



City of League City, TX

300 West Walker
League City TX 77573

Meeting Minutes City Council

Monday, April 10, 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 Council Chambers at 200 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 except Hank Dugie, Todd Kinsey

Absent 2 - Mr. Hank Dugie and Mr. Todd Kinsey

Present 6 - Mayor Pat Hallisey, Mr. Dan Becker, Mr. Larry Millican, Mr. Greg Gripon, Mr. Keith Gross and Mr. Nick Long

2. **PUBLIC COMMENTS**

3. **PRESENTATION REGARDING SOLID WASTE AND RECYCLING SERVICES CONTRACT**

John Baumgartner, City Manager said as many of you know our current contract runs through February 2018. Mr. Menendez, Republic Services and company have been discussing what the next steps are moving forward and we will present those tonight.

Gabriel Menendez, Director of Public Works said as John mentioned what we would like to do today is address where we are today with the solid waste service, what we are going to do with the pilot program that we are looking to roll out in the next month for the subdivisions of Centerpointe and Pecan Forest, and where we want to go as this current contract terms expires. Whether we want to renew it or go out with an RFP. Currently the City has 30,344 single family residences being served, with 2,156 commercial and industrial containers all being billed by the contractor. With the industrial containers, we collect 7% franchise fee from Republic Services. We entered into the current contract on October 26, 2012, with an effective date of February 1, 2013. The current 5-year term expires January 31, 2018. We do have in that contract up to three (3) five-year term extensions. We would have to notify Republic Services of our intent of extension within 180 days of the expiration date, on or about June 31, 2017. The Code of Ordinance Sec. 94-31 states "The city shall enter into a contract with a private contractor for the collection of all garbage throughout the city, which contract shall provide for a complete collection twice weekly for each customer", and we are currently providing that service. We have a third pick-up for the bulk and yard wastes. Code of Ordinances Sec. 94-32 states "The contract for the collection of garbage provided for in section 94-31 shall be let by competitive bid. The term of the contract shall be set by the city council".

Current Service Provision Highlights include residential curbside solid waste collection, twice a week not exceeding 32 gallons (customer provided) in size or fifty (50) pounds in weight. Residential curbside recycling collection is once a week in a bin provided by the contractor. We have issues with those bins and are exploring options through the pilot program going forward in May. Heavy trash collection is once a week with brush bundles under fifty (50) pounds. Contractor invoices all commercial accounts and city receives 7% franchise fee. The City receives \$5,000 per month for the sale of recyclables. We have provided you a detail sheet on the scope of services.

For a summary, we have listed three scopes of service: Current Contract “Take All” Service; Pilot Program for Centerpointe/Pecan Street subdivisions; and Extension or New RFP Desired Service Level. Additions to the current service would include the contractor providing 96-gallon roll off carts and ASL (automated-side load-service) depending on the outcome of the Pilot Program in Centerpointe and Pecan Forest subdivisions. We would propose to use these containers city wide under a contract extension or new RFP process, and recommend integration of a household hazardous waste service. This past week we participated with area cities in Galveston County in a Household Hazardous Waste Collection Event. We began at 9:00 am and the last car emptied was at 3:35 pm. We serviced over 3,000 vehicles just for hazardous waste, so there is a demand.

For the schedule we currently have, we don’t see that changing and would like to consider keeping it in the future. Under the current contract “Take All” service the pick-up days and times are Monday/Thursday and Tuesday/Friday, 7:00 am to 7:00 pm. Green Waste and Recyclables are once per week. For residential pricing, the current contract is holding at \$14.36 which increased as structured in the contract. As we go forward I expect there to be some adjustments in the rates, depending on the services we select. Commercial pricing is also holding steady at \$26.95. We do have penalties if there is a failure of service. In all fairness, there were some issues with Republic Services early on but those have been well mitigated.

The Pilot Program Features include 96-gallon trash and recycling rolling carts, enhanced worker safety (one driver), no change to current contract schedule or charges, and cleaner vehicle operation (no spills or debris from recycling bins). Feedback from the community will guide future contract terms.

4. DISCUSSION OF CITY COUNCIL FY 2017-2018 BUDGET PRIORITIES

Rebecca Underhill, Assistant City Manager said a few weeks ago we sent out an email asking for Councils input on the budget as we are preparing the 2017/2018 budget. We asked for some general impressions on where we are doing well or where we need to improve. We want to quickly run through the results of that council survey. This is just a tool to help give us an idea on how the council feels without any more background or support. When we see “Insufficient” or “Not Sure” that tells a story in and of itself.

For the Total Funding to CIP (Capital Improvement Projects), generally that was as insufficient.

For Funding to Strategically Promote Economic Development Initiatives, Staff & Operations and Infrastructure Projects were reported as ‘Insufficient’, while Special Activities & Events were ‘Just Right’.

For Operating Budgets, as a whole the Operating Budget is somewhere between 'Insufficient' and 'Just Right'. Public Safety, Public Works, Parks & Cultural Services, and Planning & Development were reported as 'Just Right'. The Administrative Department was seen somewhere between 'Insufficient' and 'Not Sure'. We are going to go through the budget in some level of detail this summer and our hope is we will bring forward enough information for improvement.

When we drill down on Public Safety - Police, Fire, and EMS were all reported as 'Just Right'. When we drill down on Public Works - Streets & Drainage was 'Insufficient', Water Production and Waste Water Treatment were both 'Just Right', Traffic & Transportation 'Not Sure' and Signals, Signs and Markings were 'Insufficient'. When we drill down on Parks and Cultural Services - Park Maintenance and Park Development were 'Insufficient', while Recreation Programs and the Library were 'Just Right'. When we drill down on Planning and Development - Planning was 'Insufficient', and Building Inspections and Code Compliance both reported 'Just Right'. We have had some issues in Planning as far as staffing and I know we are working through that. Economic Development was reported as 'Insufficient' or 'Just Right' depending who you were. Administration – City Manager's Office, Other Administrative Offices and Information Technology were 'Just Right', while Communications was 'Insufficient'. We are working on some things in that area so hopefully that will improve.

Larger overarching issues – Employee Compensation and Benefits, personnel costs are our largest cost as a service organization. Compensation seen as 'Just Right', Health Insurance/Retirement Benefit was a unanimous response at 'Just Right', and Paid Leave/Certification Pay/Take Home was 'Just Right'.

Going back to the Capital Improvement Plan (CIP) – by Funding Type, the Utility Revenue Supported, Water was reported as 'Just Right' but for Tax Supported we need some more funding. When we drill down on the Tax Supported side, Reinvestment Programs and Streets were 'Insufficient', Drainage was 'Insufficient' or 'Just Right' depending who you are, and Facilities and Parks were 'Just Right'. Utility Revenue Supported side, Wastewater was reported as 'Just Right', Water was reported as 'Insufficient'. We know we need some more money for some big projects coming. Other projects in the CIP, Economic Development Infrastructure was reported all over the map, Downtown Revitalization was evenly divided, and 4B Financed was 'Just Right'.

Funding Sources, to pay for everything, Property Tax Rate was reported as 'Just Right' or 'Excessive', Water Utility Rate as 'Just Right' and Sales Tax Rate 'Insufficient'. We asked some questions about Debt Financing because we have this conversation annually about what types of debt you are comfortable with. Certificates of Obligation, General Obligation, Revenue Bonds and Certificates of Obligation in lieu of Revenue Bonds were all reported as fine. We received some additional comments that we will work through as we come forward with the budget in July.

So, from a staff perspective we are beginning the budget development process and we will use this tool as one of the tools we use in order to come back with recommendations. If you have any early input we would appreciate that, otherwise we will see you in July and do a series of workshops at that time.

5. CONDUCT A WORK SESSION OF THE CITY COUNCIL TO RECEIVE INFORMATION CONCERNING AGENDA ITEMS APPEARING ON THE MEETING AGENDA FOR THE APRIL 11, 2017 MEETING OF THE CITY COUNCIL OF THE CITY OF LEAGUE CITY.

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

6. ADJOURNMENT

At 8:31 p.m. Mayor Hallisey said, there being no further business this meeting is adjourned.

PAT HALLISEY
MAYOR

JEANNE HAMMACK
DEPUTY CITY SECRETARY

(SEAL)

MINUTES APPROVED: May 9, 2017