The City Council of the City of Seabrook met in regular session on Tuesday, April 3, 2018 at 7:00 p.m. in Seabrook City Hall, 1700 First Street, Seabrook, Texas to discuss, consider and if appropriate, take action on the items listed below.

THOSE PRESENT WERE:

THOM KOLUPSKI	MAYOR
ROBERT LLORENTE – ex. abs.	COUNCIL PLACE NO. 1
LAURA DAVIS	COUNCIL PLACE NO. 2
GARY JOHNSON	MAYOR PRO TEM & COUNCIL PLACE NO. 3
NATALIE PICHA	COUNCIL PLACE NO. 4
GLENNA ADOVASIO	COUNCIL PLACE NO. 5
JOE MACHOL	COUNCIL PLACE NO. 6
GAYLE COOK	CITY MANAGER
SEAN LANDIS	DEPUTY CITY MANAGER
STEVE WEATHERED	CITY ATTORNEY
ROBIN HICKS	CITY SECRETARY

Mayor Kolupksi called the meeting to order at 7:00 p.m. and led the audience in the United States and Texas Pledge of Allegiance.

1. PRESENTATIONS

1.1 Presentation of a proclamation recognizing the City of Seabrook as one of 10 winners of the Prestigious 2018 Governor's Community Achievement Award for outstanding community improvement. (Kolupski)

Mayor Kolupski congratulated the Open Space and Trails Committee members, Helen Burton, John Coggeshall, Debra Harper, and Sally Antrobus, as well as the Parks staff, including Administrative Assistant, Natalie Stephens, and thanked them for pursuing this prestigious award.

1.2 Present Audit for FY 2016/17. (Auditors)

Stephanie Harris, Partner with Belt Harris Pechaceck LLP, presented the Comprehensive Annual Financial Report. The Auditors are issuing an unmodified opinion on the City's financial statements, which is the highest level of assurance that can be issued. The City's financial statements are materially correct and all disclosures required by generally accepted accounting principles have been included.

The City has $91.2 million in total assets, and $42.2 million in total liabilities.

The City ended the year with a positive net position of just over $52 million, which represents an increase from the 2016 fiscal year of just under $2 million.

The driving factors for the increase includes reinvestment of $7.4 million in the City's capital assets, the bulk for the animal control facility and improvements to the Wastewater Treatment Plant, and the issuance of two (2) debt series: 1. a refunding that replaced an older 2008 debt series, which resulted in reduced debt service payments by just under 600,000 over the next 10 years and an economic gain of just over $538,000, and 2. new debt of $5.9 million to continue to fund Wastewater Treatment Plant operations.

The statement of revenues, expenditures and changes in fund balance focuses on current revenues and expenses, on a modified accrual basis. The City collected just over $12.9 million in total revenues and incurred expenditures of $19.9 million to provide all various functions: general government, public safety, public works, including capital outlay expenses and principal and interest on long term debt. Other financing sources and uses include refunding debt transactions to retire the older 2008 obligation that was outstanding at a higher interest rate. For the year, the City had a net reduction in fund balance of $5.9 million. The City started the year with $19.9 million and ended with $13.2 million. The intention was to draw down on the fund balance to fund capital improvements.

General fund ending balance was an increase of $737,000 for ending balance of $8.2 million. A benchmark of balancing annual operating expenses is maintaining at least 25% in unassigned fund balance. The City currently has 58% unassigned fund balance, which is 82% of the 2017 annual operating expenses. The 58% breaks down to $5.8 million in unassigned dollars; $38,000 non-spendable; over $2 million committed for stabilization in anticipation of the Highway 146 expansion project; a $1.6 million payment from the Port of Houston in the prior fiscal year to help fund a sound mitigation project; and just over $21,000 assigned for civil service sick leave.

This year is the year in which all governmental entities are required to report long term liability for providing a pension plan benefit to employees. The total liability for 2017 was at a rate of 6.75% and $5.5 million. A 1% increase in the discount rate would drop the net pension liability to $1.7 million, but a 1% decrease in the rate would increase the net liability from $5.5 million to $10 million. Total pension cost is over the required 80% at 83.8% at the end of the 2016 calendar year. This is different from the funding strategy. TMRS comes up with a rate that the City must contribute each fiscal year in order fund long term.

2. PUBLIC COMMENTS AND ANNOUNCEMENTS

Larry Boufis, 1101 Sandpiper Drive, stated that hurricane season is coming up and FEMA will not pay for hotel fees when homeowners without damage evacuate. Hotel costs during Harvey were $425. There should be a pro-active approach. Many citizens cannot afford to evacuate. It's hard to get hold of FEMA. Sean Landis has been helping with whatever FEMA needs.

2.1 Mayor, City Council and/or members of the city staff may make announcements about city/community events. (Council)

Councilmember Adovasio announced several upcoming events, including: the last day to register to vote; Early Voting; the May 5 City Council Election; Keels and Wheels; Houston Symphony League Bay Area Home Tour; Rural Picnic; Wounded Warrior Soldier Ride; Bike Around the Bay; and the Bay Area CVB will have a booth at the 2018 San Jacinto Day Re-Enactment.

3. CONSENT AGENDA

3.1 Approve on second reading proposed Ordinance 2018-08, "Amendments to the El Mar Village PUD. (Landis)

AN ORDINANCE AMENDING ORDINANCE 2015-10 APPROVING "EL MAR VILLAGE TOWNHOMES PUD" LOCATED IMMEDIATELY SOUTH OF EL MAR LANE AND WEST OF NORTH MEYER ROAD, MORE SPECIFICALLY DESCRIBED IN EXHIBIT "A", BY REVISING THE PLANNED UNIT DEVELOPMENT ("PUD") PLAN, REGULATIONS, RESTRICTIONS AND CONDITIONS ("PLAN") ONLY IN RELATION TO THE MASTER PLAN LOT LINE LOCATION FOR LOTS 5, 6, 7, AND 8; AND THE ADDITION OF PHASE TWO, LOTS 1 AND 2, AS MORE PARTICULARLY DESCRIBED IN EXHIBITS "B" AND "B-1", ATTACHED HERETO; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; AND PROVIDING FOR SEVERABILITY AND NOTICE

3.2 Approve on second reading proposed Ordinance 2018-09, "Amendments to the Chesapeake Bay II PUD". (Landis)

AN ORDINANCE AMENDING ORDINANCE 2017-14 APPROVING "CHESAPEAKE BAY II PLANNED UNIT DEVELOPMENT (PUD)" LOCATED IMMEDIATELY EAST OF REPSDORPH ROAD AND SOUTH OF BRUMMERHOP PARK, CONSISTING OF APPROXIMATELY 16.2707 ACRES AS MORE PARTICULARLY DESCRIBED IN EXHIBITS "A", BY RECONFIGURING THE PLANNED UNIT DEVELOPMENT ("PUD") PLAN, REGULATIONS, RESTRICTIONS AND CONDITIONS ("PLAN") TO REFLECT DESIGNATION OF PHASES 1–4 (IN PLACE OF THE PRIOR REFERENCED TRACTS 1-3), AS REFLECTED IN THE "PLAN" ATTACHED HERETO AS EXHIBIT "B", TO DESIGNATE PHASE 1 AS SENIOR LIVING FACILITIES, PHASE 2 AS, RETAIL/STORAGE, WITH TWO INDEPENDENT STORAGE BUILDINGS, PHASE 3 AS SENIOR LIVING FACILITIES, AND A NEW PHASE 4 FOR ADDITIONAL SENIOR LIVING FACILITIES FOR PROPOSED LOW INCOME HOUSING TAX CREDITS, AS MORE SPECIFICALLY REFERENCED IN THE PLAN; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; AND PROVIDING FOR SEVERABILITY

3.3 Approve on second reading proposed Ordinance 2018-10, "Adding Minimum Standards Required for Qualified Responsible Contractors used by Private Developers Proposing to Work on City Infrastructure/Property". (Padgett / Craig)

AN ORDINANCE AMENDING THE SEABROOK CITY CODE BY CREATING A NEW CHAPTER 94, ENTITLED "MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE CONTRACTORS", IN ORDER TO ADMINISTER, OVERSEE AND REGULATE THE USE OF CONTRACTORS BY PRIVATE DEVELOPERS THAT MAY BE ACCEPTED FOR WORK ON PUBLIC INFRASTRUCTURE AND/OR CITY PROPERTY; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT OR IN CONFLICT HEREWITH; PROVIDING FOR A PENALTY IN AN AMOUNT NOT TO EXCEED $2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF BY INCLUSION INTO THE CODE; AND PROVIDING FOR SEVERABILITY AND NOTICE

3.4 Accept Audit and Comprehensive Annual Financial Report (CAFR) for FY 2016-17. (Gibbs)

3.5 Approve an excused absence for Natalie Picha for the March 20, 2018 regular City Council meeting. (Hicks)

3.6 Approve the minutes of the March 20, 2018 regular City Council meeting. (Hicks)

3.7 Approve the minutes of the March 6, 2018 regular City Council meeting. (Hicks)

3.8 Approve minutes of the February 6, 2018 regular City Council meeting. (Hicks)

Motion was made by Councilmember Adovasio and seconded by Councilmember Johnson

To approve the Consent Agenda as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

4. NEW BUSINESS

4.1 Consider and take all appropriate action on first and final reading of proposed Ordinance 2018-11, "Amending the Budget for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017 for the Seabrook General Fund". (Gibbs)

AN ORDINANCE AMENDING THE AMOUNT OF APPROPRIATIONS FOR THE GENERAL FUND BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2016 AND ENDING ON SEPTEMBER 30, 2017, FOR THE CITY OF SEABROOK, IN THE AMOUNT OF $331,837.35, TO ALLOCATE A BUDGET FOR HURRICANE DEPARTMENT BUDGET; AND FINDING AVAILABLE UNENCUMBERED FUNDS FOR THE SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER

Michael Gibbs, Director of Finance, explained that there are revenues in the general fund of $10.8 million for the operational budget, with expenses totaling $10.1 million. Hurricane Harvey expenses now need to be budgeted and reallocated from the department level into an account/line item for the storm. The total allocation for Hurricane Harvey is $331,000. In addition, monies in the Enterprise Fund in the amount of $38,906 were reallocated to the Hurricane Harvey account/line item. Most of the expenditures for Harvey are Category B for labor cost in the amount of $340,000. The bulk of the Category B will be reimbursed. The remainder of the totals is cleanup, such as making an adjustment to the line item for a debt service entry for the refunding issue.

Motion was made by Councilmember Adovasio and seconded by Councilmember Machol

To approve on first and final reading of proposed Ordinance 2018-11, "Amending the Budget for the Fiscal Year beginning October 1, 2016 and ending September 30, 2017 for the Seabrook General Fund".

MOTION CARRIED BY UNANIMOUS CONSENT

4.2 Consider and take all appropriate action on first and final reading of proposed Ordinance 2018-12, "Amending the Budget for the Fiscal Year Beginning October 1, 2017 and ending on September 30, 2018, for the Seabrook General Fund". (Gibbs)

AN ORDINANCE AMENDING THE AMOUNT OF APPROPRIATIONS FOR THE GENERAL FUND BUDGET FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2017 AND ENDING ON SEPTEMBER 03, 2018, FOR THE CITY OF SEABROOK, IN THE AMOUNT OF $414,871.64, TO PROVIDE RESOURCES TO MULTIPLE DEPARTMENTS; AND AMENDING ENTERPRISE, PUBLIC SAFETY AND HOTEL OCCUPANCY FUNDS; AND FINDING AVAILABLE UNENCUMBERED FUNDS FOR THE SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER

Motion was made by Councilmember David and seconded by Councilmember Adovasio

To approve on first and final reading of proposed Ordinance 2018-12, "Amending the Budget for the Fiscal Year Beginning October 1, 2017 and ending on September 30, 2018, for the Seabrook General Fund".

MOTION CARRIED BY UNANIMOUS CONSENT

4.3 Consider and take all appropriate action on the renewal of the Non-reimbursable Space Act Agreement between Bay Area Emergency Responders and the National Aeronautics and Space Administration. (Galyean)

Jeff Galyean, Director of the Office of Emergency Management, stated that this agreement is the instrument that NASA utilizes as a mutual aid agreement with surrounding cities. The agreement goes back to the 80's for Emergency Operations Centers operations for a hurricane. This agreement has never actually been used. NASA has a hangar at Ellington that is no longer being utilized for some of their space training programs, and that hangar can house all local public safety apparatus. Without this mutual agreement, Seabrook and surrounding cities have to take all of our assets to NRG stadium. For Hurricane Harvey, cities would not have been able to get their vehicles and equipment back from Houston for a few days because the roadways were under water. This agreement does is no cost for the City and no cost for NASA.

Motion was made by Councilmember Davis and seconded by Councilmember Adovasio

To approve the renewal of the Non-reimbursable Space Act Agreement between Bay Area Emergency Responders and the National Aeronautics and Space Administration.

MOTION CARRIED BY UNANIMOUS CONSENT

4.4 Consider and take all appropriate action on the reappointment of Gary Johnson, as a private citizen, to the Board of Directors of the Clear Lake Emergency Medical Corps (CLEMC), per the provisions of the Agreement between the City of Seabrook and the Clear Lake Emergency Medical Corps, for a term to begin June 1, 2018 and ending June 1, 2019. Mr. Johnson is term limited in At Large Council Position 3 in May 2018. Mr. Johnson is currently serving as the CLEMC Board President. (Davis)

Motion was made by Councilmember Davis and seconded by Councilmember Adovasio

To table this item until the next City Council meeting because there may be some liability issues that staff needs to research.

MOTION CARRIED BY UNANIMOUS CONSENT

5. ROUTINE BUSINESS

5.1 Hear a report on the March 2018 Economic Alliance Port Region Advocacy trip to Washington D.C. (Picha)

Councilmember Picha thanked the Mayor and Council for the opportunity to go on this trip to D.C. The purpose of trip was to meet with various Legislators on topics that directly impact Seabrook and the Houston Bay Area. This trip was definitely worth the time, and 30 team members/representatives from the 12 cities that the Port of Houston touches were in attendance. Teams were joined by Dennis Paul and members also met with Senators Cornyn and Cruz, who are both in support of storm surge protection. On the last evening team members attended a congressional dinner with Congressmen Babin and Olson. There was a conversation about Seabrook's Wastewater Treatment Plant. Hopefully, the meetings and involvement in this advocacy trip will help Seabrook.

5.2 Approve the Action Items Checklist which is attached and made a part of this Agenda. (Council)

TXDOT – Gayle Cook, City Manager, explained that the Sonic demolition is near completion. There have been a couple of additional requests to hold hearings at City Hall because there is no official agreement between TXDOT and those property owners. Since the last City Council meeting the City has received an advance funding agreement from TXDOT on utility relocates and aesthetics that staff is reviewing. There are still financial questions to address in the funding agreement, specifically the standard aesthetics costs, and it looks like the City will be responsible for $4.4 million for utility relocates. The City had been doing interviews with 3rd party engineers, but staff hasn't heard anything about who was chosen. The City Manager has signed off on the final plans, which have been couriered to Austin for review. The City will still have the ability to comment on the plans for Seabrook. The cover sheet to those plans state that TXDOT will be able to publish all letting documents in May.

PROJECT – Ms. Cook announced that there is nothing new on projects since the last meeting.

GRANT ADMINISTRATION – Ms. Cook stated that staff is working to finalize the Hurricane Harvey items. The two large items are in review and staff is expecting an email any day that the review is finalized. There is one document outstanding on debris removal, but because the entire process is electronic, that document will be uploaded and on its way soon.

The Mayor announced that through Councilmember Picha's contact at the Economic Alliance Port Region in Washington D.C., the Mayor and City Manager had an audience today with Congressman Babin's office and he is offering support for the HMGP grant.

Councilmember Machol recognized the Public Works staff for saving the City $50,000 on a recent drainage project. The job was well done and much appreciated.

Motion was made by Councilmember Johnson and seconded by Councilmember Adovasio

To approve the Action Items Checklist

MOTION CARRIED BY UNANIMOUS CONSENT

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5.3 Establish future meeting dates and agenda items. (Council)

The next City Council meeting is April 17, 2018.

Upon motion duly made and seconded, Mayor Kolupski adjourned the meeting at 7:45 p.m.

Approved this 17th day of April, 2018.

Thomas G. Kolupski
Mayor

Robin Hicks, TRMC
City Secretary

THE CITY OF SEABROOK TEXAS