



**AGENDA
REGULAR MEETING
FREEPORT CITY COUNCIL
TUESDAY, SEPTEMBER 3, 2019 at 6:00 P.M.**

Mayor:
Troy Brimage

Council Members:
Ken Green
Brooks Bass
Sandra Loeza
Roy Yates

City Manager:
Timothy Kelty

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON TUESDAY, THE 3rd DAY OF SEPTEMBER 2019, AT 6:00 P.M., AT THE FREEPORT POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD, FREEPORT TEXAS 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*, 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. Proclamation recognizing the new Mexican Consulate **(Kelty)**
2. Proclamation declaring September 17th thru September 23rd, 2019, as Constitution Week **(Kelty)**

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 Any item requiring additional discussion may be withdrawn from the Consent Agenda by the Mayor, Councilmember or City Manager, and acted upon separately.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 August 19th, 2019. **(Wells)**
4. Acceptance of resignation from EDC board member Mark Friudenberg. **(Kelty)**

COUNCIL BUSINESS – REGULAR SESSION:

5. **Public Hearing**: First Public Hearing Regarding Proposed Property Tax Rate for the 2019 Tax Year **(Russell)**
6. **Public Hearing**: Conduct Public Hearing on Proposed Budget for FY 2019-2020. **(Russell)**
7. Consideration and possible action on adoption of proposed Ordinance No. 2019-2581 budget 2019-2020. **(Russell)**
8. Consideration of approving the expense to modernize and update the elevator system at City Hall. **(Kelty)**
9. Consideration of approving various items and equipment for surplus and approve the sale of such items by auction **(Kelty)**
10. Consideration of approving Resolution No. 2019-2603 for continued receipt of Bingo Prize Funds. **(Kelty)**
11. Consideration of approving Resolution No. 2019-2604 on a nomination for the Brazoria County Appraisal District. **(Kelty)**

WORK SESSION:

12. The City Council may deliberate and make inquiry into any item listed in the Work Session.
 - A. Mayor Troy T. Brimage announcements and comments.
 - B. Councilman Green Ward A announcements and comments.
 - C. Councilman Bass 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 announcement and comments
 - G. Updates on current infrastructure.

H. Update on reports / concerns from Department heads.

CLOSED SESSION:

13. Executive Session regarding economic development (Projects 2019-2 and 2019-3) in accordance with Vernon's Texas Government Code Annotated, Chapter 551, 551.087

COUNCIL BUSINESS – REGULAR SESSION:

14. Consideration in open session of taking action on any matter discussed in closed executive session. (Kelty)

ADJOURNMENT:

15. 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. on this the 30th day of August, 2019.

Betty Wells, City Secretary
City of Freeport, Texas

PROCLAMATION

WHEREAS, as home to people of various cultural backgrounds, the City of Freeport is strengthened by their presence and many contributions to our daily lives. Within this state a growing representation of Mexican communities shares their rich traditions, cultural perspective and wonderful history with our entire society; and,

WHEREAS, the City of Freeport, working in cooperation with the Brazoria County Hispanic Chamber of Commerce has cultivated a positive working relationship with the Consulado General de Mexico en Houston to ensure expedient service for Freeport residents and greater local economic development opportunity by that relationship; and,

WHEREAS, the City of Freeport has a longstanding tradition of acknowledging significant milestones and events of importance. We proudly commemorate the 209th anniversary of Mexico's independence, as our fellow residents of Mexican ancestry add significantly to the unique multicultural heritage of this City through their achievements and enduring legacy that inspire people of all backgrounds; and,

WHEREAS, it was on September 16, 1810 that Mexico obtained its independence from Spain in a long and hard-fought struggle. It was through the vision and perseverance of such great leaders as Father Miguel Hidalgo y Costilla that liberation came to the Mexican people;

NOW, THEREFORE, I, Troy Brimage Mayor of Freeport, do hereby proclaim September 15th as Mexican Independence Day in Freeport.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Freeport to be affixed this 3rd day of September, 2019.

Mayor

PROCLAMATION

WHEREAS: September 17, 2019, marks the two hundred and thirty-second anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS: It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary; and to the patriotic celebrations which will commemorate the occasion; and

WHEREAS: Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week,

NOW, THEREFORE I, Troy T. Brimage by virtue of the authority vested in me as Mayor of the City of Freeport in the State of Texas do hereby proclaim the week of September 17th through 23rd as

CONSTITUTION WEEK

AND ask our citizens to reaffirm the ideals of the Framers of the constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties, remembering that lost rights may never be regained.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Freeport to be affixed this 3rd day of September of the year of our Lord two thousand nineteen.

Signed _____

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, August 19, 2019 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 Troy Brimage
Councilman Brooks Bass
Councilman Ken Green
Councilwoman Sandra Loeza
Councilman Roy E. Yates

Staff: Tim Kelty, City Manager
Betty Wells, City Secretary
Laura Tolar, Asst. City Secretary/Special Projects Coordinator
Chris Duncan, City Attorney
Nat Hickey, Property Manager
Brian Dybala, Golf Course Director
Kim Townsend, Parks Director
Chris Motley, Fire Chief
Ray Garivey, Police Chief
Stephanie Russell, Finance Director
Courtland Holman, Economic Development Director
Jerry Meeks, Veolia

Visitors: Marinell Music Donna Hayes
Melanie Oldham Kenny Hayes
Larry Fansher Tommy Pearson
Edmeryl Williams Angie Williams
Desiree Pearson Darlene Wier
Sabrina Brimage Brenna Brimage

Call to order.

Mayor Troy Brimage called the meeting to order at 6:00 p.m.

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

Employee of the Month.

City employee Husain Jones was presented with a certificate recognizing him as Employee of the Month for July 2019

Presentation of quarterly investment report for period ending June 30, 2019.

Finance Director Stephanie Russell presented the quarterly financial report for the period ending June 30, 2019.

Citizen's Comments

Manning Rollerson spoke to council regarding the water quality of the City of Freeport. He also stated the ditches on Terminal Street are too deep to mow.

CONSENT AGENDA:

Consideration and possible action on the approval of City Council meeting minutes from August 5th, 2019, and August 15, 2019.

Consideration and possible action to changing the date of the first Regular meeting in September due to the Labor Day holiday.

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved the Consent Agenda.

REGULAR SESSION

Consideration and possible action of authorizing Block 529 Lot 10 (106 North Ave B) to be declared surplus and authorize the City Manager to negotiate the terms of the sale or the property to adjoining land owner(s).

City Manager Tim Kelty stated that after consultation with City Attorney Chris Duncan the sale of this property did not require sealed bids and can be sold to adjacent property owner.

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all with all present voting 3 to 1, Council approved authorizing Block 529 Lot 10 (106 North Ave B) to be declared surplus and authorize the City Manager to negotiate the terms of the sale or the property to adjoining land owner(s). Councilman Yates voting no.

Consideration and possible action regarding an interlocal agreement with the Gulf Coast Center

City Manager Tim Kelty stated the agreement with the Gulf Coast Center public transportation would extend for three more years starting FY October 1, 2019 to the FY of 2023, with each year after it can be renewed with an annual agreement, with confirmation by the City.

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved an interlocal agreement with the Gulf Coast Center.

Consideration and possible action on approval of proposal from BRW Architects for preparation of Architectural Feasibility Study for relocation and consolidation of most City Services to O.A. Fleming Campus

On motion by Councilman Bass and seconded by Councilman Green this item was tabled.

Consideration and possible action on task authorization from Freese & Nichols for Park Plan development at O. A. Fleming property

On a motion by Councilman Bass and seconded by Councilman Green this item was tabled.

Consideration and possible action on task authorization from Freese & Nichols for Engineering water facilities condition assessment and capacity evaluation identifying capital needs

City Manager Tim Kelty stated that Freese and Nichols will do an evaluation on the City's wells, distribution stations, elevated towers, and pumps for the treatment facility water distribution system. Proposal for this evaluation is \$45,000.00 for the assessment.

On a motion by Councilman Bass and seconded by Councilwoman Loeza with all present and voting "Aye" approved a task authorization from Freese & Nichols for Engineering water facilities condition assessment and capacity evaluation identifying capital needs

Consideration and possible action in regard to Prepay Bond Ordinance

City Finance Director Stephanie Russell, stated that the Ordinance # 2019-2579 is to prepay a portion of 2022 debt in 2021. This Ordinance says that the City will do that, this needs to happen before the City proposes new tax rate, the tax rate is dependent that the City will be paying this debt next year, if not the tax rate would have to be half of what it is now.

On a motion by Councilman Bass, and seconded by Councilwoman Loeza, with all present and voting "Aye" Council unanimously approved the action in regard to Prepay Bond Ordinance

Consideration and possible action regarding accepting the 2019 Certified Appraisal Roll Totals.

City Finance Director Stephanie Russell stated that this is a "House Keeping" item the law states that you have to accept your certified rolls and your effective tax rate, this item is an appraised roll that was certified by the Tax Appraiser.

On a motion by Councilman Bass and seconded by Councilman Green with all present and voting "Aye" Council unanimously approved the 2019 Certified Appraisal Roll Totals.

Consideration and possible action on Acceptance of Effective and Rollback Tax Rate Calculations for the Fiscal Year Beginning October 1, 2019 and Ending September 30, 2020

City Finance Director Stephanie Russell stated that this item is a "House Keeping" item, Effective and Rollback tax rates are calculated based on the certified roll the City has to be certified in order to calculate. This was done by the Tax Collector Ro'Vin Garrett and reviewed and confirmed by the City's Finance Director Stephanie Russell, and the calculations are correct.

On a motion by Councilwoman Loeza, and seconded by Councilman Bass with all present and voting "Aye" Council unanimously approved action on Acceptance of Effective and Rollback Tax Rate Calculations for the Fiscal Year Beginning October 1, 2019 and Ending September 30, 2020.

Consideration and possible action to Propose a Tax Rate and set Public Hearings for the Fiscal Year Beginning October 1, 2019 and Ending September 30, 2020

City Finance Director Stephanie Russell explained three tax rate options: 1. Current Rate (0.628005) which is recommended. It is the same rate as the current year. 2. Effective Rate (0.618092) which is

slightly less than the Current Rate, and 3. Rollback Rate (0.645579) which is more than the current rate. She explained that the recommended current rate will result in sufficient revenue that will support the proposed budget. If the City goes with the Current Rate since it is above the effective rate the City will need to have two Public Hearings, we are proposing to have those meetings On September 3, 2019, September 9, 2019 and September 16, 2019 to pass or approve the tax rate.

On a motion by Councilman Bass “**I move to propose a tax rate of \$0.628005, which is a tax increase of 1.6% above the Effective Tax Rate, to be adopted at a future meeting:**” and seconded by Councilwoman Loeza with all present and voting “Aye” Council unanimously approved action to Propose a Tax Rate and set Public Hearings for the Fiscal Year Beginning October 1, 2019 and Ending September 30, 2020.

Consideration and possible action on Ordinance No. 2019-2580 an Amendment to Ordinance Regarding Retiree Health Insurance

Finance Director Stephanie Russell proposed that the City eliminate the portion of the monthly premium that the City was paying on retiree coverage, and the retiree will pay the full plan amount. Retiree will have the same plan options as employees with a \$10.00 increase per month.

On a motion by Councilwoman Loeza and seconded by Councilman Green with all present and voting “Aye” Council unanimously approved Ordinance #2019-2580. an Amendment to Ordinance Regarding Retiree Health Insurance.

WORK SESSION:

Mayor Troy Brimage thanked David Hoelewyn and the Street Department for all the hard work that has been done.

Councilman Ken Green says that citizens are having problems with potholes on Walnut and Broad and Walnut and Second street.

Councilman Brooks Bass wants to hear more of what the EDC is accomplishing.

Councilwoman Sandra Loeza asked if the Freeport LED sign will work again, and if the City will replace the neon lights on the railing leaving the City.

Councilman Roy Yates questioned the status of the Urban Renewal Project.

City Manager Tim Kelty spoke about the modernizing of the elevator at City Hall, and that it will be mid-November before it will be up and running. He spoke on the Animal Control Meeting that it will not be cost effective for Freeport to have its own shelter and will need to be with another City. City Manager also stated that many of the Boards still have vacancies and that City Secretary will get a list together for those Boards and vacancies. He spoke on the Charter Review Commission and that they will meet on regular basis. HR Director Interview will be on Tuesday, and he stated that the Employee Picnic was a success and employees enjoyed it.

Update on reports / concerns from Department heads

Brian Dybala spoke of the First T program, and that participants graduated on Saturday. Revenue is up with unbelievable numbers.

Kim Townsend spoke on The Mystery that she will be getting a proposal for Outriggers, she also answered question from Melanie Oldham on repairs for the chillers for Riverplace.

David Hoelewyn spoke on Sorrell of how they were able to get streets 10th & 11th for school opening.

Stephanie Russell stated that she has nothing new.

Ray Garivey Police Chief stated that school has started and his Officers have stepped up.

Chris Motley Fire Chief spoke on house fire, and the Lieutenant swearing in Tuesday at 7:00 PM at Pixie Place.

Open session was closed at 7:11 pm and Council entered into Executive Session.

CLOSED SESSION:

Executive Session regarding economic development (Projects 2019-2 and 2019-3) in accordance with Vernon's Texas Government Code Annotated, Chapter 551, 551.087

REGULAR SESSION

Mayor Troy Brimage opened regular session at 8:06 pm

Consideration in open session of taking action on any matter discussed in closed executive session

On a motion by Councilwoman Loeza, seconded by Councilman Yates, with all present voting "Aye", Council unanimously approved to use Olson and Olson to replace Pete Smith.

Adjourn

On a motion by Councilwoman Loeza, seconded by Councilman Green, with all present voting "Aye", Mayor Brimage adjourned the meeting at 8:08 PM.

Mayor, Troy Brimage
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas



City Council Agenda Item #4

Title: Consideration and possible action of acceptance of resignation by Mark Friudenberg from Economic Development Corporation Board.

Date: 09/03/2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends accepting this resignation.

Item Summary: EDC Board member Mark Friudenberg has submitted a letter of resignation from the EDC Board. The formal acceptance of this resignation by City Council will open the position, and staff will post the opening and accept applications from those that may be interested in serving.

Background Information: Captain Mark has served on the EDC board for six years. Recently, his business has been very busy and has kept him from attending board meetings. Out of respect for the other members of the Board and the citizens of Freeport he has asked to be allowed to step down.

Special Considerations: None

Board or 3rd Party recommendation: None

Financial Impact: None.

Supporting Documentation: letter

Mark Friudenberg

2019 08 28 10:11 AM
2019 08 28 10:11 AM

▶ **Mr. Kelty and EDC Board Members**

Resignation

It is with a great deal of regret that I resign my position as a Board Member of the EDC Board effective 8/28/2019.

I would like to take this opportunity to say that I have enjoyed the time I have served on this board and I'm very grateful for the people I have met and all the knowledge I have gained. However, I feel that I am no longer able to give this position or the citizens of Freeport the time they deserve.

Regards,



Mark Friudenberg

8/28/2019



City Council Agenda Item #5

Title: Public Hearing Regarding Proposed Property Tax Rate for the 2019 Tax Year

Date: September 3, 2019

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

N/A

Item Summary:

A tax rate of \$0.628005 per \$100 valuation has been proposed for adoption. This hearing is the first of two. The Second Hearing will be held September 9, 2019.

Background Information:

During the August 19, 2019 Council proposed a tax rate of \$0.628005 per \$100, which is a tax increase of 1.6% above the Effective Tax Rate. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

Tax Rate	M&O Rate	Debt Rate*	Total Rate	M&O Tax Levy	M&O Tax Levy Increase	% Tax Increase
Proposed	0.517972	0.110033	\$0.628005	\$2,602,864	\$235,981	1.6%
Preceding Year	0.517972	0.110033	\$0.628005	\$2,602,864	\$235,981	1.6%
Effective	0.508059	0.110033	\$0.618092	\$2,553,050	\$186,167	0%
Rollback	0.535546	0.110033	\$0.645579	\$2,691,175	\$324,292	4.45%

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City from the same properties in both the 2018 tax year and the 2019 tax year. The rollback tax rate is the highest tax rate that City may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

Special Considerations: N/A

Financial Impact:

Taxes owed under any of the above rates can be calculated as follows:

$$\text{Property Tax Amount} = (\text{Rate}) \times (\text{Taxable Value of Property}) / 100$$

Board or 3rd Party recommendation: N/A

Supporting Documentation:

- Notice of 2019 Tax Year Proposed Property Tax Rate for the City of Freeport
- Worksheet for Determination of Steps Required for Adoption of Tax Rate

NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF FREEPORT

A tax rate of \$0.628005 per \$100 valuation has been proposed for adoption by the governing body of CITY OF FREEPORT. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of CITY OF FREEPORT proposes to use revenue attributable to the tax rate increase for the purpose of funding street and drainage rehabilitation projects..

PROPOSED TAX RATE	\$0.628005 per \$100
PRECEDING YEAR'S TAX RATE	\$0.628005 per \$100
EFFECTIVE TAX RATE	\$0.618092 per \$100
ROLLBACK TAX RATE	\$0.645579 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for CITY OF FREEPORT from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that CITY OF FREEPORT may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Ro'Vin Garrett, PCC
Brazoria County Tax Assessor-Collector
451 N Velasco Rm 150 in Angleton, Texas 77515
979-388-1320
roving@brazoria-county.com
<https://brazoriacountytx.gov/departments/tax-office>

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: September 3, 2019 at 6:00pm at the Freeport Police Department, Municipal Court Room, 430 N Brazosport Blvd in Freeport TX 77541.

Second Hearing: September 9, 2019 at 6:00pm at the Freeport Police Department, Municipal Court Room, 430 N Brazosport Blvd in Freeport TX 77541.

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
CITY OF FREEPORT

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$468,129,990
2. Last year's M&O tax rate. Enter Line 26 of the Rollback Tax Rate Worksheet.	\$0.503854/\$100
3. M&O taxes refunded for years preceding tax year 2018. Enter Line 28E of the Rollback Tax Rate Worksheet.	\$8,192
4. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$2,366,883
5. This year's total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$502,510,591
6. This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body.	\$0.517972/\$100
7. This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	\$2,602,864
8. M&O Tax Increase (Decrease). Subtract line 4 from line 7.	\$235,981
Comparison of Total Tax Rates	
9. Effective Total Tax Rate.	\$0.618092/\$100
10. This year's proposed total tax rate.	\$0.628005/\$100
11. This year's rate minus effective rate. Subtract line 9 from line 10.	\$0.009913
12. Percentage change in total tax rate. Divide Line 11 by line 9.	1.60%
Comparison of M&O Tax Rates	
13. Effective M&O Tax Rate. Enter line 30 of the Rollback Tax Rate Worksheet. Adjust for Sales Tax using Line 44 of the Sales Tax Worksheet, if necessary.	\$0.495876/\$100
14. This year's proposed M&O tax rate.	\$0.517972/\$100
15. This year's rate minus effective rate. Subtract line 13 from line 14.	\$0.022096
16. Percentage change in M&O tax rate. Divide line 15 by line 13.	4.46%
Raised M&O Taxes on a \$100,000 Home	
17. This year's taxable value on a \$100,000 home.	\$100,000
18. Last year's M&O tax rate.	\$0.503854/\$100
19. This year's proposed M&O tax rate.	\$0.517972/\$100
20. This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17. Divide by 100.	\$14.12



City Council Agenda Item #6

Title: Public Hearing Regarding FY2019-2020 Proposed Budget

Date: September 3, 2019

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

N/A

Item Summary:

On August 5, 2019, the City Manager presented a proposed budget for the fiscal year 2020 which was filed with the City Secretary and posted on the City website as required by Local Government Code Section 102.005. The Proposed Budget has been developed utilizing the existing tax rate of \$0.628005 which is below the estimated roll back rate which still maintains current service levels throughout all departments. At this time, the Proposed General Fund Budget has expected excess revenues over \$142,000. The total Budget (which includes all Funds) is approximately \$25.1 million.

The adjustments identified below have been made from the originally proposed budget under the General Fund. Additionally, the Required Budget Cover page and City's current Pay Scale Matrix has been added.

Revenue:

- \$50k was added under Miscellaneous Income to account the Freeport Economic Development Corporation paying back the loan granted in FY2018-2019.

Expenditures:

- \$10k was added under Administration, Other-Sundry, to continue the Brazosport College summer program made available to Brazosport High School students.
- \$10k was added as a placeholder under Administration, College Reimbursement, for Education Pay made available to employees per the City's Personnel Handbook.
- \$31k was added under Police/Animal Control Department, Education Pay, for Certification Pay that was overlooked in the initial Proposed Budget.
- \$45k was added under Parks – Capital Outlay to replace the Freeport Municipal Park Pavilion roof.

The overall net impact to the General Fund is revenue less expenditures of -\$46,000.

Changes in Expenditures from original Proposed Budget:

Expenditures	FY2019-2020 Originally Proposed Budget	Adjustments	FY2019-2020 Updated Proposed Budget
General Fund			
Mayor & Council	-	-	-
Administration	1,952,901	20,000	1,972,901
Municipal Court	180,508	-	180,508
Police/Animal Control	4,605,779	31,000	4,636,779
Fire/Emergency Management	1,271,222	-	1,271,222
EMS	899,584	-	899,584
Streets/Drainage	2,678,070	-	2,678,070
Service Center	219,090	-	219,090
Garbage	992,453	-	992,453
Building	346,400	-	346,400
Code Enforcement	446,950	-	446,950
Library	28,300	-	28,300
Parks	1,601,659	45,000	1,646,659
Recreation	750,200	-	750,200
Sr. Citizen's Commission	10,100	-	10,100
Golf Course	998,300	-	998,300
Historical Museum	230,293	-	230,293
General Fund Total	17,211,809	96,000	17,307,809
Utility Fund			
Water/Sewer	6,831,822		6,831,822
Other Funds			
Capital Debt Service	565,232		565,232
Capital Projects	300,000		300,000
Capital Projects Fund	54,000		54,000
Debt Service Fund	-		-
Beach Maintenance	6,500		6,500
Court Security	13,400		13,400
Court Technology	11,400		11,400
Federal Narcotics	-		-
Hotel/Motel	10,250		10,250
Other Funds Total	960,782	-	960,782
Total Expenditures	25,004,413	96,000	25,100,413
Transfers	2,050,000		2,050,000
Grand Total Budget	27,054,413	96,000	27,150,413

Background Information:

Per Section 102.006 of the Local Government Code, the City must hold a public hearing on the proposed budget. Any person may attend and may participate in the hearing. The governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy. Notice of this hearing was made in compliance with Section 102.005(b) of Local Government Code.

Special Considerations:

N/A

Financial Impact:

The Proposed Budget has been developed utilizing the existing tax rate of \$0.628005 which is below the estimated roll back rate which still maintains current service levels throughout all departments. As required by law, the Budget Cover Page has been added with the following statement: This budget will raise more total property taxes than last year's budget by \$205,557 or 6.97%, and of that amount, \$182,753 is tax revenue to be raised from new property added to the tax roll this year.

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Proposed Budget for FY2019-2020 – September 2019



City Council Agenda Item #7

Title: Consideration of an Ordinance No. 2019-2581 Adopting FY2019-2020 Budget

Date: September 3, 2019

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends tabling the item if there is significant public input that Council would like to see reflected in the budget, otherwise; staff recommends approval of the Ordinance.

Item Summary:

Per section 102.007 of the Texas Local Government Code, at the conclusion of the public hearing, the governing body of the municipality shall take action on the proposed budget. A vote to adopt the budget must be a record vote. Upon final adoption, the budget shall be in effect for the fiscal year. A copy of the budget, as finally adopted, will be filed with City Secretary and the County Clerk of Brazoria County. The final budget will also be made available on the City's website.

Background Information:

On August 5, 2019, the City Manager presented to the City Council a proposed budget for the fiscal year 2020 which was filed with the City Secretary and posted on the City website as required by Local Government Code Section 102.005. Additionally, a notice as required by Section 102.006 of the Local Government Code, was published to conduct a public hearing on such budget on September 3, 2019. During such hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard.

Special Considerations:

Per Section 9.11 of the City's Charter, "the budget shall be finally adopted not later than fifteen (15) days prior to the beginning of the fiscal year and should the City Council fail to so adopt a budget, the then existing budget together with its tax levying ordinance and its appropriation ordinance shall be deemed adopted for the ensuing fiscal year. If delayed by a situation beyond control of the City it shall be acted on as soon as practicable."

Financial Impact:

The proposed Ordinance appropriates expenditures for the fiscal year beginning October 1, 2019 through September 30, 2020.

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Ordinance No. 2019-2581

ORDINANCE NO. 2019-2581

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF FREEPORT, TEXAS, ANNUAL GOVERNMENTAL AND PROPRIETARY FUNDS BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; MAKING APPROPRIATIONS FOR CITY OPERATIONS FOR SUCH FISCAL YEAR AS REFLECTED IN SUCH BUDGET; AUTHORIZING VARIOUS OTHER TRANSFERS; MAKING CERTAIN FINDINGS AND CONTAINING CERTAIN PROVISIONS RELATING TO THE SUBJECT; PROVIDING A SEVERANCE CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Freeport, Texas, (hereinafter sometimes "the City") is a "Home Rule City" and a "Home Rule Municipality" lying and situated in Brazoria County, Texas, as described in and defined by Section 5, Article XI of the Constitution of Texas and Section 1.005 of the Local Government Code of Texas, respectively; and,

WHEREAS, under Section 102.001(b) of the Local Government Code, because the City has a City Manager form of government, the City Manager is the budget officer of the City municipality and under Section 102.002 of said Code and Chapter 9 of said Charter, the City Manager is required to prepare a proposed annual budget for the municipality and, under Section 102.03(a) of said Code and Chapter 9 of said Charter, is required to file the same with the City Secretary before the 30th day before the date the governing body of the municipality makes its tax levy for the fiscal year; and,

WHEREAS, on August 5, 2019, the City Manager presented to the City Council a proposed budget of the expenditures of the City of Freeport for the fiscal year 2020 and the proposed budget was filed with the City Secretary and posted on the City website as required by Local Government Code Section 102.005; and

WHEREAS, pursuant to notice as required by Section 102.006 of the Local Government Code, on September 3, 2019, a public hearing on such budget was held in the Council Chambers, at which hearing all citizens and taxpayers of the City had the right to be present and to be heard, and those who requested to be heard were heard; and

WHEREAS, the City Council has considered the proposed budget and has made such changes therein as in the City Council's judgment were warranted by law and were in the best interest of the citizens and taxpayers of the City; and

WHEREAS, such changes are described in Exhibit A

WHEREAS, under Chapter 9 of said Charter, the governing body of the municipality is required to adopt a budget not later than fifteen (15) days prior to the beginning of the fiscal year; and,

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS:

Section 1. The facts and opinions in the preamble of this ordinance are true and correct.

Section 2. In accordance with the provisions of Local Government Code Section 102.007, the City Council hereby approves and adopts the budget described above, the same as shown in Exhibit A, all of which are attached and incorporated herein. The City Secretary is hereby directed to place on such budget and to sign an endorsement reading as follows: " The Original Annual Budget of the City of Freeport, Texas, for Fiscal Year 2019" and to keep such budget on file in her office as a public record. In addition, in accordance with Section 102.009 (d), Texas Local Government Code, the City Secretary is hereby directed to file a true copy of the approved Budget in the offices of the county clerks of the counties in which the City is located.

Section 3. The FY2020 Budget for operations shall be administered as follows:

a. The Council may transfer any unencumbered appropriation balance or portion thereof from one department, or fund to another, at any time.

b. The City Manager shall have authority, without Council approval, to transfer appropriation balances from one expenditure account to another within a department.

c. At any time in any fiscal year, the Council may, pursuant to Article XI, section 9.14 of the City Charter, make emergency appropriations to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare. Such appropriation shall not be more than 5% of the total annual budget; however, the 5% may only be allocated annually under the condition the "undesignated" reserve/contingency funds in general revenue does not exceed eight million dollars. All reserve/contingency funds may only be used with the specific consent of the City Council for unforeseen contingencies by the City Manager.

Section 4. That the Beginning Fund Balance reflected in the budget for each fund for which a Budget is adopted shall be adjusted to be the amount of the Ending Fund Balance for Fiscal Year 2019 as reflected in the final Comprehensive Annual Financial Report for Fiscal Year 2019 upon publication. The revised Beginning Fund Balance shall thereafter be used to calculate the Fiscal Year 2020 Ending Fund Balance.

Section 5. That the budget for FY2020 shall be increased for valid outstanding encumbrances at the conclusion of FY2019. Said increased appropriations shall be equal to the outstanding and valid encumbrances and shall be recorded in the appropriate accounts.

Section 6. All ordinances and resolutions, and parts of ordinances and resolutions in conflict herewith, are hereby repealed.

Section 7. A copy of the final approved budget shall be filed with the City Secretary and posted on the website in accordance with Local Government Code Section 102.008.

Section 8. It is hereby found and determined that the meeting at which this ordinance was passed was open to the public and that advance public notice of the time, place and purpose of said meeting was given as required by law.

This ordinance shall be effective from and after its passage and the annual budget adopted hereby shall be in effect for the Fiscal Year of the City beginning October 1, 2019 and ending September 30, 2020.

PASSED AND ADOPTED this _____ day of September 2019.

Troy T. Brimage, Mayor

ATTEST:

Betty Wells, City Secretary

APPROVED AS TO FORM AND CONTENT:

Chris Duncan, City Attorney

EXHIBIT "A"
City of Freeport FY2019-2020 Adopted Budget

Fund	FY2019-2020 Proposed Budget	Adjustments	FY2019-2020 Adopted Budget
General Fund			
Mayor & Council	-	-	-
Administration	1,952,901	20,000	1,972,901
Municipal Court	180,508	-	180,508
Police/Animal Control	4,605,779	31,000	4,636,779
Fire/Emergency Management	1,271,222	-	1,271,222
EMS	899,584	-	899,584
Streets/Drainage	2,678,070	-	2,678,070
Service Center	219,090	-	219,090
Garbage	992,453	-	992,453
Building	346,400	-	346,400
Code Enforcement	446,950	-	446,950
Library	28,300	-	28,300
Parks	1,601,659	45,000	1,646,659
Recreation	750,200	-	750,200
Sr. Citizen's Commission	10,100	-	10,100
Golf Course	998,300	-	998,300
Historical Museum	230,293	-	230,293
General Fund Total	17,211,809	96,000	17,307,809
Utility Fund			
Water/Sewer	6,831,822		6,831,822
Other Funds			
Capital Debt Service	565,232		565,232
Capital Projects	300,000		300,000
Capital Projects Fund	54,000		54,000
Debt Service Fund	-		-
Beach Maintenance	6,500		6,500
Court Security	13,400		13,400
Court Technology	11,400		11,400
Federal Narcotics	-		-
Hotel/Motel	10,250		10,250
Other Funds Total	960,782	-	960,782
Total Expenditures	25,004,413	96,000	25,100,413
Transfers	2,050,000		2,050,000
Grand Total Budget	27,054,413	96,000	27,150,413

NOTE: Expenses for the Employee Benefit Fund is not included in the Citywide Total above to avoid duplication of the amounts shown as part of the General and Utility Fund budgets that are transfers to this fund for services.



City Council Agenda Item #8

Title: Consideration and possible action on approving the expense to modernize and update the elevator system at City Hall.

Date: 09/03/2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends approval of the expense for needed elevator improvements. If a second proposal is received before the council meeting on Tuesday evening, it will be considered for recommendation at the meeting.

Item Summary: The Elevator at City Hall, has had issues for the last several months. Three Elevator companies have tried to make repairs all of which have failed to correct the underlying problem. It has been recommended by Thyssenkrupp that the enclosed proposal, to bring all components of the elevator system up to date is the only way to ensure the continued safe and dependable operation of the system.

Background Information: Following several months of the elevator being intermittently out of service, a couple days at time, currently the elevator has been shut down since early August and will remain out of service until permanently fixed.

Staff had City Engineer Freese and Nichols review the proposed improvements from a structural/mechanical engineering perspective. They raised several questions about the proposed work, and the contractor and staff have been able to satisfactorily respond to each of the questions raised.

Special Considerations: This would be considered an emergency purchase under the city's procurement policy, however based on the proposal, it may take until the end of November to finish the project and put the elevator back in service. Because of that I delayed putting this item on the agenda at the last meeting with the intention of getting another proposal. I hope to have a competing proposal from Norrell Corporation, but at the writing this memo it still has not been received.

Board or 3rd Party recommendation: None

Financial Impact: The cost of this authorization is \$74,516.

Supporting Documentation: Proposal from Thyssenkrupp, Norrell proposal to be distributed at Meeting.

Modernization Proposal



CITY OF FREEPORT

August 12, 2019

Purchaser: CITY OF FREEPORT
Address: 200 W 2ND ST
FREEPORT, TX 77541-5773

Location: CITY OF FREEPORT
Address: 200 W 2ND ST
FREEPORT, TX 77541-5773

thyssenkrupp Elevator Corporation (hereinafter "thyssenkrupp" or "thyssenkrupp Elevator") is dedicated to delivering CITY OF FREEPORT (hereinafter "Purchaser") the safest, highest quality vertical transportation solutions. I am pleased to present this customized Proposal (the "Proposal") in the amount of **\$74,516** plus any applicable sales tax to modernize the elevator equipment described in the pages that follow at the above-referenced location.

Our modernization package is engineered specifically for your elevator system and will include the elevator mechanical and electrical components being replaced, refurbished or retained.

Benefits of Modernization include:

- Increased durability and reliability
- Improved fire and life safety features
- Decreased waiting times
- Reduced energy consumption
- Reduced operational cost
- Reduced troubleshooting time

This Proposal shall remain in effect for the next forty-five (45) days unless it is revoked earlier by thyssenkrupp in writing. The price above is subject to escalation - even after Purchaser's acceptance of this Proposal - under certain circumstances including the possibility that thyssenkrupp may be subjected to increased charges by its suppliers for any of the applicable materials and/or components due to the imposition of new or increased taxes, tariffs, or other charges imposed by applicable governmental authorities or the possibility that the work described in this Proposal is not completed by December 31, 2019.

In the event you have any questions regarding the content of this Proposal, please do not hesitate to contact me. We appreciate your consideration.

Sincerely,

John-David Mitchell
Modernization Sales
johndavid.mitchell@thyssenkrupp.com
+1 770 5477429

Modernization Proposal



SCOPE OF WORK

Grouping Name: 1

Equipment Type: Hydraulic	Speed: 150 fpm
3 Stops (3 Front /0 Rear)	Capacity: 2500 lbs.

Units Included

Building	Nickname	OEM Serial #	TKE Serial #	Legal ID
200 W 2 nd St.	Elevator 2			2

Description of Work

Controller

- TAC 32 Controller (Includes Options listed below)
- eMax Monitoring Device Provisions
- Battery Lowering in Controller
- Solid State Starters (6 or 12 leads) 460 / 575 VAC
- Viscosity Control (Required over 150 FPM)

Power Unit

- EP-190 Power Unit (Submersible)
- Viscosity Control (Required over 150 FPM)
- 5 gallon drum of Biodegradable oil (Citgo NZ)
- 55 gallon drum of Biodegradable oil (Citgo NZ)
- 2" Shutoff Valve Kit
- Packing
- Oil Line Piping

Car

- 21" Toe guard
- Car Top Railing
- Fan: Two Speed
- Car Top Exit Switch

Hoistway

- TAC 32 Field Friendly Wiring Package:
 - Includes single traveling cable
 - hoistway wiring
 - interlock wiring
 - interlock connectors
 - serial wiring
 - FIBER OPTIC CABLE, HOISTWAY PIPING & DUCT ARE NOT INCLUDED.
- HN Boxes (per each 2 cars, grouped)
- Steel Tape with Mounting hardware, Selector and magnets (terminal limits included)
- Final Limit Switch Package (Cam, Switches & mounting material)
- Hoistway Duct Kit

Pit

- Pit Stop Switch

Modernization Proposal



- Pit Flood Switch

Cab

Door Equipment

- LD-16 Plus Drive Only (FRONT)
 - includes Car Top Inspection station (w/ alarm signal)
- Micro Light (Front)
- Hoistway Door Escutcheons
- Car Rollers-Refurbish Door Rollers as needed
- Closer
- Hoistway Hanger / Hanger Rollers
- Interlocks
- Pick Up Rollers
- Gibs

Car Fixtures

- Main Car Station Includes Options Below
 - Swing Return (Mini-Swing (Column type) for New/Existing Dover/tkE Cabs)
- Vandal Resistant Floor Buttons
- Cast Braille Plates for Car Features
- Standard Key Switch Package
 - Fan
 - Light
 - Independent
 - Stop
 - Inspection/Hoistway Enable)
- Emergency Light mounted in COP
- 2004 and later Fire Service Phase II Features (includes instructions signage)
- Handicap Signal (Passing signal)
- Position Indicator (2" CE Segmented)
- ADA Phone System integral with COP (Rath)
- Speaker Pattern for Intercom System/ADA Phone
- No Smoking Symbol (Cast)
- Locked Service Cabinet
- Certificate Window
- Default Engravings
- GFI Outlet
- #4 Stainless Steel Finish (441)
- Emergency Light Test Button (constant pressure)
- TAC Serial Boards (Main)
- Car Riding Lantern (Standard) #4 S/S (441)

Hall Fixtures

- Fire Service Phase I Key Switch
- Fire Service Phase I Engraved Instructions
- Hoistway Access Switch (in Hall Station)
- Terminal Hall Stations (Surface Mounted) with
 - Appendix O (Polycarbonate insert flame with engraved verbiage)
 - Fusion (#4 S/S (304))
- Serial Boards for Front Risers

Modernization Proposal



- Serial Boards for Hoistway Access (as needed)
- Serial Boards for Rear Risers (as needed)
- TAC Serial Boards, Base Charge
- Intermediate Hall Stations (Surface Mounted) with
 - Appendix O (Polycarbonate insert flame with engraved verbiage)
 - Fusion (#4 S/S (304))

1. Key Tasks and Approximate Lead Times

Key Tasks to be performed to be performed by Purchaser prior to equipment fabrication:

- Execution of this Proposal
- Payment for pre-production and engineering
- Approval of layout (if applicable)
- Execution of thyssenkrupp's Material Release Form

Approximate Durations/Lead Times

Contract execution (can run concurrently with layout drawing package preparation and approval)	Varies
Survey and Order of Materials (additional time required for cab, signal, entrance preparation and approval, if applicable)	4-6 Weeks
Fabrication time (from receipt of all approvals, fully executed contract, Material Release Form and initial progress payment)	6-8 Weeks
Modernization of elevator system (Per Unit): (Upon completion of all required preparatory work by others)	2 to 3 Weeks

The durations or lead times listed above are strictly approximations that can vary due to factors both within and outside of thyssenkrupp's control, are subject to change without notice to Purchaser and shall not be binding on thyssenkrupp.

2. Payment Terms

50% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) will be due and payable as an initial progress payment within 30 days from thyssenkrupp's receipt of a fully executed copy of this Proposal. This initial progress payment will be applied to project management, permits, engineering and shop drawings, submittals, drilling mobilization (if required) and raw material procurement. Material will be ordered once this payment is received and the parties have both executed this Proposal and the Material Release Form.

25% of the price set forth in this Proposal as modified by options selected from the section entitled "Value Engineering Opportunities & Alternates" (if applicable) shall be due and payable when the material described above has been furnished. Material is considered furnished when it has been received at the jobsite or thyssenkrupp staging facility. Receipt of this payment is required prior to mobilization of labor.

25% of the price set forth in this Proposal shall be made as progress payments throughout the life of the project. In the event thyssenkrupp fails to receive payment within thirty (30) days of the date of a corresponding invoice, thyssenkrupp reserves the right to demobilize until such a time that the payments have been brought up to date, and thyssenkrupp has the available manpower. It is agreed that there will be no withholding of retainage from any billing and by the customer from any payment.

Purchaser agrees that thyssenkrupp shall have no obligation to complete any steps necessary to provide Purchaser with full use and operation of the installed equipment until such time as thyssenkrupp has been paid 100% both of the price reflected in this Proposal and for any other work performed by thyssenkrupp or its subcontractors in furtherance of this Proposal. Purchaser agrees to waive any and all claims to the turnover and/or use of that equipment until such time as those amounts are paid in full.

Modernization Proposal



Proposal price:		\$74,516
Estimated tax:	8.25	\$6,148
Estimated contract price:		\$80,664
Initial progress payment:	(50%)	\$40,332
Material furnished:	(25%)	\$20,166
Total of remaining progress payments:	(25%)	\$20,166

3. Warranty

thyssenkrupp warrants any equipment it installs as described in this Proposal against defects in material and workmanship for a period of one (1) year from the date of Purchaser's execution of thyssenkrupp's "Final Acceptance Form" on the express conditions that all payments made under this Proposal and any mutually agreed-to change orders have been made in full and that such equipment is currently being serviced by thyssenkrupp. In the event that thyssenkrupp's work is delayed for a period greater than six (6) months, the warranty shall be reduced by the amount of the delay. This warranty is in lieu of any other warranty or liability for defects. thyssenkrupp makes no warranty of merchantability and no warranties which extend beyond the description in this Proposal, nor are there any other warranties, expressed or implied, by operation of law or otherwise. Like any piece of fine machinery, the equipment described in this Proposal should be periodically inspected, lubricated, and adjusted by competent personnel. This warranty is not intended to supplant normal maintenance service and shall not be construed to mean that thyssenkrupp will provide free service for periodic examination, lubrication, or adjustment, nor will thyssenkrupp correct, without a charge, breakage, maladjustments, or other trouble arising from normal wear and tear or abuse, misuse, improper or inadequate maintenance, or any other causes other than defective material or workmanship. In order to make a warranty claim, Purchaser must give thyssenkrupp prompt written notice at the address listed on the cover page of this Proposal and provided all payments due under the terms of this Proposal and any mutually agreed to written change orders have been made in full, thyssenkrupp shall, at its own expense, correct any proven defect by repair or replacement. thyssenkrupp will not, under any circumstances, reimburse Purchaser for cost of work done by others, nor shall thyssenkrupp be responsible for the performance of any equipment that has been the subject of service, repair, replacement, revisions or alterations by others. If there is more than one (1) unit which is the subject of work described in this Proposal, this section shall apply separately to each unit as accepted.

4. Preventative Maintenance Program

This Proposal does not include any maintenance, service, repair or replacement of the modernized equipment or any other work not expressly described herein. thyssenkrupp will submit a separate proposal to Purchaser covering the maintenance and repair of this equipment to be supplied to Purchaser at an additional cost.

5. Work Not Included

There are certain items that are not included in this Proposal, many of which must be completed by Purchaser prior to and as a condition precedent to thyssenkrupp Elevator's performance of its work as described in this Proposal. In order to ensure a successful completion of this project, it shall be solely Purchaser's responsibility to coordinate its own completion of those items with thyssenkrupp Elevator. The following is a list of those items that are not included in this Proposal:

A. Hoistways and Equipment Rooms

1. Purchaser shall provide the following:

- a. A dry legal hoistway, properly framed and enclosed, and including a pit of proper depth and overhead. This is to include steel safety beam, inspection or access platforms, access doors, sump pump, lights, waterproofing and venting as required; dewatering of pit(s) and required permanent screening/
- b. A legal machine/control room, adequate for the elevator equipment, including floors, trap doors, gratings, access platforms, ladders, railings, foundations, lighting, ventilation sized per the thyssenkrupp shop drawings. Purchaser must maintain machine/control room temperature between 55 and 90 degrees Fahrenheit, with relative humidity less than 95% non-condensing at all times.
- c. Adequate bracing of entrance frames to prevent distortion during wall construction.

Modernization Proposal



- d. All grouting, fire caulking, cutting, x-ray and removal of walls and floors, patching, coring, setting of sleeves/knockouts, penetrations and painting (except as specified) and removal of obstructions required for elevator work; along with all proper trenching and backfilling for any underground piping and/or conduit.
- e. All labor and materials necessary to support the full width of the hoistway at each landing for anchoring or welding thyssenkrupp sill supports, steel angles, sill recesses;
- f. The furnishing, installing and maintaining of the required fire rating of elevator hoistway walls, including the penetration of firewall by elevator fixture boxes;
- g. Ensuring that the elevator hoistways and pits are dewatered, cleaned and properly waterproofed;

B. Electrical and Life Safety:

1. Purchaser shall provide the following:

- a. suitable connections from the power main to each controller and signal equipment feeders as required, including necessary circuit breakers and fused mainline disconnect switches per N.E.C. prior to installation. Suitable power supply capable of operating the new elevator equipment under all conditions;
- b. piping and wiring to controller for mainline power, car lighting, and any other building systems that interface with the elevator controls per N.E.C. Articles 620-22 and 620-51;
- c. any required hoistway / wellway, machine room, pit lighting and/or 110v service outlets;
- d. conduit and wiring for remote panels to the elevator machine room(s) and between panels. Remote panels required by local jurisdictions are not included in this proposal;
- e. a bonded ground wire, properly sized, from the elevator controller(s) to the primary building ground; and all remote wiring to the outside alarm bell as requested by all applicable code provisions;
- f. installed sprinklers, smoke/heat detectors on each floor, machine room and hoistways / wellways, shunt trip devices (not self-resetting) and access panels as may be required as well as normally open dry contacts for smoke/heat sensors, which shall be terminated by Purchaser at a properly marked terminal in the elevator controller;
- g. a dedicated, analog telephone line to elevator each controller recognizing that the elevator telephone is required by code to be monitored 24 hours a day, 7 days a week; one additional telephone line per group of elevators for diagnostic capability wired to designated controller;
- h. a means to automatically disconnect the main line and the emergency power supply to the elevator prior to the application of water in the elevator machine room that shall not be self-resetting;
- i. emergency power supply including automatic time delay transfer switch and auxiliary contacts with wiring to the designated elevator controller and along with electrical cross connections between elevator machine rooms for emergency power purposes;
- j. the following emergency power provisions are not included: interface in controller, pre-testing and testing, emergency power keyswitches;
- k. emergency power operation is included as part of the design of the elevator control system and based on each car in the group only, to properly sequence, one at a time to the programmed landing, and park. The design requires that the generator, transfer switch, and related circuitry are sufficient to run this function or any other function for any building other system that is associated with this project. In the event that the generator, transfer switch, and related circuitry are not sufficient, thyssenkrupp Elevator will provide Purchaser with a written change order for Purchaser's execution.
- l. a dry set of contacts which close 20 seconds prior to the transfer from normal power to emergency power or from emergency power to normal power whether in test mode or normal operating conditions in the event that an emergency power supply will be provided for the elevator;
- m. confirmation that the emergency standby power generator and/or building can accept the power generated to and from the elevator during both Hi-Speed and Deceleration. In cases where the generator and/or building load is not electrically sized to handle the power return from the regen drive, additional separate chopper and resistor units are available for purchase but not included in this proposal. The additional chopper and resistor units allow regenerated power to be dissipated in the resistor bank and not sent back into the building grid.

C. Miscellaneous:

- 1. Purchaser shall provide all work relating to the finished cab flooring including, but not limited to, the provision of materials and its installation to comply with all applicable codes;
- 2. Hydraulic jack replacement:
 - a. the excavation of the elevator cylinder well hole in the event drilling is necessary through soil that is not free from rock, sand, water, building construction members and obstructions. Should obstructions be encountered, thyssenkrupp Elevator will proceed only after written authorization has been received from the Purchaser. The contract price shall be increased by the amount of additional labor at thyssenkrupp Elevator's standard labor rates as per the local office along with any additional expenses and materials required;
 - b. adequate ingress and egress, including ramping, for rail-mounted or truck-mounted drill rig;

Modernization Proposal



- c. Purchaser is responsible for pumping truck contractor to remove and dispose of spoils from the site. In the event that unforeseen and unfavorable below ground conditions are encountered, including but not limited to concrete around the cylinder, construction debris, adverse water and/or soil conditions, erosion, cavitations, oil contamination, or circumstances necessitating increased hole depth, etc., which require the employment of specialized contractors, thyssenkrupp shall immediately advise the Purchaser and costs will be extra to the contract;
- d. in ground protection systems other than thyssenkrupp Elevator's standard HDPE or PVC protection system with bottomless corrugated steel casing;
- e. any required trenching and backfilling for underground piping or casings, and conduit as well as any compaction, grouting, and waterproofing of block-out;
- f. engineering, provision and installation of methane barriers or coordination/access;
- g. access to 2" pressurized water supply within 100'-0" of the jack hole location;
- h. a safe, accessible storage area for placement of D.O.T. 55 gallon containers for the purpose of spoils containment; obtaining of local environmental or disposal permits
- i. any spoils or water testing;

6. Working Hours, Logistics and Mobilization

- a. All work described in this Proposal shall be performed during thyssenkrupp's regular working days – defined as Monday thru Friday and excluding IUEC recognized holidays – and regular working hours – defined as those hours regularly worked by thyssenkrupp modernization mechanics at the thyssenkrupp branch office that will provide labor associated with the performance of the work described in this Proposal - unless otherwise specified and agreed to in writing by both thyssenkrupp and Purchaser (hereinafter thyssenkrupp's regular working days and regular working hours shall be collectively defined as "normal working hours"). thyssenkrupp shall be provided with uninterrupted access to the elevator hoistway and machine room areas to perform work during normal working hours.
- b. Purchaser shall provide on-site parking to all thyssenkrupp personnel at no additional cost to thyssenkrupp.
- c. Purchaser shall provide traffic control, lane closures, permits and flagmen to allow suitable access/unload of tractor trailer(s).
- d. Purchaser agrees to provide unobstructed tractor-trailer access and roll-able access from the unloading area to the elevator or escalator hoistways or wellways (as applicable).
- e. Purchaser will be required to sign off on the Material Release Form, which will indicate the requested delivery date of equipment to the site. If Purchaser is not ready to accept delivery of the equipment within ten (10) business days of the agreed upon date, Purchaser will immediately make payments due for equipment and designate an area adjacent to the elevator shaft where Purchaser will accept delivery. If Purchaser fails to provide this location or a mutually agreeable alternative, thyssenkrupp is authorized to warehouse the equipment at the thyssenkrupp warehouse or designated distribution facility at Purchaser's risk and expense. Purchaser shall reimburse thyssenkrupp for all costs due to extra handling and warehousing. Storage beyond ten (10) business days will be assessed at a rate of \$100.00 per calendar day for each unit listed in this Proposal, which covers storage and insurance of the elevator equipment and is payable prior to delivery.
- f. Purchaser agrees to provide a dry and secure area adjacent to the hoistway(s) at the ground level for storage of the elevator equipment and tools within ten (10) business days from receipt at the local thyssenkrupp warehouse. Any warranties provided by thyssenkrupp for vertical transportation equipment will become null and void if equipment is stored in any manner other than a dry, enclosed building structure. Any relocation of the equipment as directed by Purchaser after initial delivery will be at Purchaser's expense.
- g. thyssenkrupp includes one mobilization to the jobsite. A mobilization fee of \$2,500.00 per crew per occurrence will be charged for pulling off the job or for any delays caused by others once material has been delivered and thyssenkrupp's work has commenced.
- h. Access for this project shall be free and clear of any obstructions. A forklift for unloading and staging material shall also be provided by Purchaser at no additional cost.
- i. Purchaser shall provide an on-site dumpster. thyssenkrupp will be responsible for cleanup of elevator/ escalator packaging material; however, composite cleanup participation is not included in this Proposal.
- j. The hiring of a disposal company which MUST be discussed prior to any material being ordered or work being scheduled. thyssenkrupp will provide environmental services ONLY if this is specifically included under the "Scope of Work" section above. thyssenkrupp assumes no responsibility and/or liability in any way whatsoever for spoils or other contamination that may be present as a result of the cylinder breach and/or other conditions present on the work site.
- k. One or more of the units described in this Proposal will be out of service and unavailable to move passengers and/or property during entire duration of the performance of the work described in this Proposal until re-certified by the applicable authority(ies) having jurisdiction and in good standing with payment schedules.

7. Temporary Use, Inspection and Turnover

Modernization Proposal



- a. Unless required by specification, thyssenkrupp will not provide for “temporary use” of the elevator(s) described in this Proposal prior to completion and acceptance of the complete installation. Temporary use shall be agreed to via a change order to this Proposal which shall require Purchaser’s execution of thyssenkrupp’s standard Temporary Use Agreement. Cost for temporary use of an elevator shall be \$200.00 per calendar day per hydraulic elevator and \$250.00 per calendar day for each traction elevator for rental use only, excluding personnel to operate. All labor and parts, including callbacks required during the temporary use period will be billed at thyssenkrupp’s standard local billing rates. In the event that an elevator must be provided for temporary use, thyssenkrupp will require 30 days to perform final adjustments and re-inspection after the elevator has been returned to thyssenkrupp with all protection, intercoms and temporary signage removed. This duration does not include any provisions for finish work or for repairs of same, which shall be addressed on a project-by-project basis. Cost for preparation of controls for temporary use, refurbishment due to normal wear and tear, readjustment and re-inspection is \$3,500.00 per elevator up to 10 floors. For projects above 10 stops, an additional cost of \$1,500.00 / 10 floors shall apply. These costs are based on work performed during normal working hours. Temporary use excludes vandalism or misuse. Any required signage, communication devices, elevator operators, and protection are not included while temporary use is being provided. All overtime premiums for repairs during the temporary use period will be billed at thyssenkrupp’s local service billing rates.
- b. The Proposal price set forth above includes one (1) inspection per unit by the applicable authority having jurisdiction if required by the government of the locality where the equipment is located. In the event the equipment fails that inspection due to no fault of thyssenkrupp, thyssenkrupp will charge Purchaser for both the cost of each re-inspection which shall be \$1,500.00 and a remobilization fee which shall be \$2,500.00 via change order prior to scheduling a re-inspection.
- c. Upon notice from thyssenkrupp that the modernization of the equipment is complete, Purchaser will arrange to have present at the jobsite a person authorized to make the final inspection and to execute thyssenkrupp’s “Final Acceptance Form.” The date and time that such person will be present at the site shall be mutually agreed upon but shall not be more than ten (10) business days after the date of thyssenkrupp’s notice of completion to Purchaser unless both thyssenkrupp and Purchaser agree to an extension of that ten (10) day period in writing. Such final inspection and execution of thyssenkrupp’s “Final Acceptance Form” shall not be unreasonably delayed or withheld.
- d. Should the Purchaser or the local authority having jurisdiction require thyssenkrupp Elevator’s presence at the inspection of equipment installed by others in conjunction with the work described in this Proposal, Purchaser agrees to compensate thyssenkrupp Elevator for its time at thyssenkrupp Elevator’s current billing rate as posted at its local office.
- e. At the conclusion of its work, thyssenkrupp Elevator will remove all equipment and unused or removed materials from the project site and leave its work area in a condition that, in thyssenkrupp Elevator’s sole opinion, is neat and clean.
- f. Purchaser agrees to accept a live demonstration of equipment’s owner-controlled features in lieu of any maintenance training required in the bid specifications.
- g. Purchaser agrees to accept thyssenkrupp’s standard owner’s manual in lieu of any maintenance, or any other, manual(s) required in the bid specifications.

8. MAX

MAX is a cloud based Internet of Things (IoT) platform that we, at our election, may connect to your elevators and escalators by means of installation of a remote-monitoring device or modem (each a “device”). MAX will analyze the unique signal output of your equipment 24/7 and when existing or potential outages are identified, MAX will automatically communicate with our dispatch centers. When appropriate, the dispatch center will alert our technicians during normal working hours. These MAX alerts provide the technician with precise diagnostics detail, which greatly enhances our ability to fix your equipment right the first time, MAXimizing the equipment uptime.

- a. Purchaser authorizes thyssenkrupp elevator and its employees to access purchaser’s premises to install, maintain and/or repair the devices and, upon termination of the service agreement, to remove the same from the premises if we elect to remove.
- b. thyssenkrupp Elevator is and shall remain the sole owner of the devices and the data communicated to us by the devices. The devices shall not become fixtures and are intended to reside where they are installed. thyssenkrupp Elevator may remove the devices and cease all data collection and analysis at any time.
- c. If the service agreement between thyssenkrupp Elevator and Purchaser is terminated for any reason, thyssenkrupp Elevator will automatically deactivate the data collection, terminate the device software and all raw data previously received from the device will be removed and/or expunged or destroyed.
- d. Purchaser consents to the installation of the devices in your elevators and to the collection, maintenance, use, expungement and destruction of the daily elevator data as set forth in this agreement.
- e. The devices installed by thyssenkrupp Elevator contain trade secrets belonging to us and are installed for the use and benefit of our personnel only.
- f. Purchaser agrees not to permit purchaser personnel or any third parties to use, access, tamper with, relocate, copy, disclose, alter, destroy, disassemble or reverse engineer the device while it is located on purchaser’s premises.

Modernization Proposal



g. The installation of this equipment shall not confer any rights or operate as an assignment or license to you of any patents, copyrights or trade secrets with respect to the equipment and/or any software contained or imbedded therein or utilized in connection with the collection, monitoring and/or analysis of data.

9. Additional Terms and Conditions

- a. In no event shall thyssenkrupp be responsible for liquidated, consequential, indirect, incidental, exemplary, and special damages associated with the work described in this Proposal.
- b. This Proposal is made without regard to compliance with any special purchasing, manufacturing or construction/installation requirements including, but not limited to, any socio-economic programs, such as small business programs, minority or woman owned business enterprise programs, or local preferences, any restrictive sourcing programs, such as Buy American Act, or any other similar local, state or federal procurement regulations or laws that would affect the cost of performance. Should any such requirements be applicable to the work described in this Proposal, thyssenkrupp reserves the right to modify this Proposal or rescind it altogether.
- c. thyssenkrupp is an equal opportunity employer.
- d. thyssenkrupp's performance of the work described in this Proposal is contingent upon Purchaser furnishing thyssenkrupp with any and all necessary permission or priority required under the terms and conditions of government regulations affecting the acceptance of this Proposal or the manufacture, delivery or installation of the equipment. All applicable sales and use taxes, permit fees and licenses imposed upon thyssenkrupp as of the date of the Proposal are included in the price of the Proposal. Purchaser is responsible for any additional applicable sales and use taxes, permit fees and licenses imposed upon thyssenkrupp after the date of the Proposal or as a result of any law enacted after the date of the Proposal.
- e. All taxes, tariffs, duties, permit and/or license fees imposed upon thyssenkrupp as of the date of the execution of this Proposal are included in the price of the Proposal. Purchaser is responsible, in addition to the Proposal price, to pay thyssenkrupp for any additional (or any increase in) applicable taxes, tariffs, duties, permit and/or license fees imposed upon thyssenkrupp after the date of acceptance of this Proposal by any governmental authority or by any of thyssenkrupp's suppliers of the materials and/or components required in connection with this Proposal.
- f. Purchaser agrees to provide thyssenkrupp's personnel with a safe place in which to work and thyssenkrupp reserves the right to discontinue work at the jobsite whenever, in thyssenkrupp's sole opinion, this provision is being violated.
- g. The pricing set forth in this Proposal assumes that the elevator pits will not be classified as a confined space. thyssenkrupp Elevator will follow its standard safety policy and procedures. Any job specific safety requirements over and above thyssenkrupp's standard practices and policies may require additional costs.
- h. thyssenkrupp Elevator will furnish and install all equipment in accordance with the terms, conditions, scope and equipment nomenclature as noted herein. Requested changes or modifications to such provisions will require a written change order issued on the Purchaser's letterhead and accepted by thyssenkrupp in writing prior to the execution of such work. This change order shall detail the current contract price, the amount of the change, and new contract value.
- i. This Proposal does not include a schedule for the work described and any such schedule shall be mutually agreed upon by an authorized representative of both thyssenkrupp and Purchaser in writing before becoming effective.
- j. In the event asbestos material is knowingly or unknowingly removed or disturbed in any manner at the jobsite, Purchaser shall monitor thyssenkrupp's work place and prior to and during thyssenkrupp's manning of the job, Purchaser shall certify that asbestos in the environment does not exceed .01 fibers per cc as tested by NIOSH 7400. In the event thyssenkrupp's employees or those of thyssenkrupp's subcontractors are exposed to an asbestos hazard, PCP's, lead or other hazardous substances, Purchaser agrees, to the fullest extent permitted by law, to indemnify, defend, and hold thyssenkrupp harmless from all damages, claims, suits, expenses, and payments resulting from such exposure. Identification, notification, removal and disposal of asbestos containing material, PCP's lead or other hazardous substances are the responsibility of the Purchaser.
- k. thyssenkrupp retains title to and a security interest in all equipment it supplies -- which thyssenkrupp and Purchaser agree can be removed without material injury to the real property -- until all payments including deferred payments and any extensions thereof, are made. In the event of any default by Purchaser on any payment, or any other provision of this Proposal, thyssenkrupp may take immediate possession of the equipment and enter upon the premises where it is located -- without legal process -- and remove such equipment or portions thereof, irrespective of the matter of its attachment to the real estate or the sale, mortgage or lease of the real estate. Pursuant to the Uniform Commercial Code, and at thyssenkrupp's request, Purchaser agrees to execute any financial or continuation statements which may be necessary for thyssenkrupp to file in public offices in order to perfect thyssenkrupp's security interest in such equipment.
- l. thyssenkrupp shall not be liable for any loss, damage or delay caused by acts of government, labor troubles, strikes, lockouts, fire, explosion, theft, floods, riot, civil commotion, war, malicious mischief, acts of God or any cause beyond its control.
- m. The rights of thyssenkrupp under this Proposal shall be cumulative and the failure on the part of the thyssenkrupp to exercise any rights hereunder shall not operate to forfeit or waive any of said rights. Any extension, indulgence or change by

Modernization Proposal



thyssenkrupp in the method, mode or manner or payment or any of its other rights shall not be construed as a waiver of any of its rights under this Proposal.

n. In the event thyssenkrupp engages a third party to enforce the terms of this Proposal, and/or to collect payment due hereunder, either with or without suit, Purchaser agrees to pay all costs thereof together with reasonable attorney's fees. Purchaser does hereby waive trial by jury and does hereby consent to the venue of any proceeding or lawsuit under this Proposal to be in the county where the work covered by this Proposal is located.

o. thyssenkrupp can furnish Certificate of Workers' Compensation, Bodily Injury and Property Damage Liability Insurance coverage to Purchaser upon written request.

p. Should loss of or damage to thyssenkrupp's material, tools or work occur at the project site, Purchaser shall compensate thyssenkrupp for such loss, unless such loss or damage results from thyssenkrupp's own acts or omissions.

q. Purchaser, in consideration of thyssenkrupp performing the services set forth in this Proposal, to the fullest extent permitted by law expressly agrees to indemnify, defend, save harmless, discharge, release and forever acquit thyssenkrupp Elevator Corporation, thyssenkrupp Elevator Manufacturing, Inc., their respective employees, officers, agents, insurers, affiliates, and subsidiaries (hereinafter singularly a "thyssenkrupp party" and collectively the "thyssenkrupp parties") from and against any and all claims, demands, suits, and proceedings for loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death that are alleged to either have arisen out of or be connected with the sale, marketing, presence, use, misuse, maintenance, installation, removal, modernization, manufacture, design, operation or condition of the equipment that is the subject matter of this Proposal or the labor and materials furnished in connection with this Proposal. Purchaser's duty to indemnify a thyssenkrupp party does not apply to the extent that the loss, property damage (including damage to the equipment which is the subject matter of this Proposal), personal injury or death is determined to be caused by or resulting from the negligence of that thyssenkrupp party. Purchaser recognizes that its obligation to defend the thyssenkrupp parties under this clause, which is separate and apart from its duty to indemnify the thyssenkrupp parties, includes payment of all attorneys' fees, court costs, judgments, settlements, interest and any other expenses of litigation arising out of such claims, demands, suits or proceedings.

r. Purchaser further expressly agrees to name thyssenkrupp Elevator Corporation and thyssenkrupp Elevator Manufacturing, Inc. along with their respective officers, agents, affiliates and subsidiaries as additional insureds in Purchaser's liability and any excess (umbrella) liability insurance policy(ies). Such insurance must insure thyssenkrupp Elevator Corporation and thyssenkrupp Elevator Manufacturing, Inc. for those claims and/or losses referenced in the above paragraph and those claims and/or losses arising from the negligence of thyssenkrupp Elevator Corporation and thyssenkrupp Elevator Manufacturing, Inc. Such insurance must specify that its coverage is primary and non-contributory. Purchaser hereby waives its right of subrogation.

s. thyssenkrupp's participation in any controlled insurance program is expressly conditioned upon review and approval of all controlled insurance program information and documentation prior to enrollment. Any insurance credits if applicable, will be provided at that time.

Modernization Proposal



Acceptance

Purchaser's acceptance of this Proposal and its approval by an authorized manager of thyssenkrupp will constitute exclusively and entirely the agreement between the parties for the goods and services herein described and full payment of the sum of Seventy Four Thousand Five Hundred Sixteen Dollars (\$74,516).

All other prior representations or regarding this work, whether written or verbal, will be deemed to be merged herein and no other changes in or additions to this Proposal will be recognized unless made in writing and properly executed by both parties as a change order. Should Purchaser's acceptance be in the form of a purchase order or other similar document, the provisions of this Proposal will exclusively govern the relationship of the parties with respect to this transaction. No agent or employee shall have the authority to waive or modify any of the terms of this Proposal without the prior written approval of an authorized thyssenkrupp manager.

CITY OF FREEPORT
(Purchaser):

thyssenkrupp Elevator Corporation Management Approval

By:
(Signature of Authorized Individual)

By:
(Signature of Branch Representative)

(Print or Type Name)

Gabe Foreman

(Print or Type Title)

Service Sales Manager

(Date of Acceptance)

(Date of Execution)



**SCHEDULING AND PRODUCTION
REQUEST FOR PAYMENT**

Please Remit To: thyssenkrupp Elevator Corporation
Attn: Accounts Receivable Dept.
3100 Interstate North Cir SE
Ste 500
Atlanta, GA 30339-2227

CITY OF FREEPORT
200 W 2ND ST
FREEPORT TX, 77541-5773

Date	Terms	Reference ID	Customer Reference # / PO
August 12, 2019	Immediate	ACIA-1LQ34N0	
Total Contract Price:			\$74,516.00
Estimated Tax:		8.25	\$6,147.57
Estimated Invoice Amount (Incl. of taxes)			\$80,664.00
Initial progress payment:		(50%)	\$40,332.00

For inquiries regarding your contract or services provided by thyssenkrupp Elevator, please contact your local account manager at +1 770 5477429. To make a payment by phone, please call 770-261-0016 with the reference information provided below.

Current and former service customers can now pay online at:
<https://secure.billtrust.com/thyssenkruppelevator/ig/one-time-payment>

Thank you for choosing thyssenkrupp Elevator. We appreciate your business.

Please detach the below section and provide along with payment.

Customer Name:	CITY OF FREEPORT	Remit To:	
Location Name:	CITY OF FREEPORT	thyssenkrupp Elevator Corporation	
Customer Number:	60316	3100 Interstate North Cir SE	
Quote Number:	2019-2-729720	Ste 500	
Reference ID:	ACIA-1LQ34N0	Atlanta, GA 30339-2227	
Remittance Amount:	\$40,332		



City Council Agenda Item #9

Title: Consideration and possible action by City Council declaring certain items as surplus and authorizing staff to properly dispose of those items.

Date: 09/03/2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends City council declare the items on the attached list as surplus and authorize staff to properly dispose of items identified.

Item Summary

The items included on the attached list have been identified by staff to be no longer needed by the city. With the intent of furthering transparency, prior to proper disposal, I like to have council recognize the items as surplus and make the public aware of the city's intention to dispose of the items.

In most cases these items would be placed for auction in a live on-line auction. Revenue generated by this will go back into the General Fund. In other cases, the items may be donated to other public agencies.

Background Information: None

Special Considerations: None.

Board or 3rd Party recommendation: All items on the list were recommended for surplus by controlling department Director

Financial Impact: the city is proposing a budget in the upcoming year that reflects \$110,000 from sale of surplus property, which includes items like this as well as the sale of surplus land and lots.

Supporting Documentation: List of property to be declared surplus

Department	Asset ID	Description	Class	Serial Number	Tag Number	Manufacturer	Model	Primary Location	Disposal Method
HISTORICAL MUSEUM		BLUENAY PLAYER	EQUIPMENT	1008908		SONY	BDP-5790	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		PRINTER	EQUIPMENT	WBK075681		EPSON	ET2550	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		DVD PLAYERS (2)	EQUIPMENT	KK1A0913215A03 8		PHILLIPS	DVP9590	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		POS SYSTEM, CASH DRAWER	EQUIPMENT	K31A0918912106		REVEL		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		USB SCANNER	EQUIPMENT	100056158		VISIONER	ONE TOUCH 9120	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		CANON PRINTER	EQUIPMENT	416900143301		CANON	IMAGE CLASS D320	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		CANON I62600 PRINTER	EQUIPMENT	CG284850		CANON	IP2600	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		6VR HEADSETS, 3VR CARD SET	EQUIPMENT	071701-11		MISCELLANEOUS		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		EVO VIRTUAL REALITY HEADSET	EQUIPMENT			EVO	VX520 CT15	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		VERIFONE KEYPAD	EQUIPMENT			VERIFONE	SD4300 DVD	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		DVD PLAYER	EQUIPMENT			EPSON		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		RECEIPT PRINTER	EQUIPMENT			BROTHER		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		INK CARTRIDGES FOR BROTHER PRINTER L1203CXL, L1201CL	EQUIPMENT			INDENTIFIED		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		FISH TANK	EQUIPMENT			DYMO	LT-100T	MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		LABEL MAKER, PAPER REHILL	EQUIPMENT			INDENTIFIED		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		CD PLAYER	EQUIPMENT			BROTHER		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		INK CARTRIDGES FOR BROTHER PRINTER L1203CXL, L1201CL	EQUIPMENT			RED SEAL		MUSEUM STORAGE	AUCTION
HISTORICAL MUSEUM		GENERATOR ENGINE 6CYL	EQUIPMENT	270100110	N/A	BARTCO	BARTMILL BM-325	SERVICE CENTER	
HISTORICAL MUSEUM		RECLAIMER/TILLER	EQUIPMENT	1GDCCL42Z22505126	N/A	CHEVROLET	1500 PICKUP SILVERADO	SERVICE CENTER	
HISTORICAL MUSEUM		1993 SILVERADO 1500 PICKUP	VEHICLE	1FTZF1275YK478020	640-060	FORD	F-150	SERVICE CENTER	
HISTORICAL MUSEUM		PICKUP F-150 2000	VEHICLE	1FTJW35M8REK00358	1313904	FORD	F350	SERVICE CENTER	
HISTORICAL MUSEUM		1994 FORD F350 FLATBEN	VEHICLE		N/A	STONE		SERVICE CENTER	
HISTORICAL MUSEUM		STONE CONSTRUCTION	EQUIPMENT	62004076	N/A		1250M	SERVICE CENTER	
HISTORICAL MUSEUM		EQUIPMENT CEMENT MIXER 3/4 YARD	EQUIPMENT			INTERNATIONAL	2654 6X4	SERVICE CENTER	
HISTORICAL MUSEUM		1995 INTERNATIONAL DUMP TRUCK	VEHICLE	1HTGHAR65H691052	1260067	CHANCE COACH	B5-24	SERVICE CENTER	
HISTORICAL MUSEUM		1987 CHANCE TROLLEY	VEHICLE	1C9C32DW8HW07378	110-5724	GRAM CUT MOR	T85A 12X6	SERVICE CENTER	
HISTORICAL MUSEUM		LAWN CARE TRAILER	VEHICLE	1009180140	9023220	GRAM CUT MOR	T85A 3000	SERVICE CENTER	
HISTORICAL MUSEUM		LAWN CARE TRAILER	VEHICLE	1029480110		DETROIT	PTA41052	SERVICE CENTER	
HISTORICAL MUSEUM		2CYL DETROIT DIESEL PUMP ENGINE	EQUIPMENT	499134	N/A	DELL	1709PT	RETIRED	
HISTORICAL MUSEUM		DELL COMPUTER MONITOR	EQUIPMENT	027315-7168-461-AF72		NEC	V4223	RETIRED	
HISTORICAL MUSEUM		42 INCH NEC-LCD MONITOR	EQUIPMENT	52036941VA		SAMSUNG	LN-174061F	RETIRED	
HISTORICAL MUSEUM		42 INCH SAMSUNG TV	EQUIPMENT	AHBA3CPAD0577K		SONY	LD320558A	RETIRED	
HISTORICAL MUSEUM		39 INCH SYLVANIA TV	EQUIPMENT	J46714049		APPLE	KDL-32W4000	RETIRED	
HISTORICAL MUSEUM		36 INCH SONY TV W/REMOTE	EQUIPMENT	4070076		DELL	1709PPT	RETIRED	
HISTORICAL MUSEUM		32 INCH APPLE MONITOR	EQUIPMENT	027315-71618-461-AF7B		DELL	1709PPT	RETIRED	
HISTORICAL MUSEUM		19 INCH DELL MONITOR	EQUIPMENT	027315-71638-461-ADR9		DELL	1709PPT	RETIRED	
HISTORICAL MUSEUM		19 INCH DELL MONITOR	EQUIPMENT	027315-71618-461-AD08		DELL	1709PPT	RETIRED	
HISTORICAL MUSEUM		32 INCH HEWLETT-PACKARD HARD DRIVE SILVER IN COLOR	EQUIPMENT	USE 106NATX		HEWLETT-PACKARD	H5TNS-2127	RETIRED	
HISTORICAL MUSEUM		HEWLETT-PACKARD SCANNER PRINTER	EQUIPMENT	CN1332808G		HEWLETT-PACKARD	SNPRC-0705	RETIRED	
HISTORICAL MUSEUM		DELL LAPTOP W/CHARGER	EQUIPMENT	CN-070761-1291-649 5882		DELL	PP18L	RETIRED	
HISTORICAL MUSEUM		ACER LAPTOP	EQUIPMENT	LKA2NOV0002852040241601		ACER	5515-5879	RETIRED	
HISTORICAL MUSEUM		HP HARD DRIVE	EQUIPMENT	MXL1331PF		HP	5515-5879LA062UT#ABA	RETIRED	
HISTORICAL MUSEUM		BROTHER THREE AND ONE PRINTER	EQUIPMENT	US2042CC0F327659		BROTHER	MFC-5490CN	RETIRED	
HISTORICAL MUSEUM		2 BLK IN COLOR COMPUTER STANDS FOR PATROL UNITS	EQUIPMENT					RETIRED	
HISTORICAL MUSEUM		2009 FORD FUSION BLUE IN COLOR	VEHICLE	3FA4P0GZ9M1348716	GMH4121	FORD	FUSION 4DR SEDAN	SERVICE CENTER	RETIRED
HISTORICAL MUSEUM		2011 FORD CROWN VICTORIA	VEHICLE	1DKEX09F473909	1159536	FORD	E350 BOX TRUCK	SERVICE CENTER	RETIRED
HISTORICAL MUSEUM			VEHICLE	2FABP7BV	1114998	FORD	CROWN VICTORIA SEDAN	SERVICE CENTER	RETIRED

Department	Asset ID	Description	Class	Serial Number	Tag Number	Manufacturer	Model	Primary Location	Disposal Method
POLICE	525-40	2008 FORD F150 CREWCAB WHITE IN COLOR	VEHICLE	1FTPW12588R841439	AZ79716	FORD	F150 CREWCAB PICKUP	SERVICE CENTER	RETIRED
POLICE	525-63	2005 CHEVROLET TAHOE	VEHICLE	1GNEC13234R145538	1177474	CHEVROLET	TAHOE-WHITE	SERVICE CENTER	RETIRED
BUILDING/ CODE		5 DRAWER FILING CABINET (ANDERSON HICKEY)							
BUILDING/ CODE		2 DRAWER FILING CABINET SILVER							
BUILDING/ CODE		4 DRAWER FILING CABINET BLACK							
BUILDING/ CODE		2 DRAWER FILING CABINET SILVER							
BUILDING/ CODE		4 DRAWER FILING CABINET BLACK GLOBAL							
BUILDING/ CODE		2 DRAWER FILING CABINET TAN							
BUILDING/ CODE		4 DRAWER FILING CABINET SILVER HASKELL							
BUILDING/ CODE		2 DRAWER FILING CABINET TAN							
BUILDING/ CODE		2 DRAWER FILING CABINET SILVER							
BUILDING/ CODE		2 DRAWER FILING CABINET BLACK							
BUILDING/ CODE		BURROWS ADDING MACHINE TABLE BLACK							
BUILDING/ CODE		ADDING MACHINE DESK SILVER FTOWER							
BUILDING/ CODE		COLSEUM AMPULFER BLACK							
BUILDING/ CODE		CREDIT CARD STAMPER							
BUILDING/ CODE		BOX OF SHELF-SUPPORTS							
BUILDING/ CODE		BOX OF SHELF-SUPPORTS							
BUILDING/ CODE		BOX OF MISC FAN							
BUILDING/ CODE		FAN							
BUILDING/ CODE		ADDING MACHINE DESK WOOD							
BUILDING/ CODE		DISPLAY SUPPORTS GO WITH OTHER DISPLAY LEGS							
BUILDING/ CODE		BOX MISC							
BUILDING/ CODE		BOX NUTS AND WASHERS							
BUILDING/ CODE		BOX OF FITTINGS							
BUILDING/ CODE		FAN							
BUILDING/ CODE		TORCH							
BUILDING/ CODE		CHERRY SHELF							
BUILDING/ CODE		CHERRY SHELF							
BUILDING/ CODE		TABLE SUPPORTS AND TABLES							
BUILDING/ CODE		DELL COMPUTER HOUSE LARGE							
BUILDING/ CODE		COMPUTER HOUSE SMALL							
BUILDING/ CODE		ORANGE SUPPORTS ON WHEELS							
BUILDING/ CODE		2 BALLAST NEW IN BOX							
BUILDING/ CODE		SILVER CART							
BUILDING/ CODE		GLASS SHELVING AND SHELVES X2							
BUILDING/ CODE		JUKE BOX ROWE AMI SERIAL #410474							
BUILDING/ CODE		COUCH AND CHAIR							



City Council Agenda Item #10

Title: Consideration and possible action on approving Resolution No. 2019-2603 approving the continued receipt of Bingo Prize fee funds collected after January 1, 2020.

Date: 09/03/2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends approval of this Resolution.

Item Summary: The Resolution is required by the Texas Lottery Commission (TLC) in order to continue to be eligible to receive funding from that agency.

Background Information: The State Legislature passed a bill that requires an affirmative vote of the City Council approving the receipt of a share of bingo prize fees after January 1, 2020 collected by the TLC. If action is not taken and proof is not submitted, the TLC will retain the fees collected to fund their own activities.

Currently Non-profit organizations conducting bingo collect a 5% fee on prizes awarded and submit those to the TLC. The City receives a portion of those funds.

Special Considerations: None

Board or 3rd Party recommendation: None

Financial Impact: While the City did not receive any fees in the current fiscal year, in the past the city has received a few thousand dollars per year, based on the actual charitable bingo activity within the city.

Supporting Documentation: Resolution, letter from TLC

RESOLUTION NO. 2019-2603

A Resolution of the City Council of the City of Freeport, Texas approving the continued receipt of Bingo Prize Fee Funds collected after January 1, 2020.

Whereas, currently, non-profit charitable organizations conducting bingo collect a five percent (5%) fee on prizes awarded and submits those funds quarterly to the Texas Lottery Commission; and

Whereas, the Texas Lottery Commission in turn remits a pro rata share of the funds to the City of Freeport at the end of each fiscal year; and

Whereas, Effective January 1, 2020, under House Bill 914, licensed organizations conducting bingo in Freeport will be responsible to directly send Freeport fifty percent (50%) of the prize fee funds they collect on a quarterly basis; and

Whereas, passage of the resolution approving continued receipt of Bingo Prize Fees Funds is required, to receive Freeport's share of Bingo Prize Fee Funds after January 1, 2020.

Now therefore, be it resolved by the City Council of the City of Freeport, Texas that:

The City Council of the City of Freeport, Texas APPROVES this resolution, by majority vote, that the City of Freeport, Texas elects to continue receipt of Bingo Prize Fee Funds after January 1, 2020.

READ, PASSED AND ADOPTED THIS _____ DAY OF SEPTEMBER, 2019.

Troy Brimage, Mayor

ATTEST:

Betty Wells, City Clerk



Texas Lottery Commission



Commissioners:

J. Winston Krause, Chairman
Mark A. Franz • Robert Rivera

Michael P. Farrell
Director

July 17, 2019

The Honorable Wallance N. Shaw
City of Freeport
200 W 2nd Street
Freeport, TX 77541-5773

Dear Mr./Ms. Shaw:

The Texas Lottery Commission (TLC), Charitable Bingo Operations Division, is providing this notification because your county and/or municipality currently receives a share of the prize fees collected on charitable bingo activity that occurs in its jurisdiction.

Pursuant to House Bill (HB) 914, enacted by the 86th Texas Legislature, in order to continue to receive a share of bingo prize fees after Jan. 1, 2020, your county and/or municipal governing board must affirmatively vote to do so and submit proof of that vote to the TLC by Nov. 1, 2019. If no eligible local governments vote to continue receiving their share of the prize fee, the bingo organizations will keep that share for themselves to fund their charitable purposes.¹

Currently, non-profit charitable organizations conducting bingo collect a 5% fee on prizes awarded. These funds are submitted each quarter to the TLC, which in turn remits a *pro rata* share of the funds to local governments at the end of each fiscal year. Your county and/or municipality receives a share of the bingo prize fees because it elected to do so prior to Sept. 1, 1993.

Effective Jan. 1, 2020, H.B. 914 includes another change regarding the collection and remittance of prize fees. Local governments will no longer receive their bingo prize fee payments from the TLC at the end of the fiscal year; instead, the licensed organizations conducting bingo in the local jurisdiction will be responsible for sending eligible local governments 50% of the prize fees they collect on a quarterly basis.

The most immediate matter for your attention is that your local government will only continue to receive a share of the bingo prize fees collected after Jan. 1, 2020 if it meets the requirements set forth in HB 914 that require your governing body to:

- (1) approve the continued receipt of the share of bingo prize fee funds by a majority vote; and**
- (2) notify the TLC of that decision no later than Nov. 1, 2019; and**
- (3) notify each licensed authorized organization within the county's or municipality's jurisdiction, as applicable, of the continued imposition of the fee.**

¹ For the full text of H.B. 914, see <https://legiscan.com/TX/text/HB914/id/2027641>

This notification is being provided to inform you of the new statutory requirements. We will provide a further communication in the coming months that will include more information and a prescribed form that will need to be submitted to the agency's Charitable Bingo Operations Division to verify that a vote took place.

Please let us know as soon as possible if there is a specific contact person or office to direct our future correspondence, and that will serve as your county and/or municipality's official address of record for notification purposes. Without a dedicated address for this purpose, it is possible that future communications may be misdirected. This could result in your county and/or municipality *permanently* losing its share of bingo prize fees.

If you have any questions, email us at bingo.services@lottery.state.tx.us or call 800-246-4677.

Sincerely,

A handwritten signature in blue ink that reads "Michael P. Farrell". The signature is written in a cursive style with a large initial "M".

Michael P. Farrell
Director
Charitable Bingo Operations Division



City Council Agenda Item #11

Title: Consideration and possible action on Resolution No. 2019-2604 nominating candidates for election to serve on the Brazoria County Appraisal District Board of Directors.

Date: 09/03/2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends appointment by resolution of a single Candidate to be considered in one of the positions.

Item Summary: As a taxing entity of the Brazoria County Appraisal District, the city of Freeport may nominate up to 5 individuals for consideration to serve on the Appraisal District Board of Directors, one candidate for each of the 5 seats. Once all taxing entities have made nominations, the District will send out a list of the candidates being considered. The City is allocated a number of Votes based upon City's total levy as compared to everyone else.

Background Information: The Appraisal District Board is composed of five members who serve two year terms, all of which expire December 31. **This Nomination must be made before October 15, so does not need to be made at this meeting. It may be tabled for later consideration and action.**

Special Considerations: Based on the number of votes the City is allocated, the city of Freeport has a very small voice in this discussion. For that reason, it is recommended that only one nomination be made, and all votes cast for that individual. Additionally, it is recommended that we consider pooling our votes with (an)other voting members.

Board or 3rd Party recommendation: None

Financial Impact: None.

Supporting Documentation: letter from Brazoria County Appraisal District, Resolution

RESOLUTION NO. 2019-2604

A RESOLUTION OF THE CITY OF FREEPORT
OF THE COUNTY OF BRAZORIA

NOMINATING CANDIDATE(S) FOR A POSITION ON THE BOARD OF DIRECTORS OF
THE BRAZORIA COUNTY APPRAISAL DISTRICT

WHEREAS, those eligible taxing units participating in the Brazoria County Appraisal District have the right and responsibility to nominate from one to five candidate(s) to fill the five (5) positions of the Board of Directors of the Brazoria County Appraisal District for a term of office commencing on January 1, 2020 and extending through December 31, 2022; and

WHEREAS, this governing body desires to exercise its right to nominate the said candidate(s) for such position on said board of directors; now, therefore

BE IT RESOLVED BY CITY OF FREEPORT CITY COUNCIL

OF THE COUNTY OF BRAZORIA

Section 1. That the facts and recitations set forth in the preamble of this resolution be, and they are hereby, adopted, ratified, and confirmed.

Section 2. That the following individuals be, and are hereby, nominated as candidate(s) for positions on the board of directors of the Brazoria County Appraisal District to be filled by those eligible taxing units participating in the Brazoria County Appraisal District for a two-year term of office commencing on January 1, 2020.

Name & Address: _____

Name & Address: _____

Name & Address: _____

Name & Address: _____

Name & Address: _____

Section 3. That the presiding officer of the governing body of this taxing unit be, and that he or she is hereby, authorized and directed to deliver or cause to be delivered a certified copy of this resolution to the chief appraiser of the Brazoria County Appraisal District on or before October 15, 2019.

PASSED, ADOPTED AND APPROVED this ____ day of _____, 2019

Presiding Officer

ATTEST:

Secretary
