

MINUTES OF A PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MONDAY, SEPTEMBER 10, 2018, 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	Trent Perez
Councilmember	Tony Carbone
Councilmember	Derrick Reed
Councilmember	Adrian Hernandez
Councilmember	J. David Little
Councilmember	Gary Moore
Councilmember	Woody Owens
City Manager	Clay Pearson
City Attorney	Darrin Coker
Deputy City Secretary	Maria Rodriguez

Others in attendance: Daniel Baum Assistant Fire Chief, Jon Branson Deputy City Manager, Matt Buchanan Director of EDC, Trent Epperson Assistant City Manager, Michelle Graham Director of Human Resources, Jimantanae McBride City Planner, John McCarter Budget & Procurement Manager, Chris Orlea Director of Parks and Recreation, Cynthia Pearson Director of Finance, Kim Sinistore Executive Director CVB, Johnny Spires Police Chief, Robert Upton Director of Engineering, Andrea Brinkley Assistant Director of Public Works, Jennifer Huhn Court Administrator, Daniel McGhinnis Chief Information Officer, Rhonda Daugherty Assistant Director of Finance and Lawrence Provins Deputy City Attorney.

PUBLIC HEARING:

Public Hearing on the Proposed Fiscal Year 2018-2019 Budget.

STAFF REVIEW:

City Manager Clay Pearson stated this is the official Public Hearing for the City's Fiscal Year 2019 Budget that begins October 1, 2018 and made a presentation for the Public outlining the proposed Fiscal Year Budget.

Budget Officer John McCarter stated the completion of publication providing notice of the City's intent to hold a Public Hearing, including the dates and times. He further presented more highlights of the proposed Fiscal Year 2019 Budget for the public.

CITIZEN COMMENTS:

Max Krchnak, no address provided, addressed Council and stated he felt the Capital Development Group is causing unnecessary inflation and spoke on acreage sold by the City of Pearland.

Diane Butcher, 1922 Prairie Creek, addressed Council and spoke of a Park in her subdivision, Woodcreek, that she would like the City to develop and create a play area.

Jimmy Davis, 5004 Colmesneil Drive, addressed Council and expressed his concerns with the current proposed budget for Streets and Sidewalks.

COUNCIL/STAFF DISCUSSION:

Councilmember Carbone stated the meetings on September 17th and September 24th are both Council meetings and will include time for the Public to comment.

Conversation ensued between Councilmember Carbone and President of EDC Matt Buchanan regarding the different proposed Budgets for the Economic Development Corporation (EDC), citing the changes are in the forecast and reallocation of funds.

Councilmember Reed stated he is in agreement with the citizen that spoke in regards to the park in her subdivision and hopes that something can be done since the area has been in need for some time now.

City Manager Clay Pearson stated there was a property sale on Broadway Street that the City dedicated the funds from to purchase equipment to be installed at that park.

Councilmember Reed stated the money that is being rolled over by the EDC should be used to pay off debts rather than be held on to and not used.

President of EDC Matt Buchanan stated the money will be used, is a part of the Multi-Year plan and as years pass the money allocation will have to be determined for projects at that time. He further stated if the City depletes those funds it will have to go out and reissue debt, which needs to be avoided.

Councilmember Reed stated he has issue with holding on to sums of money that could be used, but more than likely will not be used. He further stated he would like staff to provide whether that money is gaining interest.

Conversation ensued between Councilmember Reed and President of EDC Matt Buchanan regarding the amount of interest the money is gaining now versus the amount of finance charges the City is paying, also discussed were ways to cut down on cost for jobs staff could do.

Councilmember Reed asked staff if the decision to use the holdover from EDC to pay down debt can be brought to Council or does it have to be voted on by the EDC Board first.

City Attorney Darrin Coker stated the EDC Board would have to be presented with it prior to it going in front of Council.

Mayor Pro-Tem Perez explained the effective tax rate, the City is collecting what it has in the past and resident bills should stay the same. He further stated a playground was awarded for the Park in the Woodcreek Subdivision.

Director of Parks and Recreation Chris Orlea stated when the contractor came in with the bid it was over the threshold and needed to now go out for formal bids, be approved by Council and then the bid awarded. He further stated the contractor has agreed to expedite the project and more information will be shared with residents, timeline for the trail is four to six weeks with equipment afterward.

Mayor Pro-Tem Perez stated the streets and sidewalks projects is underfunded but with the present Budget it cannot be at the level it needs to be. He further stated there should be an Enterprise fund solely for the repair and maintenance of streets and sidewalks. Mayor Pro-Tem Perez stated he and Councilmember Carbone have looked further into the EDC budget and now he agrees with Councilmember Carbone that the funds are not being used to the highest level for the City. He further stated there are funds being earmarked for projects that are not going to happen and are not part of the Five Year Capital Improvement Plan so money should not be held aside for those projects. Mayor Pro-Tem Perez stated the funds set aside in the EDC budget should be used to pay off debts and not held in reserves.

Councilmember Hernandez stated an Administration should be established for Trails so that it is not just looked at from a beautification standpoint but from a quality of life standpoint, which would be better suited to the Parks Department and not EDC. He further stated there is not a need to have so much set aside in the EDC budget when the City could be paying off debt and there are no plans to do the projects. Councilmember Hernandez stated there needs to be some thought put into how the City could save funds, for example using existing avenues to market rather than creating new ones. He further stated his support for project oriented funding, streets and sidewalks would be a good start.

Councilmember Little stated the City does not have a tax revenue increase but does have a tax rate increase. He further stated his support of Councilmembers who are wanting EDC funds to be used to pay off debt rather than the EDC holding onto the funds.

Councilmember Moore stated some of the projects in the Parks Capital Improvement Plan could be deferred to later dates. He further stated the City should pay down debt with the EDC set aside and does not agree that a Convention Center is necessary. Councilmember Moore stated he is opposed to some of the projects being so soon in the timeline outlined in the Budget, citing the 2007 Bonds came with a tax increase that did not happen which cost the City. He further stated the City needs to hold back and let the funds catch up, projects need to be prioritized.

Councilmember Owens stated some projects do need to be held back and let other improvements occur first. He further stated his support of fellow Councilmembers wanting to use EDC funds to pay down debts rather than hold funds for future projects that may not happen. Councilmember Owens stated the projected debt for Capital Improvements and Infrastructure Assets Recapitalization is high and would caution against issuing more debt. He further stated the City has plans for repairs to Mykawa Road, however TxDOT already has plans for the same road. Assistant City Manager Trent Epperson stated TxDOT is funding 80% of design and acquisition, the City would only be responsible to TxDOT for the remaining 20% on the project prior to the road being laid. He further stated TxDOT would also manage the construction project.

Councilmember Owens stated the Budget shows additional positions incrementally through the year but for next year's budget the positions will need to be worked into the budget for a full twelve months. He further stated funds should be moved to more important projects and put off some of the other projects.

Mayor Reid spoke about the growth of Pearland and the expansion to business.

City Manager Clay Pearson stated there are two more meetings to decide the Budget and staff will continue to work to amend to Budget.

ADJOURNMENT

Meeting was adjourned at 8:05 p.m.

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

Tom Reid
Mayor

ATTEST:

Young Lorfing, TRMC
City Secretary