



Meeting Minutes
City Council

Monday, March 27, 2017

6:00 PM

Council Chambers
200 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
Larry Millican
Todd Kinsey
Greg Gripon
Keith Gross
Nick Long

City Manager:

John Baumgartner

Assistant City Manager/Director of Finance:

Rebecca Underhill

City Attorney:

Nghiem Doan

City Secretary:

Diana M. Stapp

Chief of Police:

Michael Kramm

Director of Human Resources/Civil Service:

Janet Shirley

Director of Parks & Cultural Services:

Chien Wei

Director of Planning/Development:

Paul Menzies

Director of Public Works:

Gabriel Menendez

1. CALL TO ORDER AND ROLL CALL OF MEMBERS

Mayor Hallisey called the meeting to order at 6:00 p.m. and called the roll. All members of Council were present.

Present 8 - Mayor Pat Hallisey, Mr. Dan Becker, Mr. Hank Dugie, Mr. Larry Millican, Mr. Todd Kinsey, Mr. Greg Gripon, Mr. Keith Gross and Mr. Nick Long

2. **PRESENTATION AND DISCUSSION RELATED TO THE CITY'S REGULATIONS REGARDING PROPERTY MAINTENANCE**

Paul Menzies, Director of Planning & Development said last month City Council had a work session discussion on our laws regarding private property mowing and provided you with an analysis on what other cities were doing. Our code of ordinances requires property to be maintained under 12 inches, and that includes the ditch that goes out to the street. At that meeting City Council directed staff to draft a proposed list of situations for which the City Manager (or designee) could consider in determining whether to grant relief from the mowing provision in Code Section 54-33. The following is the draft/proposed language: "The City Manager, or designee, may grant temporary relief to the responsible property owner from the maintenance (i.e. mowing of ditches within a public easement or public right-of-way upon consideration of any of the following: Too steep or deep to mow safely; Ability to access ditch; Ditch is not in an area otherwise required to be maintained by an HOA; Age and health of the property owner(s); Ditch is located along a high traffic road; Continual standing water; or Availability/priority of City resources." This is the list of seven items that the staff came back with based on Council's direction. If Council chooses to move forward with any/all of this list we can bring it back at the next meeting as a proposed ordinance.

3. **PRESENTATION REGARDING PROPOSED SOFTWARE ENHANCEMENTS FOR WATER**

Nancy Massey, Utility Billing Massey said I would extend this out to Justin Hamilton, Manager of Strategic Sales for Aqua Metrics to present the upgrade of the conversion to the Sensus Metering System and David Overfield, Manager and Technical Solutions for Sensus.

Mr. Hamilton said I am going to speak a little bit to the AMI System, the system that the City of League City currently has as well as the software. For some history, in 2011 the City purchased a Sensus AMI system that came with the meter data management system, the most recent and up to date software available at the time. This is the system that the Utility Billing staff use to provide hourly readings with the water meters as well as reporting and sending water meter bills to the billing software. In April 2017 Microsoft is ending support for this database software, which currently runs on Microsoft V.2003. Sensus has since released a new version of software, a significant upgrade as far as usability and the technical ability to allow the staff to be more focused on customer service, provide better reporting and analytics. The way the system currently works is there is a regional network interface (RNI) that takes the meter reading data hourly and transmits every 4 hours to Utility Billing office. That works in conjunction with the meter data management (MDM) system that enables Utility Billing to download the readings for monthly billings, view hourly charted uses and meter readings. The City purchased this in 2012 and it currently runs on Microsoft 2003 platform. The next version of this will be Sensus Analytics.

Mr. Overfield said this is a cloud base and allows access for the citizens from anywhere they have internet capability. We do back all this information up daily, hourly. We have a dual data center that is fully redundant. They are located in diverse geographic areas (Boise, ID and Raleigh, NC). We have improved maintenance and will be responsible for upgrading the hardware and maintaining the servers, unlike today where the actual equipment is the responsibility of the City. We can provide more proactive approach, as far as customers can see if they have a leak or if their usage is outside their norms. They can set alarms or event notifications based on their own personal preference. It does interpret and store all the information for three years, which is an improvement over the old system. Currently the graphs are built around a 60 day window, with the upgrade you will have the ability to do hourly data for 36 months along with a customer portal and improved functionality. It is a total browser based system so it is very easy to learn. The reports are improved, with enhancements around the functionality where you can change the parameters to help make better decisions when moving forward into the future. All of the meters are available on a map so customer service can see where the meter is located and identify graphically problems or issues. You have ability to do city-wide notifications, you can also set the system up to automatically alert customers about outages. Alerts can be sent via email or text messages.

John Baumgartner, City Manager said I am sold on the customer portal piece of this for a couple of reasons. As we went through last summer and had a number of conversations with different customers, you can pull their bill and you can see how much water they use when they irrigate. You can identify leaks and it is pretty easy to let customers see that. With three years of record you can go back and look at the past and show the customer exactly how their usage is monitored. It is a sign-up basis and you can attach a fee to it.

4. PRESENTATION REGARDING THE PROPOSED 2017 CERTIFICATES OF OBLIGATION

Rebecca Underhill, Assistant City Manager said during last summer's budget process the 2017-2021 Five Year Capital Plan was developed. Incorporated into that plan was the funding for 2017 projects which include bond funding. So the breakdown of the types of projects that were included in the 2017 Capital Plan include Reinvestment, Streets/Traffic, Drainage, Animal Control, Fire, Facilities, Parks, Economic Development and Downtown Revitalization. Funding sources included \$17.2 million in existing funds (bond funds, grant funds, County funds, Section 4B funds) and then \$4.93 million in new debt. On the Water side we have a total of \$32 million in projects, \$23.9 to be funded with existing funds (on hand Oct 1) and \$8.3 million in new debt. We want to ensure the Council that we go through and we manage the funds that we have on hand. We do not want to over borrow, we want to borrow when we need to borrow and borrow no more than we need to borrow year over year.

Our current projections have our current bond funds on hand expended by the end of this fiscal year. To recap, the bond issue that we are proposing for 2017 is \$4.93 million of tax supported debt, \$8.33 million of revenue supported debt and \$210,000 in bond issuance cost.

We want to talk a minute about overall debt. Overall debt at the end of 2016 was \$245 million. Based on the principal retirement for the FY2017 and including this new debt we will be about \$243 million at the end of FY2017. I want to briefly mention that the numbers I am talking about do not include a proposed bond related to TIRZ 4. TIRZ 4 is out in the Westwood area and is ready to issue bonds in the amount of \$4.5 million to fund the developer. These costs are related to the extension of League City Parkway and Maple Leaf Drive. If we are able to incorporate this bond issue with the City CO issue it will save issuance cost. We are working to develop those numbers this week and will come back to you with an update.

The projects included on the tax supported side of the program are the Ervin Connector (\$1.13 million), New Animal Shelter (\$650,000), Fire/EMS Station 6 (\$490,000) and Downtown Revitalization (\$2.65 million). For a brief explanation: the Ervin Connector will construct Ervin from Calder Road to Hobbs Road; the Animal Shelter is the design phase; Fire/EMS Station 6 is the design phase; and Downtown Revitalization Plan consists of \$2 million related to utilities and \$655,000 is related to League Park.

On the utility side there is a longer list of projects, but I want to skip to the largest project which is Dallas Salmon Effluent Discharge Improvements (\$4.04 million). Other projects are: Well Side Well, Booster Pump Station & 12" Waterline and will require \$1.3 million of the bond; Southeast Area Water Trunks; North Service Area 16" Waterline on Grissom; Annual Sanitary Sewer Rehab; Annual Lift Station Improvement Program; and Countryside #1 Lift Station Improvements and will require \$287,500 of the bond.

Our options for issuing bonds: General Obligation Bonds, which are voter approved bonds and carry a property tax pledge which provide the best interest rate; Revenue Bonds, available for our water utility bond, that pledges the water and sewer revenue and carries a slightly higher interest rate.; and Certificates of Obligation, which we have been using for the past several years for our debt, with council authorization and posting of proper notice. Notice provides taxpayers the opportunity to petition for an election. If a petition is not received the Council is empowered to issue the bond. They carry a property tax pledge so they provide the lowest interest rate. The Utility portion of the bond is payed for from utility operations. We would continue to recommend this debt type.

As we have done the last two years, in addition to the public notice in the public we are proposing to hold public hearings so that the citizens will have opportunity to speak to the council about the projects and the bonds. Our preliminary time table would be to have those public hearings on April 25 and June 13, basically at the beginning and end of the process.

June 13 would be the day the council would vote to issue the bonds. We are working with the Communications Department to provide additional information. We will have articles in City Matters, City Manager's Update, Facebook, Blackboard Connect and Web page similar to last year which will outline all the information about the projects so the citizens will be completely aware of what we plan on doing with these funds. Now we are doing more video information and so we are going to work with them on that as well. We would like to come back to the Council on April 25, hold that first public hearing and ask the council to approve the Notice of Intent to Issue which starts the process. Then June 13 we would receive bids and hold another public hearing and ask the Council to approve the bonds. We would have the funds on hand mid-July.

5. **PRESENTATION REGARDING BUTLER LONGHORN MUSEUM OPERATING AGREEMENT**

Rebecca Underhill, Assistant City Manager said to remind Council that on February 28 City Council approved an interim funding agreement between the City and Butler Longhorn Museum (BLM) to provide interim funding through April 30, 2017. Council in that action also instructed staff to develop a contract through the end of the fiscal year and we have been working with the museum to come forward with a contract that we would like to bring forward on April 11. We would like to share with you how that development is going and get your feedback.

Chien Wei, Director of Parks & Cultural Services said what we are looking to do is replace the lease agreement with an operation agreement and present that to you in an April meeting. This evening we are hoping to get some input through this work session on anything that you would like to see in that agreement. We have forwarded a draft copy of the agreement to the City Council. In the operation agreement it covers most of the expectations that we will have for the museum as far as providing financial reports very similar to a lease agreement. We have also laid out some of the events to be held at the museum. Indoor events are identified as exhibits, tours, small events. Indoor/Outdoor events are identified as movie nights, parties, theater. Outdoor events are Boot Scoot'n and Texas Gathering which is one of the larger events that the BLM holds once a year.

6. **CONDUCT A WORK SESSION OF THE CITY COUNCIL TO RECEIVE INFORMATION CONCERNING AGENDA ITEMS APPEARING ON THE MEETING AGENDA FOR THE MARCH 28, 2017 MEETING OF THE CITY COUNCIL OF THE CITY OF LEAGUE CITY.**

NO VOTE OR ACTION WILL BE TAKEN ON ANY ITEM UNDER CONSIDERATION

7. **ADJOURNMENT**

At 8:17 p.m. Mayor Hallisey said, there being no further business this meeting is adjourned

PAT HALLISEY
MAYOR

DIANA M. STAPP
CITY SECRETARY

(SEAL)

MINUTES APPROVED: