

MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MONDAY, AUGUST 15, 2016, AT 6:30 P.M. IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.

Mayor Reid called the meeting to order at 6:30 p.m. with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	Gary Moore
Councilmember	Tony Carbone
Councilmember	Derrick Reed
Councilmember	Keith Ordeneaux
Councilmember	Greg Hill
Councilmember	Trent Perez
City Manager	Clay Pearson
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Others in attendance: Jon Branson Deputy City Manager; Matt Buchanan President of Economic Development Corporation; J.C. Doyle Police Chief; Trent Epperson Assistant City Manager; Michelle Graham Director of Human Resource; Tara Kilpatrick Budget Officer; Lata Krishnarao Director of Community Development; Chris Orlea Director of Parks and Recreation; Cynthia Pearson Director of Finance; Sue Polka Director of Engineering; Kim Sinistore Executive Director of the Convention/Visitors Bureau; Eric Wilson Public Works Director; Sparkle Anderson Communications Director; Joel Hardy Grants Coordinator; Jennifer Huhn Court Administrator; Skipper Jones Assistant Director of Capital Projects; John Knight Information Technology Manager; John McCarter Management Assistant.

Purpose of the Meeting:

Council Action – Resolution No. 2016-147- A Resolution of the City Council of the City of Pearland, Texas, placing on the agendas of September 12, 2016 and September 19, 2016 City Council meetings, consideration of the proposed fiscal year 2016-2017 budget and setting the public hearing on the budget for August 29, 2016.

Councilmember Carbone made the motion, seconded by Councilmember Ordeneaux, to approve Resolution No. 2016-147.

City Manager Clay Pearson reported pursuant to Section 8.06 of the City Charter, the City Council shall cause to be published in the official newspaper, a notice of the hearing setting forth the time, place, and date of such meetings. Pursuant to State Law, the governing body shall set the hearing for a date occurring after the 15th day after the date the proposed budget is filed with the municipal clerk but before the date the governing body makes its tax levy.

Discussion ensued between Councilmember Carbone and City Manager Clay Pearson regarding the notice to be published in the newspaper.

Voting "Aye" Councilmembers Carbone, Reed, Moore, Ordeneaux, Hill, and Perez.

Voting "No" None.

Motion Passed 6 to 0.

Consideration and Possible Action – To vote on Proposed Tax Rate and Tax Revenue Increase:

Option 1. Resolution No. R2016-146 – A Resolution of the City Council of the City of Pearland, Texas, voting on a proposed tax rate of \$0.6812, a property tax revenue increase of 6.670% above the effective tax rate, and placing on the agendas of September 12, 2016 and September 19, 2016 City Council meetings, consideration of the proposed fiscal year 2016-2017 tax rate and setting the public hearings on the tax rate for August 29, 2016 and September 6, 2016.

Or

Option 2. Resolution No. R2016-146 – A Resolution of the City Council of the City of Pearland, Texas, voting on a proposed tax rate of \$0.6566, a property tax revenue increase of 2.7% above the effective tax rate, and placing on the agendas of September 12, 2016 and September 19, 2016 City Council meetings, consideration of the proposed fiscal year 2016-2017 tax rate and setting the public hearings on the tax rate for August 29, 2016 and September 6, 2016.

Budget Officer Tara Kilpatrick gave an overview of the proposed tax rate and tax revenue Increase.

Councilmember Carbone thanked Staff for putting together the power point to clarify the rollback rate.

Discussion ensued between Councilmember Carbone and Budget Officer Tara Kilpatrick regarding the rollback rate.

Councilmember Reed stated with a tax rate of \$0.6812 going down from the current tax rate of \$0.7053 the actual rate a resident will be paying will increase, but that is based on the appraisal of their property. That is not something the City did or is responsible for. He would like the tax rate to stay at \$0.7053 and see the City put some money aside.

Councilmember Ordeneaux stated he does not want to go into deficient spending, the City needs to bring in more revenue. In this case the Council does get a chance to lower the tax rate and get more revenue which means the tax payers will pay more. The \$0.6812 is a good compromise between the two options. This is a compromise that is best for the City and residents long term.

Discussion ensued between Councilmember Carbone, Councilmember Ordeneaux, Councilmember Reed and Deputy City Manager Jon Branson regarding the 2007 Bond Projects, the Operations and Maintenance (O&M) rate and the Municipal Utility District.

Councilmember Hill stated he is more inclined to try to put more into Operations and Maintenance (O&M) by decreasing the tax revenue.

Councilmember Carbone stated according to his calculations this will be the largest effective tax increase in Pearland's history and that does not sound like a compromise.

Councilmember Perez stated we can play with statistics all we want, but statistics are all about percentages and tax rates. The bottom line is the City does not generate enough money to pay the expenditures the City has. The justification we need to do as this body is to be able to fund the projects that need to be funded and the City is not able to do that.

Discussion ensued between Councilmember Carbone and City Manager Clay Pearson Regarding the Operations and Maintenance (O&M), water & sewer rates, revenue and expenses.

Councilmember Ordeneaux made the motion, seconded by Mayor Pro-Tem Moore, to approve Resolution No. R2016-146, Option 1.

Voting "Aye" Councilmembers Moore, Ordeneaux, Hill, and Perez.

Voting "No" Councilmembers Carbone and Reed.

Motion Passed 4 to 2.

Council Input and Discussion: Discussion #2, Fiscal Year 2016-2017 Budget.

City Manager Clay Pearson stated this is the appropriate time for Staff to answer any questions Council may have regarding the Fiscal Year 2016-2017 Budget.

Discussion ensued between Councilmember Carbone, City Manager Clay Pearson and Director of Human Resource Michelle Graham regarding the need of a Risk Manager.

Councilmember Ordeneaux stated he was a Certified Risk Manager for the School District for a couple of years. One of the big duties for a Risk Manager is the Employee Workman's compensation, which is looking at compensation claims, see how to reduce the number of compensation claims. He stated he is in favor of a Risk Manager because he can see how they can reduce cost to the City.

Councilmember Perez stated his concerns regarding the sidewalk fund and making modifications to the Unified Development Code (UDC). He further stated the City's Engineering Department is understaffed compared to our sister cities. He does not think the City needs to add more Engineer positions this budget year, but possibly next budget year.

Discussion ensued between Councilmember Carbone and City Manager Clay Pearson regarding the need of an Addressing Coordinator.

Councilmember Ordeneaux stated one of the hang ups from a development standpoint and on a commercial and residential side is trying to get an address. He does think the City needs an Addressing Coordinator position along with several others that are not on the list in the budget.

Councilmember Reed stated he had questions regarding the need for a Risk Manager and Addressing Coordinator positions. He stated it seems to be more of a need for a Traffic Engineer than a Risk Manager or Addressing Coordinator. Can the Risk Manager and/or the Addressing Coordinator positions be filled by a temporary or contract position.

Councilmember Perez stated the City needs the Addressing Coordinator more than a Traffic Engineer. The Addressing Coordinator is more than a full time job. Every plat that comes in has to be reviewed, you have to make sure there are no duplicate street names and addresses, no similar street names or addresses. Every address has to be communicated to mapping services, google, Center Point and the Texas Department of Transportation (TxDOT).

Discussion ensued between Councilmember Reed, City Engineer Sue Polka and City Manager Clay Pearson regarding a Traffic Engineer position and if that position can be contracted out.

Mayor Pro-Tem Moore stated personally the Address Coordinator should be contracted out.

Councilmember Ordeneaux stated he does not agree. A Risk Manager can save the City money. According to the demographic studies the City is going to double in size in a few years. He does not see anytime soon the City not needing an Addressing Coordinator. He does not mind looking at the Traffic Engineer position to be contracted out.

Councilmember Perez stated from his experience it is a great need to have an Addressing Coordinator and a Traffic Engineer. With the Addressing Coordinator it is constant, perpetual maintenance on the addressing. It is a full time demanding job. He stated the City needs both the Addressing Coordinator and Traffic Engineer. If he had to choose one over the other, it would be the Addressing Coordinator.

Discussion ensued between Councilmember Carbone and Executive Director, Convention/Visitors Bureau Kim Sinistore regarding the cost and details of the Super Bowl Week Events.

Deputy City Manager Jon Branson stated this is money out of the Convention/Visitors Hotel Occupancy Tax not the General Fund Budget. The CVB Advisory Board did approve this.

Councilmember Ordeneaux stated he is for the Super Bowl Week Events, he really likes the bus and shuttle service that will be provided.

Discussion ensued between Mayor Reid and Assistant City Manager Trent Epperson regarding the water meter change out.

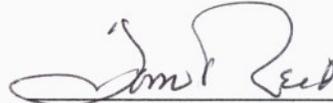
Discussion ensued between Mayor Pro-Tem Moore, Director of Public Works Eric Wilson, and Deputy City Manager Jon Branson regarding the water meter change out system and the City's Meter Readers.

Discussion ensued between Councilmember Reed, Executive Director, Convention/Visitors Bureau Kim Sinistore and Parks and Recreation Director Chris Orlea regarding the Super Bowl Week Events and Winterfest.

Adjournment:

Meeting was adjourned at 8:18 p.m.

Minutes approved as submitted and/or corrected this the 12th day of September, A.D., 2016.



Tom Reid
Mayor

ATTEST:



Young Loring, TRMC
City Secretary



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