said for the most part yes, that significant funding from the General Fund has been supporting the W/WW Fund. Mayor Bass asked if the W/WW Fund should be a stand-alone account with rates and fund itself? Mr. Conner said that Water and Sewer rates should generate revenues so that this is self-sufficient. Mayor Bass asked if the year 2021 with the proposed increase, the average residential utility bill of 5000 gallons

will be \$54.57, with an increase of about \$7.53 extra per month? Mr. Conner said this is correct if they use 5000 gallons a month. Mayor Bass asked during your research Freeport is the lowest utility bill other than Lake Jackson, in the Brazosport area? Adam Conner said this is correct. Mayor Bass asked if there is additional questions by our citizens, can we send the questions to you? Mr. Conner said yes. City Manager Tim Kelty said that staff recommends at a future meeting moving forward and adopting this recommended rate increase. Mayor Bass asked that this item be included in a budget workshops so the public can have input.

REGULAR SESSION

Consideration and possible action on the approval of City Council meeting minutes from April 6, 2020.

On a motion by Councilwoman Yates, seconded by Councilman Cain, with all present voting "Aye"5-0 Council unanimously approved the meeting minutes from April 6, 2020.

Consideration and possible action on the GRIP Resolution No. 2020-2626 from Centerpoint Energy.

City Manager Tim Kelty presented to council Resolution No. 2020-2626. This resolution will suspend the proposed Centerpoint utility rate increase for 45 days. This will make the new effective date June 18, 2020. Mayor Bass asked if this will cost the city anything, Mr. Kelty said no, this will cost the city nothing. Councilwoman Loeza asked if this is just for a review? Mr. Kelty said yes, the resolution offers a 45-day review before the rates will go into effect.

On a motion by Councilwoman Loeza, seconded by Councilman Green, with all present voting "Aye"5-0 Council unanimously approved GRIP Resolution No. 2020-2626 from Centerpoint Energy.

Consideration and possible action on Resolution No.2020-2627, a resolution amending the Freeport Personnel Policy Handbook, regarding Social Media usage.

City Manager Tim Kelty said to council that it came to the attention of staff that prior to now, the City of Freeport did not have a policy on social media. He said that this will regulate the use of social media. As city employees we represent the city even off the job. He said that when he realized we did not have a policy he asked Human Resource Director, Brenda Ferguson, and Assistant City Manager Stephanie Russell to work on a policy.

Human Resource Director, Brenda Ferguson spoke to council about approving Resolution No. 2020-2627 amending the Freeport Policy Handbook regarding social media usage. She said this policy is to remind employees that they always represent the city, either on or off duty. She said that the city needs some guidelines for employees to use in regard as what is put on social media. Mayor Bass asked City Attorney Chris Duncan "is this an infringement of someone's freedom of speech". Chris Duncan said no, he reviewed this before it was presented to city council. He said if the employee has access to the internet at work, then the city can limit their use while they are working. The city can limit what a city employee says on the city's social media. But if the employee is at home on their own internet connection it is limited as what the city can say unless they are representing themselves as speaking for the city. Councilwoman Loeza asked how we will we know if the employees have acknowledged this? Brenda Ferguson said there will be an acknowledgement form that will be signed by each employee saying that they have received and understand this policy. Mayor Bass said that he has concerns about the rights to have free speech. Councilwoman Loeza asked what will happen if this is violated? Brenda Ferguson said it states in the policy that if this is violated it can lead to disciplinary action. Mayor Bass asked if this has been made public to the employees yet, Tim Kelty said that it has not. It was presented to the Texas Municipal Human Resources Association (TMHRA) and was recommended by their attorneys.

Mayor Bass asked council if they would like to table this item until the employees have been made aware of this?

On a motion by Councilman Yates, seconded by Councilman Cain, with all present voting 4-1, Mayor Bass voted “ney” Council approved Resolution No. 2020-2627, a resolution amending the Freeport Personnel Policy Handbook, regarding Social Media usage.

Consideration and possible action on Sales Tax Overpayment and Repayment options.

Assistant City Manager Stephanie Russell presented to council the Sales Tax overpayment and repayment options. She said that this overpayment is from the years of September 2015-2018. The overpayment was paid back to the taxpayer in 2019, and it appears that the taxpayer is no longer operating in the city. Ms. Russell says that there are three options of repayment for this. Option 1 is full payment of the total \$533,636.43. Option 2 apply all future sales tax distributions to the amount due until the \$533,636.43 is paid in full. This will be at least two full months of sales tax. Option 3 is what staff recommends, which includes entering into a 29-month agreement in which \$18,402 would be deducted from the cities proceeds sent by the State for the first 28 months, and \$18,380.43 for the last month. This reduction of future sales tax revenue will have a percentage shared the EDC. Mayor Bass said that he appreciates all of Ms. Russell’s hard work on this. He asked if there any relief that the city can get from this with there being a pandemic? Ms. Russell said that she does not believe so, because the money was not the city’s and it has already been paid back. Councilman Yates asked if we can ask for better terms on the payback? Ms. Russell said that this is something that she can ask. Mayor Bass asked what is the deadline is for this? Ms. Russell said that she got this extended until May 14. Mayor Bass tabled this item until the next council meeting on May 4.

Consideration and possible action on Resolution No. 2020-2628 Approving and Adopting an Amended Investment Policy

Assistant City Manager Stephanie Russell presented to council Resolution No. 2020-2628, Approving and Adopting and Amended Investment Policy. She said that this is a house keeping item, she said each year council should review the city’s investment policy. She said there was a legislative session in 2019, and there were no changes that will impact our investment policy. She said that the only change that she is proposing, is to add an Investment Officer to include our accounting specialist position. Mayor Bass asked what does this do for us? Ms. Russell said this keeps us in compliance with the Public Funds Investment Act. Mayor Bass said this is a necessity? Ms. Russell said correct. Mr. Kelty said that this requirement had not been complied with in Freeport prior to Stephanie Russell becoming finance director.

On a motion by Councilman Yates, seconded by Councilman Green, with all present voting “Aye”5-0 Council unanimously approved Resolution No. 2020-2628 Approving and Adopting an Amended Investment Policy.

WORK SESSION:

Mayor Bass said there was an increase of COVID-19 in the city, but three have recovered and four are still active. He said to please continue social distancing. We are not out of the woods yet.

Councilman Green did not have any announcements or comments.

Councilman Cain said that he would like to see the city become a little more aggressive on the cars that are not running and are parked in front or back of the homes without tags. We need to put some pressure on these people to either get the vehicles running or to get them out of here.

Councilwoman Loeza said it that she has spoken to Billy Shoemaker, Building and Code Director about several vehicles, and he will be checking into this issue. She also said that there is a lot of trash, tree limbs, sofas, mattresses she said that it looks horrible. City Manager said that this should be picked up this week. The entire city had a city wide clean up. He said that Waste Connections will be picking up this week.

Councilman Yates said that there is a lot of junk cars, he said that there is one over by his house that he has complained about several times and nothing seems to happen. He said that he called the Highway department, because the traffic light at Chlorine Road and 288 B is on a timer and you sit there with backed up traffic and the light is not changing. He said that the best light in Freeport is on 288 B Ave A. He also said that the mask is insufficient for people like him with big floppy ears, he said that it will not stay on.

Open session was closed at 7:24 pm and Council entered into Executive Session.

CLOSED SESSION:

Executive Session regarding economic development (Project Wing Tip) (Project Easy Street) in accordance with Government Code Annotated, Chapter 551, Sections 551.087.

REGULAR SESSION

Mayor Brooks Bass re-opened regular session at 8:02 P.M.

No action was considered as a result of Executive session.

Adjourn

On a motion by Councilman Yates, seconded by Councilman Cain, with all present voting "Aye", Mayor Brooks Bass adjourned the meeting at 8:02 PM.

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Thursday, April 30, 2020 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council: Mayor Brooks Bass:
Councilman Jerry Cain:
Councilman Ken Green:
Councilwoman Sandra Loeza:
Councilman Roy E. Yates:

Staff: Tim Kelty, City Manager
Betty Wells, City Secretary
Chris Duncan, City Attorney
Laura Tolar, Assistant City Secretary/ Special Projects Coordinator
Courtland Holman, Freeport Economic Development Corp., Director

Visitors By Teleconference:
Donna Jones
Kenneth Garcia
Amador Muraira

Call to order.

Mayor Brooks Bass called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

The Invocation and Pledge of Allegiance was conducted by Mayor Bass.

REGULAR SESSION

Regular Session was closed at 6:03

CLOSED SESSION:

Council went into Executive Session at 6:03.

Executive Session regarding a.) economic development (Project Wing Tip) in accordance with Vernon's Texas Government Code Annotated, Chapter 551, Sections 551.087.

REGULAR SESSION

Mayor Brooks Bass opened regular session at 7:31pm

No action taken.

Adjourn

On a motion by Councilman Cain, seconded by Councilman Green, with all present voting "Aye", Mayor Brooks Bass adjourned the meeting at 7:31 PM.

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas



City Council Agenda Item # 4

Title: Request for the road closures for portions of the following streets: East Park, Fourth Street, 2nd Street & Brazosport Blvd. for the Brazosport High School Graduation Parade.

Date: 05/04/2020

From: City Manager Tim Kelty

Staff Recommendation:

Staff recommends Council approve this road closure.

Item Summary:

Brazosport High School is requesting permission to close portions of the following streets during a parade/procession being held for graduation on Friday May 22, 2020. The Parade/procession will start at 7:00 p.m. and line up will begin at 5:30 am on East Park, Fourth Street, and Cherry. The Route will begin at East park and Second Street and continue West on 2nd street to the high school; at the high school the parade will proceed through the parking lot where participants will be given their diploma and then continue back on to 2nd street to Brazosport Blvd to Freeport Municipal park. Where T-shirts will be handed out to graduates.

Background Information:

With the ongoing COVID-19 pandemic, traditional graduation ceremonies have been canceled. Instead the School is planning to hold this procession through the city to honor the graduates.

Special Considerations

City personnel will assist in the blocking of streets

Financial Impact:

None

Board or 3rd Party recommendation:

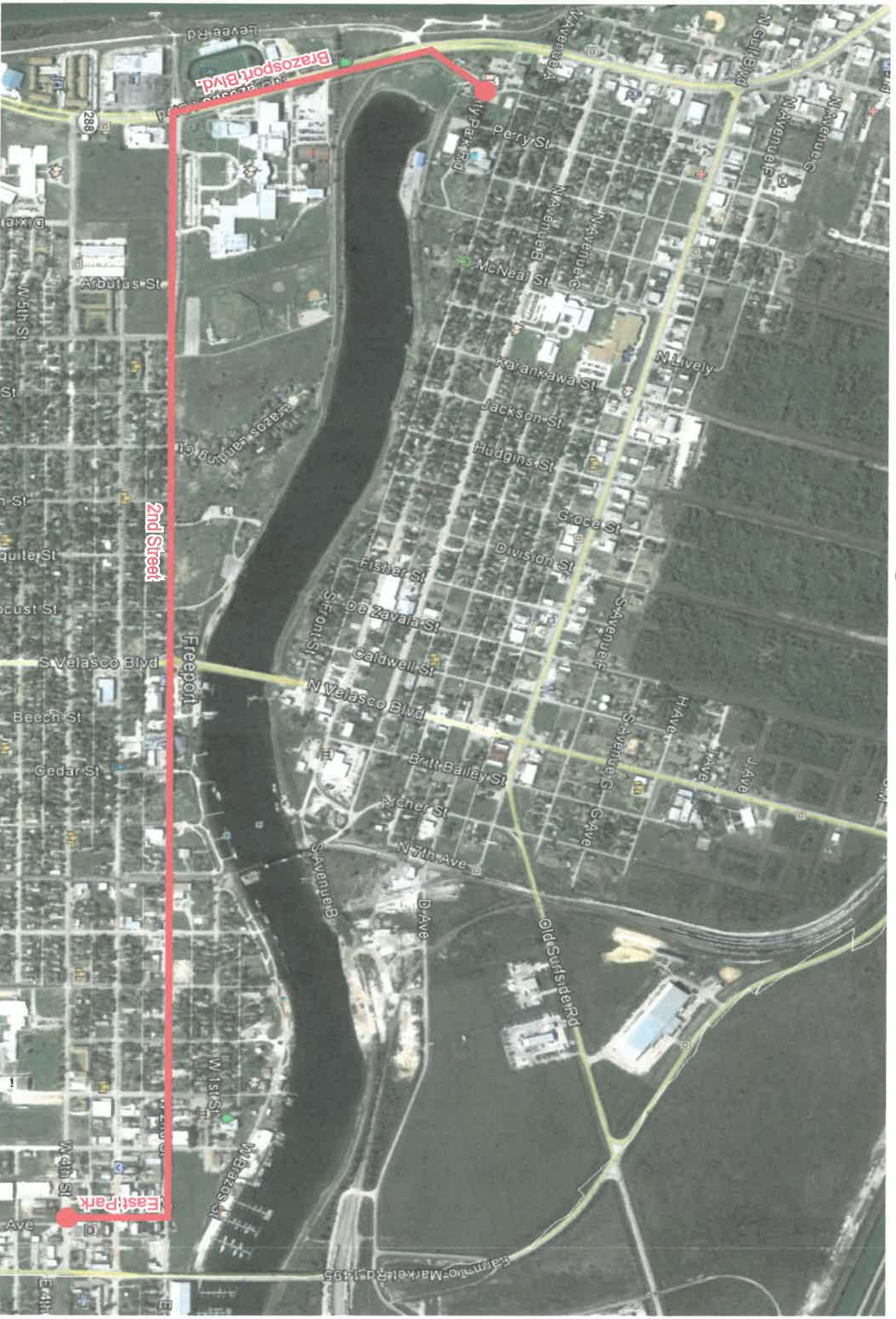
None

Supporting Documentation:

Map of road closures.

Brazosport High School Graduation Parade

May 22, 2020





City Council Agenda Item # 5

Title: Discuss and Consider approval of Muhm and Halbin Subdivision a two-lot subdivision of the Lolita Ruth McNeill Muhm called 2.437 acre tract. Recorded in volume 1237, page, 113 of the Brazoria County deed records and the Mary Ann Halbin called 0.706 acre tract and called 0.161 acre tract recorded in volume 1682, page 72 of the Brazoria County deed records situated in the T. B. Bell League abstract 41. City of Freeport Brazoria County, Texas.

Date: May 4, 2020

From: Billywayne Shoemaker

Staff Recommendation:

Approve the re-plat of subject property

Item Summary:

Hold public hearing and upon closing of public hearing approve replat.

Background Information:

Owner request that the property be replatted to increase the Halbin property to One full acre to prevent permitting issues with well and septic.

Special Considerations

This property is Located in the City's ETJ.

Financial Impact:

None

Board or 3rd Party recommendation:

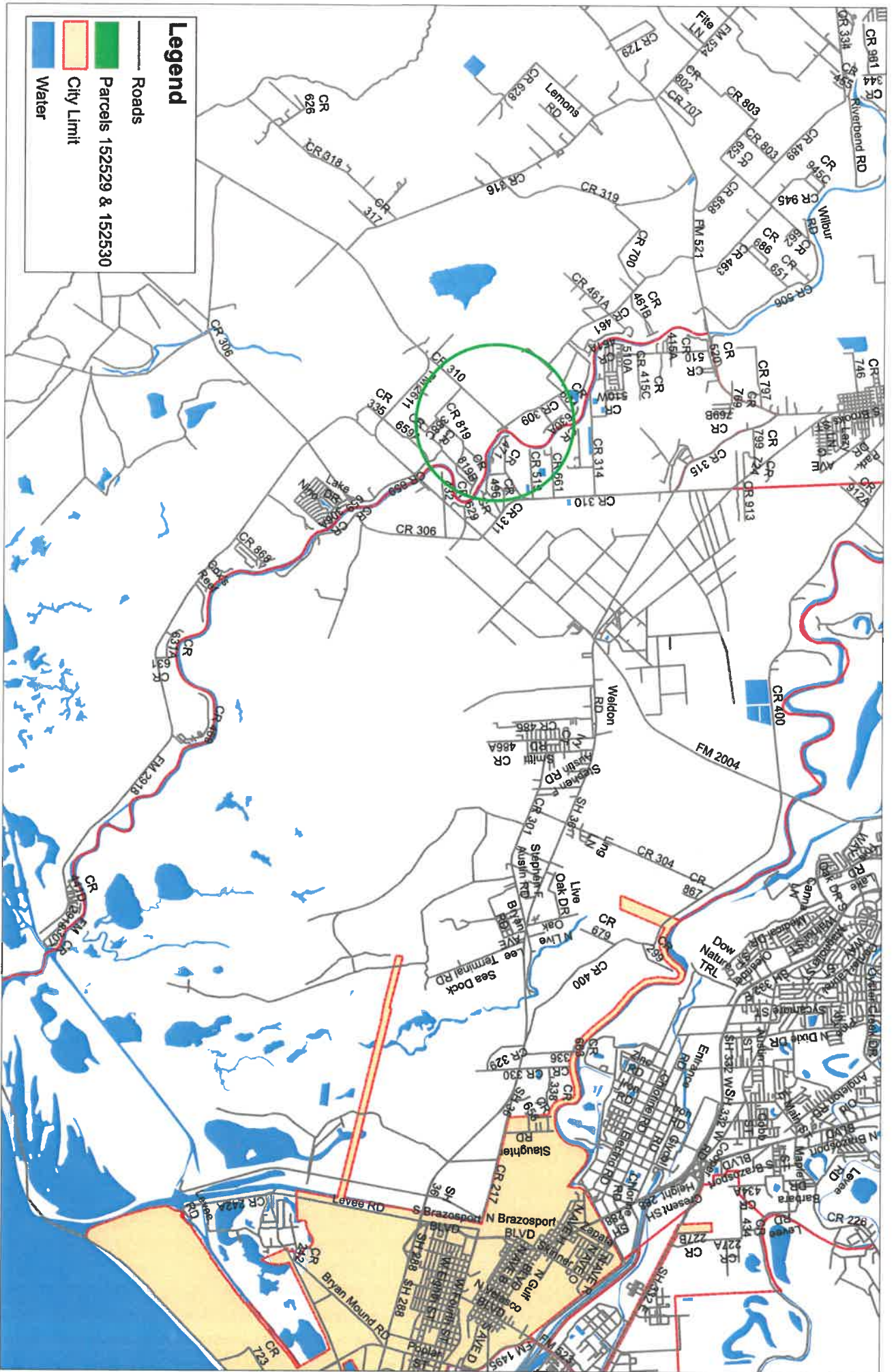
Planning and Zoning has held a public meeting on this item and voted to send this item to Council for final approval.

Supporting Documentation:

Copy of plat and associated paperwork will be attached.

Legend

- Roads
- Parcels 152529 & 152530
- City Limit
- Water





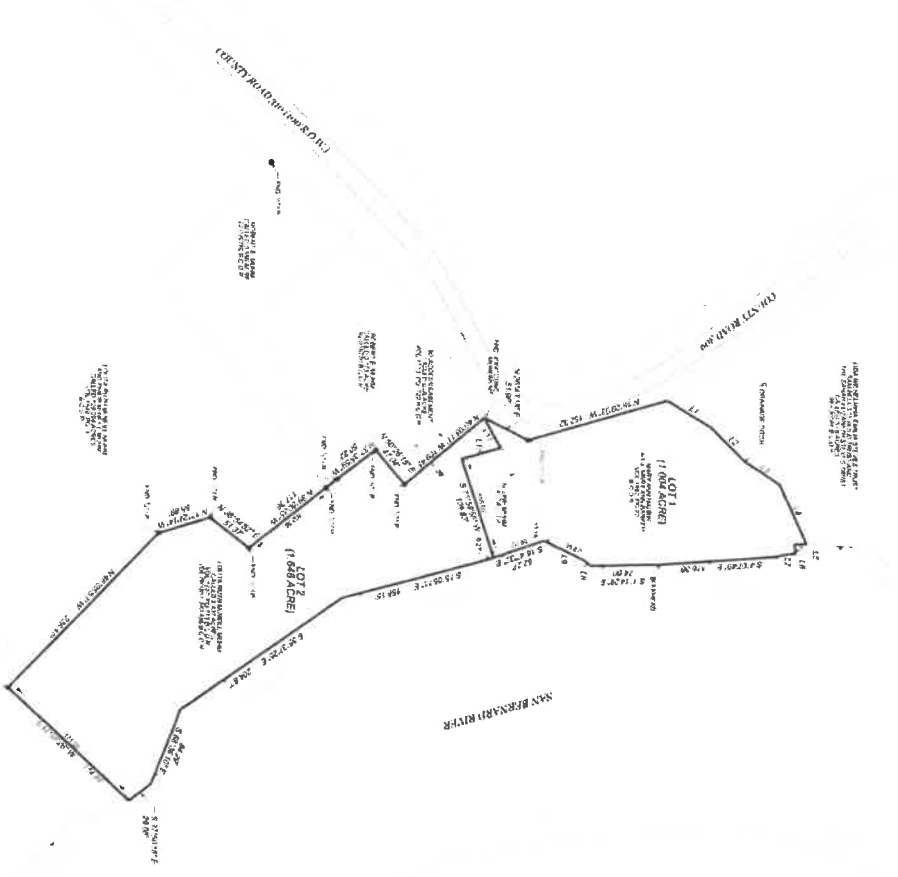
Legend

- Roads
- Parcels 152529 & 152530
- 200' Buffer
- Parcels in 200' Buffer
- City Limit
- Water

Digitized from Aerial Imagery



February 19 20
 February 20 20
 February 21 20
 February 22 20
 February 23 20
 February 24 20
 February 25 20
 February 26 20
 February 27 20
 February 28 20
 February 29 20
 February 30 20



LINE TABLE

1	331.0000'	95.27'
2	330.0000'	1.0000'
3	330.0000'	44.17'
4	330.0000'	69.00'
5	330.0000'	12.80'
6	330.0000'	1.842'
7	330.0000'	24.79'
8	330.0000'	1.700'
9	330.0000'	48.81'
10	330.0000'	42.80'
11	330.0000'	18.25'



MUTH AND HALPIN
 SURVEYORS
 1717 N. W. 10th St.
 FORT WORTH, TEXAS 76102
 TODAY USE PACE 113

Doyle & Wachstetter, Inc.
 Surveyors
 1717 N. W. 10th St.
 Fort Worth, Texas 76102
 Phone: 817-342-1111
 Fax: 817-342-1112



City Council Agenda Item # 6

Title: Discussion and Direction Regarding Sales Tax Overpayment and Repayment Options.

Date: May 4, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends authorizing the City Manager to enter into a 58 – month local sales and use tax payback agreement with the Texas Comptroller of Public Accounts.

Item Summary:

Per the direction from Council during the last meeting, staff requested a longer-term payback agreement from the Comptroller. Consequently, the Comptroller has offered to increase the agreement from 29 to 58 months beginning July 2020. The payback amount of \$533,636.43 remains the same and the deductions would be spread across 57 payments of \$9,201.00 with a final payment of \$9,179.43.

Background Information:

Staff received notification from the Comptroller that the City was overpaid \$533,636.43 in local sales and use taxes due to a filed refund claim by a taxpayer. The taxpayer has been refunded and the City originally had three options to repay the State:

1. One-time reimbursement of total \$533,636.43;
2. Apply all of future sales tax distributions to the amount due until the \$533,636.43 is paid in full (this would be at least two full months of sales tax for the City); or
3. Enter into a 29 – month payback agreement of \$18,402 for the first 28 months and \$18,380.43 for the last month.

No fees or interest will be applied to any option. The City originally had 60 days to respond to the notice dated February 14, 2020 but requested a 30-day extension.

The refund was for sales tax reported from September 2015 through October 2018. The refund was paid back to the taxpayer in November 2019. The taxpayer does not appear to be operating in the City anymore and was based out of state.

Per the Comptroller, there is no way of knowing when a taxpayer is going to file a refund claim. Many times, the taxpayer will choose to pay the tax up front because they do not want to be penalized for not paying it, then they go back later and file a refund. Some taxpayers also utilize consultants who receive a percentage of the refund they find.

Freeport is in an area of the state that has many direct pay taxpayers, such as manufacturers, oil/gas refineries, and utility companies. These taxpayers tend to accrue and pay tax themselves on items that they purchase for their own use and not resale or they pay it to the vendor from which the items were purchased.

Special Considerations: N/A

Financial Impact:

The total estimated impact for this fiscal year to the City’s General Fund is now \$27,603. The 1.5 cent Sales Tax is split proportionally between the City (1 cent) and the Freeport Economic Development Corporation (0.5 cent). Therefore; the total impact is \$355,758 to the City’s General Fund and \$177,879 for the FEDC. Assuming the repayment plan begins in July, the 58 payments would be spread across six fiscal years:

Fiscal Year	Total	City	FEDC
2019-2020	27,603	18,402	9,201
2020-2021	10,412	3,608	36,804
2021-2022	10,412	3,608	36,804
2022-2023	10,412	3,608	36,804
2023-2024	110,412	73,608	36,804
2024-2025	64,385	67,460	33,730
TOTAL	\$ 533,636	\$ 355,758	\$ 177,879

Board or 3rd Party recommendation: N/A

Supporting Documentation: Original Letter from Texas Comptroller of Public Accounts



GLENN HEGAR TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

P.O. Box 13528 • Austin, TX 78711-3528

February 14, 2020

Ms. Laura Tolar
Interim City Secretary
City of Freeport
200 W. 23rd Street
Freeport, TX 77541-5773

Dear Ms. Tolar:

This letter is to notify you that the City of Freeport was previously overpaid \$533,636.43 in local sales and use taxes. The overpayment was the result of a direct pay taxpayer that filed a refund claim for the over accrual of use taxes. This claim has been verified as a valid refund based on exemptions allowed under local sales tax statutes and documentation provided by the taxpayer. Since this amount has been refunded to the taxpayer, it must now be repaid to the State.

The options to repay the erroneous amount are as follows:

- 1) Full reimbursement by one time check*,
- 2) Apply all monthly collections to the overpaid amount until the amount has been repaid, or
- 3) Enter into a 29 - month payback agreement where a monthly deduction of \$18,402.00 will be deducted for 28 months with a final deduction of \$18,380.43. This deduction would start the month after we receive your response or two months after the date of our letter if we do not receive a response. Additionally, future significant audit or onetime payments may be applied toward the repayment amount to reduce the length of the payback and notifications of those applications will be sent.

No fees of any type will be assessed on the payback amount.

If you choose option 1, "full reimbursement by one time check," the payback amount should be adjusted by the 2% service fee. Multiply the payback amount by 2% (.02); subtract the 2% amount from the payback amount, then pay the adjusted amount.

Please mark an X in the applicable box above for the option you wish to choose, have a city official sign at the bottom, and return this letter using the enclosed self- addressed envelope.

If you have any questions or need additional information, you may call me toll free at (800) 531-5441, ext. 50550. My mailing address is PO Box 13528, Austin, TX, 78711, the FAX number is (512) 475-1523 or my email is shirley.kaatz@cpa.texas.gov.

Sincerely,

Shirley Kaatz
Revenue Accounting Division
Tax Allocation Section

Date _____
City Official Name _____
Title _____
Signature _____



City Council Agenda Item # 7

Title: Consider Awarding Request for Qualifications (RFQ) #2003, Engineering Services, to Freese and Nichols, Inc.

Date: May 4, 2020

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends awarding RFQ#2003 to Freese and Nichols, Inc. and authorizing the City Manager to negotiate and execute a contract.

Item Summary:

Staff advertised a Request for Statement of Qualifications for professional engineering services for Harvey related projects in The Facts newspaper on Monday, March 23, 2020 and Monday, March 30, 2020. Two responses were received and opened on Monday, April 20, 2020. Based on the Evaluation Criteria, the most qualified Respondent is Freese and Nichols.

Background Information:

The City of Freeport is working with FEMA to complete repairs at several locations damaged during Hurricane Harvey. These damages include but are not limited to, road and bank stabilization repairs. One project in particular is for river bank erosion that will require coordination with the Army Corps of Engineers and the General Land Office.

Special Considerations:

N/A

Financial Impact:

The projects included under this contract are eligible for up to 90% funding from FEMA. Additionally, a reimbursement of \$171,000 is anticipated for protective measures from Hurricane Harvey. Funding is also available in Streets and Drainage fund for the City's portion of the cost.

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Professional Services Rating Sheet

**City of Freeport
Request for Qualifications #2003
Engineering Services
Professional Services Rating Sheet**

Factors	Max Points	Baker & Lawson	Freese & Nichols
Experience			
Has previously designed streets and drainage type of projects	20	17	19
Has worked on federally funded construction projects	15	10	14
Has worked on projects that were located in this general region. Note: Location for A/E (Architect/Engineer) may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract. 2 CFR 200.319(b)	10	10	10
Extent of experience in project construction management	15	14	14
Subtotal Experience	60	51	57
Work Performance			
Past projects completed on schedule	10	10	10
Manages projects within budgetary constraints	5	5	5
Work product is of high quality	10	10	10
Subtotal Work Performance	25	25	25
Capacity to Perform			
Staff Level / Experience of Staff	5	3	4
Adequacy of Resources	5	3	5
Professional liability insurance is in force	5	5	5
Subtotal Capacity to Perform	15	11	14
Total Score	100	87	96