

**MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON JULY 9, 2018 AT 6:30 PM, IN THE COUNCIL CHAMBER PEARLAND CITY HALL 3519 LIBERTY DRIVE.**

Mayor Reid called the meeting to order at 6:34 p.m. with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	Trent Perez
Councilmember	Tony Carbone
Councilmember	Derrick Reed
Councilmember	Gary Moore
Councilmember	Adrian Hernandez
Councilmember	J. David Little
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 EDC, Trent Epperson Assistant City Manager, John McDonald Director of Community Development, John McCarter Budget and Procurement Manager, Cynthia Pearson Director of Finance, Vance Riley Fire Chief, Robert Upton Director of Engineering, Andrea Brinkley Assistant Director of Public Works, Jennifer Huhn Court Administrator, Skipper Jones Assistant Director of Capital Projects, Joshua Lee Communications Director, Daniel McGhinnis Chief Information Officer.

The invocation was given by Councilmember Little and the Pledge of Allegiance was led by Communication Director Joshua Lee.

**ROLL CALL:**

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

**CITIZEN COMMENTS:**

Larry Marcott, 2606 Inverness Ct, addressed Council regarding the tree trimming contract on the Agenda stated that he feels it is the responsibility of the homeowner to maintain the trees on their property and hopes that it is not considered in this contract to cut the trees located on private property that are hanging over into the streets. Mr. Marcott stated it should not be paid for by the tax payers.

**PUBLIC HEARING:** None

**CONSENT AGENDA:**

- A. Approval of minutes of May 14, 2018, Special Meeting held at 6:00 p.m.  
Approval of minutes of May 21, 2018 Joint Special Meeting held at 6:30 p.m.  
Approval of minutes of June 18, 2018, Joint Special Meeting held at 6:30 p.m.
- B. **Consideration and Possible Action** - Excuse the Absence of Councilmember Trent Perez from the Regular Council Meeting held on June 25, 2018.

- C. Consideration and Possible Action** - Resolution No. R2018-122 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply bid for the purchase of Police Department Uniforms to Cop Stop, in an amount not to exceed \$108,161.80, for the period of July 10, 2018 through July 9, 2019.
- D. Consideration and Possible Action** - Second and Final Reading of Ordinance No. 1561 - An Ordinance of the City Council of the City of Pearland, Texas, authorizing issuance of City of Pearland, Texas, water and sewer system revenue bonds, Series 2018B; prescribing the terms and conditions thereof; providing for the payment thereof; establishing parameters with respect to the sale of the bonds; authorizing the preparation and distribution of an official statement to be used in connection with the sale of the bonds; making other provisions regarding such bonds and matters incident thereto; authorizing execution and delivery of a paying agent/registrar agreement; and containing other matters related thereto.
- E. Consideration and Possible Action** - Second and Final Reading of Ordinance No. 1560 - An Ordinance of the City Council of the City of Pearland, Texas authorizing the issuance of City of Pearland, Texas, permanent improvement bonds in one or more series; setting certain parameters for the bonds; authorizing a pricing officer to approve the amount, the interest rate, price, and terms thereof and certain other procedures and provisions relating thereto.
- F. Consideration and Possible Action** - Resolution No. R2018-120 - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for tree trimming and maintenance services to Yellowstone Landscape, in an amount not to exceed \$150,000.00, for the period of July 16, 2018 through July 15, 2019.

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

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

Voting "No" None.

Motion passed 7 to 0.

**MATTERS REMOVED FROM CONSENT AGENDA:**

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

- F. Consideration and Possible Action - Resolution No. R2018-120** - A Resolution of the City Council of the City of Pearland, Texas, awarding a unit supply contract for tree trimming and maintenance services to Yellowstone Landscape, in an amount not to exceed \$150,000.00, for the period of July 16, 2018 through July 15, 2019.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Resolution No. R2018-120.

City Manager Clay Pearson stated this is a bid award for tree trimming with the recommendation that Yellowstone receive the bid based on positive referrals. City Manager Clay Pearson stated that this is for street trees and public right of ways to conform to regular maintenance and safety clearance.

Councilmember Carbone asked staff to follow up on the citizen comment and how the City handles trees growing on private property that extend into the right of way and streets.

City Manager Clay Pearson stated that in cases where trees are obstructing view sheds or intersections that it is referred to Code Enforcement.

Councilmember Carbone asked to clarify that none of these funds will be used to clear obstructions caused by trees on private property.

City Manager Clay Person stated that these funds are for public right of ways and there may be exceptions but the intention is not to clear trees on private property.

Councilmember Owens asked if these funds were for trees between the sidewalk and public roadways.

City Manager Clay Pearson stated those are right of way trees and there are crews out clearing any hazards or tree trimming needed that would be associated with this bid award.

Mayor Pro-Tem Perez asked if the is location of the tree trunk that determines if it is on public or private property.

City Manager Clay Pearson affirmed that is the determining factor.

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

Voting "No" None.

Motion passed 7 to 0.

#### **NEW BUSINESS:**

**Council Action** - Regarding the Election of a Mayor Pro-Tem.

Councilmember Reed made the motion, seconded by Councilmember Carbone to nominate Councilmember Perez to serve as Mayor Pro-Tem for the 2018-2019 year.

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

Voting "No" None.

Motion passed 7 to 0.

**First Reading of Ordinance No. 2000M-172** - 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, Tract 1: A 0.6653 acre tract of land called Lot 1 out of 5.3 acres conveyed by deed from M.N. McGalthery and wife, to L.M.

McGalthery, recorded in Volume 661, Page 628, Deed Records of Brazoria County, Texas, said 5.3 acre tract being out of a 27.09 acre tract, being part of Dagg 34 acre tract, in W.D.C. Hall League, Abstract 70, in Brazoria County, Texas which lies North of the centerline of F.M. Road No. 518. Tract 2: A 0.6656 acre tract of land called Lot 2 out of 5.3 acres conveyed by deed from M.N. McGalthery and wife, to L.M. McGalthery, recorded in Volume 661, Page 628, Deed Records of Brazoria County, Texas, said 5.3 acre tract being in W.D.C. Hall League, Abstract 70, in Brazoria County, Texas which lies North of the centerline of F.M. Road No. 518. (3224 Patricia Lane, Pearland TX.) Zone Change Application No. ZONE 18-00007, a request of Leon A. Dudley, applicant and owner; approval of a change in the zoning classification from the Single-Family Residential-1 (R-1) zoning district to Office & Professional (OP) zoning district; on approximately 1.0000 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 Little to approve Ordinance No. 2000M-172.

City Manager Clay Pearson stated this is a request from the property owner for rezoning from R-1 Residential to OP Office Professional. A Joint Public hearing was held and the recommendation was to deny from Planning and Zoning and there is a negative staff recommendation. City Manager Clay Pearson stated that the adjoining property owners had met specific threshold to deny and it would take a super majority from Council to pass.

Councilmember Owens stated there is a large garage located across from this proposed property that does not look residential.

Director of Community Development John McDonald stated that garage is across the street and there is a home on the proposed property.

Councilmember Owens stated that is a large garage to be residential.

Director of Engineering Robert Upton showed where the garage was located in proximity to the proposed location, as well as what was considered residential on Patricia Lane.

Councilmember Carbone asked to clarify that a super majority vote is need from Council to approve this and that is the result of the negative Planning and Zoning recommendation and the property owner's protest.

City Attorney Darrin Coker stated that is correct and those are the two triggers in this case and it will take 6 affirmative votes from Council to overturn the negative recommendations.

Mayor Pro-Tem Perez asked to clarify that Staff is recommending that this be approved.

Director of Community Development John McDonald stated that originally staff recommended approval but since the Commission has acted the staff recommendation has changed.

Mayor Reid stated there needs to be a super majority so that the original positive recommendation from the Planning Commission can be overturned.

Mayor Pro-Tem Perez stated that he agreed with staff's original determination and the City should stick with the Comprehensive Plan and show this as Commercial zoned and the OP zone is the

lightest that the City has. Mayor Pro-Tem Perez stated that while he does share the same concerns of the property owners, the OP zoning is appropriate and he will vote in favor.

Councilmember Reed stated that everything along FM 518 should be zoned commercially or non-residential, but Council represents the citizens and it is their neighborhood, he will be voting against the rezoning.

Councilmember Hernandez stated prior it was reported there would be no driveway on Patricia Lane and asked if a restriction can be put on the Conditional Use Permit if it is rezoned.

City Attorney Darrin Coker stated the City would not be able to add a restriction and another Conditional Use Permit would have to be applied for otherwise it would be considered contract zoning and the City would not be able to apply a restriction. City Attorney Darrin Coker stated at this time it would be a straight up zone change with a subsequent zone application.

Councilmember Hernandez stated that outside of the Conditional Use Permit being required, there is no other option except for a variance after the property is rezoned to install a driveway on Broadway to keep traffic off Patricia Lane.

City Attorney Darrin Coker stated the variance would be an Engineering variance because they control the position of the driveway and the driveway entrance would be a portion of the Conditional Use Permit and is a Texas Department of Transportation (TxDOT) right of way.

Councilmember Carbone asked if the applicant was present.

Mayor Reid stated that he did not see the applicant and would be able to identify him if he was.

Councilmember Moore stated he struggles with this because it should be Commercial property but when 34 residents show up in protest of the rezoning it is encroaching on their neighborhood and would be more in support if the driveway we on FM 518 to discourage from going down Patricia Lane. Councilmember Moore stated he will be a no vote for changing the zoning.

Mayor Reid stated it would make more sense to be zoned Office Professional.

Voting "Aye" Councilmembers Carbone and Perez.

Voting "No" Councilmembers Reed, Hernandez, Little, Moore and Owens.

Motion failed 5 to 2.

**First and Only Reading of Ordinance No. 1563** - An Ordinance of the City Council of the City of Pearland, Texas, temporarily altering the prima facie speed limits established for vehicles under the provisions of Section 545.356, Texas Transportation Code, upon certain streets and highways, of parts thereof, within the corporate limits of the City of Pearland (Max Road from Hughes Ranch Road to the north end of Reid Road), as set out in this ordinance; providing a penalty; and declaring an emergency.

Mayor Pro-Tem Perez made the motion, seconded by Councilmember Reed to approve Ordinance No. 1563 on its First and Only Reading.

City Manager Clay Pearson stated that this is for the construction of Max Road from Hughes Ranch to Reid Road and for safety reason it is asked that the speed limit be lowered until construction is completed, at which point a traffic test and Engineering studies would be performed. City Manager Clay Pearson stated that after those are completed a new speed limit will be presented to Council.

Mayor Pro-Tem Perez stated he does not have an issue with this Ordinance but would like to understand why it is being done individually and why there is not a standing Ordinance for construction.

City Attorney Darrin Coker stated that per Section 545.356 of the Transportation Code it is required that each one be looked at individually and has to be looked at each time there is construction and a blanket Ordinance cannot be done. City Attorney Darrin Coker stated that an analysis has to be done prior to lowering speed limits even in the event of construction.

Mayor Pro-Tem Perez asked about how the single direction traffic can be dealt with.

City Attorney Darrin Coker stated that can be done without Council authority but since this would be lowering prima facie speed limits it needs approval.

Mayor Pro-Tem Perez asked what the violation would be for a driver going down a single lane during construction in a direction that is opposite the normal direction, for example a northbound lane changed to southbound and a person going North in that lane.

City Attorney Darrin Coker stated he would need to review the Transportation Code to see what it would be sited under but if there was traffic control present and it was disregarded, then a driver could be sited for that.

Councilmember Owens asked if that is the same thing the City did on Old Alvin.

City Attorney Darrin Coker stated he knows it was done on Cullen during construction and does not recall if it was done for Old Alvin.

Councilmember Little stated plans show construction to be completed in November and asked if construction was on schedule to meet that deadline.

Director of Engineering Robert Upton stated that construction is on schedule and the second bridge is being worked on. Director of Engineering Robert Upton stated speeds need to be controlled in that area due to the curves that have been created and cars traveling at higher rates of speed.

Councilmember Owens asked if a driver is caught speeding in that area and construction crews are present, will the fine be doubled.

City Attorney Darrin Coker stated if there is ongoing construction and crews are present that would be the case.

Councilmember Owens asked if signage will be put up showing that fines would double. City Attorney Darrin Coker stated that signs would go up to make drivers aware and it is not enforceable until all speed limit signs have been changed.

Councilmember Little asked who would provide the new speed limit signage.

Director of Engineering Robert Upton stated that during construction the contractor would provide signs and the City would provide signage if that is not in the contract, also after the construction and when the speed limits were changed.

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

Voting "No" None.

Motion passed 7 to 0.

**First Reading of Ordinance No. 1564** - An Ordinance of the City Council of the City of Pearland, Texas, renaming portions of County Road 59, South Fork Drive, Magnolia Road and John Lizer Road to Magnolia Parkway (between County Road 564 and Pearland Parkway); containing a savings clause, a severability clause and a repealer clause.

Councilmember Hernandez made the motion, seconded by Councilmember Moore to approve Ordinance No. 1564 on its first reading as amended.

City Manager Clay Pearson states that street names are being looked at to harmonize the names to help with Emergency Response and to avoid confusion. City Manager Clay Pearson stated that Magnolia is one of those streets and it has changed names numerous time and in working with Brazoria County and the City Manvel it was determined that a name change was needed. City Manager Clay Pearson stated this is a name change only and not traffic controls, Magnolia Parkway was agreed upon and there would still be a John Lizer Road east of Pearland Parkway to keep that honor in place.

Councilmember Owens asked how the name change would affect mailing addresses for the residents on those streets.

City Manager Clay Pearson stated there is a process in place to notify the Post Office and a grace period is allowed for those changes to take place. City Manager Clay Pearson stated it would need to be worked into databases and the longer it goes on it gets more difficult it becomes since it involves multiple jurisdictions.

Mayor Pro-Tem Perez asked if this name change was initiated by someone or did staff see the need and initiate it.

City Manager Clay Pearson stated staff saw the need and spoke to the other entities about the name change.

Mayor Pro-Tem Perez asked if this was the start to an overall program to cleaning up the street names.

City Manager Clay Pearson stated it is not a program at this point but the desired outcome is street names are reviewed regularly.

Councilmember Carbone asked for justification on why the name change stopped where it did on the map and did not extend to Liberty Drive.

City Manager Clay Pearson stated to preserve the Parks frontage and John Lizer, but the City is not tied into a specific stopping point and it could be pushed to Liberty.

Mayor Reid stated that if the City is going to tie up all of these names into one, it should extend to Liberty Drive.

City Manager Clay Pearson stated that could be done and added to an Amendment.

Mayor Pro-Tem Perez agreed with Mayor Reid and stated that it did not make sense for it to end at Pearland Parkway and understands wanting to honor the person the street was named after but Liberty is a definite end of the road.

Mayor Pro-Tem Perez made the motion, seconded by Councilmember Moore to amend Ordinance No. 1564 from John Lizer to Liberty Drive.

Mayor Reid called for the vote on the amended motion.

Voting "Aye" Councilmembers Hernandez, Little, Moore, Owens and Perez.

Voting "No" Councilmember Carbone and Reed.

Motion passed 5 to 2.

Mayor Reid called for the vote on the original motion as amended.

Voting "Aye" Councilmembers Carbone, Perez, Hernandez, Little and Owens.

Voting "No" Councilmember Reed and Moore.

Motion passed 5 to 2.

**Council Action - Resolution No. R2018-118** - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to participate in an interlocal cooperative pricing arrangement with the General Services Administration (GSA) for the purchase of equipment for the Advanced Meter Infrastructure Project, from Sequel Data Systems Incorporated, in the amount of \$348,102.10.

Councilmember Little made the motion, seconded by Councilmember Moore to approve Resolution R2018-118.

City Manager Clay Pearson stated the City is in the process of switching out the water meters to a new advanced metering system to improve functionality. City Manager Clay Pearson stated the City is sourcing the technology to be more cost effective for the City.

Councilmember Carbone stated he has an issue with the cost of the onsite training class for \$9500.00 and wanted an explanation.

Chief Information Officer Daniel McGhinnis stated that is new technology called Hardware Security Module and the training is specific to that.

City Manager Clay Pearson asked how long the training classes lasted, one or two days.



Chief Information Officer Daniel McGhinnis referred the question to the vendor to respond.

Sequel Data Systems Representative Daniel Pirek stated the install is three to four days and the training will be for low level administration and higher level administration and troubleshooting. Sequel Data Representative Daniel Pirek stated it is a knowledge transfer and install.

Councilmember Carbone asked Sequel Data Systems Representative Daniel Pirek how long training would last.

Sequel Data Systems Representative Daniel Pirek stated training is usually two days with the option to extend it further if there are still questions.

Councilmember Carbone asked if there are any additional fees associated with extending the training.

Sequel Data Systems Representative Daniel Pirek stated there were no additional fees associated with extending the training.

Councilmember Owens stated the City purchased new meters and asked if this technology worked with those meters.

City Manager Clay Pearson stated that the new meters will work with this technology and the technology is needed to read the meters, pull the information to billing and to be able to do on demand reading.

Councilmember Owens stated he walks through residential areas and some meters have been hit by lawnmowers, tops are off and meters are covered in grass and trash, can those meters be read.

City Manager Clay Pearson stated those meters can still be read.

Councilmember Moore asked if that caused any discrepancies in the meter readings.

City Manager stated that would not cause any discrepancies and the meters are in casings.

Mayor Pro-Tem Perez asked if the City has had any discussions with the manufacturer regarding how in the case a malfunction it will be determined if it is a parts issue or an install issue.

Director of Engineering Robert Upton stated the meters have a 10 year warranty plus in the years between 11 and 20 years there is a prorated warranty on the meters and referred to Chief Information Officer Daniel McGhinnis for computer related issues.

Chief Information Officer Daniel McGhinnis stated there is a significant diagnostic that gets performed to determine whether it is the part or the install itself and there should be no gap with warranty.

Councilmember Little asked if Sequel Data Systems has worked with Itron prior.

Sequel Data Systems Representative Daniel Pirek stated this is their first dealings with Itron but they have worked with all of the other components suppliers that Itron is working with and that is

where they have the experience, Itron components are being put in by Itron and Sequel Data Systems is working inside of the specs of Itron.

Councilmember Hernandez stated the cost of the equipment is significantly lower than the Itron proposed costs and would like to know why.

Chief Information Officer Daniel McGhinnis stated there is usually a markup and Itron was going to do the install and now the City is doing most of the install, there is no markup there and the City gets a discount for buying off a co-op.

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

Voting "No" Councilmember Carbone.

Motion passed 6 to 1.

**Council Action - Resolution No. R2018-125** - A Resolution of the City Council of the City of Pearland, Texas, approving an amendment to the Reimbursement Agreement between the City and the Pearland Economic Development Corporation (PEDC), in the additional amount of \$300,000.00 (total of \$750,000.00) for design and construction services associated with the SH 288 Northbound Frontage Road (County Road 59 to FM 518).

Councilmember Moore made the motion, seconded by Councilmember Little to approve Resolution R2018-125.

City Manager Clay Pearson stated this and the following item are a positive for the City of Pearland, transportation, safety and finances. City Manager Clay Pearson stated the City has had interest in a frontage road on the east side of SH 288 from County Road 59 to FM 518 due to significant traffic congestion. City Manager Clay Pearson stated this is a cost sharing with Pearland Economic Development Corporation, City of Pearland and Brazoria County.

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

Voting "No" None.

Motion passed 7 to 0.

**Council Action - Resolution No. R2018-123** - 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 and the Brazoria County Toll Road Authority, concerning the construction of a frontage road along the east side of State Highway 288 between 518 and County Road 59.

Councilmember Owens made the motion, seconded by Councilmember Moore to approve Resolution R2018-123.

City Manager Clay Pearson stated this is the interlocal agreement with Brazoria County and Brazoria County Toll Authority for the frontage road on the east side of SH 288 between FM 518 and County Road 59.

Mayor Pro-Tem Perez asked if the City can work with TxDOT to get driveway approaches spaced out along that roadway due to there being so much undeveloped land and upcoming developments in that area.

Director of Engineering Robert Upton stated that has already been done as part of the schematic while working with TxDOT and the area Engineer for TxDOT. Director of Engineering Robert Upton stated the plan right now is for three based on TxDOT criteria.

Councilmember Owens stated one of the concerns he has is the upfront payment to the Toll Road Authority before work begins and then the true up at the end of the project. Councilmember Owens also stated on the amount for the right of way, it is just an estimate.

Assistant City Manager Trent Epperson stated that is an estimate based on drainage improvements needed.

Councilmember Owens stated that on the scope of contract it shows County should contribute \$1.5 million with the costs of construction, construction management, and construction material testing. Councilmember Owens stated that makes it sound like the County is paying for that.

Assistant City Manager Trent Epperson stated the County already has the permits and approvals in place.

Councilmember Owens stated his concern is he has never had a contract where the Engineering firm also did the construction and inspections.

Assistant City Manager Trent Epperson stated that the Engineering firm does not do the materials testing, TxDOT and the City will have their inspectors present. Assistant City Manager Trent Epperson stated that it made sense to work with the Engineering firm since they were the General Engineering consultants for the Toll Road.

Councilmember Owens stated that once the City fronts the money to Brazoria County can the City review the pay estimates.

Assistant City Manager Trent Epperson stated he does not see an issue with Brazoria County allowing the City to see those since there is a true up at the end of the year.

Councilmember Owens stated he would like the City to be able to view those pay estimates.

Mayor Pro-Tem Perez stated that this goes before the County Commissioner tomorrow and asked for confirmation.

Assistant City Manager Trent Epperson stated that it is correct and will be in front of the County Commissioner tomorrow.

Mayor Pro-Tem Perez asked if there was any indication that Brazoria County was going to approve their side of the agreement.

Assistant City Manager Trent Epperson stated that Brazoria County has indicated they will approve their side.

Councilmember Reed commended staff for getting this project moving quicker than was anticipated.

Mayor Reid stated that it was a good management decision to get this project worked out due to the congestion of that area.

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

Voting "No" None.

Motion passed 7 to 0.

**First Reading of Ordinance No. 1544-2** - An Ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 1544, the 2017-2018 Annual Budget Ordinance, authorizing the City Manager or his designee to take all actions necessary to facilitate the changes identified herein without further approval of City Council; providing a savings clause, a severability clause, a repealer clause, and an effective date.

Councilmember Carbone made the motion, seconded by Councilmember Moore to approve Ordinance No. 1544-2 on its first reading.

City Manager Clay Pearson stated this is part of the regular Budget process and this year's budget shows FEMA reimbursements from Hurricane Harvey, sales tax revenues and the Budget was not as strong as projected. City Manager Clay Pearson stated that revenues have been declining, items have been put on hold due to the impact from Hurricane Harvey and the City was unsure of how the property values and sales taxes were going to perform post Hurricane Harvey. City Manager Clay Pearson stated the City is ready to present the mid-year budget and wants to get it locked in to get the suggested items underway.

Budget and Procurement Manager John McCarter presented the Fiscal Year 2018 Budget Projections to Council. Budget and Procurement Manager John McCarter stated this was to provide an opportunity to adjust spending to align with resources.

Councilmember Owens stated that one of the questions he had when the Budget was started is if the City had a fallback in case the revenue was not what was expected because of Hurricane Harvey. Councilmember Owens stated he appreciates staff's efforts and commended staff.

Councilmember Carbone stated the license and permit revenue is short and asked where the cost saving was coming out of that department.

City Manager Clay Pearson stated outside contract services were cut to virtually nothing due to no extra help was needed and open positions were reviewed and at least one was eliminated. City Manager Clay Pearson stated some functions of Trackit were moved to IT to help with that need.

Councilmember Carbone stated he is nervous about items that were decided upon last budget cycle are being scrapped and will have to start over again.

City Manager Clay Pearson stated that the City shares that concern and some of the supplementals can be moved forward. City Manager Clay Pearson stated half of the fleet replacements being put on hold causes a bigger hole for the City and the City is trying to match

revenues and expenditures, supplements give more room to do so. City Manager Clay Pearson stated that in the past the City had streets and sidewalks to adjust but now have contracts and good contract management in place that assures what has been allocated will be used.

Councilmember Owens stated that Fire had a reduction on hiring but still had an overage.

City Manager Clay Pearson stated that a large part of that is Comp and Class, bringing existing positions up to the comparables. City Manager Clay Pearson stated the additional positions were for the continual onboarding with the stations and that has been deferred as much as possible.

Councilmember Owens stated that if he understood correctly for the Police there were two positions put on hold.

City Manager Clay Pearson stated that was correct and those were supplemental positions.

Mayor Pro-Tem Perez asked for a further definition on where the revenue under Miscellaneous revenue came from.

Budget and Procurement Manager John McCarter stated that the majority of that is the increase from the FEMA reimbursement and the sale of property which included a large vehicle auction and sale of furniture. Budget and Procurement Manager John McCarter stated that there was also a right of way sold that is included.

Mayor Pro-Tem Perez asked moving into next year's Budget where does the City put the Miscellaneous category at for projected revenue.

Budget and Procurement Manager John McCarter stated the FEMA reimbursement will not be reoccurring and in 2019 the City is looking to establish a Motor Pool which the City will not see the sale of vehicle revenue in the General fund because it would go to the Motor Pool fund. Budget and Procurement Manager John McCarter stated that Medicaid reimbursement is expected to go up next year.

Councilmember Little stated he would like to know what the big ticket items are under Other Requirements that caused the variance.

Budget and Procurement Manager John McCarter stated that is the Comp and Class study and when salary is budgeted for it is done on a standard salary for the 12 month fiscal year. Budget and Procurement Manager John McCarter stated that since the Comp and Class study came in during the middle of the year it was put in other Requirements so to not distort the budget numbers and the negative is the salaries being dispensed to the various departments.

Councilmember Little and commended staff on their work on the Budget.

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

Voting "No" None.

Motion passed 7 to 0.

**MAYOR/COUNCIL ISSUES FOR FUTURE CITY COUNCIL AGENDAS:** None

Council adjourned into Executive Session under Texas government code at 7:56 p.m. to discuss the following:

**EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE**

1. **Section 551-074 – Personnel Matters** – Regarding appointments to the Boards and Commissions.
2. **Section 551.072 – Real Property** – To deliberate the purchase, exchange, lease or value of real property.
3. **Section 551.087 – Consultation with City Attorney** – Regarding -economic development negotiations.

Council returned from Executive Session at 8:44 p.m.

**NEW BUSINESS CONTINUED:**

**Council Action - Resolution No. R2018-124** - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into a Tax Abatement Agreement with Pearland Economic Development Corporation (“PEDC”) Prospect No. 1803, and authorizing a Loan Assistance Agreement between PEDC and Prospect No. 1803.

Councilmember Reed made the motion, seconded by Mayor Pro-Tem Perez to approve Resolution No. R2018-124.

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

Voting “No” None.

Motion passed 7 to 0.

**Council Action** - Regarding appointments to the Boards and Commissions.

Mayor Pro-Tem Perez made the motion, seconded by Councilmember Little to appoint Teresa Del Valle to Position No.1 and Gary Shrum to Position No.4 on the Zoning Board of Adjustments to fill the vacant positions.

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

Voting “No” None.

Motion passed 7 to 0.

**OTHER BUSINESS:** None

**ADJOURNMENT**

Meeting was adjourned at 8:47 p.m.

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

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Tom Reid  
Mayor

ATTEST:

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Young Lorfing, TRMC  
City Secretary