



City of League City, TX

300 West Walker
League City TX 77573

Text File

File Number: 18-0571

Agenda Date: 9/25/2018

Version: 1

Status: Agenda Ready

In Control: Finance

File Type: Agenda Item

Title

Consider and take action on a resolution authorizing an interlocal agreement with Galveston County and the Galveston County Tax Assessor Collector (GCTO) for Public Improvement District assessor collector services (Director of Finance)

..Background:

Approval of this resolution will authorize an agreement with the Galveston County Tax Assessor Collector to bill and collect assessments for all of the City's Public Improvement Districts (PID). The contract period is three years beginning October 1, 2018 with two options of renewing for one year.

Local Government Code 372.017 authorizes the City to levy assessments in periodic installments. Local Government Code 372.015 authorizes the City to contract with the County for collection of assessments. Assessments of the Southwest has been the assessor collector mailing and collecting annual assessment statements for the City's PIDs since 2001. An agenda item was presented in August 2018 to renew their contract and at that time staff was directed to seek additional quotes, specifically from the County. The Galveston County Tax Assessor Collector is the assessor-collector for the City's property taxes.

Upon evaluation of the information received from the County it has been determined that it is in the best interest of the City and homeowners within the PIDs to move forward with a contract with the County, as the cost is minimal and will save the PIDs over \$55,000 annually combined. The rate included in the agreement is \$0.256 per parcel for an estimated total of \$306.94 annually, with conversion costs of up to \$5,000 in year 1. Due to the transition of vendors, we recommend billing separately from regular property taxes in year 1, which will result in a per parcel charge of \$1 for a maximum number of 1,639 parcels (the number of parcels in the PIDs per GCAD). Approximate cost per PID for the current number of parcels billed is presented below:

	Year 1	Future Years	
PID #1 (Magnolia Creek) 413 Parcels		\$ 413	\$106
PID #2 (Victory Lakes) 354 Parcels		\$ 354	\$91
PID #3 (Centerpointe) 261 Parcels		\$ 261	\$67
Park on Clear Creek PID 171 Parcels		\$ 171	\$44
One-Time Conversion Costs		<u>\$5,000</u>	<u>\$0</u>
Total		\$6,199	\$308

The services provided by GCTO will include mailing annual assessment statements, receiving and posting payments to the assessment roll, preparing various reports for the City, and providing for the transfer of all funds, net any applicable refunds.

Staff previously presented to Council a similar item with Southwest, Inc. on August 28, 2018 for a renewal amount of \$57,600 per year for a three year period. At the request of Council, staff obtained a

price quote from the Galveston County Tax Collector. There will be a \$46,000 cost savings per year to utilize the services of Galveston County for the billing and assessment collection for all the PIDs, in comparison to the current contract with Southwest, Inc. Staff recommends approval of the agreement.

The costs of services will be funded by the PIDs.

ATTACHMENTS:

1. Data Sheet
2. Proposed Resolution
3. Exhibit A - Interlocal Agreement with Galveston County Tax Assessor Collector

CONTRACT ORIGINATION: The contract has been reviewed and approved by the City Attorney's Office.

FUNDING

{x} Funds are available from Account #2703100-54720; 27153100-54720 ;27203100-54720 ;27253100-54720

STRATEGIC PLANNING

{x} NOT APPLICABLE