



**AGENDA
SPECIAL MEETING
FREEPORT CITY COUNCIL
MONDAY, JUNE 13, 2022 at 6:30 P.M.**

Mayor:
Brooks Bass

Council Members:
Jeff Pena
Jerry Cain
Mario Muraira
Troy Brimage

City Manager:
Timothy Kelty

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON MONDAY, THE 13th DAY OF JUNE, 2022, AT 6:30 P.M., AT THE FREEPORT, POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD FREEPORT TEXAS

This meeting will be live streamed via Facebook Live and may be accessed on the City of Freeport Facebook page: <https://www.facebook.com/freeporttexas>

THE MEETING IS BEING HELD FOR THE FOLLOWING PURPOSES:

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

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

CITIZENS' COMMENTS:

Members of the public are allowed to address the City Council at this time, and must include name and address. *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. Presentation of Public outreach Video. **(Cohen)**
2. Presentation of Employee of the Month for April **(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 Any item requiring additional discussion may be withdrawn from the Consent Agenda by the Mayor, Councilmember or City Manager, and acted upon separately.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 May 16, 2022. **(Wells)**
4. Consideration and possible action approving road closures for Fort Velasco Day on June 25, 2022. **(Strahan)**
5. Consideration and possible action of approving Resolution No. 2022-2753, renewing agreement for the GLO Beach Maintenance Reimbursement Program. **(Ezell)**

COUNCIL BUSINESS – REGULAR SESSION:

6. Consideration and possible action approving the Engagement Letter with Whitley Penn to conduct the annual audit for FY 2022-2023. **(Ezell)**
7. Consideration and possible action on Ordinance No. 2022-2668 regarding Commercial Building Inspections. **(Roman)**
8. Consideration and possible action on Resolutions appointing/reappointing members to various Boards and Commissions. **(Kelty)**
 - a. Resolution No. 2022-2747, Boards of Adjustments Appointments.
 - b. Resolution No. 2022-2748, Historic Mainstreet Advisory Board.
 - c. Resolution No. 2022-2749, Charter Review Committee
 - d. Resolution No. 2022-2750, Senior Citizen.
 - e. Resolution No. 2022-2751, Planning and Zoning Commission.
 - f. Resolution No. 2022-2752, Freeport Economic Development Board.
9. Discuss and Take Possible Action on Disciplinary Action Process for City Manager **(Pena/Muraira)**

10. Discuss and Take Possible Action on Trash Services and Rules for Freeport Residents and Ameriwaste **(Pena/Muraira)**
11. Discuss and take possible action on current jog trail project. **(Pena/Muraira)**
12. Discuss and take possible action on VW tax abatement agreement. **(Pena/Muraira)**

WORK SESSION:

13. **The City Council may deliberate and make inquiry into any item listed in the Work Session.**
 - A. Mayor Brooks Bass announcements and comments.
 - B. Councilman Pena Ward A announcements and comments.
 - C. Councilman Cain Ward B announcements and comments.
 - D. Councilman Muraira Ward C announcements and comments.
 - E. Councilman Brimage Ward D announcements and comments.
 - F. City Manager Tim Kelty announcements and comments.
 - G. Updates on current infrastructure.
 - H. Update on reports / concerns from Department heads.

CLOSED SESSION:

14. Executive Session regarding a.) (Deliberations about Real Property), OA Flemming, & East End, b.) (Personnel Matters) Discussion regarding job performance of City Attorney Chris Duncan, in accordance with Vernon's Texas Government Code Annotated, Chapter 551, Sections 551.072 and 551.074.

15. COUNCIL BUSINESS – REGULAR SESSION:

16. Discussion and possible action regarding acceptance or rejection of bid from Construction Masters Inc. for renovation of City Hall. **(Kelty)**

ADJOURNMENT:

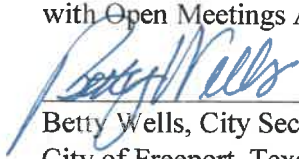
17. Adjourn.
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Items not necessarily discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government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

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

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

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



Betty Wells, City Secretary,
City of Freeport, Texas



City Council Agenda Item # 1

Title: City of Freeport Public Outreach Videos

Date: June 6, 2022

From: Toby Cohen, IT Manager

Staff Recommendation:

Item Summary:

The City has created free official social media accounts for the creation and distribution of media pertaining to events and educational videos for its citizens to inform on current policies, and would be able to distribute notifications and previews of upcoming events.

Background Information:

Freeport Citizens have had concerns understanding current trash pick-up policies and schedules, these videos would serve to provide supporting information for how they may resolve issues with waste pickup services. Additionally, city-wide events would be able to be advertised with no cost and increase awareness of what they entail.

Special Considerations:

Financial Impact:

Existing department equipment is sufficient for the creation of this media, however small purchases may be made to improve video and audio quality for future videos if successful in their outreach and execution.

Board or 3rd Party recommendation:

Supporting Documentation:

N/A.

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, May 16, 2022 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council: Mayor Brooks Bass
Councilman Jeff Pena
Councilman Jerry Cain
Councilman Mario Muraira
Councilman Troy Brimage

Staff: Tim Kelty, City Manager
Betty Wells, City Secretary
Cathy Ezell, Finance Director
Chris Duncan, City Attorney
Kacey Roman, Building Official
Clarisa Molina, Administrative Assistant
Chris Motley, Freeport Fire Chief
Lance Petty, Public Works Director
Toby Cohen, IT Manager

Visitors:

David McGinty	George Matamoros
Kenny Hayes	Edith Fisher
Sandra Shaw	Bob Casale
Shonda Marshall	Sam Reyna
Raul Ramirez	Julian Arejalo
Con McCleaster	Diane McCleaster
Desiree Pearson	Sabrina Brimage
Tommy Pearson	Brent Bowles
Pam Dancy	

Call to order.

Mayor Pro Tem, Cain, called the meeting to order at 6:00 p.m.

INVOCATION AND PLEDGE OF ALLEGIANCE:

Invocation was led by City Manager Tim Kelty, the Pledge was led by Mayor Pro Tem, Cain.

CITIZENS' COMMENTS:

Bob Casale asked that Mr. Kelty produce Mr. Casale's gate. He also said that Mr. Kelty suggested that he, Mr. Casale should try and acquire the roadway.

Julian spoke of when it rains on West 12 Street, the water rises. He said the drainage is full of grass. He asked who is responsible, the City or Velasco Drainage?

George Matamoros 1722 North Ave O spoke of the upcoming appointments. He said the Boards have members that serve for a long time. He said that Mr. Pena and Mr. Marquez should not be reappointed. He said the EDC is to help bring new homes, and new businesses. He asked how the two investigations are going?

PRESENTATION/ANNOUNCEMENTS:

Presentation of the Employee of the Month for the month of April 2022

This was tabled until the June 6 meeting.

Presentation by Brazosport Chamber of Commerce of the Annual Tourism Report

Edith Fischer presented to council the Annual Tourism Report.

Presentation by the US Army Corps of Engineers, on the status of the Freeport Project prior to the virtual public meetings.

Ed Irigoyen with the US Army Corps of Engineers, presented to council the status of the Freeport Project prior to the virtual public meetings. He announced the next dates for next virtual meeting, May 24 & 26 11:30-1:00.

CONSENT AGENDA

Consideration and possible action on the approval of City Council meeting minutes from April 18, 2022, and May 2, 2022.

Consideration of approving various items and equipment for surplus and approve the sale of such items by auction.

A motion was made by Councilman Muraira, seconded by Councilman Pena with all present voting "Aye" 4-0 council unanimously approved item numbers 4 & 5 on the consent agenda. Item #6 was moved to Regular Session at the request of Councilman Pena.

COUNCIL REGULAR AGENDA

Consideration and possible action on the road closure of 2nd Street for bridge repair by Union Pacific

City Manager Tim Kelty, said Union Pacific has requested that we authorize up to a one-week window for the closure of 2nd Street, for bridge repair by Union Pacific. He said the height of the bridge is not changing. He said he is asking council to authorize him to approve this closure this summer when the dates are finalized. Mr. Kelty said warnings will be set up a head of time, to let the businesses and residences know of this closure.

Councilman Pena asked what is the traditional lead time notice of this? Mr. Kelty said one week of notice. Councilman Pena asked if we will facilitate the reroute? Mr. Kelty said the contractor will be responsible for the signage.

A motion was made by Councilman Pena seconded by Councilman Muraira with all present voting "Aye" 4-0 council unanimously approved the request authorizing the City Manager to approve closure of 2nd Street for bridge repair by Union Pacific.

Consideration and possible approval for Resolution No. 2022-2746 for the renewal of Tax Abatement Policy.

City Manager Tim Kelty, presented to council the possible approval of Resolution No. 2022-2746 for the renewal of Tax Abatement Policy. He said this is to renew the Tax Abatement Policy. He said he does not recommend any changes to this policy, and this will renew for another two years. He said this does not affect the Tax Abatement that is currently being discussed.

Councilman Pena asked if we have a flyer that we can use for businesses? Mr. Kelty said the policy itself. He said anyone that is interested can look at this policy.

A motion was made by Councilman Pena, seconded by Councilman Muraira with all present voting "Aye" 4-0 council unanimously approved Resolution No. 2022-2746 for the renewal of Tax Abatement Policy.

Consideration and possible action regarding awarding bid for 2021 Community Development Avenue G and H Sanitary Sewer Line and Manhole Rehab, to Texas Pride Utilities, LLC, and authorizing the City Manager to execute the contract.

Finance Director, Cathy Ezell presented to council the possible action awarding bid for 2021 Community Development Avenue G and H Sanitary Sewer Line and Manhole Rehab, to Texas Pride Utilities, LLC, and authorizing the City Manager to execute the contract. She said this is part of the Community Development Block Grant, that was received from the County. Ms. Ezell said we did go out for bids, and Freese and Nichols did recommend awarding the bid to Texas Pride Utilities, LLC, for \$193,090 they did come in under budget.

Councilman Pena asked if Veolia is covering any of this in their contract with the city? Ms. Ezell said no, this is covered under the Grant.

Councilman Muraira asked if are under budget? Ms. Ezell said yes, we are under budget. County awarded \$260,000. And bid came in at \$193,090. Councilman Muraira, asked if we can go with CZ Construction? Mr. Duncan, City Attorney said we are required to go with the lowest bidder. Councilman Muraira said that he would like to point out that this reviews for this company, was negative.

A motion was made by Councilman Muraira, seconded by Councilman Cain with all present voting "Aye" 4-0 council unanimously approved the possible action regarding awarding bid for 2021 Community Development Avenue G and H Sanitary Sewer Line and Manhole Rehab, to Texas Pride Utilities, LLC, and authorizing the City Manager to execute the contract.

Discussion and direction from council regarding bid and contract for City Hall renovation.

City Manager Tim Kelty said the city went out for bids for the City Hall Renovations, We only received one bid, and it came in \$1.46 Million over budget. He said staff needs the guidance and direction from council on how it would like to proceed.

Councilman Brimage said he is opposed to the \$3.1 Million to the remodel of City Hall. He said when he was Mayor he really like the idea of converting the O.A. Fleming School as City Hall. He said this City Hall is infested in mold, and we are having our employees go to work there every day. It is not worth dumping more money in. It is a money pit. We need to get out of this building as soon as possible. Councilman Brimage asked Mr. Bowles what the possible cost would be to build a new City Hall building?

Brent Bowles with IAD, said cost of materials have gone up. He said it would probably be \$250-\$300, per sq. feet. Councilman Brimage asked how many sq. feet is being occupied by city offices? Mr. Bowles said approximately 20,000 sq. feet. Brent Bowles said we will not be getting a state of an art building with the \$3.1 Million.

Councilman Pena said he asked Mr. Kelty back in March, when City Hall was being moved to the 3rd floor about the mold in City Hall. He asked if the 3rd floor was tested for mold? Mr. Kelty said the 3rd floor was not tested for mold there was no reason to suspect mold being an issue on the 3rd floor. Councilman Pena said we need to get this tested, we need to know if we should even be occupying this building. And we need to know where we are at on the rehab of this building.

A motion was made by Councilman Pena to table this item, seconded by Councilman Muraira. With discussion that followed

Councilman Cain said he agrees with both Councilman Brimage, and Councilman Pena, we need to find out how much mold is in the building, and the cost to get it taken care of. He said \$3 Million is a lot of money. If we can build a new building for the same dollar amount, then this may be the way to spend the money.

Councilman Muraira said \$3 Million is a lot.

Mayor Pro Tem, Cain called the motion for a vote, with a 4-0 vote council approved to table the direction from council regarding bid and contract for City Hall renovation.

Pam Dancy suggested putting a cap on the price.

Discuss and take Possible action on Regular and Bulk Trash Services by City of Freeport and Ameri-waste; review of Contract

Councilman Cain said there had been a discussion with AmeriWaste, and there were a lot of ideas brought out. However, they were all ideas, no conclusions with no associated costs proposed that AmeriWaste and the City can live with. He said his opinion, until we get hard information, this item should be tabled until we get this, so unless there is any objection I will table this item.

The item was tabled

Councilman Pena said we still need to allow public comment.

George Matamoros said when you look at social media, there is a problem with the trash. But he said the problem is that residents are not in compliance, and then want to complain. He said he believes the city should start fining.

Julian said the residents are being irresponsible. He said the city is not doing their job.

Kenny Hayes said he disagrees with Pena and Muraira posting on social media the issues with the trash service. Councilman Muraira and Councilman Pena both denied making social media post over trash issues Mr. Hayes said were made.

Sam Reyna read a portion of the AmeriWaste contract. He said the contractor is dictating the contract. He said that the company does not have proper equipment for bulk trash.

Sabrina Brimage spoke to council about the contract. She asked if City Attorney read the contract? She also said if a resident has a question on pickup, all workers should answer these questions consistently.

Desiree Pearson suggested placing stickers on the cans of heavy pickup days. And an explanation of why the trash was not removed.

Shonda Marshall suggested more education.

Councilman Muraira asked what would it take to go back to Waste Connections? Chris Duncan said this item has been tabled.

Discuss and take Possible action on Street and Curb Striping and Signage on previously requested and newly requested streets in City of Freeport

Councilman Pena presented a slide show of the Velasco and 2nd street intersection and median on the bridge that need stripes on the curbs and streets. He said it is very important we get these stripes down. He said he would like to see reflective material, on Velasco and 2nd.

A motion was made by Councilman Pena, seconded by Councilman Muraira to put the striping on the median and the intersection on Velasco and 2nd Street. With discussion that followed.

Councilman Muraira asked Lance Petty if this is something you can do? He is not sure why it has not been done, if it could be.

Public Works Director, Lance Petty said that he wants to make it clear that his department does not work off of post from social media. Mr. Petty said yes, his crew can do this in house, we just got our new striper in. He said we got some paint in, and his crew has started striping on Velasco. Mr. Petty said there is a shortage on paint.

David McGinty spoke to council about Velasco and Ave A, he asked if this a one lane road, or is there a turning lane?

Mayor Pro Tem Cain called the motion for a vote, with all present voting 4-0 Council unanimously approved the motion.

Discuss and take Possible Action on Street and Sidewalk Repair and Maintenance Schedule.

Councilman Pena presented a slide show to council on street and sidewalk repair and maintenance. He asked if there is an actual schedule that the citizens can look at? He said his motive for this is to show it is on the schedule for repair. Councilman Pena spoke of the sidewalk by City Hall and Sweet T's, and how it has not been done. He spoke of the walking trail, he said the installation is not what was discussed. He said there is still concrete that has not been removed. He said we need to get this corrected. He spoke of the sidewalk by the library, and if it is ADA compliant. He spoke of lighting poles knocked over by the contractor. We need to make sure we get this repaired.

A motion was made by Councilman Pena to get the sidewalk fixed by City Hall, from Oak to Cherry. With discussion that followed.

City Manager Tim Kelty said in regard to the sidewalks on 2nd Street, we have an approved list of sidewalks we are replacing. He said Mr. Petty's crew has been hard at work and most of the sidewalks, minus a few are complete. He said there is a recommendation in the Strategic Plan for next FY.

Mayor Pro Tem Cain called for a second on the motion. With a lack of second, motion failed.

Councilman Pena said he just wants to make sure that we prioritize areas that are important to the City of Freeport in areas that highlight the businesses, just like we did to Ave A, from Velasco to Councilman Brimage's business.

Councilman Brimage asked what his business has to do with this? Councilman Pena said we need to continue putting priority on infrastructure, in the areas that highlight the best part of our City. Councilman Brimage asked what has the City done for his business? He said Councilman Pena has put the perception out that infrastructure has been improved to benefit Councilman Brimage's business. Councilman Pena said, the road improvement was a county improvement, he said in the terms of city infrastructure. Councilman Brimage said the road stops before his restaurant.

Mayor Pro Tem, Cain said there is no action on this item.

George Matamoros said he wants to praise the Public Works Department, he said Skinner Street has been repaired, over by the Post Office. He also spoke about the EDC approved dock that was installed incorrect, and it is not ADA Compliant.

Discuss and take Possible Action on Current List of Active Work Permits in City of Freeport, Red Tagged Permits.

Councilman Pena thanked Councilman Muraira for co-sponsoring this issue. He said it is important that we have some kind of signage on these properties that are permitted to work. He said that he would like to see that we have a visible permit. He said to help the city show we are being fair. He said it had been suggested to him that he was not being treated fairly.

City Manager Tim Kelty said Ms. Roman has put together a list of when permits are not required. Councilman Pena said he would like a working list, as soon as possible. Mr. Kelty said the visible permit policy is already in place, it is required to be posted in visible sight.

Building Official Kacey Roman, said the list being requested is in the report that is in the council packet. She said it is posted at City Hall. Councilman Pena asked that this list be posted on the website. He said he wants to make sure everyone is being treated fairly and equally. Ms. Roman said it is required that

Permits be posted in the public view. Kacey Roman said we investigate all complaints of construction without a permit.

Councilman Brimage said, Councilman Pena in your words “fairly and equally.” Councilman Brimage asked Councilman Pena how many red tags he has had this year, Councilman Pena said he believes two. Councilman Brimage asked if he stopped work. Councilman Pena said yes, he did. Councilman Brimage asked Ms. Roman if he stopped work. Ms. Roman said the contractor called her. Councilman Brimage said we need to fair and equal. Councilman Pena said this is why he brings it up, because he expects this kind of questioning. Councilman Pena asked how long will it take the Code/Building Office to require these permits be posted for visual view? Ms. Roman said as permits are pulled, we will have them start posting visually. Tim Kelty said we can put a list together monthly for council, of all the complaints that we have confirmed are legitimate.

WORK SESSION:

Councilman Pena thanked city employees that worked to make the bike, car show possible. He said that James McDonald hosted this event. Councilman Pena showed a slide show of the drainage ditches, he asked who is responsible for cutting these ditches? Mr. Petty said we have an interlocal agreement with Velasco Drainage. Councilman Pena spoke of the clean up on 1495 the Quintana side. He thanked Mr. Petty and said it was noticed and he said it looks good. Councilman Pena spoke of the Sand Castle Tournament, that LeAnn managed last year. He said he is curious of who is in charge of this tournament for this year? Mr. Kelty said this is an event that was sponsored by the EDC last year, and he is not sure that it is happening this year. He said if this happens this year it will have to be later in the year. Councilman Pena also commented on the phone issues at City Hall. He said he has received a lot of messages from people not being able to get a call answered at City Hall. He said he knows there has been a lot of turn over, but he wants to recommend that we have some dedicated phone administrators. Mr. Kelty said we had some issues with the move, and those have been addressed. Councilman Pena asked where we stand on the outside investigations? Mr. Kelty said Zech is working on them, he has interviewed some people. So far, he has primarily been working only one investigation.

Councilman Cain said that 1231 West Broad, a trailer caught fire, he wants to know what the plan is to get rid of this. Councilman Cain thanked Ms. Roman for the report. He told council if you have not read it, he said he encourages it be read. He spoke of the short videos that Mr. Cohen will be making. Some things that could be covered on these videos are, when is a permit needed, and when can heavy trash be placed at the curb. Councilman Cain asked Ms. Roman about the prefabricated swimming pools, he asked 2 feet deep no permit is needed, and 48 inch will need a permit. Ms. Roman said this is correct, she said this comes out of the International Building Code and the Violation of Texas Pool Rules. He spoke of the comments about the trash, he said he agrees with about half of the people who made a comment, he said if the residents will do their job better, it will allow AmeriWaste to do their job better. Councilman Cain said someone mentioned today that we need to start fining the people who are not getting into compliance. Councilman Cain said we need to not look at this as a fine. It is a cost of service. He said if the letter was placed on your door telling you how much it will be to remove the garbage, this is not a fine, but the cost to take it to the dump. He said it is a charge for over and beyond of what AmeriWaste is obligated to do.

Councilman Muraira said before we start the budget he is wondering if we can make 5th Street go all the way down to Yaupon, he asked what are the requirements? Mr. Kelty said he believes there is a utility easement, and a sidewalk, Mr. Kelty said we will have to actually acquire the ROW. To do this we will have to have engineering and put this out for bid. Councilman Muraira said he has several citizens that live behind McDonalds, and North Gulf Boulevard they have asked that the ditches be dug out, because

when it rains the ditches fill up. Councilman Muraira said the soccer coach has reached out to him asking if anything is going to be done for the soccer fields, he said there are no generators. Mr. Petty said the City has considered two other locations, one is at 2nd Street at the old Community House, and the other is off of Ave J. Mr. Petty said that this will be for Council to decide if they want to use either of these properties. Mr. Petty said to build a new facility it will be around \$600,000-\$700,000. Councilman Muraira said they are wanting to know if the small things are going to be fixed at the soccer fields now. Mr. Petty said the restroom lighting has been fixed. Councilman Muraira asked what is wrong with leaving the soccer complex where it at? Mr. Petty said there is nothing wrong with leaving it, there is no development there. Mr. Kelty said we have discussed this, and the cost to run electricity. Councilman Muraira said he thinks it needs to stay where it is at.

Councilman Brimage asked that Detective Slater pass on to the Patrol Sargent, there have been complaints from residents that there are speeders on Ave D and Division. He said a lot of times it is at school hours. He asked that there be some patrol in this area during these times.

City Manager Tim Kelty said he met with TXDOT, he said the Pine Street Bridge has gone out for bid. He said he was told that the bridge is actually designed, long term, for four lanes. He said two lanes are going in currently until the opposite side is reconstructed to 4 lanes. Mr. Kelty spoke on AmeriWaste. He said in Ward A, there was 16 loads of brush that was not bundled but it was picked up during the last bulk waste pickup, and a door tag was hung. Ward D there were 20 residents that had large bulk that was picked up, out of compliance as well. He reminded everyone of the Special Meeting on Thursday May 26, 2022 at 6PM. Mr. Kelty spoke of the Short-Term Rentals Ordinance implementation.

Update on reports / concerns from Department heads

Councilman Pena asked about the trash videos, he said this seems a little presumptuous. He asked what is the reason of putting this out now when there is no policy in place yet? He asked Ms. Roman in terms with the ADA compliance, as it relates to public and private places, how are we currently implementing ADA Compliance? Ms. Roman said we regulate ADA compliance in accordance with State and Federal Laws. She said for public spaces we work with our Public Works Director. We give what is required for streets and sidewalks to our developers. Councilman Pena asked about the side walk at the walking trail, how it terminates at the trail, he asked is this something we should be concerned about? She said possibly, but the trails may not yet be ADA Compliant. Councilman Pena asked about the dock that was put in. Ms. Roman said it is regulated by the GLO and that should have been spelled out in the permit they would have issued. Councilman Pena asked if it is Ms. Romans recommendation that the dock be closed? Ms. Roman said yes, if it was done without a permit and without inspections, she is concerned about the liability. Councilman Pena spoke of the EDC and housing and our local assets. He said we have to highlight our assets which is the water, fishing and the beach.

CLOSED SESSION:

Open Session was closed at 9:08.

Mayor Pro Tem Cain asked if there is any objection from council, that we invite Mr. Kelty, and City Secretary into Closed Session. Councilman Pena said the terms is to allow the City Manager in, but he is not sure what the standard is for the City Secretary. Mayor Pro Tem, Cain said it is standard for the City Secretary, and the City Attorney as well in Closed Session.

Mayor Pro Tem asked if there is any objection of having the City Attorney, City Manager, and the City Secretary in Closed Session. Councilman Pena asked if there is Legal Consultation? If so the City

Attorney will need to be in closed session, but he does not know what the value is for the City Secretary to be in Closed Session. Councilman Pena is objecting having the City Secretary in Closed Session.

Mayor Pro Tem, Cain called for a vote to allow the City Attorney, City Manager, and the City Secretary to participate in the Executive Session say "Aye" Councilman Brimage, Mayor Pro Tem, Cain. Voted "Aye"

Councilman Pena said this was not his motion, he said his motion was to exclude the City Secretary.

City Attorney advised that the motion should not be to exclude individuals but to invite individuals into Executive Session.

Councilman Pena made a motion to invite the City Attorney and City Manager in Executive Session, seconded by Councilman Muraira. With a 2-2 vote, motion did not pass. Councilmen Pena and Muraira voted "Aye" Mayor Pro Tem Cain, and Councilman Brimage voted "Ney"

Adjourn

A motion was made by Councilman Brimage seconded by Mayor Pro Tem, Cain to adjourn. With a 3-1 vote Mayor Pro Tem, Cain adjourned the meeting at 9:12 pm. Councilman Pena voted "Nay".

Mayor, Brooks Bass
City of Freeport, Texas

City Secretary, Betty Wells
City of Freeport, Texas



City Council Agenda Item # 4

Title: Fort Velasco Day - Road Closures & Artillery Demonstrations

Date: June 6, 2022

From: LeAnn Strahan, Destinations Director

Staff Recommendation:

Staff recommends approval of the requested road closures in reference to the Fort Velasco Day event scheduled for Saturday, June 25, 2022.

Item Summary:

The Freeport Historical Museum is hosting Fort Velasco Day, a living history event in Memorial Park and the museum on Saturday, June 25, 2022 from 9:00am – 4:00pm. We anticipate approximately 50 participants from all over the state of Texas and could draw well over 500 spectators throughout the day.

Living history participants will begin to arrive on Friday, June 24th, as some will set up 1830s period camp in the park overnight. Living historians will conduct period demonstrations including drill, black powder rifle firing, artillery, and textiles.

Road closures are requested to ensure guest safety from vehicular traffic and firearm demonstrations (powder only – not live rounds) as we anticipate large crowds. We request permission to close W and E Park on the south side of Broad and north side of 4th ST. Cannon fire demonstrations will require us to briefly close 4th ST between W and E Park, but will have staff on site to remove road blocks in case of an emergency with Fire/EMS services.

Background Information:

The Battle of Fort Velasco occurred on June 25th and June 26th, 1832. The exhibit and living history event commemorate the 189th anniversary of the battle between Mexican and Texan forces in response to the law of 1830.

Special Considerations

We expect this event to be held annually as our signature living history event. Preparations for this event have allowed us to network and outreach with the state's top historical museums including The Alamo, San Jacinto Battleground, Presidio La Bahia, San Felipe de Austin, and others.

Financial Impact:

N/A

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Map – Requested Road Closures

Fort Velasco flyer



WF

EP

W Park Ave

E Park Ave

W Park Ave

Cannon Fire

Theriot Incorporated

Freeport Historical Museum and Visitor...

Closure for Cannon Fire

W 4th St

FORT VELASCO DAY *LIVING HISTORY EVENT*

Commemorating the 1832
Battle of Fort Velasco

Saturday, June 25th
9am to 4pm

FREEPORT HISTORICAL
MUSEUM
& VISITOR CENTER

311 East Park Avenue
Freeport, TX 77541
979-233-0066





City Council Agenda Item # 5

Title: Consideration of approving Resolution No. 2022-2753 Authorizing the Application to the Texas General Land Office (GLO) Beach Maintenance Reimbursement (BMR) Program and Designating the Assistant City Manager as the Official with Full Authority to Act for Purposes of the Program

Date: June 6, 2022

From: Cathy Ezell, Finance Director

Staff Recommendation:

Staff recommends approval of the Resolution.

Item Summary:

The GLO Beach Maintenance Reimbursement Program is now accepting applications for Fiscal Year 2022-2023. The application requires a resolution to authorize the application for program funds and declare an official with full authority to act for purposes of the program.

Background Information:

The Beach Maintenance Reimbursement Fund Program, administered by the GLO, allocates approximately \$750,000 per year to help communities keep their beaches maintained. That's about \$8.5 million over the last 10 years. Contracts are renewable annually. The City has participated in the GLO Beach Cleaning and Maintenance Assistance Program since FY2012-2013.

Special Considerations: N/A

Financial Impact: The City has received over \$78,000 in reimbursement from the program since FY2012-2013. This year's reimbursement is budgeted at \$9,200.

Board or 3rd Party recommendation: N/A

Supporting Documentation:

Resolution

RESOLUTION 2022-2753

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, AUTHORIZING THE APPLICATION TO THE TEXAS GENERAL LAND OFFICE BEACH MAINTENANCE REIMBURSEMENT PROGRAM AND DESIGNATING THE CITY FINANCE DIRECTOR AS THE OFFICIAL WITH FULL AUTHORITY TO ACT FOR PURPOSES OF THE PROGRAM.

WHEREAS, the Beach Maintenance Reimbursement Fund Program, administered by the Texas General Land Office, allocates funding each year to help communities keep their beaches maintained; and,

WHEREAS, the City Council finds it in the best interest of the citizens to apply for State Assistance in Cleaning and Maintaining Public Beaches; and,

WHEREAS, the Beach Maintenance Fund Program requires a resolution authorizing the application for funds and designation of an official to act with full authority for purpose of the program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FREEPORT, BRAZORIA COUNTY, TEXAS;

Section 1. The facts and statements contained in the preamble are hereby found to be true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. That the application for program funds for State Assistance in Cleaning and Maintaining Public Beaches is hereby authorized.

Section 3. That Finance Director Catherine Ezell shall be vested with full authority to act for purpose of the Program.

Section 4. That any and all fees collected by reimbursement shall be utilized only and specifically for the program of beach maintenance.

Section 5. This Resolution shall become effective immediately upon its passage.

DULY PASSED, APPROVED AND ADOPTED on this _____ day of _____, 2022.

Brooks Bass, Mayor

ATTEST:

APPROVED AS TO FORM:

Betty Wells, City Secretary

Christopher Duncan, City Attorney



City Council Agenda Item # 6

Title: Consideration of Engagement Letter to Conduct audit for FY2021-2022.

Date: June 6, 2022

From: Cathy Ezell Finance Director

Staff Recommendation:

Staff recommends Council authorize the City Manager and Mayor to accept and sign the Engagement Letter.

Item Summary:

The City has requested that Whitley Penn LLP conduct the City’s annual audit or the fiscal year ending September 30, 2022. In response to that request, they have requested a response to confirm their acceptance and understanding of this audit engagement by means of the attached letter.

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	October 2022
Perform year-end internal control testing and substantive audit procedures	January 2022
Issue audit report	March 2023

They will complete the audit, the single audit, and help transition to the Annual Comprehensive Financial Report (ACFR).

Background Information:

The City hired Whitley Penn LLP in 2018. They have conducted the audits for FY2017-2018, FY2018-2019, FY2019-2020, and FY2020-2021.

Special Considerations: N/A

Financial Impact: The fee for the audit services will be based on the amount of time required and the difficulty of the work involved which is estimated to be \$75,000. This amount is more than prior years and reflects the actual costs for the audit.

Board or 3rd Party recommendation: N/A

Supporting Documentation: Engagement Letter from Whitley Penn

May 31, 2022

To the Honorable Mayor and
Members of the City Council
City of Freeport, Texas

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of City of Freeport, Texas (the "City"), as of September 30, 2022 and for the year then ended, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. In addition, we will audit the City's compliance over major federal award programs for the year ended September 30, 2022.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and Government Auditing Standards, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that *certain information* be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis
- General and Special Revenue Fund Budgetary Comparison Schedules
- Pension Information and Other Post-employment Benefit Information

Supplementary information other than RSI will accompany the City's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole:

- Combining and individual fund financial statements and schedules
- Schedule of Expenditures of Federal Awards

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- Introductory Section
- Statistical Section

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the *earlier* of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS and *in accordance with Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of the United States of America. Please note that the determination of abuse is subjective and *Government Auditing Standards* does not require auditors to detect abuse.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the City's basic financial statements. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of the City's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs, and performing such other procedures as we considers necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the City's major federal programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management's Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
- For maintaining records that adequately identify the source and application of funds for federally funded activities;
- For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
- For the design, implementation, and maintenance of internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
- For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
- For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award
- For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
- For taking prompt action when instances of noncompliance are identified;
- For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
- For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
- For submitting the reporting package and data collection form to the appropriate parties;
- For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;

- To provide us with:
 - a) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, and relevant to federal award programs, such as records, documentation, and other matters;
 - b) Additional information that we may request from management for the purpose of the audit; and
 - c) Unrestricted access to persons within the City from whom we determine it necessary to obtain audit evidence.
 - d) A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
 - e) A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report
- For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
- For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
- For the accuracy and completeness of all information provided;
- For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
- For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the supplementary information (including the schedule of expenditures of federal awards) referred to above, you acknowledge and understand your responsibility (a) for the preparation of the supplementary information in accordance with the applicable criteria such as the Uniform Guidance, (b) to provide us with the appropriate written representations regarding supplementary information, (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information, and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest services could include assistance with preparation of the financial statements and note disclosures, government-wide adjustment adjusting entries, and preparation of the data collection form and submission to the federal audit clearinghouse. We will not assume management responsibilities on behalf of the City. However, we will provide advice and recommendations to assist management of the City in performing its responsibilities.

The City's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are described below:

The nonattest services are limited to the services we described above. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the City regarding these nonattest services, but the City must make all decisions with regard to those matters.

Fees and Timing

The timing of our audit will be scheduled for performance and completion as follows:

Document internal control and preliminary tests	August 2022
Perform year-end audit procedures	January 2023
Issue audit reports	February/March 2023

We anticipate meeting these deadlines barring any delays.

Patrick Simmons, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Whitley Penn, LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fee for the audit services will be based on the amount of time required and the difficulty of the work involved which we estimate to be \$65,000 for the financial statement audit and \$7,500 for the single audit services for one major program. Each additional major program would incur fees of \$5,000 each. If the City elects to issue an Annual Comprehensive Financial Report ("ACFR), an additional fee of \$2,500 will be incurred. The fee estimate for the audit is based on anticipated cooperation from the City's personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation and payment is due in Tarrant County. You agree to pay reasonable attorney fees and collection costs incurred relating to collection of fees for services performed under the terms of this engagement. In accordance with Whitley Penn, LLP policy, work may be suspended if your account becomes 30 days or more past due and will not resume until your account is paid in full. In addition, invoices not paid in full by the last day of the month will be assessed interest at a rate of one percent per month. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been complete even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Our final auditors' report will be released upon final payment of any outstanding invoices.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you concerning the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We would like to make the following comments regarding the fee estimates:

1. Our fee estimates have not considered the effects of any changes to auditing standards and accounting principles, which may be promulgated by the AICPA, Congress, or any other regulatory body in the future and are unknown to us at this time. If significant additional time is necessary resulting in increased fees, we will endeavor to notify you of any such circumstances as they are assessed.

2. The City's personnel are responsible for the preparation of all items requested in the Prepared by Client ("PBC") listing and received by the date requested. Any delays caused by not preparing the items when requested may result in additional fees, as well as the possibility of postponing our fieldwork. The PBC listing will be provided to you during the planning process of the engagement.
3. Time incurred for audit adjustments identified during our audit and the related additional testing required has not been considered in our fee estimates. Prior to performing any additional testing, we will notify you of the exceptions and obtain approval for any additional fees which may be incurred.
4. Our fee estimates are based on all general ledger sub ledgers being reconciled to the general ledger balance and any adjustment necessary should be recorded to the general ledger prior to our fieldwork start date.

The ethics of our profession prohibit the rendering of professional services where the fee for such services is contingent, or has the appearance of being contingent, upon the results of such services. Accordingly, it is important that our bills be paid promptly when received. If a situation arises in which it may appear that our independence would be questioned because of significant unpaid bills, we may be prohibited from issuing our auditors' report.

In the unlikely event that differences concerning our services or fees should arise that are not resolved by mutual agreement, to facilitate judicial resolution and save time and expense of both parties, the City and Whitley Penn, LLP agree not to demand a trial by jury in any action, proceeding or counterclaim arising out of or relating to our services and fees for this engagement. Any controversy, dispute, or questions arising out of or in connection with this agreement or our engagement shall be determined by arbitration conducted in accordance with the rules of the American Arbitration Association, and any decision rendered by the American Arbitration Association shall be binding on both parties to this agreement. The costs of any arbitration shall be borne equally by the parties. Any and all claims in arbitration relating to or arising out of this contract/agreement shall be governed by the laws of Texas and to the extent any issue regarding the arbitration is submitted to a court, including the appointment of arbitrators or confirmation of an award, the District courts in Tarrant County shall have exclusive jurisdiction. Any action arising out of this agreement or the services provided shall be initiated within two years of the service provided.

This letter replaces and supersedes any previous proposals, correspondence and understanding, whether written or oral. The agreements contained in this engagement letter shall survive the completion or termination of this engagement.

To ensure that Whitley Penn, LLP's independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Other Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

In the course of our services, our firm may transmit confidential information that you provided us to third parties in order to facilitate our services. As applicable, we require confidentiality agreements with all our service providers to maintain the confidentiality of your information and additionally the firm will take reasonable precautions to determine that our service providers have the appropriate procedures in place to prevent the unauthorized release of confidential information to others.

We will remain ultimately responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

In the event we are required by government regulation, required by subpoena or other legal process to produce information or our personnel for interviews or depositions in relation to a matter involving the City, the City will, so long as we are not a party or the focus of the proceeding or inquiry in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The audit documentation for this engagement is the property of Whitley Penn, LLP and constitutes confidential information. However, we may be requested to make certain audit documentation available to your pass-through regulatory entity and federal agencies and the U.S. Government Accountability Office pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision Whitley Penn, LLP's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to these agencies and regulators. The regulators and agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

The City may wish to include our report on these financial statements in an exempt offering document. The City agrees that the aforementioned auditor's report, or reference to our Firm, will not be included in such offering document without prior permission or consent. Any agreement to perform work in connection with an exempt offering document, including an agreement to provide permission or consent, will be a separate engagement letter. For exempt offerings for which we are not involved, you will clearly indicate that we were not involved with the contents of such offering document and a disclosure as shown below will be included in the exempt offering:

"Whitley Penn, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Whitley Penn also has not performed any procedures relating to this offering document."

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature.

During the course of the audit, we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

We agree to retain our audit documentation or work papers for a period of at least five years from the date of our report.

You agree to inform us of facts that may affect the financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

At the conclusion of our audit engagement, we will communicate to the Honorable Mayor and Members of City Council the following significant findings from the audit:

- Our view about the qualitative aspects of the City's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

To the Honorable Mayor and Members of the City Council
City of Freeport, Texas

May 31, 2022
Page 9 of 11

In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements compliance over major federal award programs including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Respectfully,



Houston, Texas

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of City of Freeport, Texas by:

Name: _____

Title: _____

Date: _____

Name: _____

Title: _____

Date: _____



CliftonLarsonAllen LLP
CLAconnect.com

REPORT ON THE FIRM'S SYSTEM OF QUALITY CONTROL

To the Partners of Whitley Penn LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Whitley Penn LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* (including compliance audits under the Single Audit Act), audits of employee benefit plans, audits performed under the Federal Deposit Insurance Corporation Improvement Act (FDICIA), and an examination of a service organization (SOC 1 engagement).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.



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Whitley Penn LLP
Page 2

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Whitley Penn LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2021, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Whitley Penn LLP has received a peer review rating of *pass*.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
October 6, 2021



City Council Agenda Item # 7

Title: Consideration and possible action on an Ordinance regulating the inspection of commercial non-residential buildings and establishing a fee for the permit and inspection.

Date: June 4, 2022

From: Kacey Roman, Director of Building & Code

Staff Recommendation:

Staff recommends approval of this ordinance.

Item Summary:

This ordinance establishes guidelines regarding the inspection of commercial non-residential buildings and surrounding properties to determine compliance with City Zoning Requirements and application of code regulations relating to safety.

It requires a business to obtain a permit and schedule an inspection prior to opening for business.

Background Information:

The City of Freeport has adopted a comprehensive Zoning Ordinance, which prohibits certain types of businesses from operating in various zones. This permit and inspection will help identify local business operations and their use, and aide business owners in determining if the business use is allowed in their prospective area. It is our intention to educate the owners before they make a large investment in an area that might not be zoned for their intended use. This inspection will also allow any hazardous conditions to be identified and corrected before allowing occupancy of the building.

Special Considerations:

The City has conducted courtesy inspections up to this point, but there has been no legal requirement to allow inspections until a Change of Occupancy.

Financial Impact:

The City will charge a \$35 inspection fee for the permit, inspection, and approvals.

Board or 3rd Party recommendation:

N/A

Supporting Documentation:

Ordinance attached.

ORDINANCE NO. 2022-2668

AN ORDINANCE OF THE CITY OF FREEPORT, TEXAS CONTAINING A PREAMBLE; ADDING CHAPTER 126 OF THE CODE OF ORDINANCES OF SAID CITY, COMMERCIAL BUILDING INSPECTIONS AND PROVIDING THAT THIS ORDINANCE SHALL TAKE EFFECT AND BE IN FORCE FROM AND AFTER ITS DESCRIPTIVE CAPTION HAS BEEN PUBLISHED TWICE IN THE BRAZOSPORT FACTS.

WHEREAS, Title XI of the Code of Ordinances of the City of Freeport, as amended, establishes and regulates commercial businesses within the city to protect the health, safety, welfare and good order of the City and its inhabitants; and

WHEREAS, Title XI should be amended, adding Chapter 126 to establish assure that new businesses comply with zoning and safety code regulations; and

WHEREAS, the City Council finds that the addition of Chapter 126 will protect the health, welfare, and safety of the visitors and occupants of commercial buildings and the public at large.

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

FIRST, the findings and recitations set out in the preamble to this ordinance are found to be true and correct and they are hereby adopted by the City Council and made part hereof for all purposes.

SECOND, the following ordinances shall be created as Chapter 126 of the Code of Ordinances of the City which is hereby revised with the specific items set forth below to read as follows:

COMMERCIAL BUILDING INSPECTIONS

Section 126.01 – Commercial Non-Residential Inspections

It shall be unlawful for a person to conduct business in a commercial, non-residential building without prior approval by the city code official, after inspection. This Section applies to conduct of business under the following circumstances:

1. Changes ownership of the building;
2. Change of tenant in the building;
3. Change of the business type;
4. Continuance of previous use after interruption of 6 months or more.

Section 126.02 – Submission of Application

The building owner or the tenant must submit an application and pay the application fee to the city code official requesting an inspection, and receive post inspection approval, prior to conducting business in a commercial non-residential building. The application shall be in the form established by the city code official to determine the specific description of the nature of the business, in order to determine compliance with the city zoning requirements. The application fee will be \$35.00 or as amended and contained in the city's Master Fee Schedule.

Section 126.03 – Nature of Inspections

The city code official shall inspect the commercial non-residential building and its surrounding property to determine compliance with city zoning requirements and application of code regulations relating to safety.

Section 126.04 – Certificate of Occupancy

Nothing in this Section changes or affects the requirements for a certificate of occupancy based on change of occupancy under the international codes adopted by the City or other ordinances contained in the city's code of ordinances.

Section 126.05 – Punishment

Any person violating this section shall be guilty of a misdemeanor and upon conviction therefor, shall be fined not to exceed \$500 each day any such violation continues or occurs, which shall constitute a separate offense.

THIRD, it is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final

judgement or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

FOURTH, all Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

FIFTH, this ordinance shall take effect and be in force from and after the descriptive caption of this ordinance has been published twice in the Brazosport Facts.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

**Brooks Bass, Mayor,
City of Freeport, Texas**

ATTEST:

APPROVED AS TO FORM ONLY:

**Betty Wells, City Clerk,
City of Freeport, Texas**

**Christopher Duncan, City Attorney,
City of Freeport, Texas**



City Council Agenda Items # 8

Title: Consideration and possible action approving proposed Resolutions of appointments/re-appointments for the open positions on the Board of Adjustments, Historical Commission and Main Street Board, Charter Review Board, Senior Citizen, and Planning and Zoning.

Date: June 6, 2022

From: Tim Kelty, City Manager

Staff Recommendation:

Staff recommends selection of individuals and the approval of the proposed resolutions to appoint/re-appoint qualified individuals to serve on the above listed Boards and or Commissions.

Item Summary:

Terms have expired on each of the Boards and Commissions. These terms expired on May 31, 2022. Additionally, there are several positions left vacant due to members stepping down or having passed away before their term expired. At the time of this memo the city has received applications from individuals who are interested in serving on these Boards and Commissions.

These are active volunteer boards in the city, and filling the vacancy is important to allow for full and representative discussion of important issues.

All board members are appointed to fulfill 2-year terms and serve at the pleasure of City Council. Members may be removed at any time and for any reason as voted on by the majority of City Council.

A summary list has been of expiring terms for each board, and list of interested applicants is attached to this memo

Background Information: None

Special Consideration: Additionally, the City has the Library Board as well as the Parks and Beautification Committee. Those Boards are supposed to be comprised of 7 members each. At this point we fell far short of applicants for either of these board, even to have a quorum

Financial Impact: None

Supporting Documentation: Resolutions for each Board. Summary list of expired board positions, and applications received from each individual.

Boards and Commissions

Board of Adjustments

4 VACANT POSITIONS

(Carlos Varela, Raul Ramirez, George Matamoros and Vacant Position)

George Matamoros

Billy Toomer

Raul Ramirez

Historical Commission & Main Street

6 VACANT POSITIONS

(Sandra Barbree, Brenda George, Nat Hickey, Amanda Petty,
Margaret McMahan and Edmeryl Williams)

Keith Stumbaugh

Billy Toomer

Margaret McMahan

Urbano Gomez

Daniela Bailey

Irene Ocanas

Sandra Barbree

Boards and Commissions

Charter Review

2 VACANT POSITIONS
(Donna Hayes and Sam Reyna)

Billy Toomer

Sam Reyna

Senior Citizens Committee

2 VACANT POSITIONS
(Dolores Knox and Valerie Crosby)

Billy Toomer

Planning Commission

4 VACANT POSITIONS
(Stoney Burke, Melanie Oldham, Andrew Dill and Loren Eric Hayes)

George Matamoros

Billy Toomer

Daniela Bailey

Andrew Dill

Loren Eric Hayes

Boards and Commissions

Economic Development

3 VACANT POSITIONS

(Melanie Oldham, Jeff Pena and David McGinty)

George Matamoros

Billy Toomer

Melanie Oldham

Jack Bullman

Urbano Gomez

Amanda Badawy

Kenneth Tyner

David McGinty

Jeff Peña

Andrew Dill

Sandra Barbree

RESOLUTION NO. 2022-2747

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, APPOINTING QUALIFIED PERSONS TO THE BOARD OF ADJUSTMENTS OF THE CITY TO FULFILL TWO-YEAR TERMS; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATHS OF OFFICE REQUIRED BY LAW.

WHEREAS, the terms of office have expired for the Freeport Board of Adjustments members Carlos Varela (ALT) Raul Ramirez, and George Matamoros as well as the vacant position previously held by Keith Stumbaugh prior to his resignation, leaving four (4) positions vacant for appointment or reappointment this year; and,

WHEREAS, according to City Ordinance the city council of the City shall appoint five (5) board members and two (2) alternates to serve on the Board, each for a two-year term; and,

WHEREAS, the City Council of the City desires to appoint the below named qualified person(s) to fill the vacant or expired positions on the board for two (2) year terms, said appointments as members of said board.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints the following named qualified persons to the Board of Adjustments of the City to fulfill the remaining term(s) as appointed, to wit:

Name _____	Term expiration <u>5/31/2024</u> (Reg / ALT)
_____	<u>5/31/2024</u> (Reg / ALT)
_____	<u>5/31/2024</u> (Reg / ALT)
_____	<u>5/31/2024</u> (Reg / ALT)

SECTION TWO (2): DUTIES

The above-named appointees shall perform all of the duties imposed on members of the Board of Adjustment of the City by law and the ordinances and resolutions of the City.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, each of such appointees shall take the Constitutional Oath of Office and signed the affidavit required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas

RESOLUTION NO. 2022-2748

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, NOMINATING, CONSTITUTING AND APPOINTING A QUALIFIED PERSON TO THE FREEPORT HISTORIC COMMISSION AND MAIN STREET BOARD OF THE CITY; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATH OF OFFICE REQUIRED BY LAW.

WHEREAS, the term of office of the Sandra Barbree, Margaret McMahan, Edmeryl Williams, and Nat Hickey board member(s) of The Freeport Historic Commission and Main Street Board of the City of Freeport, Texas ("the City") has expired, of the appointed term;

WHEREAS, the term of Amanda Petty and Brenda George became vacant with the resignation before the appointed term expired;

WHEREAS, the term of appointment of the above members(s) terminates on May 31, 2022;

WHEREAS, the City Council of the City desires to appoint the below named qualified person(S) as member(s) of said board.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints re-appoints the following named qualified person(s) to the Freeport Historic Commission and Main Street Board of the City for a term of two (2) years which expires on May 31, 2024 and until a successor for such person shall have been appointed and qualified, to-wit.

SECTION TWO (2): DUTIES

The above-named appointee(s) shall perform all of the duties imposed on members of the Freeport Historic Commission and Main Street Board of the City by law.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, appointee shall take the Oath of Office as required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas

RESOLUTION NO. 2022-2749

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, NOMINATING, CONSTITUTING AND APPOINTING QUALIFIED PERSON(S) TO THE CHARTER REVIEW BOARD OF THE CITY; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATH OF OFFICE REQUIRED BY LAW.

WHEREAS, the term of office of the members, Donna Hayes, and Sam Reyna named member(s) of The Charter Review Board of the City of Freeport, Texas ("the City") has become vacant with the resignation, before the appointed term;

WHEREAS, the term of appointment of the above member(s) terminates on May 31, 2023 the City desires to appoint/re-appoint the below named qualified person(s) as member(s) of said committee.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints or reappoints the following named qualified person(s) to the Charter Review Board of the City for a term of two (2) years which expires on May 31, 2023 and until a successor for such person shall have been appointed and qualified, to-wit.

SECTION TWO (2): DUTIES

The above-named appointee(s) shall perform all of the duties imposed on members of the Planning Commission of the City by law and the ordinances and resolutions of the City.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, each of such appointees shall take the Constitution Oath of Office as required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas

RESOLUTION NO. 2022-2750

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, NOMINATING, CONSTITUTING AND APPOINTING A QUALIFIED PERSON(S) TO THE FREEPORT SENIOR CITIZENS BOARD OF THE CITY; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATH OF OFFICE REQUIRED BY LAW.

WHEREAS, the term of office of the Dolores Knox, and Valerie Crosby Board Members of the Freeport Senior Citizen Board of the City of Freeport, Texas ("the City") has expired;

WHEREAS, the term of appointments of the above-board members terminates on May 31, 2022;

WHEREAS, the City Council of the City desires to appoint the below named qualified person(s) as member(s) of said board of members.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints the following named qualified person(s) to the Freeport Senior Citizen Board of the City for a term of two (2) years which expires on May 31, 2024, and until a successor for such person shall have been appointed and qualified, to-wit.

SECTION TWO (2): DUTIES

The above-named appointee shall perform all of the duties imposed on members of the Freeport Senior Citizen Board of the City by law.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, appointee shall take the Oath of Office as required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas

RESOLUTION NO. 2022-2751

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, NOMINATING, CONSTITUTING AND APPOINTING A QUALIFIED PERSON(S) TO THE PLANNING COMMISSION OF THE CITY; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATH OF OFFICE REQUIRED BY LAW.

WHEREAS, the term of office of the STONEY BURKE, ANDREW DILL, AND LOREN ERIC HAYES named member(s) of The Planning Commission of the City of Freeport, Texas ("the City") has expired, of the appointed term;

WHEREAS, the term of appointment of the above member(s) terminates on May 31, 2022 the City desires to appoint the below named qualified person(s) as member of said committee.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints or reappoints the following named qualified person(s) to the Planning Commission of the City for a term of two (2) years which expires on May 31, 2024 and until a successor for such person shall have been appointed and qualified, to-wit.

SECTION TWO (2): DUTIES

The above-named appointee shall perform all of the duties imposed on members of the Planning Commission of the City by law and the ordinances and resolutions of the City.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, each of such appointees shall take the Constitution Oath of Office as required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas

RESOLUTION NO. 2022-2752

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, NOMINATING, CONSTITUTING AND APPOINTING A QUALIFIED PERSON(S) TO THE FREEPORT ECONOMIC DEVELOPMENT CORPORATION OF THE CITY; PROVIDING FOR THE DUTIES OF OFFICE; AND PROVIDING FOR THE TAKING OF THE OATH OF OFFICE REQUIRED BY LAW.

WHEREAS, the term of office of the Melanie Oldham, Jeff Pena, and David McGinty board directors of The Freeport Economic Development Corporation of the City of Freeport, Texas ("the City") has expired of the appointed term;

WHEREAS, the term of appointment of the above director(s) terminates on May 31, 2022;

WHEREAS, the above director(s) Melanie Oldham, Jeff Pena, and David McGinty holds the position of an "B" director, of which the term of "B" directors expires in even numbered years;

WHEREAS, the City Council of the City desires to appoint/re-appoint the below named qualified person(s) as member(s) of said board of directors.

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

SECTION ONE (1): APPOINTMENT

The City Council of the City hereby nominates, constitutes and appoints the following named qualified person to the Freeport Economic Development Corporation of the City for the of a term of two (2) years which expires on May 31, 2024, and until a successor for such person shall have been appointed and qualified, to-wit.

SECTION TWO (2): DUTIES

The above-named appointee shall perform all of the duties imposed on members of the Freeport Economic Development Corporation of the City by law.

SECTION THREE (3): OATH OF OFFICE

Before engaging in the performance of the duties of office, appointee shall take the Oath of Office as required by law.

READ, PASSED AND ADOPTED this ____ day of _____, 2022.

Brooks Bass, Mayor
City of Freeport, Texas

ATTEST: _____
Betty Wells, City Secretary
City of Freeport, Texas



City Council Agenda Item # 16

Title: Discussion and possible action regarding acceptance or rejection of Bid from Construction Masters for renovation of City Hall.

Date: June 6, 2022

From: Tim Kelty, City Manager

Staff Recommendation:

Following Discussion in Executive session regarding OA Flemming, staff recommends council take action on this item.

Item Summary:

The City advertised and received a single bid for the renovation of City Hall. The project as designed consists of improvements on the first and second floor that will include the addition of City Council/Court chambers and public restrooms on the first floor, required code improvements of hurricane rated windows, and fire suppression system, as well as reconfiguring city office space, repair of second elevator, mold remediation, replacement of carpet, lighting and other finishes, and landscaping. A generator was included as an alternate bid item, for which a grant request has been submitted to the Texas Department of Emergency Management.

The \$3.1 million bid received was \$1.46 million over the amount budgeted for the project.

We have 4 options:

1. Accept the bid and figure out a way to come up with the remaining funding necessary.
2. Accept the bid and negotiate with the contractor to reduce the scope to a more manageable amount.
3. Reject the bid, change the scope and rebid the project hoping to get a more manageable bid amount.
4. *Reject the bid and move forward on mold remediation only, as we consider options for construction of a new city Hall on site or relocation to another location.*

Background Information:

Option 1. Cathy has developed the attached spreadsheet that identifies a way to meet the needs of the bid as it is presented. It is problematic in that it does away with a few projects already planned and budgeted for, and it eats into funding otherwise available in the next fiscal years budget for projects not yet discussed.

Option 2. Legally we can accept the bid from Construction Masters, and prior to approving the contract negotiate a reduced scope of work. Staff has met with Mr. Bowles from IaD Achitechs and reviewed the scope of work included in the bid. We have identified a number of items that can be potentially eliminated or adjusted in the contact to potentially reduce the contract amount by as much as \$500,000 and perhaps

more. If we meet with the contractor to discuss this option we would hope to be able to reduce the contract by around \$750,000.

Items that could be considered include (but are not limited to)

- Eliminating the repair of the second elevator,
- Changing the reconstruction of the penthouse to a roof hatch,
- Elimination of the Demolition of drive-through,
- Elimination of the work inside the vault (already completed),
- Eliminate the landscaping,
- Removing the mold remediation from the general contract (We would contract directly with a mold remediation contractor before work begins.)
- Making a couple of small changes to the interior construction design scope that would potentially have a significant impact, without changing the functionality of the overall design,
- Make changes to the scheduled finishes.

Option 3. If we make any of the above listed changes to scope and go back out for bid, we would hope to get additional participation and thus more competitive bids. We had good participation at the pre-bid meeting, (there were 5 general contractors who participated) and were expecting more bids, but were surprised that we only got 1 bidder to submit a bid. Staff has reached out to several of those contractors that were in attendance that did not submit and were told that they were simply very busy, and subcontractors were very busy and they struggled to get competitive bids. They said there is a great deal of uncertainty in the market for supplies and materials, both in the cost of those items and the assurance of timely delivery. This option will also include additional project design fees.

Option 4. The City could reject the bid and explore other options for City Hall including demolition of the existing building and reconstruction at the same location, or relocation of City Hall to another location. The the city decides to move forward with option 4 staff recommends moving forward with the recommended mold remediation unless the plan is to demolish the building entirely. However, moving forward with Option 4 would take a significant amount of time (likely in excess of 18 months, and I would recommend completing the mold remediation for employee safety and potential future sale of the building.

Special Considerations:

Several of the big-ticket designed improvements proposed for the City Hall will go unnoticed by the casual observer. The replacement of all the windows on the first and second floor for Hurricane rated windows, and significant improvements to the HVAC and Air handling through out the first and second floor will have a significant impact on the heating/cooling/and humidity issues the building suffering from. The fire suppression system, will bring the building up to fire code and would be necessary with the proposed construction.

According to Architect Brent Bowles, this is not a band-aid that has been designed, but is a fully integrated design that will bring the building up to the standards necessary for the building's long-term viability. He has assured the city that this renovation is not just include cosmetic and functional changes.

Construction Masters is a well known company for projects of this size in the area. IaD Architects has significant experience working with them and expects that they would be cooperative in a negotiation of the contract.

Financial Impact:

Since the preliminary architecture design with cost estimates was presented to council early last year, there has been project creep. Scope items were added by both city council and by the engineer during full design as more thorough inspections identified additional issues that needed to be addressed. On top of that, there has been about a 35% inflationary increase in building costs. Even with Options 2 or 4, additional funds will likely be necessary. It is likely that components of the the financial summary options developed by Finance director Cathy Ezell will be necessary, unless additional sources of funding can be identified.

Supporting Documentation: Financial options summary.

**City of Freeport
Analysis of Funds
For City Hall Renovations**

		Budget	Spent as of April 30, 2022	Remaining Budget
Fund 67	67-410-899	\$ 998,000.00	\$ 79,015.75	\$ 918,984.25
Fund 21	21-410-899	750,000.00	-	750,000.00
		\$ 1,748,000.00	\$ 79,015.75	\$ 1,668,984.25

Amount of Architectural Contract	\$ 108,600.00
Amount Paid	(79,015.75)
Remaining Contract amount	\$ 29,584.25

Remaining Budget for Construction \$ 1,639,400.00

Renovation Construction Bid \$ 3,100,000.00

Amount to Fund \$ 1,460,600.00

Reallocated Pixie House Funding
to other parks projects: \$ 375,000.00

Baseball Field @ Riverside	\$ 58,692.00
Landing Rebuild	65,000.00
Entry Palms	27,780.00
Entry Lighting	13,260.00
Recreation Center Pool	14,150.00
Walking Trail	140,000.00
	\$ 318,882.00

Amount Remaining Park Project \$ 56,118.00

Reallocation of Capital Project Funds	
Landing Repairs	\$ 30,000.00
Walking Trail	252,000.00
Baseball Field @ Riverside	40,000.00
Pedestrian Bridge	75,000.00
Museum Façade	100,000.00
	\$ 497,000.00

Additional American Recover Act Funding 177,000.00

Amount needed \$ 786,600.00

FY2023 General Fund (offset by American 786,600.00

Recovery Act Funding)

FY 2022-2023 Funding Amount 1,500,000.00

FY2022-2023 Remaining ARAF Funding 713,400.00