



City of League City, TX

300 West Walker
League City TX 77573

Meeting Minutes City Council

Monday, July 25, 2016

6:00 PM

Johnnie Arolfo Civic Center
400 West Walker Street

Council Work Session

The City Council of the City of League City, Texas, met in a work session in the Johnnie Arolfo Civic Center at 400 West Walker Street on the above date at 6:00 p.m.

Mayor:

Pat Hallisey

City Council Members:

**Dan Becker
Hank Dugie
Heidi Hansing
Todd Kinsey
Geri Bentley
Keith Gross
Nick Long**

City Manager:

Mark Rohr

Deputy City Manager:

John Baumgartner

Asst. City Manager/Director of Finance:

Rebecca Underhill

City Attorney:

Nghiem V. Doan

City Secretary:

Diana M. Stapp

Chief of Police:

Michael Kramm

Director of Engineering:

Earl Smith

Director of Human Resources/Civil Service:

Queenell Fox

Director of Parks & Cultural Services:

Chien Wei

Director of Planning & Development:

Paul Menzies

Director of Public Works

Vacant

1. CALL TO ORDER AND ROLL CALL OF MEMBERS

Mayor Pro Tem Kinsey called the meeting to order at 6:00 p.m. and called the roll. All members of Council were present except Mayor Hallisey and Mr. Becker.

Absent 2 - Mayor Pat Hallisey and Mr. Dan Becker

Present 6 - Mr. Hank Dugie, Ms. Heidi Hansing, Mr. Todd Kinsey, Ms. Geri Bentley, Mr. Keith Gross and Mr. Nick Long

2. DISCUSSION OF FY2016-2017 PROPOSED BUDGET

Mark Rohr, City Manager said if I could make some introductory comments. We got quite a bit done at our first budget hearing. We got everything done with the Operational Budget with the exception of one item which we had asked to be pushed back and that is where we will start this evening. There was a reason why we asked that and I think that will be self-explanatory once we go through the different items contained within this area. We are going to start off with the Communications Department. One of the goals that Council gave me for the new year was to enhance communications within the City both internally and externally and we took that to heart and got busy on that right away and I had asked Angel to put together a citizen's committee of different representatives within the community that were indicative of the different cohorts that we have living within the City. She did that and did it rather quickly. She has met with that committee and she has some results that she would like to share this evening and then she will explain how that has been incorporated into the budget plan that she has developed.

Angel Lopez, Director of Communications said we are providing you a one-page summary from our meeting with the City Communications Advisory Group last week. We initially started out with a group of seven individuals, residents of the city who are a representation of demographics within League City. Of the seven citizens five responded and attended the meeting on July 21. Our focus of the advisory group was to discuss current and past communication efforts by the city and how our citizens receive their information and current and future initiatives to enhance citizen participation in local government and city events. On this summary we have included the list of the citizens who did participate in the group. Some of the key things that I want to point out are to show how all of the civic activities that we are and have been working on are receiving fruition from it because several of these individuals actually participated in our Citizen University Class which educated them and helped communicate information to their neighbors. Our focus was this specific area and what we found was there are communication barriers that do exist and primarily a lot are amongst our senior citizens because of technology gap. There are so many platforms to communicate these days between social media, the website, text messages and email but the one thing that we found in talking with the senior citizen who participated in our group she primarily gets information from the blackboard connect phone calls that we send out. She doesn't have text message or email capabilities but she participates in a number of the senior programs that are offered at Hometown Heroes. The one thing that we will say is there is a lot of bang for the buck in their programs because they did have a lot of great feedback on that. Primary method of communication is telephone, printed material or word-of-mouth. The other key factor is they wanted to emphasize the importance of repetitive communications. What the entire group really focused on was the fact they feel the City is communicating and getting information out there and working to keep the citizens informed but they also felt that the citizens carry a responsibility for staying informed. It is a two-way communication, two-way conversation.

So working with that information we went further into the conversation about best ways to get information, how to get our citizen engaged so they would actually access those links we send out. One of the things that we came up with was the City Manager's Update. They love the information that it contains but a lot of people don't understand what it means. They feel it is too formal but felt it is an important piece because it shows what took place the past week. So they asked that we work to provide some context to that link when putting the information out. They also discussed the importance of capitalizing the audiences that we already have in place. They said we have a lot of missed opportunities. So working with the group we came up with some suggestions. The first suggestion was utilizing the screens at the council meetings when the council goes to executive session. Swaggit usually shows a blue screen that says 'executive session'. So we are working to come up with some type of advertisement or information to put on those screens while we have a captured audience. The other thing they came up with to help people understand the facility needs the city is faced with was offering tours of the facilities. For those facilities that are not the best to tour because of safety concerns they suggested doing a video or mini virtual tour and helping people understand. Some of the other aspects to going along with the video capabilities is our group really loved the concept of Citizen University and they feel there are areas they didn't get to learn more about. They suggested a digital version of Citizen University, like a mini-series. Speaking of senior citizens, they have to go to the grocery store to get food so utilizing the community bulletin boards to put up flyers and information about events. Some of the other things they asked for were event and activity highlights. So when you come to your council comments section on the agenda highlight different activities as you go around the room. Using the community spotlight to educate people on the community groups and resources that are available to our residents like Friends of League City Senior Citizens or Lions Club. Other ideas were putting out a welcome packet with city information and resources that are sent to residents who establish water service in League City. Using posters and digital technology to help resident understand how to sign-up for public hearings and public comments at council meetings. Utilizing City Hall in the Park events as another means to communicate information and activities. Increase our social media efforts by challenging the citizens to share the information on their personal sites or pages. Enhance public access channel programming and increase awareness of our communication resources through Notify Me, Blackboard Connect. So all of this we are going to take and put together to enhance our strategic communication efforts going forward, which leads into the position that we have created to focus on putting programming together and getting all the right resources in place so we can have more streamlined way of communicating and implementing these things. Focusing on citizen engagement, educating and informing, serving our community by providing them the information they need on the city services and programs. But also we intend to meet them on a quarterly basis to get feedback on how we are doing and what we could do better.

Mr. Rohr said we have discovered with the advent of technology and the different types of technology the opportunities to communicate will become more fragmented than they were when most of us come of age, what was primarily television stations and printed newspaper.

Our challenge here is that we get overshadowed by Houston and very rarely do we get television coverage which is different than what I have been use to in the past. In addition to the fact that for some reason there are only 2,500 subscriptions in League City for the GDN (Galveston Daily News) so we have to dip into our bag of tricks to figure out new and creative ways to do it because there is no one answer. I think she brought out a good point that the citizens expressed that were on the committee it is incumbent upon citizens to make an effort at the same time and that is what we hope to encourage. In the last two years we have implemented three programs which I think are innovative and demonstrate good faith in terms of communication. City Hall in the Park, I don't know how more available we can make ourselves to the public than to go out in a park and make ourselves available on a monthly basis to hear whatever they want to tell us. Citizens University and Student Government Day. Doesn't mean we can't do more but we have made an effort and will continue to make efforts. Which is a nice segue into her actual budget itself.

The following budget items were reviewed:

Administration Directorate - Communications Department
Non-Departmental – General Fund, Utility Fund
Transfers – General Fund, Utility Fund
Capital Replacement Fund

3. **PRESENTATION OF THE FY2017- FY2021 CAPITAL IMPROVEMENT PROGRAM**

Mr. Rohr said before we get too heavily into this I thought it important to actually go over what I think is the City's report card. We have talked about this quite a bit but it is time to sit down and look where we are at before we talk about CIP's with respect to our Roadmap to the Future. We sat down to try and figure out where we were at in terms of the vision that we laid out and how we are doing and what we can do better in and what we look strong in at this point in time. To me this is the ultimate measure on how the city is doing because most cities is a grass and trash and there is no plan. As matter of fact I don't to have lived in League City to know that weren't overwhelmed with vision in the past but now we have a vision, we have an idea, we have a direction in which we are going. So what I want to do is go through as quickly as I can how we are doing in each area and once again for those of you who may not remember this came from a public meeting that the citizens were invited. I think we had over 100 citizens, council was there, staff was there and it was a good day. And despite what might hear from a vocal minority within the city we have made great progress and I am going to demonstrate to you how we have made that progress. Now a check mark doesn't indicate that these particular areas are done, it indicates that we started and some of these projects are rather involved so it is not like you can get them done in a day or month or year for that matter but it indicates progress in terms of marching forward in addressing these particular items.

Short Term (0-3 Years). So let's start with Economic Development – Develop industrial/commercial mix. That is the 3-legged stool. As you know, and we have talked about in the past, we are doing better in linking our commercial leg. And we do now have a very effective economic development team in place that I think are going to help us lengthen the legs for industrial and commercial going forward. Partnerships – public, private and other organizations (Rotary, Chamber, non-profits), I think we have done quite a bit better in that regard. The Directors and myself are involved with civic organizations within the community. We have a very strong relationship that continues to grow with the Chamber and I sit as an ex officio board member. We look for opportunities on an ongoing basis. City as a destination – I believe that we have got a plan in place for downtown redevelopment and a vision for the remainder of the city that will allow us to become a destination in the near future and make us even more so going forward. In addition to that we have different events like a Quidditch tournament coming up and others to broaden what we have to offer for people visiting League City and will continue to do it going forward. Infrastructure in place to accommodate visitors – I would argue that is what the downtown is going to be so we are working on developing the engineering specs for the downtown plan and that is exactly what that will do is provide a venue for people to visit. Biotech, UTMB (developers) – we haven't done much in that area. Waterfront development – Riverbend, I don't know if anyone has been out there but the residential development is proceeding and they have actually cleared more ground. We have in our mind that a waterfront type development is ideal there and we are working with the developers to ensure that that happens going forward. Make it an easier place to do business – tonight we are going to unveil our new form that we have, Derek is going to pass it around. This is mentioned twice on the Roadmap to the Future, here and towards the end. This is quite simply, and it is called and entitled 'How to develop and build in League City' and it is a flow chart. It shows you the different steps that you have to follow in order to arrive at the point of time that you actually do develop or build within League City which is what we want to see happen. We will put and make this available on the website and in the 500 West Walker building which is where all of the development services within the city is currently housed. The Economic Development department will also have one of these. Implement quarter cent sales tax – well we know where that went. Planned growth – I think we are starting to do that. There is an item on council's agenda later on this evening with respect to what we call a cash register ordinance and we can talk about that later at that point in time. Attract corporate headquarters – that has been incorporated into our economic development vision. We don't have any to announce at this point of time but it is a goal of ours going forward. Development of central historic/business district – I don't have to tell you about that. We started that, that's probably the biggest initiative we have right now and will have for the next few years and we are making good progress on that so I am not going to go through every line item. Community Facilities Master Plan, Library – I don't have a check mark there. We have made improvements to our existing library but there has been talk about an additional library and there are no plans a foot at this point of time for that. Fire Stations – you have some line items in your CIP that have to do with additional fire stations and we can talk about that in a little bit.

Animal Shelter – we all know where that is at, I got that checked off. Parks – Update master plan, expand recreational facilities and so forth, I checked that off. Traffic – we have got some improvements to do there. I sent council earlier today there is a sign up on the Five Corners project which announces the project will proceed later on this year starting in the fall. So we have made some progress but we are moving forward on that. I still think we got two properties to acquire on that. Debt Management – we have gone over that in the past. We have made progress in that particular area and that's a function of the expenditures we make with the CIP and we are going to talk about that in a little bit.

Mid Term (4-6 Years). Appearances – I would argue strongly that the overall appearance of the city looks better than it did two years ago, in terms of grass cutting and things like that. It is not perfect, it is not where we want it to be, but it is a lot better than it was. Landscaping, irrigation, appeal – I don't have that checked off. Beautification (including entryway signs) – we have made progress in that area and we have more things coming working in conjunction with the state. Code enforcement – we are doing a lot better job on code enforcement than we were in the past. We are not exactly where we need to be but I think we are doing better than we did. Diversify Water Supply Sources – we are working on that as we speak and we have had some meetings already with respect to that. Great Public Safety – I think we would all agree that we have great public safety. I think there was study that came out today that said we were number 10 of the top 10 safest big city in Texas. So that is a distinction and we continue to try and improve and invest what we can to enhance that. Improve drainage issues – that is part of the \$10 million that John is going to go over. We have some money associated and devoted to that. Update codes and ordinances – the one thing that is number 4 on council's agenda has to do with the ordinance that was discussed before. Paul has new subdivision regulations that have already been done in house and we are waiting for the appropriate time to introduce that to council. Community Gathering Place – that is what the downtown is, that is one of the goals in the downtown. Amphitheater – I don't have that checked off, that is one of the second or third phase with the downtown project and we don't have anything to announce on that yet.

Long Term (7-10 Year) – Making League City a tourist destination, that is what we are talking about with respect to the HOT funds and different things that we are working on like the CVB. Expansion of recreational facilities – a study is going to help us do that. Establish sense of place – who are we - amenities, downtown once again. Junior College District – we haven't done anything on that. Enhanced communication to residents, flowcharts for permitting process – we have covered that tonight already. Nature preservation and conservation – I don't have that checked off. I don't know that we have done a whole lot on that, we had that study that was presented a few months ago and remains a goal in the back of our minds. So you can see how much progress we are making and how much mileage we have put on our 'Roadmap to the Future' in trying to develop League City in the manner that we see fit and the city we want it to be going forward. Once again it is very important to have a vision and this in our mind is the true report card. We thought that was a good way to start and lean in to the CIP presentation.

Rebecca Underhill, Assistant City Manager said I am going to start and then John is going to get into the meat of it. I am going to talk about the numbers at a high level. You were all given another book with detailed information about the plan. The plan is a five-year plan, FY2017-FY2021. There is \$406.8 million for 94 defined projects to be pursued over the next five fiscal years. \$230.4 million of the projects are invested through property tax supported programs. These are non-utility programs, everything from streets, facilities, and parks. There is \$176.4 million in utility revenue supported projects. The proposed tax supported program is broken down by 39% for reinvestment initiatives. The City Manager and staff have come to council and talked about the need for reinvestment in existing infrastructure, something that we haven't really focused on in the past. So we are going to be talking a lot about the reinvestment initiatives. Also proposed is 35% Streets & Traffic, 5% Downtown Revitalization, 5% Economic Development, 4% Parks, 4% Fire, 3% Police, 3% Facilities, 1% Drainage. The proposed revenue supported spending is 80% for water projects and 20% for wastewater. How do we fund this? On the tax supported side it is relatively complex. We have cash on hand either through dedicated revenue sources or from existing bond funds that are on hand. Again we are talking about increasing the appropriation from the General Fund on an annual basis beginning in Fy2017. We have funding sources from the 4B Corporation and from various grants and that is going to make up the balance of the \$230 million over the five years. On the Utility Fund side basically we have cash, we got transfers from the utility operations and we got bonds going out into the future. Again that total plan is \$176.44 million. I am going to finish up on a funding side with a slide that you have seen before and how we plan to increase funding for these reinvestment projects on the tax supported side by utilizing the natural growth and property tax from the expanding tax base and the growth and values. The revenue from the revenue study that we have talked about council began action on two weeks ago, that is built into this program. For FY2017 and FY2018 we are planning at this point on utilizing some measure of fund balance. We have talked briefly about some of the projects that are included in the plan for FY2017, the first year of the plan which would make up the capital budget for FY2017. On the reinvestment side we have sidewalks at \$1 million, street reconstruction/drainage improvements \$2.96 million, stormwater improvements \$3.01 million, asphalt road rehabilitation \$2 million, facilities reinvestment \$800,000. A sketch of some of the larger projects included in the plan are Five Corners, Ervin/Hobbs, the animal shelter, 60" waterline, 36" waterline. John is going to take over and talk about projects.

John Baumgartner, Deputy City Manager said as I get started here I would like to go over a few core principals associated with the CIP. When we look at development in the CIP we look at what is the community need, what does it expect, what does it desire, what can we afford, and how do we keep up with depreciation with is a reinvestment project that we will talk about shortly. We try to maximize the useful life of the asset. There are always more wants than needs. Resources are limited in both staffing and funding.

Putting together the CIP is a continuous, ongoing process. When we think about how projects are selected - we listen to input from the community, from the council, from citizens, from staff, from boards and committee input, regulatory requirements and contractual obligations. Ultimately we build the projects that communicated to council supports and adopted in the plan. With that I will get started.

Tax Supported Programs.

The first program and probably the most important for us going forward is the reinvestment projects and that is the program Becky talked about that would grow from \$10 million this year to ultimately \$24 million. Those projects are intended to replace existing infrastructure as it wears out. I want to highlight a few of the key pieces of this \$10.1 million program. Sidewalk Replacements (\$1 million), if you recall when talked about this I said there was about a \$2 million backlog of sidewalk work that needed to be done just to catch up and then an ongoing \$200,000-\$300,000 worth of work. So in kind of approaching this as a first year project we put \$1 million in there. The \$1 million is intended to be programed with \$700,000 for catch up work and \$300,000 for ongoing requests that come in from the citizens every day. I asked the Street Department staff where the worst area in the city is and we determined South Shore would be the first area to target. We haven't done an exact inventory but my goal is to go through that and put a project together, bid it and move forward. The next item is Street Reconstruction (\$2,959,691), usually a 2 or 3-year process which includes a year for design and a year for reconstruction. If there is land acquisition that adds about a year to that process depending on how many pieces and how complicated that is. The first year the program is focused on identifying three or four streets that are priority, start the design of those streets and the next years would move into the construction phase. An example, Kansas Street (4th St to Clear Creek) actually addresses drainage at the same time, we propose to take the big drainage ditches, put that drainage underground, and provide some additional capacity to improve drainage south of there, which is an incremental approach. This project is \$500,000 design in FY2017 and \$3.5 million reconstruction including a lot of dollars associated with drainage. Saint Christopher (FM270 to FM518) is programed at \$200,000 design in FY2017 and \$1.3 million reconstruction. Dickinson Avenue (Walker to FM646) is programmed at \$700,000 design, \$6.5 million for reconstruction, and has land acquisition associated with it. Calder Road (Ervin to Cross Country) is programmed at \$1 million for design, \$9 million for reconstruction, and some land acquisition cost. Grissom (Abigail to West Nasa) has no FY2017 funding, we would propose to start engineering in FY2018 and is estimated at \$8 million reconstruction. Lastly we have proposed \$500,000 for panel replacements, for roads such as South Shore, Landing Boulevard, and League City Parkway. Butler, Turner and Wesley are streets that need attention but are further out in the plan and are not FY2017 streets.

The next piece of the program is Traffic Signal Reconstruction and all the span wire signals will eventually be replaced throughout the years. For Annual Stormwater Improvements we have \$3.01 million programmed for 2017. This year we are proposing to complete Nottingham and Interurban is proposed for next year (FY2017).

With these long time projects, every time we start down the path we get additional costs associated with new environmental rules. Asphalt Road Rehab, the other area we have been doing at best on a haphazard basis. In FY2017 we propose \$2 million for three areas: Area 1 is the asphalt streets near the railroad, FM518 and Hwy 3; Area 2 is the neighborhood behind the City Hall complex; and if we have some dollars left we will address Area 3 which is a piece of the Historic District. The other projects on the Reinvestment list includes Facilities Reinvestment, we have programmed a total of \$275,000 plus \$25,000 for a Fire Training Room Expansion. My plan for Year 1 is to use about \$75,000 to address the building at the Butler Museum. Parks Facilities Renewal projects, we propose \$155,266 which is consistent with what we have spent in the previous years. Limited Renovation of the buildings at 500 and 600 West Walker, we are nearing completion at the 500 building and this project will roll over into the next year. If there is some money left, estimated at \$100,000, we will invest that into the building at 600 as we look to develop a business incubator there.

Mr. Rohr said looking back on the information for the CIP funding – increase over time, let's make sure we all understand this. The \$10 million that John went over is made possible because of the sources of property tax growth, additional revenue agenda items before you tomorrow night, and the fund balance. If the additional revenue agenda items are not approved, it will impact the projects that we just went over. We have been very prudent fiscally over the last two years and have built up a better fund balance than we have had in the past. Going forward to try and make that magic \$22 million up that we are underfunded in FY2017 is built on itself with property tax growth, the revenue study (replicated if all are put in place) and more of a fund balance, taking us to \$15 million. And then in the future (FY2019) we have built some growth into the property tax and the revenue study but we will be tapped out on the fund balance. This is where the economic development program has to kick in and start being effective in order to produce the revenue that we need to do the things we need to do within the city. Again I call attention to Pearland and Sugarland in the fact that they have half again as much money as we do. Why is that? Because they have more effective and more diverse economic development. So going forward we have got to get going with respect to that comp development and make up the \$22 million.

Mr. Baumgartner said from that I am going to read down the list of the Tax Supported projects focusing on the FY2017 levels:

Streets

Fiber Network Traffic System West Side - a spinoff of an IT project and is for engineering associated with that effort.

Calder Road - Ervin to League City Pkwy - remaining dollars that are unencumbered in the construction contract. We reserve some funds for contingency and unanticipated issues.

Five Corners Realignment - relocation of utilities and demolition of buildings in advance of TxDOT bid.

Butler/Turner Improvements - right-of-way acquisition in conjunction with improvements along Calder Road.

South Shore Blvd/SH 96 Intersection Improvements - construction for bottleneck improvements.

Traffic Systems Improvements - systematic replacement of signals throughout the community and anticipate one signal per year.

HGAC/TIP Design Projects - design plans for North Landing Extension

North Landing Extension Construction – begins in FY2018 with right-of-way acquisition

TxDOT FM646 Widening – I45 to SH3 - installation of pavers in the medians

Right-of-way Purchase - undetermined acquisitions

SH96 Corridor Traffic Study - study of FM270 corridor

Ervin/Hobbs Connector – complete engineering and land acquisition in FY2017

FM270 (FM518 to FM646) – FY2018

Walker Street Bridge – FY2021

Drainage

Shellside Stormwater Management System – construction of a major detention facility

Genco Canal Improvements – water recirculation / aeration system

Police

Animal Shelter – engineering for new construction

Fire

Land for Public Safety Annex Station 6 – design plans

Relocate Station 3 with Engine – FY2019

Facilities

Facilities Modernization & Energy Efficiency

Land Purchase for City Initiatives – for expansion of the facility on Dickinson Avenue

Municipal Court Facilities Needs Assessment

Parks

Hometown Heroes Park – additional message sign

Chester L. Davis Sportsplex Entrance – additional entrance and turn lane

Nature Center Wetland Enhancement - protection of lagoon by adding a culvert and shoreline protection

TxDOT FM518 Bypass Hike & Bike - connection of trail from Genco Canal to Five Corners

Hike and Bike Trails Way – Finding Signage

Heritage Park Soundwall

Claremont Connector Hike and Bike Trail

2012 Hike & Bike, Phase 1

Hometown Heroes Park 5 K Loop

Economic Development

Westside Economic Development Initiatives – seed money to keep advancing ideas and concepts

**Downtown Revitalization
Downtown Revitalization Plan
Downtown Revitalization Trails**

4. PRESENTATION AND DISCUSSION REGARDING FY 2017 HEALTH INSURANCE PROGRAM RENEWAL PROCESS TO DATE AND GOING FORWARD

Queenell Fox, Director of Human Resources said this is a chance to give you an update of where the process is with RFP. The initial results from our RFP were based on Third Party Administration of the Self-Funded Medical Plan, Stop Loss, Pharmacy Benefit Manager, Self-Insured Dental, Self-Insured Vision, Employee Assistance Program, Patient Advocacy, Wellness Program and Fully Insured Medical. For the medical responses IPS received the preliminary quote where the carriers took a look at the plan design, third party administration, pharmacy benefit management, preliminary stop loss and focus on customer service. For the Fully-insurance there were only two responses, from Blue Cross Blue Shield and TML, and they were significantly higher than where we are currently. One of the things with the fully insured plans they do not offer deductibility of our self-insured. For the Self-insured medical the quotes received range from options below where we currently are all the way up to 15% and above. Of note we report the best and final to come back for our stop loss, the providers needed additional information regarding how our plans performing up through June of this year. That information has been provided and they will have the best and final to IPS by Wednesday. IPS named the finalists for our Medical TPA: Boon-Chapman, Cigna, Blue Cross Blue Shield of Texas and TML. Finalists for Stop Loss: Aetna, Sun Life and Cigna. For our dental, self-funded quotes were received from Aetna, Blue Cross Blue Shield of Texas and Cigna. Of note, the ones that responded said that they would remove the DHMO from the plan. Our current provider is Aetna and they responded to renew our current plan which is fully insured at a 5% increase. For our Vision, for self-insured currently IPS is not recommending that we go down that path because of our loss ratio at 147.9% from January to May 2016. I believe we have a two year guaranteed rate so they will certainly provide us with that information when they come back to see us on August 2nd. For our Employee Assistance Program, finalists included ENI, Interface EAP an, Deer Oaks (TML) and all provide cost savings over our current plan. I will say that since we sent the RFP out we got a response from our current provider that it's offering options that we were not made aware of previously. For Patient Advocacy the named finalists were Boon-Chapman and Compass for cost and plan design. The final thing is Wellness and those finalists were HealthCheck 360, Cigna, Blue Cross Blue Shield of Texas and Humana Vitality. Again this is just the finalists list and the best and final will be provided to City Council on August 2.

Mr. Rohr said we didn't think it was appropriate to go over the numbers yet because they are not complete but we are very optimistic that we can improve our situation going forward based on what we have heard so far. We think the plan is to make a decision at your meeting on August 9.

5. **FOLLOW-UP DISCUSSION FROM THE MARCH 21 WORK SESSION MEETING, REGARDING THE ECONOMIC DEVELOPMENT EFFORTS OF VARIOUS HIGH-GROWTH COMMUNITIES AND ASSOCIATED REGULATIONS THAT PROMOTE SALES TAX GENERATING BUSINESS**

Paul Menzies, Director of Planning and Research said back in March the council had requested a discussion based on some recent ordinances passed by the cities of Oak Ridge North and Shenandoah on the far north side of Houston related to their efforts to promote sales tax generating businesses in their retail or commercially zoned areas. During that discussion that night a white paper by the former economic development director was presented outlining those two cities and their efforts on how they achieved that by restricting their commercially zoned areas to generally those uses that generate retail sales tax and some of the enhancements in the commercial design standards that they require. Council that night asked the staff to work on it, present something for League City. You gave us some general direction and what commercial corridors you would like us to look at. So presented tonight is a draft of the regulations. As we start this discussion I want to make it clear that this is a discussion tonight, this is not going to be on an agenda tomorrow night. If we were to move forward with anything it would be an amendment to the zoning ordinance. Amendments to the zoning ordinance are required to go through Planning & Zoning public hearings, public hearings and public input which we obviously want. So if you ask us to move forward with this, the city initiated rezoning request would come back to you in 6-8 weeks to consider. So Section 2 of the draft ordinance was written as a collaboration mainly with the City Attorney and it defines our commercial areas along I45, SH96 and FM646. In those commercial areas it generally limits all the new uses to those that generate retail sales tax only and there is a definition in there based on State Law and how they define a retailer. Other uses unless they are on the second floor, and we are not mandating in any form or fashion that you have to have multi story buildings, but non retail sales tax generating uses in those districts would require approval of an SUP by the City Council. So they are not prohibited, they would just need further review by the Council. Any piece of the property zoned commercially within 300' of those rights-of-way we would capture those uses.

The second big piece to this proposal is Section 4. Remember that white paper, the Shenandoah and North Oak Ridge ordinances has a commercial design standard for all new commercial uses, a masonry design standard. Most of the discussions that this council has had in my time with regards to new uses is less about the use and more about what the building looks like. I have heard on a number of occasions from most of you that we need to have some sort of a commercial design standard. Instead of having a theme which I think is where we have stuck for the last few years, let's just make it masonry and have a minimum masonry standard for our commercial uses and our apartments (multi-family) which I know has been a topic of discussion as well and leave it up to the architect beyond that. We have taken one liberty out of this discussion. You will remember the Lakes of Quail Pointe that the council just approved, we had talked about that was the first ever masonry design standard for a residential development that the council had ever adopted and that we wanted to possibly look at building on that. Let's just make that the standard. Most of the new residential developments that you see have their own private standard and it is pretty high. With Quail Pointe we didn't mandate necessarily a standard, we asked them what is your standard and can we just go ahead and codify that. So we have taken that and proposed in Section 3 would be for all new residential subdivisions. I want to stress new residential subdivisions. There is no intent to retrofit this into existing neighborhoods. There would be a minimum masonry standard on the street side, the side street side and the back. And that is the totality of the proposal.

6. ADJOURNMENT

At 8:07 p.m. Mayor Pro Tem Kinsey said, there being no further business this meeting is adjourned.

TODD KINSEY
MAYOR PRO TEM

DIANA M. STAPP
CITY SECRETARY

(SEAL)

MINUTES APPROVED: