

MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MAY 21, 2018 AT 7:00 PM, IN THE COUNCIL CHAMBERS, PEARLAND 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	Derrick Reed
Councilmember	Tony Carbone
Councilmember	Gary Moore
Councilmember	Keith Ordeneaux
Councilmember	J. David Little
Councilmember	Trent Perez
Councilmember	Woody Owens
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, Trent Epperson Assistant City Manager, Michelle Graham Human Resource Director, Cynthia Pearson Finance Director, Jimontanae McBride City Planner, Johnny Spires Chief of Police, Lawrence Provins Deputy City Attorney, Robert Upton Director of Engineering, Vance Riley Fire Chief, Skipper Jones Assistant Director of Capital Projects, Joshua Lee Communications Director and Daniel McGhinnis Chief Information Technology

The invocation was given by Councilmember Carbone and the Pledge of Allegiance was led by Assistant City Manager Trent Epperson.

ROLL CALL:

Mayor Reid, Mayor Pro-Tem Reed, Councilmembers Carbone, Moore, Ordeneaux, Little, Perez and Owens.

CITIZEN COMMENTS:

John DeSpain, 2555 Cullen Pkwy addressed Council on behalf of the Pearland Police Officers Association asking Council to approve the Retiree Healthplan and to remind everyone of the Police fundraiser to build the Pearland Police Officer Memorial.

PUBLIC HEARING: NONE

CONSENT AGENDA:

A. Approval of Minutes:

1. Minutes of April 30, 2018, Special Meeting held at 6:30 p.m.

B. Consideration and Possible Action – Resolution No. R2018-39 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for general plumbing services to K. R. Allen Industrial Services, LLC, in an amount not to exceed \$124,000.00, for the period of May 31, 2018 through May 30, 2019.

- C. Consideration and Possible Action – Resolution No. R2018-99** - A Resolution of the City Council of the City of Pearland, Texas, approving a professional services contract amendment with Talley Landscape Architects in the amount of \$28,475.00 associated with the Independence Park Project, Phase I (stage building); and appropriating funds in the amount of \$227,225.00 from the Pearland Convention and Visitor’s Bureau (“CVB”) to fund the stage building modifications.

- D. Consideration and Possible Action – Resolution No. R2018-80** - A Resolution of the City Council of the City of Pearland, Texas, approving a change order with Pepper Lawson Waterworks L.L.C., in the amount of \$131,315.90 from Project Contingency, associated with grit and grease removal from the Reflection Bay Water Reclamation Facility.

- E. Consideration and Possible Action – Resolution No. R2018-73** - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Interlocal Agreement with Brazoria County for the maintenance and operation of traffic signals.

Councilmember Perez asked that Consent Agenda Item E be removed from the Consent Agenda for further discussion.

Councilmember Carbone asked that Consent Agenda Item D be removed from the Consent Agenda for further discussion.

Councilmember Carbone made the motion, seconded by Councilmember Moore to adopt Consent Agenda Items A through E with the exception of D and E as presented on the Consent Agenda.

Voting “Aye” Councilmembers Carbone, Moore, Reed, Ordeneaux, Little, Perez and Owens.

Voting “No” None.

Motion passed 7 to 0.

MATTERS REMOVED FROM CONSENT AGENDA:

As requested by Councilmember Carbone Consent Item D was removed for further discussion.

- D. Consideration and Possible Action – Resolution No. R2018-80** - A Resolution of the City Council of the City of Pearland, Texas, approving a change order with Pepper Lawson Waterworks L.L.C., in the amount of \$131,315.90 from Project Contingency, associated with grit and grease removal from the Reflection Bay Water Reclamation Facility.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-80.

City Manager Clay reported this is for a change to the existing agreement without having to revisit on a later date.

Councilmember Carbone questioned the work performed back in January and if it was confirmed by Assistant City Manager Trent Epperson that this change was due to the materials in the Wet Well where more than estimated due to Hurricane Harvey pushing out the excess.

Director of Engineering Robert Upton suggested the promotion taking fats, oils and grease and not flushing them down residential drains and Commercial pretreatment.

Councilmember Carbone asked if there is a chance of the funds recovery from the insurance or Federal funds since it was due to Hurricane Harvey.

Assistant City Manager Trent Epperson stated it can be addressed with insurance but the predicted outcome would be that it was existing in the system and all flushed out at once and is part of ongoing maintenance.

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

Voting "No" None.

Motion passed 7 to 0.

As requested by Councilmember Perez Consent Item E was removed for further discussion.

E. Consideration and Possible Action – Resolution No. R2018-73 - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Interlocal Agreement with Brazoria County for the maintenance and operation of traffic signals.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-73.

Councilmember Perez asked if the City of Pearland was getting any contributions from the City of Manvel.

Director of Engineering Robert Upton states at this time there are no contributions for maintenance from the City of Manvel but is in pursuit of getting an amended agreement to make the City of Manvel a co-participant.

Councilmember Perez asked for the existing agreement for the signals on Magnolia in Manvel's Extra Territorial Jurisdiction.

Assistant City Manager Trent Epperson and Director of Engineering Robert Upton provided existing percentages the City of Pearland is responsible for and what the amended percentages will change to.

Councilmember Perez stated the City should have say over the speed limit on Bailey if the City is going to shoulder the financial burden.

Assistant City Manager Trent Epperson reported that since Federal and state funding is involved TXDOT requires a speed study.

Councilmember Perez states that this means the State can come back and change the speed limits.

Councilmember Ordeneaux stated at this point the City needs to move on and get the project underway.

Councilmember Owens stated he agrees with Councilmember Perez and the variations in the speed limits is the reason no one uses it and the City does not get reimbursement from the State until year end.

Director of Engineering Robert Upton confined there is a true up at the end of the year and some signals are under warranty.

Councilmember Owens asked why the signal on Magnolia does not use a strand type signal and will this carry over to the new signals.

Assistant City Manager Trent Epperson states the signal was part of the Magnolia project.

Voting "Aye" Councilmembers Moore, Reed, Ordeneaux, Little, Perez and Owens.

Voting "No" Councilmember Carbone.

Motion passed 6 to 1.

NEW BUSINESS:

Second and Final Reading of Ordinance No. 2000M-171 - An Ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property, Being Lots 1, 2, 3, and detention reserve, a 22.8627 acre tract of land out of a portion of Lots 28, 33, and 39 of W. Zychlinski's Subdivision, recorded in Volume 29, Page 41, of the Brazoria County Deed Records, (B.C.D.R.), located in the H.T. & B. R.R. Co. Survey, Abstracts 232 and 542, Brazoria County, Texas. (Approximately 22 acres at the SWC of Rice Drier Road and North Main Street (SH35) with an address of 1916 North Main Street, Pearland TX.) Zone Change Application No. ZONE 18-00003, a request of Tetra Surveys represented by David White, applicant, on behalf of Presidio Equities, LLC represented by Ryan Taaffe, owner; approval of an addendum to add land and change the zoning from the Light Industrial (M-1) zoning district to a Planned Development (PD) (Rice Drier Business Park PD Addendum) zoning district and rename the Planned Development to Rice Drier Commerce Park; on approximately 22.8627 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.

Councilmember Moore made the motion, seconded by Councilmember Ordeneaux to approve Ordinance No. 2000M-171 on its Second and Final reading.

City Manager Clay Pearson states this is for Rice Drier Road and will provide opportunities from industrial uses.

Mayor Reid states this is a good idea to pass.

Voting "Aye" Councilmembers Moore, Reed, Carbone, Little, Perez and Owens.

Voting "No" None.

Councilmember Ordeneaux abstained from voting.

Motion passed 6 to 0 with 1 abstention.

Council Action – Resolution No. R2018-89 - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Agreement with Kerrville Bus Company, Inc., to provide a Pilot Park & Ride Service in the City.

Mayor Pro-Tem Reed made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-89.

City Manager Clay Pearson states the City was working with Metro to establish alternate form of transportation that fell away. This is a private offer from Kerrville Bus for a paid Park and Ride pilot program at no cost to the City.

Deputy City Manager Jon Branson stated this is a viable option for the City to move forward with a no risk solution to have Park and Ride transportation. The target rides will be Monday through Friday from Shadowcreek Ranch Sportsplex to the areas in and around the Medical Center with rides beginning at 5:45 a.m. and every fifteen minutes after.

Councilmember Moore asked for the City's plan in regards to security for this Park and Ride.

Deputy City Manager Jon Branson stated there will be patrols in that area and we will provide security as we do at all parks.

Councilmember Moore stated that the earliest pickup time is not early enough and how they were decided on.

Deputy City Manager Jon Branson said it was based on other programs.

Councilmember Moore stated he disagrees that the times would allow for prompt arrival to the Medical Center.

Deputy City Manager Jon Branson states these times are able to be changed as needed.

Councilmember Ordeneaux stated he appreciates the program since he thought it would not be feasible after Metro dropped out.

Councilmember Little stated he did not agree with the City accepting liability for security and asked if Kerrville will be able to get Metro agreement to use existing Metro stops.

Deputy City Manager Jon Branson stated he was optimistic with Metro giving approval.

Councilmember Perez stated he agrees that there should be no issues with using Metro stops and that he was also happy to see the offer. Councilmember Perez asked how Kerrville Bus would get payment.

Kerrville Bus Associate General Manger Shawn Sexton stated there would be an app and a prepayment program.

Councilmember Perez asked what the expansion chances are to use Kerrville Bus for special events. Kerrville Bus Associate General Manger Shawn Sexton stated they are open to the idea of one off event transportation.

Councilmember Owens confirmed with Kerrville Bus Associate General Manger Shawn Sexton that Kerrville will be using Metro stops. Councilmember Owens asked to clarify that ride backs

begin at 3:00 p.m., which Kerrville Bus Associate General Manager Shawn Sexton confirmed. Councilmember Owens is concerned that these buses cannot be used for doctor appointments if they do not begin ride backs until 3:00 p.m. because that leaves a large gap.

Deputy City Manager Jon Branson stated that this pilot program is aimed at workers riding to and from work.

Mayor Reid stated that Beltway 8 and 288 will not be completed for some time and asked if that allows enough time to build this program. Kerrville Bus Associate General Manager Shawn Sexton stated it will allow ample time to determine demand.

Councilmember Carbone asked Kerrville to provide an idea of the cost for the riders.

Kerrville Bus Associate General Manager Shawn Sexton stated right now rates are \$6.50 for a one way trip. A discounted rate will be made for a monthly purchase, generally 20%.

Councilmember Carbone asked staff for a parking space count.

Deputy City Manager Jon Branson estimates 400 spaces, not including handicap spaces. Of those spaces, 350 would be designated for Park and Ride.

Councilmember Carbone advises he is concerned about the impact with parking for people going to the park.

Mayor Reid asked that Council be updated at 90 days of the progress if this is approved.

Councilmember Carbone stated Police are not in abundance at this time and that would need to be a consideration at Budget time.

Mayor Pro-Tem Reed thanked staff for their work and agreed with Councilmember Carbone that this is a park and to keep that in mind. Mayor Pro-Tem Reed stated the Mall parking lot may be a better option and he is not sure about being locked into a time frame we cannot get out of if the City needs to make proper changes.

Councilmember Moore thanked staff for the work and looks forward to seeing this succeed.

Voting "Aye" Councilmembers Ordeneaux, Moore, Reed, Carbone, Little, Perez and Owens

Voting "No" None

Motion passed 7 to 0

Council Input and Discussion - Regarding alternative plan designs for retiree health insurance.

City Manager Clay Pearson stated this is an additional package to offer to employees serving the City of Pearland a gap health insurance plan for employees retiring prior to age 65.

Director of Human Resources Michelle Graham stated she began working with IPS on insurance solutions last year these alternative plans will reward employees who have given their time to the City of Pearland. She is requesting Council direction.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo presented the two plan options for Council review. Eligibility would be for employees age 60 with five (5) years of continuous service or at any age with at least 20 years of service with the Texas Municipal Retirement Systems.

Councilmember Carbone asked what the 40% is on Plan Design #1.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo states it is double the blended cost at true value with GASB75.

Councilmember Owens asked if the \$1000.00 subsidy amount has an escalation cost.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo stated it does not and the subsidy would be evaluated yearly to adjust.

Councilmember Little asked to confirm that a participant had to prove the subsidy was going to insurance.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo states participants would have to show proof of creditable coverage.

Councilmember Perez asked how participants received their subsidy and IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo states it is currently set up to reimburse after the participant shows payment for insurance and a Certificate of Creditable coverage.

Councilmember Moore asked how many departments or employees it is going to take to manage these plans.

City manager Clay Pearson stated little to none, it would be just another aspect of the already existing management of benefits.

Councilmember Owens asked if the amounts would increase once a person takes Medicare and Medicaid.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo advised coverage would go away once a person become Medicare eligible, regardless of age. Currently, there is a possibility to get a Medicare advantage plan but not at this moment.

Councilmember Perez asked if this plan is only to get a person to Medicare eligibility.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo stated the goal is to cover a person until Medicare eligibility.

Councilmember Perez asked Director of Human Resources Michelle Graham if she has a preference of the plans.

Director of Humana Resources Michelle Graham replied based on employee surveys Plan #2 is the preferred option.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo presented the projected participant percentage, cost of plans and projected cost to the City through to the year 2022.

Deputy City Manager Jon Branson stated when you replace employees it takes a period of time to bring these new employees to the same level of work. He stated these plans would be incentive to long term employees to remain with the City.

Councilmember Carbone stated at first he saw this as a benefit to employees but looks like it is treating them unfairly then saying we are giving them relief later.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo stated it is being transparent and showing the retiree the benefit they are getting since the City is paying half of the cost and will show the true value of the plan.

Councilmember Perez wanted to clarify the \$582.00 is an implied benefit because they are part of a plan. He stated that basically retirees are getting \$1152.00 in benefits and paying \$582.00 and getting the blended rate.

City Manager Clay Pearson stated this plan is targeted to employees that served the City of Pearland long term.

Councilmember Perez stated this is showing the employee what they need to do to cover the gap before Medicare.

Councilmember Ordeneaux states he is not a fan of GASB. Councilmember Ordeneaux was glad to be able to help the City of Pearland employees but would like to understand the negative amount in 2018. Mark Guajardo states it is present value from the current plan to the new plan. Councilmember Ordeneaux asked staff for calculation in a Thursday packet and is in favor of the plan.

Councilmember Owens asked how the City will know if a person is covered by a spouse's plan and getting the subsidy. Mark Guajardo stated participants will need to show proof of credible coverage.

Councilmember Perez asked Director of Human Resources Michelle Graham if this would but a burden on staff to monitor.

Director of Human Resources Michelle Graham states at this time she is wanting to see if there is a palette for this and does not foresee there will be any burden to staff for one plan versus the other. She stated the only difference is time frame.

Councilmember Moore asked when real numbers can be provided for each plan.

Director of Human Resources Michelle Graham stated that she can prepare a Thursday package but at this time no rates are available due and Human Resources is in final review for healthcare and rate will be available at the end of June.

Councilmember Moore asked if multiple bids were submitted.

Director of Human Resources Michelle Graham affirmed multiple bids were submitted and Kelsey was in a couple packages.

Councilmember Perez asked what the goal was for tonight.

Director of Human Resources Michelle Graham states she is looking for direction and if there was a palette for discussion.

Councilmember Perez states he is in favor of Plan #2.

Councilmember Moore stated he will need more numbers first.

Councilmember Carbone stated he would like to see examples of cost to employees before making a decision.

Councilmember Ordeneaux stated his issue with it is the age 50 retirees and promising them a benefit for 15 years with healthcare cost growing.

Councilmember Ordeneaux does not want to promise benefits that may not be able to be provided.

Councilmember Ordeneaux supported Plan #2 as a reward to employees and is more comfortable with the benefit at 60 years of age.

Councilmember Perez stated he would like more information and fears that there are too many dials and buttons to adjust over time that it will be confusing come budget time. Councilmember Perez stated the benefits for employees need to be simplified.

Councilmember Owens stated this does not have a retention aspect because it will give employees incentive to leave/work somewhere else knowing they will be covered.

Councilmember Owens stated if this is approved it needs to be understood it will not be taken away.

City Manager Clay Pearson does not see how this would make people want to leave.

Councilmember Owens states the private sector is hurting for qualified employees and a person can retire and work as a consultant and then have this benefit.

Councilmember Perez stated the City needs to be able to compete with other Cities for employees and that Cities get themselves into money issues by promising benefits they cannot maintain.

Councilmember Little asked how the percentages of employees that would take the plan vs the subsidy was determined.

IPS Director of Corporate Benefits Actuarial Analytics Mark Guajardo stated it was an educated guess based on other industry models.

Mayor Reid stated people are leaning toward Plan #2 and asked Director of Human Resources Michelle Graham if she has enough from Council.

Director of Human Resources Michelle Graham states she has an idea of where to go from here.

Council Action – Resolution No. R2018-84 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit cost bid for street and sidewalk maintenance to Greenscapes Six, LLC, in an amount not to exceed \$699,950.00. for the period of May 31, 2018 through May 30, 2019.

Councilmember Ordeneaux made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-84

City Manager Clay Pearson stated this is for concrete work for street and sidewalk maintenance. Staff suggests Greenscapes Six for this bid.

Councilmember Carbone stated there were two bidders and what is the difference between the two bids, other than price.

Director of Engineering Robert Upton states the City has had issues with the other contractor in the past.

Councilmember Carbone states at the last bid it came in higher and is there a concern of performance.

Director of Engineering Robert Upton states references have been good and no concerns.

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

Voting "No" None.

Motion passed 7 to 0.

MAYOR/COUNCIL ISSUES FOR FUTURE CITY COUNCIL AGENDAS: None

OTHER BUSINESS: None

ADJOURNMENT

Meeting was adjourned at 9:04 p.m.

Minutes approved as submitted and/or corrected this the ____ day of ____, 2018.

Tom Reid

Mayor

ATTEST:

Young Lorfing, TRMC

City Secretary