

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, August 10, 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
Chris Duncan, City Attorney
Laura Tolar, Assistant City Secretary/ Special Projects Coordinator
LeAnn Strahan, Freeport Destination Director
Chris Motley, Freeport Fire Chief
Brian Dybala, Freeport Golf Course Director
Brenda Ferguson, Freeport Human Resource Director
Lance Petty, Freeport Public Works Director
Clarisa Molina, Administrative Assistant Via Teleconference

Visitors: Jerry Meeks (Veolia) Edmeryl Williams
Melanie Oldham Angie Williams
Mario Muraira Ty Morrow
Ruben Renobato Sam Reyna
Keith Stumbaugh Nick Irene (Facts)
Jessie Parker

Visitors By Teleconference:
John Hoss

Call to order.

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

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

Invocation was a moment of silence. The Pledge of Allegiance was led by Mayor Brooks Bass.

Citizen's Comments

Melanie Oldham 922 West 5th, had several questions for Council: 1). Will there be department by department discussion tonight? 2) Is the three percent merit raise for everyone, including department heads? 3) Is there money to design and build the promised Community Center, in the budget? 4) Can you explain the \$150,000.00 transfer from water/sewer fund being transferred to the general fund. 5) How much will be paid out to the Heritage House renovation? 6) DOW money, where will this be used? 7) Why do water rates need to be raised to sixteen percent? 8) What are the capital projects?

Mayor Bass told Melanie Oldham we will go through the budget, and we will discuss the questions as they come up.

City Manager Tim Kelty said that the budget is one of the most important things that the city council does on an annual basis. He said that the budget is strong. He said that we have been working on this for several months.

REGULAR SESSION

Budget Presentation for Fiscal Year 2020-2021.

Assistant City Manager, Stephanie Russell presented to council the Budget Presentation for Fiscal Year 2020-2021. She said that this started with the Strategic Plan. She spoke on the streets and drainage being a major goal for the city, along with, solid waste, city hall renovations, city financial software, electronic record, and grant funding. She said that the budget has been put together conservatively because we are uncertain of the impact from the COVID-19 pandemic. She spoke on the utility fund and the repayment to the general fund for the two plus million that the city has put into the utility fund for the past three years. Miss Russell, went through the budget, she gave page numbers for several accounts. She also said there is a summary of the DOW money and how it was used. Miss Russell said that the next step will be to set and propose the tax rate and public hearing. That date will be set at the August 17 council meeting. There will be a workshop for streets and drainage projects on August 31, and the hearings for the Budget and Tax Rate will be September 8, the deadline to approve the Tax Rate to be on the consolidated tax bill is September 20.

Mayor Brooks Bass said that from the last meeting the NNR (No New Revenue) percentage has changed, from the Appraisal District and Ro'Vin Garrett, he asked if there is a something to show the comparison of the two? Miss Russell shared this this information. She also said that this information is on the City's website.

Councilwoman Loeza asked if staff was recommending no new revenue rate, and Stephanie Russell said correct, staff is recommending the No New Revenue Tax Rate.

Mayor Bass asked if anyone had questions on the proposed tax rate, that we are looking at now. There were no questions.

Councilwoman Loeza asked if the sixteen percent rate increase on the water can be split between now and future year increases, instead all at once. She also asked about the Senior Citizen discount. Ms. Russell said that she would look at this option.

Ruben Renabato asked about the sixteen percent increase and how much revenue it will generate, and how many water meters this will affect.

Ms. Russell said annually it will generate 1.395 million. She said she will have to check on the water meter numbers.

Melanie Oldham spoke to Council about the sixteen percent on the water rate increase. She said there is a lot of people concerned about this.

Mayor Bass said that there will be discussion on this Monday.

Melanie Oldham also asked about the three percent merit raises across the board. Ms. Russell said that the merit raises are not across the board, she said some may be less. It's based-on performance.

Mayor Bass asked how do I answer if someone ask where the five million was spent. Ms. Russell said that on page 29 there is a summary of how the funds were spent. She said it paid the lease purchase agreements, repaired the HVAC at City Hall and Riverplace, demo of the old City Hall, and the Community House, additional concrete and street repairs, and a onetime, one-million-dollar loan to water and sewer.

City Manager Tim Kelty said that this is just transfers from the budget of last FY, there were also about a million and half from two other past budget years.

Mayor Bass asked if this budget was on the website, Ms. Russell said yes, it is.

Mr. Yates asked about the \$645,000.00 cost of repairs of HVAC at City Hall and Riverplace. Ms. Russell said that the broiler and the chiller was replaced at City Hall. And the chiller was replaced at Riverplace as well. Mayor Bass said that he believes that the cost at City Hall was approximately \$280,000 if not more.

Melanie Oldham asked about the money from DOW and Freeport LNG, and the onetime 5 million capital investments.

Tim Kelty said that the 2.7 million capital investments, are what Ms. Russell just covered. Paying off lease purchase agreements, \$1.3 million. HVAC repair for City Hall and Riverplace, \$645,000.00. Demo of old City Hall and the Community House, \$67,000.00. Additional concrete and street repairs, \$765,000.00. And a onetime one-million-dollar loan to water and sewer. Mr. Kelty said this is where this money was used.

Mayor Bass said that this is approximately \$5.2 million.

Councilman Yates said we would have been in a heck of a shape without this, we need to be thankful for this agreement with DOW.

Mayor Bass asked about the \$100,000.00 a year, until the total amount is paid off. Ms. Russell said yes. And Mr. Kelty said this will be until the year 2036. Ms. Russell said the full summary for this is on page 34, under Revenue Summary.

Melanie Oldham asked about the Community Center, if there will be funds for the design and build of this? And she asked why we are putting \$375,000 into the Heritage House. She also asked if there is money to fix the erosion at the Golf Course. Ms. Russell said that the we are working with FEMA and the engineer to repair the damage at the Golf Course. She said that there is no money budgeted for this because this is waiting for the award from FEMA.

Mayor Bass said that the Heritage House has significant damage, and asked Mr. Kelty to explain. Mr. Kelty said that the architect has discovered serious issues in the work that was previously done, it was done wrong. There is water damage on exterior and interior walls, some being structural walls that will have to be replaced.

Mayor Bass said that this is a lot of money.

Mayor Bass said in regards to the Community Center, there are some negotiation going on with different entities. This is why it is not included in this budget, there may be other ways to pay for it.

Mayor Bass asked how many department heads are in attendance, and if they are prepared to discuss their particular budgets? He asked, if there are any questions? He said they can be discussed by Ms. Russell or Mr. Kelty, or the department heads if they are prepared to discuss specific expenditures.

Melanie Oldham asked about the Administration Budget, she wanted to know about the Financial Officer that is being requested, and will they be able to write grants. Ms. Russell said that this position would be to assist her, and to segregate the duties. Ms. Russell said no, this position is not for a grant writer. Mayor Bass asked about the position and if will it have a positive effect on business for the City of Freeport as well as transparency, and accuracy? Ms. Russell said yes.

Mayor Bass asked if there are people in the City that can write grants. Ms. Russell said yes throughout the departments, they have written grants, and secured them. Mayor Bass asked if it is possible to hire someone that just writes grants. Ms. Russell said that it is sometimes better to get someone that specializes in the particular area.

Ty Morrow, 1867 Acacia Circle said that Mr. Kelty and Ms. Russell are correct. It is important to get the person that specializes in the grant that you are going for.

Mayor Bass asked where the Legal Fees and Chris Duncan fees are located in the budget. Ms. Russell said that Mr. Duncan is under Administration under Professional Services, on page 43. She said that she can provide a break down if council would prefer. Mayor Bass asked if there is not a line item for Legal Fees, he would like a line item added. And to add an additional \$150,000.00 to be asked for in legal fees.

Melanie Oldham spoke to council about the professional services, and she also asked about the \$150,000.00. Melanie Oldham asked if the Historical Museum still has remodel funds. Ms. Russell said yes.

Councilwoman Loeza asked what the salary is for the Financial Officer position. Ms. Russell said that it will be \$85,000.00. She said that this will be for computer, benefits, and salary.

Mayor Bass said that the VIC was moved and he would like to see a presence on 288, the main road through the area. So, visitors can stop and get information on where to stay, where to eat and things to do. He said a building on the green area by Antonelli's, the park and the Mystery. He said nothing big, but with A/C and heat. He would like staff to think about this to get back with something.

Councilman Yates asked about the software upgrade for \$135,000.00. Ms. Russell said this was approved by council in a previous meeting, and this is for the city's financial department, community development,

and payroll. She said that this will offer more transparency, and this is a one-time fee. He asked what kind of software this is, she said that it is Tyler Incode.

Councilman Yates also asked if there is anything in the budget that does a breakdown by Ward. Ms. Russell said no.

Mr. Kelty said that we will have a special meeting in the next 30-45 days over streets and drainage. He said that Mr. Petty is working on a map and spreadsheet. He said that we have a seven and half million dollars' worth of improvements that we are wanting to make over the next three years.

Jessie Parker from Ward A asked how much was allocated for Ward A. Mayor Bass said this is not specific amount to any Ward at this time. Ms. Parker said the streets haven't be repaired in 20 years. Mayor Bass said there are some bad streets, but they aren't all bad. Ms. Parker said she has had to get two new tires from her street busting out two tires, in two weeks.

Mr. Kelty said that Mr. Petty is renting equipment to get some road repair done in this area.

Melanie Oldham spoke about the infrastructure under the streets. She said that Mr. Petty has a big job ahead of him.

City Manager Tim Kelty announced that there will be a Special Meeting on August 13, 2020 at 5 p.m., to adopt the Election Order.

Chris Duncan said that the County has added more locations to vote, and the early voting has been extended.

Adjourn

On a motion by Councilwoman Loeza, seconded by Councilman Cain, with all present voting "Aye", Mayor Brooks Bass adjourned the meeting at 7:13 PM.

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas