

# AGENDA

## CITY OF PEARLAND ♦ CITY COUNCIL

January 27, 2014

7:30 p.m.

**MAYOR**  
**Tom Reid**

**Greg Hill**  
**Mayor Pro-Tem**  
**Position No. 5**

### COUNCIL MEMBERS

**Tony Carbone**  
**Position No. 1**

**Scott Sherman**  
**Position No. 2**



**Susan Sherrouse**  
**Position No. 3**

**Keith Ordeneaux**  
**Position No. 4**

**Darrin Coker**  
**City Attorney**

**Jon R. Branson**  
**Interim City**  
**Manager**

**Mike Hodge**  
**Assistant City Manager**

**Young Lorfing**  
**City Secretary**

In accordance with the Texas Open Meeting Act the Agenda is posted for public information, at all times, for at least 72 hours preceding the scheduled time of the meeting on the bulletin board located at the front entrance of the City Hall, 3519 Liberty Drive.

**AGENDA – OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, TO BE HELD ON MONDAY, JANUARY 27, 2014, AT 7:30 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.**

- I. CALL TO ORDER**
- II. INVOCATION AND THE PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA FLAG AND TEXAS FLAG**
- III. RECOGNITIONS AND AWARDS**
  - 1. Houston Galveston Area Council Parks and Natural Areas Award Recognition.
- IV. CITIZENS**
- V. DOCKETED PUBLIC HEARING: NONE**
- VI. CONSENT AGENDA:**

**ALL ITEMS LISTED UNDER THE “CONSENT AGENDA” ARE CONSIDERED TO BE ROUTINE AND REQUIRE LITTLE OR NO DELIBERATION BY THE CITY COUNCIL. THESE ITEMS WILL BE ENACTED/APPROVED BY ONE MOTION UNLESS A COUNCILMEMBER REQUESTS SEPARATE ACTION ON AN ITEM, IN WHICH EVENT THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND CONSIDERED BY SEPARATE ACTION (IX. MATTERS REMOVED FROM CONSENT AGENDA). APPROVAL OF THE CONSENT AGENDA ENACTS THE ITEMS OF LEGISLATION.**

- A. CONSIDERATION AND POSSIBLE ACTION – APPROVAL OF MINUTES:**
  - 1. Minutes of the December 16, 2013 Special Meeting, held at 6:45 p.m.
  - 2. Minutes of the December 9, 2013 Regular Meeting, held at 7:30 p.m.
- B. CONSIDERATION AND POSSIBLE ACTION – SECOND AND FINAL READING OF ORDINANCE NO. 1495 – AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (AREA GENERALLY LOCATED EAST OF CR 107F, NORTH OF BAILEY RD, AND WEST OF MANVEL RD); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE. Ms. Lata Krishnarao, Director of Community Development.**

**C. CONSIDERATION AND POSSIBLE ACTION – SECOND AND FINAL READING OF ORDINANCE NO. 1492-1** – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AMENDING ORDINANCE NO. 1492, THE 2013-2014 ANNUAL BUDGET ORDINANCE, BY; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO FACILITATE THE CHANGES IDENTIFIED HEREIN WITHOUT FURTHER APPROVAL OF CITY COUNCIL; PROVIDING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, A REPEALER CLAUSE, AND AN EFFECTIVE DATE. *Mr. Jon Branson, Interim City Manager.*

**D. CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2014-6** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AUTHORIZING CLARIFIER DRIVES FOR THE BARRY ROSE WASTEWATER TREATMENT PLANT. *Mr. Jon Branson, Interim City Manager.*

**VII. MATTERS REMOVED FROM CONSENT AGENDA**

**VIII. NEW BUSINESS:**

**1. CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2014-7** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, ACCEPTING THE CITY'S INVESTMENT REPORT FOR THE QUARTER ENDING DECEMBER 2013. *Mr. Jon Branson, Interim City Manager.*

**OTHER BUSINESS:**

**1. SECTION 551.087 - REGARDING CONSULTATIONS WITH CITY ATTORNEY** – REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS. *Mr. Jon Branson, Interim City Manager.*

**2. SECTION 551.074 - PERSONNEL MATTERS:** REGARDING THE CITY MANAGER'S SELECTION PROCESS. *City Council.*

**NEW BUSINESS CONTINUED:**

**2. CONSIDERATION AND POSSIBLE ACTION** – REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS. *City Council.*

**3. CONSIDERATION AND POSSIBLE ACTION** – REGARDING THE CITY MANAGER'S SELECTION PROCESS. *City Council.*

**IV. ADJOURNMENT**

This site is accessible to disabled individuals. For special assistance, please call Young Lorfing at 281-652-1840 prior to the meeting so that appropriate arrangements can be made.

# Consent Agenda Item A

**A. CONSIDERATION AND POSSIBLE ACTION – APPROVAL OF MINUTES:**

1. Minutes of the December 16, 2013 Special Meeting, held at 6:45 p.m.
2. Minutes of the December 9, 2013 Regular Meeting, held at 7:30 p.m.

**MINUTES OF A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MONDAY, DECEMBER 16, 2013, AT 6:45 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.**

Mayor Reid called the meeting to order at 6:45 p.m. with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	Greg Hill
Councilmember	Tony Carbone
Councilmember	Scott Sherman
Councilmember	Keith Ordeneaux
Councilmember	Susan Sherrouse
City Manager	Bill Eisen
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Others in attendance: Jon Branson Assistant City Manager; Mike Hodge Assistant City Manager; Lata Krishnarao Director of Community Development; Michelle Smith Director of Parks and Recreation; Sparkle Anderson Communications Manager; Harold Ellis City Planner.

**EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE**

Council adjourned into Executive Session under Texas Government Code at 6:46 p.m.

- 1. SECTION 551.087 – CONSULTATION WITH CITY ATTORNEY – REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS.** *Mr. Bill Eisen, City Manager.*

**NEW BUSINESS CONTINUED:**

Council returned from Executive Session at 7:35 p.m.

**COUNCL ACTION – REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS.** *City Council.*

No Council action taken.

**ADJOURNMENT**

Meeting was adjourned at 7:36 p.m.

Minutes approved as submitted and/or corrected this the \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2014.

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Tom Reid  
Mayor

ATTEST:

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Young Lorfing, TRMC  
City Secretary

**MINUTES OF A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, HELD ON MONDAY, DECEMBER 9, 2013, AT 7:30 P.M., IN THE COUNCIL CHAMBERS, CITY HALL, 3519 LIBERTY DRIVE, PEARLAND, TEXAS.**

Mayor Reid called the meeting to order at 7:54 p.m. with the following present:

Mayor	Tom Reid
Mayor Pro-Tem	Greg Hill
Councilmember	Tony Carbone
Councilmember	Scott Sherman
Councilmember	Keith Ordeneaux
City Manager	Bill Eisen
City Attorney	Darrin Coker
City Secretary	Young Lorfing

Absent: Councilmember Susan Sherrouse.

Others in attendance: Jon Branson Assistant City Manager; Matt Buchanan President of Economic Development Corporation; Eric Wilson Public Works Director; Vance Riley Fire Chief; Trent Epperson Director of Engineering and Capital Projects; Mike Hodge Assistant City Manager; Lata Krishnarao Director of Community Development; Andrea Broughton Deputy Director/City Engineer; Claire Bogard Finance Director; Vance Riley Fire Chief; Sparkle Anderson Communications Manager; Harold Ellis City Planner; Skipper Jones Assistant Director of Capital Projects; Bob Pearce Purchasing Officer.

The invocation was given by Councilman Ordeneaux and the Pledge of Allegiance to the American and Texas Flags was led by Mike Hodge Assistant City Manager.

**RECOGNITIONS AND AWARDS:** None.

Mayor Reid recognized and thanked the Youth Action Council students for attending the City Council Meeting.

**CITIZENS:**

Dorothy Smith, Pearland, Texas, addressed Council stating she has been a part of the school system for two years. She is speaking on behalf of her school colleagues concerning the educational process. There needs to be a wakeup call concerning discipline in the school system. She stated she has been a victim of students using profanity, misconduct and having no control in the class room. These students represent our future. The discipline problems are so escalated the teachers cannot teach the students that are there to learn. She stated 53% of teachers are very discouraged with the lack of discipline in the schools.

**DOCKETED PUBLIC HEARING:** None.

**CONSENT AGENDA:**

- A. CONSIDERATION AND POSSIBLE ACTION – APPROVAL OF MINUTES:**
1. Minutes of the November 11, 2013 Regular Meeting, held at 7:30 p.m.
  2. Minutes of the November 11, 2013 Special Meeting, held at 6:00 p.m.
  3. Minutes of the November 18, 2013 Special Meeting, held at 6:00 p.m.
- B. CONSIDERATION AND POSSIBLE ACTION – EXCUSE THE ABSENCE OF COUNCILMEMBER GREG HILL FROM THE REGULAR COUNCIL MEETING HELD ON NOVEMBER 25, 2013.**  
*City Council.*
- C. CONSIDERATION AND POSSIBLE ACTION – REGARDING THE REAPPOINTMENT OF MARK L. LEWIS TO POSITION NO. 2 AND JERRY A. ACOSTA TO POSITION NO. 5 TO SERVE ON THE ZONING BOARD OF ADJUSTMENTS WITH THE TERMS EXPIRING NOVEMBER 1, 2015.** *City Council.*
- D. CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2013-203 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, ACCEPTING THE CITY’S INVESTMENT REPORT FOR THE QUARTER ENDING SEPTEMBER 2013.**  
*Mr. Bill Eisen, City Manager.*
- E. CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2013-204 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AWARDED A BID FOR THE PURCHASE OF FIRE BUNKER GEAR.** *Mr. Bill Eisen, City Manager.*

Councilmember Carbone made the motion, seconded by Councilmember Sherman, to adopt Consent Agenda Items A through E, as presented on the Consent Agenda.

Voting “Aye” Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

## **NEW BUSINESS:**

**FIRST READING OF ORDINANCE NO. 2000-T-16 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AMENDING SELECTED PROVISIONS OF THE UNIFIED DEVELOPMENT CODE OF THE CITY; HAVING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, AND A REPEALER CLAUSE; PROVIDING FOR CODIFICATION, PUBLICATION AND AN EFFECTIVE DATE. Ms. Lata Krishnarao, Director of Community Development and Mr. Harold Ellis, City Planner.**

Councilmember Sherman made the motion, seconded by Councilmember Carbone, to approve Ordinance No. 2000-T-16 on its first reading as amended.

Mayor Reid read into the record the Planning and Zoning Commission's recommendation to forward to Council for approval of the 2000-T-16 Amendments.

Director of Community Development Lata Krishnarao reported Council is being asked for approval to create changes in the Garden/O'Day District. By allowing a Conditional Use Permit (CUP) that would allow all M-1 or M-2 activities to be allowed only within those properties. As well as the regulations associated with the M-1 and M-2 Districts. This would keep the Garden/O'Day Mixed Use District intact and provide for an underlying zone. This would still allow the property owner to sell the property to someone who wished to continue the same business or another activity allowed under the M-1 or M-2 District.

Steve Harvey, 2229 Melanie Lane, addressed Council stating he thought when the City zoned the area as light industrial it was to limit the type of businesses due to residential closeness. He moved into the neighborhood with the understanding of the zoning, and is willing to live with the light industrial zoning. He further stated he is unhappy with the idea of the City changing the rules to allow larger industrial businesses in the neighborhood.

Andrew Hinojosa, 17210 Berry Road, addressed Council stating he is currently a Manager of Lewis Auto Service. Lewis Auto Service owns a piece of property in the Garden/O'Day area and because of the zoning it is useless. We would appreciate the zone change which would allow Lewis Auto to extend the business to include that property.

James Leach, 4619 Sylvia Lane, addressed Council stating he is the owner of Lewis Auto Service. He stated he owns some property in the Garden/O'Day area. He further stated the way the area is zoned he is not able to use or sell the property. He is speaking tonight to be able to utilize the property, operate his business to make a living and not cause any problems.

Christian Leach, 5009 Apple Springs Drive, addressed Council stating he is also a Manager of Lewis Auto Service. He stated he is asking for a chance to continue the business and serve the community the way they have been for the last twenty years.

Margie Perry, 2154 Melanie Lane, addressed Council stating she has lived on Melanie Lane for forty four years. She further stated she is concerned and against the zone change.

Bill Perry, 2154 Melanie Lane, addressed Council stating he is against this zone change. He further stated he has ninety one signatures of neighbors that are against having a storage and transmission yard behind their homes.

Alice Moore, 6206 Kelly, addressed Council stating she and her family moved to Pearland in 1965 before O'Day Road existed. She further stated she has seen and expected growth. She further stated she is against the zone change in her neighborhood.

Lola Ditta, 2050 Melanie Lane, addressed Council stating at the present time the neighborhood is nice and quiet and she would like for it to stay that way. She further stated she is against the zone change.

Frank Ditta, 2050 Melanie Lane, addressed Council stating he has lived on Melanie Lane for forty four years and he is against this zone change. He further stated the neighborhood has been nice all these years and does not want to see it change.

Director of Community Development Lata Krishnarao presented some historic information regarding the Unified Development Code.

Councilmember Sherman stated it is important the residents understand Council will not be making a decision tonight regarding a certain zone change. The issue tonight is in regards to specific changes of the Unified Development Code.

Discussion ensued between Council and Director of Community Development Lata Krishnarao regarding how the proposed changes differ from what currently can be done on the property around the subdivision.

Councilmember Carbone stated the Conditional Use Permit (CUP) process is what gives him comfort with this change.

Director of Community Development Lata Krishnarao gave a brief explanation on the Conditional Use Permit (CUP) process.

Mayor Pro-Tem Hill stated this suggestion appears to be more beneficial to the residents. He further stated a new business coming in would have to come before the City in the form of a Conditional Use Permit (CUP).

Councilmember Sherman amended the motion, seconded by Councilmember Ordeneaux to change the recommendation regarding Garden O'Day to the alliterated proposal based on Council feedback.

City Attorney Darrin Coker stated this will require a super majority vote. It was discussed with the Planning and Zoning Commission and they did not approve the alternative proposal. With the absence of Councilmember Sherrouse it will require a majority of Council present 3 out of 4.

Voting "Aye" Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

Mayor Reid called for the vote on the original motion as amended.

Voting "Aye" Councilmembers Ordeneaux, Hill, Sherman, and Carbone.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**FIRST READING OF ORDINANCE NO. CUP2013-10 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, APPROVING A CONDITIONAL USE PERMIT FOR CERTAIN PROPERTY, BEING LEGALLY DESCRIBED AS LOT 1, BLOCK 1, CVS SHERWOOD, RECORDED IN VOLUME 24, PAGE 170, B.C.P.R., BEING OUT OF THOMAS J. GREEN SURVEY, A-198, BRAZORIA COUNTY, CITY OF PEARLAND, TEXAS (LOCATED AT 2906 BROADWAY ST., PEARLAND, TX), FOR A CONDITIONAL USE PERMIT APPLICATION NO. CUP 2013-10 TO ALLOW AN EMERGENCY CARE CLINIC WITHIN THE GENERAL BUSINESS RETAIL (GB) DISTRICT AT THE REQUEST OF GREG MCGAHEY, APPLICANT FOR CVS PHARMACY, INC., OWNER, CONTAINING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, AN EFFECTIVE DATE AND OTHER PROVISIONS RELATED TO THE SUBJECT.**

*Mr. Mike Hodge, Assistant City Manager.*

Mayor Pro-Tem Hill made the motion, seconded by Councilmember Sherman, to approve Ordinance No. CUP2013-10 on its first reading.

Mayor Reid read into the record the Planning & Zoning Commission's recommendation to forward to Council for approval of Application No. 2013-10.

City Manager Bill Eisen reported Council is being asked for approval of the Conditional Use Permit (CUP 2013-10) to allow the operation of an Emergency Care Clinic to be developed in accordance with the site plan, as submitted by the applicant, and all applicable City requirements.

Voting "Aye" Councilmembers Ordeneaux, Hill, Sherman, and Carbone.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**COUNCIL ACTION – RESOLUTION NO. R2013-182 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AMENDING A SOLID WASTE AND RECYCLING CONTRACT WITH WASTE MANAGEMENT OF TEXAS.** *Mr. Bill Eisen, City Manager.*

Councilmember Ordeneaux made the motion, seconded by Councilmember Sherman, to approve Resolution No. R2013-182.

City Manager Bill Eisen reported Council is being asked to approve the amendment to the Commercial and Residential Solid Waste and Recycling Contract.

Discussion ensued between Council and City Manager Bill Eisen regarding the monthly residential rate.

Discussion ensued between Council and Waste Management Representative Thane Harrison regarding residents having a choice of a recycle cart or bin and the effective date of the amended services.

Councilmember Carbone stated he is all for recycling and looking forward to receiving a recycle cart. He further stated Keep Pearland Beautiful has done a great job with the litter pickup and education on recycling in Pearland. He asked for clarification of the funding mechanism between Keep Pearland Beautiful and Waste Management.

Director of Finance Claire Bogard gave a brief overview of the funding mechanism.

Councilmember Carbone stated in the near future he would like to see all organizations receiving tax dollars to be accountable to the City of Pearland. He further stated he would like to analyze amending the contract between Keep Pearland Beautiful and the City of Pearland that possibly Keep Pearland Beautiful can offset part of the cost of the recycling carts.

Voting "Aye" Councilmembers Ordeneaux, Hill, Sherman, and Carbone.

Voting "No" None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**FIRST READING OF ORDINANCE NO. 1496** – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, FINDING THAT THE CITY HAS ESTABLISHED *GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT* PURSUANT TO RESOLUTION NO. R2013-14; DESIGNATING AND DESCRIBING A REINVESTMENT ZONE (TO BE KNOWN AS REINVESTMENT ZONE #25), IN ACCORDANCE WITH THE PROPERTY REDEVELOPMENT AND TAX ABATEMENT ACT; FINDING THAT THE IMPROVEMENTS SOUGHT ARE FEASIBLE AND PRACTICAL AND WOULD BE A BENEFIT TO THE LAND TO BE INCLUDED IN THE ZONE AND THE MUNICIPALITY AFTER THE EXPIRATION OF THE TAX ABATEMENT AGREEMENT; AUTHORIZING THE CITY MANAGER TO SIGN TAX ABATEMENT AGREEMENTS WHEN APPROVED BY THE CITY COUNCIL; HAVING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; AND AN EFFECTIVE DATE.  
*Mr. Darrin Coker, City Attorney.*

Councilmember Carbone made the motion, seconded by Councilmember Sherman, to approve Ordinance No. 1496 on its first reading.

City Attorney Darrin Coker reported a Public Hearing was conducted on December 9, 2013 to create a reinvestment zone for property located on the east side of Kirby Drive, north of the Pearland Medical Plaza and Surgery Center. The zone must be formed before the City may enter into a Tax Abatement Agreement with any prospect that may develop in the zone. The second reading of the Ordinance will be considered on December 16, 2013 and a tax abatement agreement will be considered in January 2014.

Voting “Aye” Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**COUNCIL ACTION – RESOLUTION NO. R2013-201** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, APPROVING AN OFFER FOR THE TAX RESALE OF CERTAIN PROPERTY LOCATED IN THE CITY. *Mr. Bill Eisen, City Manager.*

Councilmember Sherman made the motion, seconded by Councilmember Carbone, to approve Resolution No. R2013-201.

City Manager Bill Eisen stated approving the sale of the property located at Custer Lane, Tract 2 will get the property back on the tax rolls.

Voting “Aye” Councilmembers Ordeneaux, Hill, Sherman, and Carbone.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**COUNCIL ACTION – RESOLUTION NO. R2013-200** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, APPROVING AN OFFER FOR THE TAX RESALE OF CERTAIN PROPERTY LOCATED IN THE CITY. *Mr. Bill Eisen, City Manager.*

Mayor Pro-Tem Hill made the motion, seconded by Councilmember Ordeneaux, to approve Resolution No. R2013-200.

City Manager Bill Eisen reported approving the sale of the property located at 1102 Glenda, Block 1, Lot 1 will get the property back on the tax rolls.

Voting “Aye” Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**COUNCIL ACTION – RESOLUTION NO. R2013-202** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, APPOINTING ONE (1) REPRESENTATIVE AND ONE (1) ALTERNATE TO THE HOUSTON-GALVESTON AREA COUNCIL 2014 GENERAL ASSEMBLY AND BOARD OF DIRECTORS. *Mayor Tom Reid.*

Councilmember Ordeneaux made the motion, seconded by Councilmember Sherman, to approve Resolution No. R2013-202.

Councilmember Ordeneaux amended the motion, seconded by Councilmember Sherman, to designate Mayor Tom Reid as Representative and Councilmember Scott Sherman as Alternate of the General Assembly of the Houston-Galveston Area Council for the year 2014.

Voting “Aye” Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

Mayor Reid called for the vote on the original motion as amended.

Voting “Aye” Councilmembers Carbone, Sherman, Hill, and Ordeneaux.

Voting “No” None.

Motion Passed 4 to 0, with Councilmember Sherrouse absent.

**OTHER BUSINESS:**

**EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE**

Council adjourned into Executive Session under Texas Government Code at 9:15 p.m. to discuss the following:

1. **SECTION 551.072 – REAL PROPERTY:** DISCUSSION REGARDING THE SALE, LEASE, PURCHASE, OR EXCHANGE OF REAL PROPERTY – CITY FACILITIES.  
*Mr. Bill Eisen, City Manager.*

**NEW BUSINESS CONTINUED:**

Council returned from Executive Session at 9:37 p.m.

**COUNCIL ACTION – REGARDING THE SALE, LEASE, PURCHASE, OR EXCHANGE OF REAL PROPERTY – CITY FACILITIES.** *City Council.*

No Council action taken.

**ADJOURNMENT**

Meeting was adjourned at 9:37 p.m.

Minutes approved as submitted and/or corrected this the \_\_\_\_ day of \_\_\_\_\_, A.D., 2014.

\_\_\_\_\_  
Tom Reid  
Mayor

ATTEST:

\_\_\_\_\_  
Young Lorfing, TRMC  
City Secretary

# Consent Agenda Item B

- B. CONSIDERATION AND POSSIBLE ACTION – SECOND AND FINAL READING OF ORDINANCE NO. 1495 – AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (AREA GENERALLY LOCATED EAST OF CR 107F, NORTH OF BAILEY RD, AND WEST OF MANVEL RD); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE. *Ms. Lata Krishnarao, Director of Community Development.***

**BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b> January 27, 2014	<b>ITEM NO.:</b> Ordinance No. 1495
<b>DATE SUBMITTED:</b> January 6, 2014	<b>DEPT. OF ORIGIN:</b> Planning
<b>PREPARED BY:</b> Johnna Matthews	<b>PRESENTOR:</b> Lata Krishnarao
<b>REVIEWED BY:</b> Lata Krishnarao/JRB	<b>REVIEW DATE:</b> 1/7/2014
<b>SUBJECT: Request for Voluntary Annexation of Land into the City Limits- First of two Readings of the Annexation Ordinance</b>	
<b>EXHIBITS:</b> <b>Attachments:</b> 1. Ordinance 1495 2. Petition for Annexation 3. Feasibility Report 3. First Public Hearing Agenda Request 4. Second Public Hearing Agenda Request 5. Vicinity Map	
<b>EXPENDITURE REQUIRED:</b> N/A <b>AMOUNT AVAILABLE:</b> N/A <b>ACCOUNT NO.:</b> N/A	<b>AMOUNT BUDGETED:</b> N/A <b>PROJECT NO.:</b> N/A
<b>ADDITIONAL APPROPRIATION REQUIRED:</b> N/A <b>ACCOUNT NO.:</b> N/A <b>PROJECT NO.:</b> N/A	
<b>To be completed by Department:</b> <input type="checkbox"/> Finance <input checked="" type="checkbox"/> Legal <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution	

**EXECUTIVE SUMMARY**

Kevin Cole, applicant for Tin Dinh, owner; has petitioned the City of Pearland to annex an approximately 20 acre tract of land located on the east side of County Road 107 F (CR107F), north of Bailey Rd., and west of Manvel Road. Upon annexation, the applicant proposes to combine the 20-acre tract with a 20-acre tract just east of the tract, which is under common ownership. The applicant proposes to develop the 40-acres with a low density single family residential subdivision.

In accordance with Section 43.063 of the Texas Local Government Code and the City's Charter, the following requirements are mandated for annexation:

- Notice of Intent to all property owners, public/private entities, railroad companies;
- Preparation of a Service Plan that provides for the extension of full municipal services;
- Two public hearings are required at which persons interested in the annexation are given the opportunity to be heard;
- Reading of the Annexation Ordinance
- Pre-Clearance (Justice Department Notification)

The two required public hearings were held on December 9 and December 16, 2013, respectively.

**Staff Recommendation:** Staff recommends approval of the annexation of the subject 20 acre tract located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road for the following reasons:

- 1) The property is located within the City's Extra-Territorial Jurisdiction (ETJ) and will eventually become a part of the City of Pearland. By annexing the property prior to development, the City is able to prevent non-conforming issues that may potentially occur if the property develops while in the ETJ.
- 2) Annexation of the subject property into the City of Pearland will ensure that future growth is guided by the Future Land Use Plan of the Comprehensive Plan, Unified Development Code, and other City regulations. Additionally, the City will be in a better position to provide safeguards against unplanned and unregulated growth for current and future residents of Pearland.
- 3) The proposed annexation is being initiated by the property owner and will not affect nearby properties in a negative manner. It will give assurances to nearby property owners that development on the property will be subject to City of Pearland regulations.

### **Recommended Action**

Consider the annexation of the 20 acre property located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road.

**ORDINANCE NO. 1495**

**AN ORDINANCE EXTENDING THE CITY LIMITS OF THE CITY OF PEARLAND, TEXAS, TO INCLUDE ALL LAND AREA WITHIN CERTAIN LIMITS AND BOUNDARIES AND ANNEXING TO THE CITY OF PEARLAND ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES (AREA GENERALLY LOCATED EAST OF CR 107F, NORTH OF BAILEY RD, AND WEST OF MANVEL RD); APPROVING A SERVICE PLAN FOR ALL OF THE AREA WITHIN SUCH LIMITS AND BOUNDARIES; CONTAINING OTHER PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING A SAVINGS AND SEVERABILITY CLAUSE.**

**WHEREAS**, the City Council of the City of Pearland, Texas, has, following due notice and publication in accordance with the requirements of §43.052, Tex. Local Govt. Code, conducted two (2) public hearings regarding the City's intended annexation of certain territory located contiguous to the City and within the City's extraterritorial jurisdiction; and

**WHEREAS**, public hearings were conducted before the City Council on December 9, 2013 and on December 16, 2013, at the Pearland City Hall, 3519 Liberty Drive, Pearland, Texas; and

**WHEREAS**, the City of Pearland has, in accordance with §43.051 et seq., Tex. Local Govt. Code, complied with all procedural requirements regarding the annexation of territory, including the preparation of a plan for extension of municipal services into the area annexed to the City; and

**WHEREAS**, the City intends to fulfill those obligations imposed upon it by state law regarding newly annexed areas, including timely provision of municipal services as required by law; and

**WHEREAS**, the City Council finds and determines that the annexation intended by this Ordinance is in the best interests of the City of Pearland and benefits the health, safety, and welfare of the citizens of said City; now, therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:**

**Section 1.** That the boundaries and limits of the City of Pearland, Texas, are hereby extended to embrace and include all of the territory described in Exhibit "A" attached hereto and made a part hereof, and such territory is hereby annexed to and made a part of the City.

**Section 2.** The plan for extension of municipal services into the territory annexed to the City of Pearland by the provisions of this Ordinance is set forth in the City of Pearland, Texas, Service Plan for approximately 20 acres, more or less, to be annexed into the City of Pearland, Brazoria County, Texas attached hereto as Exhibit "B" and made a part hereof for all purposes. Such Municipal Service Plan is hereby approved.

**Section 3.** The City Council officially finds, determines, recites and declares that sufficient written notices of the date, hour, place and subject matter of the meetings of the City Council at which this Ordinance was considered were posted at a place convenient to the public at the City Hall of the City of Pearland for the time required by law preceding said meetings, as required by law; and that said meetings have been open to the public, as required by law, at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The

City Council further ratifies, approves and confirms such written notices and the contents and posting thereof.

**Section 4. Savings.** All rights and remedies which have accrued in favor of the City under this Chapter and amendments thereto shall be and are preserved for the benefit of the City.

**Section 5. Severability.** If any section or part of this Ordinance be held unconstitutional, illegal or invalid, or the application thereof ineffective or inapplicable as to any territory, such unconstitutionality, illegality, invalidity, or ineffectiveness of such section or part shall in no wise affect, impair or invalidate the remaining portions, the same shall be and remain in full force and effect; and should this Ordinance for any reason be ineffective as to any part of the area hereby annexed to the City of Pearland, such ineffectiveness of this Ordinance as to any such part or parts of any such areas shall not affect the effectiveness of the Ordinance as to all of the remainder of such area, and the City Council hereby declares it to be its purpose to annex to the City of Pearland every part of the area described in Exhibit "A", attached hereto, regardless of whether any other part of such described area is hereby effectively annexed to the City. Provided, further, that if there is included in the general description of territory set out in Exhibit "A", attached hereto, any land or area which is already a part of and included within the general limits of the City of Pearland, or which is presently part of and included in the limits of any other city, town or village, or which is not within the City of Pearland's jurisdiction to annex, the same is hereby excluded and excepted from the

territory to be annexed as fully as if such excluded and excepted area was specifically described herein.

PASSED and APPROVED on First Reading this the \_\_\_\_\_ day of \_\_\_\_\_, A. D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

ATTEST:

\_\_\_\_\_  
YOUNG LORFING, TRMC  
CITY SECRETARY

PASSED and APPROVED on Second and Final Reading this the \_\_\_\_\_ day of \_\_\_\_\_, A. D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

ATTEST:

\_\_\_\_\_  
YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
DARRIN M. COKER  
CITY ATTORNEY

Exhibit A

Description of property: A0547 H T & B R R, Tract 1, Brazoria County, Texas

## Exhibit B

### **Service Plan City of Pearland, TX**

The herein described 20 acres, more or less, being legally described as A0547 H T & B R R, Tract 1, to be annexed into the City of Pearland.

#### I. INTRODUCTION

This Service Plan (“Plan”) is made by the City of Pearland, Texas (“City”) pursuant to Chapter 43 of the Local Government Code (“the Act”). This Plan relates to the annexation by the City, by petition of the owner, of land located adjacent to the city limits and encompassing approximately 20 acres in Brazoria County, Texas. The Tract is described by metes and bounds in “Exhibit A-1”, and by map in “Exhibit A-2” which are attached to this Plan and to the annexation ordinance of which this Plan is a part.

#### II. TERM: EFFECTIVE DATE

This Plan will be in effect for a term of ten years commencing on the effective date of the annexation of the Tract. Renewal of this Plan will be at the option of the City. Such option may be exercised by the adoption of an ordinance by the City Council, which refers to this Plan and specifically renews this Plan for a stated period of time.

#### III. SERVICE PROGRAMS

- A. In General. This Plan includes two service programs: (I) the Early Action Program, described below, and (II) a Capital Improvement Program according to the Texas Local Government Code, Chapter 43, described below.
- B. Scope and Quality of Services. This Plan will provide a level of services, infrastructure, and infrastructure maintenance that is comparable to the level of services, infrastructure, and infrastructure maintenance currently provided and available in other parts of the municipality with topography, land use, and population density similar to the Tract. However, it is not the intent of this Plan to require that a uniform level of services be provided to all areas of the City (including the Tract) where differing characteristics of topography, land utilization and population density are considered as sufficient basis for providing differing service levels.
- C. Definitions.
  - 1. As used in this Plan, “providing services” includes having services provided by any method or means by which the City extends municipal services to any other area of the City. This may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services, in whole or part.

2. As used in this Plan, the phrase “Standard Policies and Procedures” means those policies and procedures of the City applicable to a particular service which are in effect either at the time that the service is requested or at the time that the service is made available or provided. The policies and procedures may require that a specific type of request be made, such as an application or a petition. They may require that fees or charges be paid, and they may include eligibility requirements and similar provisions.

D. Early Action Program

1. Statutory Services. The statutory services will be provided within the Tract within the period that meets or exceeds that required by State law. The following services will be provided in accordance with Standard Policies and Procedures immediately upon the effective date of the annexation:
  - a. Police Protection: The Police Department of the City will provide protection and law enforcement to the Tract. These activities will include normal patrols and responses, the handling of complaints and incident reports, and, as appropriate, support by special units of the Department.
  - b. Fire Protection: The Pearland Fire Department (PFD) of the City of Pearland will provide fire protection to the Tract. Additionally, the Fire Marshal’s Office will provide the following services upon annexation:
    - Enforcement of city ordinances as applied to the Fire code, enforcement of 2012 Life Safety Code and 2012 International Fire Code as applied to new and existing business occupancies.
    - Review plans when submitted for new construction, tenant occupancies and installation of fire protection systems.
    - Fire inspections of new construction, tenant occupancies and new fire protection systems.
    - Routine fire inspections of all existing business occupancies including foster care homes.
    - If requested by the owner, fire inspections of residential homes.
    - Investigations of all fires to determine origin and cause.
    - Respond to fire hazard complaints including enforcement of illegal burning and illegal fireworks.
    - Respond to and enforce environmental crimes.
    - Abatement of unsafe, dangerous and dilapidated structures.
    - Provide public awareness and education of fire prevention and emergency management.
  - c. Emergency Medical Service: The Pearland Fire Department (PFD) will provide emergency medical services to the Tract.
  - d. Solid Waste Collection: Service will be provided to eligible property by private contractor, under contract with the City. To be eligible for City solid waste collection service, property must have frontage on a public street or

other approved location and place solid waste in containers approved for the specific type of occupancy. Any person currently being serviced by a privately owned solid waste management service provider may continue to use that service for two years after the effective date of the annexation.

- e. Operation and Maintenance of Water and Wastewater Facilities: Existing public water and wastewater facilities, if any, will be operated and maintained by the City or by private contractor under contract to the City.
  - f. Operation and Maintenance of Road and Streets (including lighting): Existing public roads and streets, including lighting and traffic control devices, if any, will be operated and maintained by the City, subject to the jurisdiction of other governmental entities. State highways and farm-to-market roads remain the primary responsibility of the Texas Department of Transportation, for instance. Existing roadside drainage ditches not maintained under the jurisdiction of another entity will be operated and maintained by the City.
  - g. Operation and Maintenance of Parks, Playgrounds and Swimming Pools: Not Applicable.
  - h. Operation and Maintenance of Any Other Publicly Owned Facility, Building or Service: Not Applicable.
2. Additional Services. Certain services, in addition to the statutory services, will be provided in accordance with Standard Policies and Procedures within the Tract to the same extent they are provided to similar territories elsewhere in the City. These are as follows:
- a. Library Service will be provided from existing facilities and future facilities outside the Tract. Residents of the Tract will be eligible for borrowing privileges at City/County libraries on the same basis as current residents.
  - b. Health services will be provided by the City Health Department to area residents and businesses. Health services include City inspection of restaurants, groceries, convenience stores, schools, day-cares and foster homes.
  - c. Code Enforcement personnel will enforce the City's housing code and ordinances against junk motor vehicles, high weeds, unsafe buildings, and illegal dumping of refuse.
  - d. Animal Control services will be provided by the City of Pearland Animal Control and Adoption Center to protect animals and promote pet adoptions.
  - e. Other City Services, to the extent applicable to persons or properties within the Tract, in accordance with standard policies and procedures will be provided.

## E. Capital Improvement Program

As necessary, the City will initiate the construction of certain capital improvements necessary for providing municipal services for the Tract. Those improvements, which are necessary, are indicated below. Access to the improvements will be in accordance with Standard Policies and Procedures. The improvements shall be completed as soon as reasonably possible and shall be substantially completed within the time period indicated below.

1. Police Protection: Additional capital improvements are not necessary at this time to provide police protection. The Tract will be included with other territory in connection with planning for new, revised, or expanded public safety facilities.
2. Fire Protection: Additional capital improvements are not necessary at this time to provide fire protection. The Tract will be included with other territory in connection with planning for new, revised, or expanded public safety facilities.
3. Emergency Medical Service: Additional capital improvements are not necessary at this time to provide emergency medical service. The Tract will be included with other territory in connection with planning for new, revised, or expanded public safety facilities.
4. Solid Waste Collection: No capital improvements are necessary at this time to provide solid waste collection services within the Tract. The Tract will be included with other territory in connection with planning for new revised or expanded solid waste facilities.
5. Water and Wastewater Facilities: Additional capital improvements are not necessary at this time to service the tract. The cost of future connections to available water and sewer lines will be the responsibility of the Tract owners, as it is within the existing City utility system following standard policies and procedures. Capital recovery charges or impact fees will also be assessed at the time of future connections to the City's utility system or upon issuance of building permits for lots developed within the Tract.

The City will make wastewater treatment capacity in existing or future wastewater treatment plants built and operated by the City available for the Tract.

The city will make potable water supply from existing or future sources built and operated by the City available to the Tract. The City currently operates its own ground water wells and purchases wholesale surface water via contract from third parties.

6. Roads and Streets (including lighting): Additional roads, streets or related facilities are not necessary at this time to serve the tract. Future extensions or

widening of roads or streets and future installation of related facilities, such as traffic control devices or street lights will be undertaken in accordance with Standard Policies and Procedures. The Tract will be included with other territory in connection with planning for new, revised, widened, or enlarged roads, streets, or related facilities.

7. Parks, Playgrounds, and Swimming Pools: Additional capital improvements are not necessary at this time to provide such services to the Tract. The Tract will be included with other territory in connection with planning for such facilities.
8. Other Publicly-Owned Facilities, Building or Services: All other City functions and services, and the additional services described above, can be provided for the Tract by using existing capital improvements. Additional capital improvements are not necessary to provide City services, but the Tract will be included with other territory in connection with planning for new, revised, or expanded facilities, buildings or services.

## II. AMENDMENT: GOVERNING LAW

This Plan may not be amended or repealed except as provided by the Act or other controlling law. Neither changes in the methods nor means of implementing any part of the service programs nor changes in the responsibilities of the various departments of the City will constitute amendments to this Plan and the City reserves the right to make such changes. This Plan is subject to and will be interpreted when in accordance with the Act, the Constitution and laws of the federal governments of the United States of America and the State of Texas, and the orders, rules and regulations of governmental bodies and officers having jurisdiction.

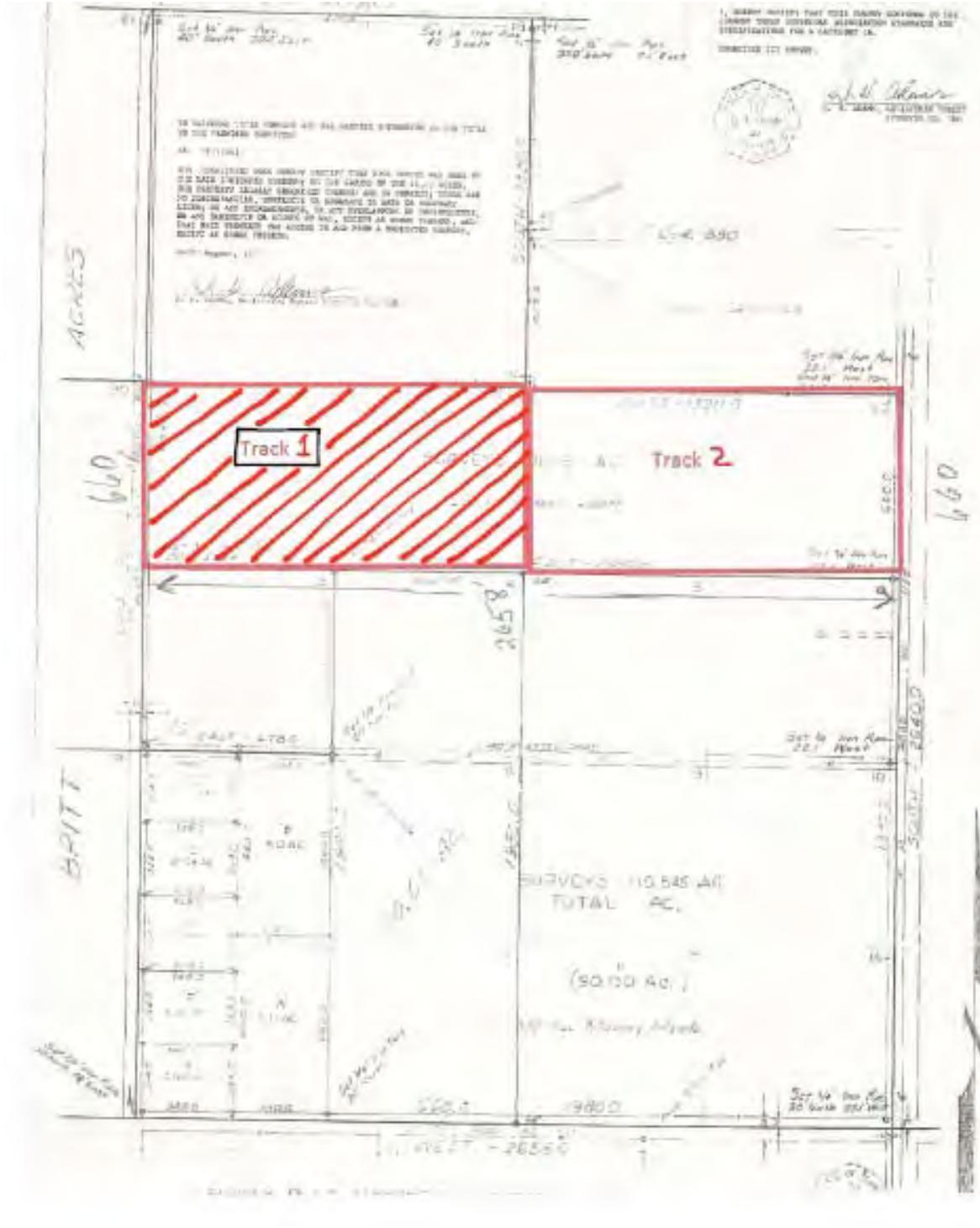
## III. FORCE MAJEURE

Should a force majeure interrupt the service described herein, the City will resume services under this Plan within a reasonable time after the cessation of the force majeure. "Force Majeure," for the purpose of this Plan will include, but not be limited to, acts of God, acts of the public enemy, ware blockades, insurrection, riots, epidemics, landslides, lightning, earthquakes, fire, storms, floods, washouts, droughts, tornadoes, hurricanes, arrests and restraints of government, explosions, collisions and other inability of the City, whether similar to those enumerated or otherwise, which is not within the control of the City.

## IV. ENTIRE PLAN

This document contains the entire and integrated Service Plan relating to the Tract, and supersedes all other negotiations, representations, plans and agreements, whether written or oral.

**EXHIBIT A-1**



**EXHIBIT A-2**

Description of property: A0547 H T & B R R, Tract 1, Brazoria County, Texas

October 11, 2013

Honorable Mayor Tom Reid and City Council  
City of Pearland  
3519 Liberty Drive  
Pearland, TX 77581

Re: Petition for Annexation

Dear Honorable Mayor Reid,

I, Tin Dinh, as owner request the City of Pearland to annex into the corporate limits of Pearland, TX a 20 acre tract of land. Specifically, the legal description of the property is:

**A0547 H T & B R R, TRACT 1** of the Brazoria County records.

Attached, please find a survey of the tract in question.

I have a contract for sale on the property along with TRACT 2 to a development group to develop as a single family subdivision.

Best Regards,

A handwritten signature in cursive script, appearing to read "Tin Dinh".

Tin Dinh

2134 - 1338.0

Set 3/4" Iron Pipe  
40' South 200' East

Set 3/4" Iron Pipe  
40' South

Find 1/2" Iron Pipe  
370' South 71' East

I HEREBY CERTIFY THAT THIS SURVEY CONFORMS TO THE  
CURRENT TEXAS SURVEYORS ASSOCIATION STANDARDS AND  
SPECIFICATIONS FOR A CATEGORY 1A,  
CONDITION III SURVEY.



*D. H. Adams*  
D. H. ADAMS, REGISTERED PUBLIC  
SURVEYOR NO. 580

TO NATIONAL TIRE COMPANY AND ALL PARTIES INTERESTED IN THE TITLE  
TO THE PREMISES SURVEYED:

RE: 0933341

THE UNDERSIGNED DOES HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON  
THE DATE INDICATED THEREON; ON THE GROUND OF THE 10.00 ACRES,  
THE PROPERTY LEGALLY DESCRIBED THEREON AND IS CORRECT; THERE ARE  
NO DISCREPANCIES, COMPLEXES OR SHORTAGE IN AREA OR BOUNDARY  
LINES; OR ANY ENCROACHMENTS, OR ANY OVERLAPPING OF IMPROVEMENTS,  
OR ANY EASEMENTS OR RIGHTS OF WAY, EXCEPT AS SHOWN THEREON, AND  
THAT SAID PROPERTY HAS ACCESS TO AND FROM A DEDICATED ROADWAY,  
EXCEPT AS SHOWN THEREON.

DATED August, 1971.

*D. H. Adams*  
D. H. ADAMS, Registered Public Surveyor No. 580

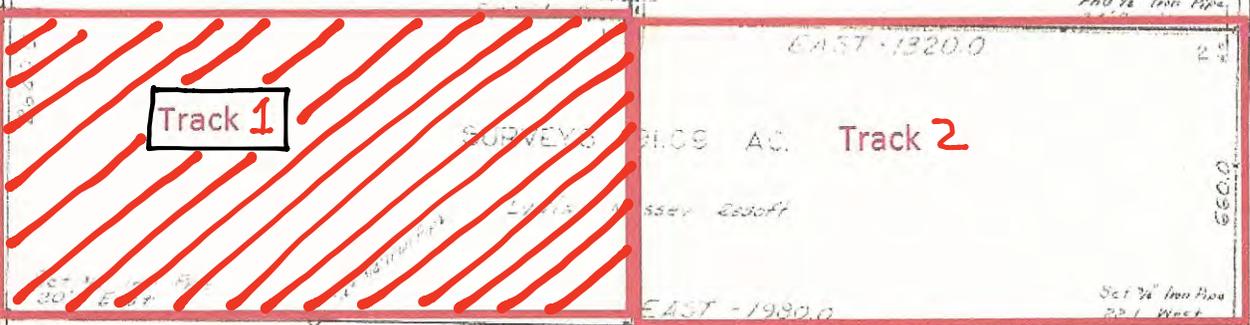
ACRES

SOUTH - 1320.0

C.R. 880

540' Lane

Set 3/4" Iron Pipe  
22.1' West  
Find 1/2" Iron Pipe



Track 1

Track 2

SURVEYS 91.09 AC.

660

660

SOUTH - 660.0

EAST - 1320.0

EAST - 1980.0

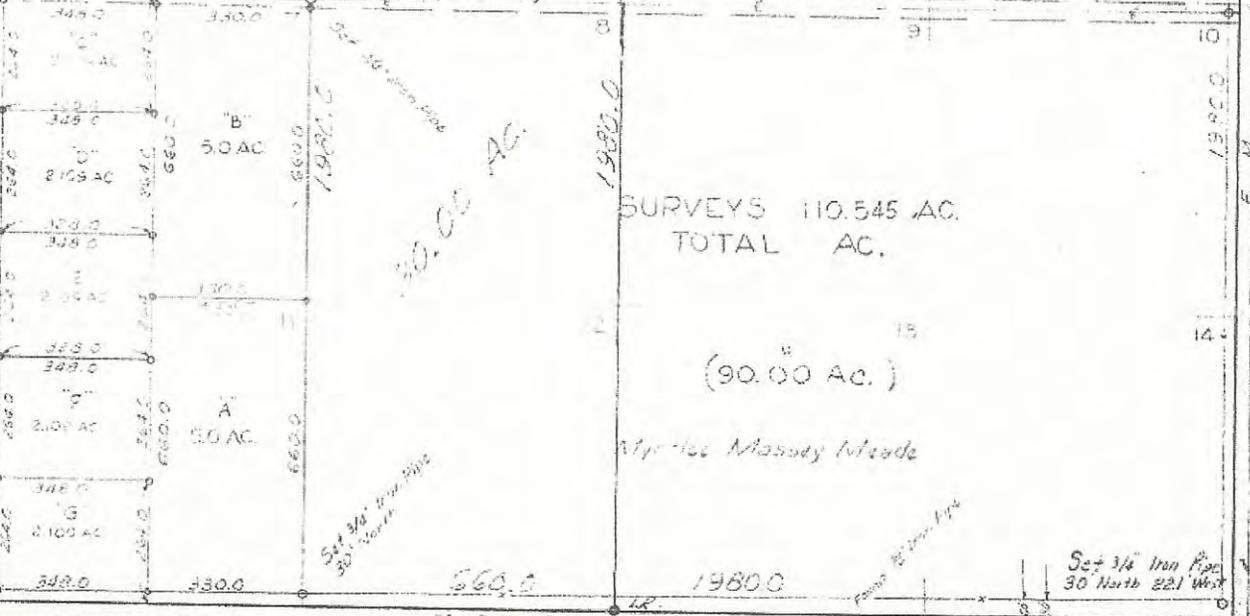
2658

EAST - 678.0

40' PAVED ROAD

Set 3/4" Iron Pipe  
22.1' West

BRITT



SURVEYS 110.545 AC.  
TOTAL AC.

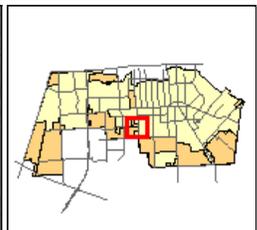
(90.00 AC.)

Approx. Massey Mounds

660.0 1980.0

WEST - 2658.0

SOUTH - 2640.0



Scale 1:10,324  
1 in = 860 ft

**PROPERTY OWNER INITIATED ANNEXATION:  
PROPERTY GENERALLY LOCATED EAST OF COUNTY ROAD 107F  
NORTH OF BAILEY RD., AND WEST OF MANVEL RD.**

**FEASIBILITY REPORT**

**LOCATION:**

The subject property is bounded by the City of Pearland's ETJ to the west, north and south. Properties west of the site include automobile-related uses, mobile homes and undeveloped land; properties north of the site include undeveloped land and single family residential developments; properties south of the site include undeveloped land, mobile homes, an elementary school, and single family residential developments. Properties along the eastern border of the site are located within the corporate limits of the City of Pearland and include undeveloped land and single family residential developments.

The subject property is in City of Pearland's ETJ in Brazoria County.

**DEMOGRAPHICS:**

The property is currently undeveloped.

**CURRENT USE OF LAND:**

The property is currently undeveloped.

**SURROUNDING LAND:**

As described above, the property is bounded by the City of Pearland's ETJ to the west, north and south. The property just east of the site is located within the corporate boundaries of the City of Pearland, and is undeveloped. Abutting uses include undeveloped land, single-family residential developments, mobile homes, commercial uses and an elementary school.

**ACCESSIBILITY:**

The subject property has access by the following roadway:

1. The subject property has direct access to County Road 107F (CR107F), which runs north and south, and is on the western boundary of the property.
2. Manvel Road is located east of the property; however, currently the Tract does not have direct access to Manvel Road.

**DEVELOPMENT STATUS:** (Percentage of land developed)

The property is currently undeveloped.

**VALUATION:**

Brazoria County Assessor records indicate that the subject land consists of one (1) parcel. The total acreage of land within the parcel is 20 acres. The total market value of the property is **\$200,000**. The total agricultural market valuation is **\$200,000**, with an agricultural or timber use value reduction of **\$197,800**.

**AVAILABILITY OF AND IMPACT ON CITY SERVICES:**

**Statutory Services:**

Police Protection:

The Pearland Police Department does not currently provide police protection in the extraterritorial jurisdiction (ETJ). Upon annexation the Pearland Police Department will provide police protection and law enforcement to the Tract. These activities will include normal patrols and responses, the handling of complaints and incident reports, and, as appropriate, support by special units of the Department.

The City of Pearland Police Department can provide police protection using existing resources.

Fire Protection:

The Pearland Fire Department currently provides fire suppression response services and enforces the City's Code of Ordinances with regards to illegal fireworks and illegal trash burning in the ETJ. Upon annexation the Pearland Fire Department will continue to provide fire protection to the Tract, including enforcing the City's Code of Ordinances with regards to illegal fireworks and illegal trash burning. Additionally, the Fire Marshal's Office will provide the following services upon annexation:

- Enforcement of city ordinances as applied to the Fire Code, enforcement of 2012 Life Safety Code and 2012 International Fire Code as applied to new and existing business occupancies.
- Review plans when submitted for new construction, tenant occupancies and installation of fire protection systems.
- Fire inspections of new construction, tenant occupancies and new fire protection systems.
- Routine fire inspections of all existing business occupancies including foster care homes.
- If requested by the owner, fire inspections of residential homes.
- Investigations of all fires to determine origin and cause.

- Respond to fire hazard complaints including enforcement of illegal burning and illegal fireworks.
- Respond to and enforce environmental crimes.
- Abatement of unsafe, dangerous and dilapidated structures.
- Provide public awareness and education of fire prevention and emergency management.

The Pearland Fire Department and the Fire Marshall's Office can provide fire protection and various other services listed above using existing resources.

Emergency Medical Service:

The Pearland Fire Department currently provides emergency medical services in the ETJ. Upon annexation, the Pearland Fire Department will continue to provide emergency medical services to the Tract.

The Pearland Fire Department can provide emergency medical services using existing resources.

Solid Waste Collection:

Solid waste collection services in the ETJ is currently being provided by private contractors; Waste Management Services, Progressive or Best Waste.

Upon annexation of the Tract solid waste collection services will be provided by Waste Management Services under contract with the City. The property is currently undeveloped, but it is important to note that any person currently being serviced by a privately owned solid waste management service provider may continue to use that service for two years after the effective date of the annexation.

The City of Pearland provides solid waste collection services to residents via a private contractor.

Water and Wastewater Facilities:

There are currently no public water or wastewater lines along CR107F. The nearest water line is a 16 inch water line along Manvel Road. The nearest sewer lines are an 8-inch sewer line at West Lea Lane and Manvel Road, and at W. Mockingbird Lane and Manvel Road.

As development commences, water and wastewater facilities will be extended in accordance with the provision of the City's codes, ordinances and regulations. Future public water and wastewater facilities will be operated and maintained by the City or by private contractor under contract with the City.

The City of Pearland can provide for the operation and maintenance of existing and any new water and wastewater facilities, installed in conjunction with future development, using existing City resources or via private contractor.

Roads:

CR107F is currently operated and maintained by Brazoria County. Upon annexation, CR107F will continue to be operated and maintained by Brazoria County. Manvel Road is currently operated and maintained by the Texas Department of Transportation (TXDOT). Upon annexation, Manvel Road will continue to be operated and maintained by TXDOT.

Future public roads and streets, including street lighting, will be operated and maintained by the City of Pearland.

The City of Pearland can provide for the operation and maintenance of future roads and streets, including street lighting, using existing resources.

Parks, Playgrounds and Swimming Pools:

There are no such public facilities on the Tract, therefore, there would be no impact on City operations.

Any other Publicly Owned Facility, Building, or Service:

There are no other public facilities or services on the Tract, therefore, there would be no impact on City operations

**Additional Services:**

Library Service will be provided from existing facilities and future facilities outside the Tract. Residents of the Tract will be eligible for borrowing privileges at City/County libraries on the same basis as current residents. The City of Pearland can provide library services using existing resources.

The City of Pearland does not currently provide health services in the ETJ. Upon annexation health services will be provided by the City Health Department to area residents and businesses. Health services include City inspection of restaurants, groceries, convenience stores, schools, day-cares and foster homes. The City of Pearland can provide health services using existing resources.

The City of Pearland does not currently provide code enforcement services in the ETJ. Upon annexation, code enforcement personnel will enforce the City's housing code and ordinances against junk motor vehicles, high weeds, unsafe buildings, and illegal dumping of refuse. The City of Pearland can provide code enforcement services using existing resources.

The City of Pearland Animal Control and Adoption Center does not currently provide services in the ETJ. Upon annexation, the City of Pearland Animal Control and Adoption Center will provide services to protect animals and promote pet adoptions. The City of Pearland can provide animal control services using existing resources.

Other City Services, to the extent applicable to persons or properties within the Tract, in accordance with standard policies and procedures will be provided.

**LOCATION WITHIN MUNICIPAL UTILITY DISTRICT (MUD):**

The Tract is not located within a MUD.

**COMPREHENSIVE PLAN RECOMMENDATIONS:**

According to Section 5.0 (Land Use) of the Comprehensive Plan, the Tract is located within the *Low Density Residential* future land use designation. Major features and proposed land uses of the aforementioned future land use designation include the following:

- Conventional single-family detached developments;
- 0-4 dwelling units per acre;
- Average lot size of 7,500 square feet;
- Smaller lots may be acceptable if common open space is provided and overall density is not increased; and
- Appropriate zoning districts include R-1, Single Family, R-2 Single Family.

**THOROUGHFARE PLAN RECOMMENADTIONS:**

The subject property has direct access to County Road 107F (CR107F), which runs north and south, and is on the western boundary of the property. This roadway is designated as a local street on the City’s approved thoroughfare plan.

**POSSIBLE USES OF LAND IF IT IS NOT ANNEXED AND DEGREE OF CONFORMANCE TO THE COMPREHENSIVE PLAN OF THOSE LAND USES:**

It is staff’s professional opinion, that if the property is not annexed it may develop in an unplanned manner. Currently there are no safeguards to buffer existing adjacent residential developments appropriately, such as height restrictions; lot area and bulk requirements; location of structures, uses of land, etc.

Unplanned growth may have a negative effect on the development of adjoining land in the City’s jurisdiction. New investment and development of land within the City Limits, adjacent to the subject property, may be curtailed and impeded due to uncertainties of surrounding development.

**IMPACT OF ANNEXATION – LONG TERM AND SHORT TERM:**

In the long and short term, the annexation of the subject 20-acre tract of land will enable the City of Pearland to plan for this area in accordance with the Comprehensive Plan and Unified Development Code.

**RECOMMENDATIONS:**

It is staff's recommendation that the City should pursue annexation and prepare a service plan for the subject area.

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b> December 9, 2013	<b>ITEM NO.:</b>
<b>DATE SUBMITTED:</b> December 2, 2013	<b>DEPT. OF ORIGIN:</b> Planning
<b>PREPARED BY:</b> Johnna Matthews	<b>PRESENTOR:</b> Johnna Matthews
<b>REVIEWED BY:</b>	<b>REVIEW DATE:</b>
<b>SUBJECT: Request for Voluntary Annexation of Land into the City Limits- First of two Public Hearings</b>	
<b>EXHIBITS:</b> <b>Attachments:</b> 1. Vicinity Map 2. Feasibility Report 3. Service Plan 4. Petition for Annexation 5. Public Notice	
<b>EXPENDITURE REQUIRED:</b> N/A <b>AMOUNT AVAILABLE:</b> N/A <b>ACCOUNT NO.:</b> N/A	<b>AMOUNT BUDGETED:</b> N/A <b>PROJECT NO.:</b> N/A
<b>ADDITIONAL APPROPRIATION REQUIRED:</b> N/A <b>ACCOUNT NO.:</b> N/A <b>PROJECT NO.:</b> N/A	
<b>To be completed by Department:</b> <input type="checkbox"/> Finance <input type="checkbox"/> Legal <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution	

**EXECUTIVE SUMMARY**

Kevin Cole, applicant for Tin Dinh, owner; has petitioned the City of Pearland to annex an approximately 20 acre tract of land, located on the east side of County Road 107 F (CR107F), north of Bailey Rd., and west of Manvel Road. The property just east of the tract subject to annexation includes approximately 20 acres, is under common ownership and was annexed into the City in 2001. This adjacent tract is zoned Single-Family Estate District (RE).

When a property is annexed into the City, the interim zoning of the land is Suburban Development (SD) district. Ultimately the applicant proposes a low density, single-family residential development.

In accordance with Section 43.063 of the Texas Local Government Code, the following statutory requirements are mandated for annexation:

- Notice of Intent to all property owners, public/private entities, railroad companies;
- Preparation of a Service Plan that provides for the extension of full municipal services;
- Two public hearings are required at which persons interested in the annexation are given the opportunity to be heard;
- Reading of the Annexation Ordinance
- Pre-Clearance (Justice Department Notification)

Staff has discussed the benefits of annexation and recommends that the annexation be considered for the following reasons:

- The proposed request is a voluntary annexation, and will provide an opportunity to direct future growth and guide development.
- Annexing the property prior to development will prevent creation of potential non-conformities of structures and uses.
- The provision of services in the area will have minimal additional burden on the City. City departments have indicated that the property can be served with existing resources as indicated in the service plan and feasibility report.
- The property will be zoned. Appropriate zoning for the currently undeveloped property will ensure that the property develops in a manner which is most compatible for the location and surrounding land uses. The zoning of the property will be based on the Future Land Use Plan and regulated by the Unified Development Code.

**Service Plan:** A Service Plan for the property is attached to this report. As indicated by the Service Plan, the City will be able to service the possible annexation area with existing resources.

**Staff Recommendation:** Staff recommends approval of the annexation of the subject 20 acre tract located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road for the following reasons:

- 1) The property is located within the City's Extra-Territorial Jurisdiction (ETJ) and will eventually become a part of the City of Pearland. By annexing the property prior to development, the City is able to prevent non-conforming issues that may potentially occur if the property develops while in the ETJ.

- 2) Annexation of the subject property into the City of Pearland will ensure that future growth is guided by the Future Land Use Plan of the Comprehensive Plan, Unified Development Code, and other City regulations. Additionally, the City will be in a better position to provide safeguards against unplanned and unregulated growth for current and future residents of Pearland.
- 3) The proposed annexation is being initiated by the property owner and will not affect nearby properties in a negative manner. It will give assurances to nearby property owners that development on the property will be subject to City of Pearland regulations.

### **Recommended Action**

Consider the annexation of the 20 acre property located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road.

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b> December 16, 2013	<b>ITEM NO.:</b>
<b>DATE SUBMITTED:</b> December 2, 2013	<b>DEPT. OF ORIGIN:</b> Planning
<b>PREPARED BY:</b> Johnna Matthews	<b>PRESENTOR:</b> Harold Ellis
<b>REVIEWED BY:</b>	<b>REVIEW DATE:</b>
<b>SUBJECT: Request for Voluntary Annexation of Land into the City Limits- Second of two Public Hearings</b>	
<b>EXHIBITS:</b> <b>Attachments:</b> 1. Vicinity Map 2. Feasibility Report 3. Service Plan 4. Petition for Annexation 5. Public Notice	
<b>EXPENDITURE REQUIRED:</b> N/A <b>AMOUNT AVAILABLE:</b> N/A <b>ACCOUNT NO.:</b> N/A	<b>AMOUNT BUDGETED:</b> N/A <b>PROJECT NO.:</b> N/A
<b>ADDITIONAL APPROPRIATION REQUIRED:</b> N/A <b>ACCOUNT NO.:</b> N/A <b>PROJECT NO.:</b> N/A	
<b>To be completed by Department:</b> <input type="checkbox"/> Finance <input type="checkbox"/> Legal <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution	

**EXECUTIVE SUMMARY**

Kevin Cole, applicant for Tin Dinh, owner; has petitioned the City of Pearland to annex an approximately 20 acre tract of land, located on the east side of County Road 107F (CR107F), north of Bailey Rd., and west of Manvel Road. The property just east of the tract subject to annexation includes approximately 20 acres, is under common ownership and was annexed into the City in 2001. This adjacent tract is zoned Single-Family Estate District (RE).

When a property is annexed into the City, the interim zoning of the land is Suburban Development (SD) district. Ultimately the applicant proposes a low density, single-family residential development.

Pursuant to Section 43.065 (a) of the Texas Local Government Code, before a municipality may institute annexation proceedings (Readings of the Ordinance), two public hearings are required at which persons interested in the annexation are given the opportunity to be heard. The hearings must be conducted on or after the 40<sup>th</sup> day, but before the 20<sup>th</sup> day before the date of the institution of proceedings. The first public hearing was held on December 9, 2013. The second public hearing will be held on December 16, 2013.

In accordance with Section 43.063 of the Texas Local Government Code, the following statutory requirements are mandated for annexation:

- Notice of Intent to all property owners, public/private entities, railroad companies;
- Preparation of a Service Plan that provides for the extension of full municipal services;
- Two public hearings are required at which persons interested in the annexation are given the opportunity to be heard;
- Reading of the Annexation Ordinance
- Pre-Clearance (Justice Department Notification)

Staff has discussed the benefits of annexation and recommends that the annexation be considered for the following reasons:

- The proposed request is a voluntary annexation, and will provide an opportunity to direct future growth and guide development.
- Annexing the property prior to development will prevent creation of potential non-conformities of structures and uses, as structures built outside the City limits are not required to follow City development regulations.
- The provision of services in the area will have minimal additional burden on the City. City departments have indicated that the property can be served with existing resources as indicated in the service plan and feasibility report.
- The property will be zoned. Appropriate zoning for the currently undeveloped property will ensure that the property develops in a manner which is most compatible for the location and surrounding land uses. The zoning of the property will be based on the Future Land Use Plan and regulated by the Unified Development Code.

**Service Plan:** A Service Plan for the property is attached to this report. As indicated by the Service Plan, the City will be able to service the possible annexation area with existing resources.

**Staff Recommendation:** Staff recommends approval of the annexation of the subject 20 acre tract located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road for the following reasons:

- 1) The property is located within the City's Extra-Territorial Jurisdiction (ETJ) and will eventually become a part of the City of Pearland. By annexing the property prior to development, the City is able to prevent non-conforming issues that may potentially occur if the property develops while in the ETJ.
- 2) Annexation of the subject property into the City of Pearland will ensure that future growth is guided by the Future Land Use Plan of the Comprehensive Plan, Unified Development Code, and other City regulations. Additionally, the City will be in a better position to provide safeguards against unplanned and unregulated growth for current and future residents of Pearland.
- 3) The proposed annexation is being initiated by the property owner and will not affect nearby properties in a negative manner. It will give assurances to nearby property owners that development on the property will be subject to City of Pearland regulations.

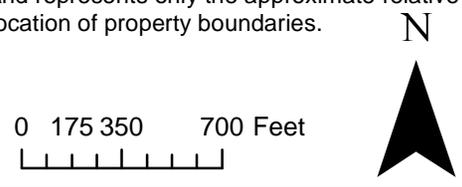
#### **Recommended Action**

Consider the annexation of the 20 acre property located on the east side of CR107F, north of Bailey Rd., and west of Manvel Road.



**Vicinity Map**  
**Annexation Petition**  
**East of CR107F and**  
**West of Manvel Rd**

This product is for information purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



# Consent Agenda Item C

- C. CONSIDERATION AND POSSIBLE ACTION – SECOND AND FINAL READING OF ORDINANCE NO. 1492-1 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AMENDING ORDINANCE NO. 1492, THE 2013-2014 ANNUAL BUDGET ORDINANCE, BY; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO FACILITATE THE CHANGES IDENTIFIED HEREIN WITHOUT FURTHER APPROVAL OF CITY COUNCIL; PROVIDING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, A REPEALER CLAUSE, AND AN EFFECTIVE DATE.**

*Mr. Jon Branson, Interim City Manager.*

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b>	January 27, 2014	<b>ITEM NO.:</b>	Ordinance No. 1492-1
<b>DATE SUBMITTED:</b>	January 3, 2014	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Bobby Pennington	<b>PRESENTOR:</b>	Jon Branson
<b>REVIEWED BY:</b>	Jon R. Branson	<b>REVIEW DATE:</b>	January 6, 2014
<b>SUBJECT: Fiscal Year 2013 Budget Carryovers</b>			
<b>EXHIBITS: Ordinance No. 1492-1 (Exhibit A to Ordinance, Carryover List)</b>			
<b>FUNDING:</b>			
<input type="checkbox"/> Grant <input type="checkbox"/> Developer/Other <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Bonds To Be Sold <input type="checkbox"/> Bonds- Sold <input type="checkbox"/> L/P – Sold <input type="checkbox"/> L/P – To Be Sold			
<b>EXPENDITURE REQUIRED: N/A</b>		<b>AMOUNT BUDGETED: N/A</b>	
<b>AMOUNT AVAILABLE: N/A</b>		<b>PROJECT NO.: N/A</b>	
<b>ACCOUNT NO.: N/A</b>			
<b>ADDITIONAL APPROPRIATION REQUIRED: \$5,110,788</b>			
<b>ADDITIONAL REVENUES REQUIRED: \$2,576,193</b>			
<b>ACCOUNT NO.: AS SHOWN IN EXHIBIT A</b>			
<b>PROJECT NO.: N/A</b>			
<b>To be completed by Department:</b>			
<b>X Finance</b>	<b>X Legal</b>	<b>X Ordinance</b>	<b>Resolution</b>

**EXECUTIVE SUMMARY**

**BACKGROUND**

The City's 2012-13 fiscal year ended September 30, 2013. At that time there were contracts, purchases of goods and services and other items that were approved and budgeted in fiscal year 2012-2013, but the actual expenditure and receipt of revenue will be incurred in the 2013-2014 fiscal year. The carryover for those expenditures is being requested, and the budget for those items needs to be re-established in this fiscal year. These expenditures were included in the projections for fiscal year 2013, and estimated ending balances assumed that these funds would be spent. All carryover items will be funded from available balances as of 9/30/2013.

**BID & AWARD** – N/A

**SCHEDULE** - N/A

## **POLICY/GOAL CONSIDERATION**

One of Council's 2013-2014 Strategic Directions was to ensure sound financial policies. Amending the budget for projects and expenditures still in progress from last year will ensure funding is available to complete these projects as well as assist us in projecting correct revenues and expenditures for fiscal year 2014. We will continue to exceed the policy of maintaining an unrestricted fund balance of two months recurring operating expenditures in the General Fund as well as cash reserve and bond coverage in the Water/Sewer Fund.

## **CURRENT AND FUTURE FUNDING/FINANCIAL IMPACTS**

General Fund carryovers total \$1,872,939 for revenues and \$2,849,652 for expenditures for a net carryover amount (expenditures less revenues) of \$976,713. The fund balance for the General Fund at 9/30/2013 is \$18,623,117, \$2,837,499 more than the amended budget fund balance of \$15,785,618.

FY2013 Total Revenues of \$57.4 million are short of the amended budget by \$2.2 million with Sales Tax (\$265K) and proceeds from capital leases (\$1.852M) below budget. The capital lease was approved by City Council in October 2013 and the funding is being requested to be carried over. Excluding lease proceeds, revenues total \$56.2 million, on target with the amended budget. FY2013 Expenditures of \$56.4 million are under the amended budget by \$4.6 million. Variances include \$1.0M for Fire department ladder, pumper and equipment; \$495K for migration of new radio system; \$452K for street and sidewalk maintenance; \$38K for the school zone flasher system; and \$73K for Parks and Recreation Improvements. The remaining savings is made up of various line-items throughout the departments, including salary savings. Of the \$4.6 million in expenditure savings, \$2,849,652 is being requested for carryover.

Using the actual General Fund ending fund balance for 9/30/2013, of \$18,623,117, the fiscal year 2014 adopted budget shows an estimated fund balance at 9/30/2014 of \$15,434,854, which is \$5,774,699 over the \$9,660,155 reserve policy of 2 months. By reducing the General Fund fund balance by the net of \$976,713, the General Fund is budgeted to end the 2014 fiscal year at \$4.8 million over policy with an estimated fund balance at 9/30/2014 of \$14.458 million versus the \$12.6 million originally projected. Recommendations will be made during the FY2015 budget process on how these funds might be spent on non-recurring expenditures keeping in mind the City's fund balance policy and the economy, including use of cash versus capital lease proceeds for equipment purchases.

The Water and Sewer fund balance on a cash basis at 9/30/2013 was projected at \$8.6 million. The actual available fund balance is \$11.8 million, \$3.2 million more than budgeted. Revenues are over budget by \$521K and expenses under budget by \$2.7million, mainly in water production; purchase of surface water, and in Utility Billing, purchase of meters. Recommended carryovers total net \$785,560 leaving an estimated balance of approximately \$11 million, still \$2.4million over FY2013 projections. Fiscal year 2014 ending fund balance is now estimated at \$12.0 million versus the \$9.6 million projected during the budget process.

Other carryover requests for other funds are listed in Exhibit A and funded from available balances as of 9/30/2013.

Exhibit A shows the carryover request by fund. These carryover requests have been reviewed with management and they concurred with the list. The carryover for PEDC, for Business Center Drive, is contingent upon PEDC board approval later in January 2014.

### **O&M IMPACT INFORMATION**

No additional O&M impact on City's financials as these funds were projected to be spent in last fiscal year.

### **RECOMMENDED ACTION**

Consideration and approval of an Ordinance amending the fiscal year 2014 budget to reflect additional appropriations for fiscal year 2013 carryover for revenue and expenditures/expense as shown in Exhibit A.

**ORDINANCE NO. 1492-1**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AMENDING ORDINANCE NO. 1492, THE 2013-2014 ANNUAL BUDGET ORDINANCE, BY; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO FACILITATE THE CHANGES IDENTIFIED HEREIN WITHOUT FURTHER APPROVAL OF CITY COUNCIL; PROVIDING A SAVINGS CLAUSE, A SEVERABILITY CLAUSE, A REPEALER CLAUSE, AND AN EFFECTIVE DATE.**

**WHEREAS**, the City Council is authorized by law to make changes in the City budget for municipal purposes and for emergency appropriations to meet a pressing need for public expenditure to protect the public health, safety, and welfare as a result of unusual and unforeseen conditions; and

**WHEREAS**, said amendments are necessary to reflect additional appropriations for fiscal year 2013 carryovers for revenue and expenses; now therefore,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:**

**Section 1.** That the City Manager or his designee is authorized to make appropriations for fiscal year 2013 carryovers as set out in Exhibit A, attached hereto and incorporated herein by reference for all purposes, as authorized by law for municipal purposes.

**Section 2.** That final approval of the PEDC carryovers referenced in Exhibit A shall be contingent upon approval of said carryovers by the PEDC Board of Directors.

**Section 3.** That the City Manager or his designee is authorized to take all actions necessary to facilitate the changes identified herein without further approval of City Council.

**Section 4. Savings.** All rights and remedies which have accrued in favor of the City under this Chapter and amendments thereto shall be and are preserved for the benefit of the City.

**ORDINANCE NO.1492-1**

**Section 5. Severability.** If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid, unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions thereof.

**Section 6. Repealer.** All ordinances and parts of ordinances in conflict herewith are hereby repealed, but only to the extent of such conflict.

**Section 7. Effective Date.** This Ordinance shall become effective immediately upon its passage and approval by the City Council.

PASSED and APPROVED ON FIRST READING this the \_\_\_\_\_ day of \_\_\_\_\_, A. D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

ATTEST:

\_\_\_\_\_  
YOUNG LORFING, TRMC  
CITY SECRETARY

PASSED and APPROVED ON SECOND AND FINAL READING this the \_\_\_\_\_ day of \_\_\_\_\_, A. D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

**ORDINANCE NO.1492-1**

ATTEST:

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YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

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DARRIN M. COKER  
CITY ATTORNEY

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
<b>General Fund - 10</b>						
	\$1,852,939			010-0000-360-03-00		Lease/Purchase Proceeds from FY 2013 purchases.
Human Resources		\$9,280	Renovation	010-1040-554.01-00	140886	Renovation for HR offices. PO for Pro Comp Construction.
Human Resources		\$990	Software	010-1040-554.30-00	132594	SHI Government Solutions Software Maintenance for Microsoft Office Professional Plus 2013.
Human Resources		\$24,500	Executive Search	010-1040-555.11-00	132615	Strategic Government Resources - City Manager search.
Human Resources		\$33,255	Training	010-1040-555.33-02		CPM (Certified Public Manager) Program; <u>\$3,695 per participant x 9 (3 are free)</u> . 12 employees are signed up to start January 6th.
Human Resources		\$2,767	Furniture	010-1040-554.01-00		Office Furniture - Furnish Conference and waiting area. 3 Work Chairs; Sofa and matching chair (\$2,272); Conference Table (\$495).
Legal		\$1,503	Travel	010-1080-555-33-03		IMLA conference
City Secretary		\$1,099	Codification Ordinance	010-1050-556.17-00	130356	The encumbered amount will be used to supplement FY-2014 funding to maintain and keep the City's Code of Ordinances current.
Information Technology		\$1,000	Special Equipment	010-1250-554.08-00	Pcard	New Phone System: Departments have requested additional phone equipment as well as moving phone locations. Funds are requested for additional headsets, cabling and equipment.
Information Technology		\$1,000	Special Services	010-1250-555.11-00		
Information Technology		\$2,000	Professional Development	010-1250-555.33-00		New Phone System: Funds are requested for additional training and programming.
		\$2,000	Special Services	010-1250-555.11-00		
Finance		\$1,200	Consulting Services	010-1260-555.11-00	122250	Freese & Nichols - Safe Routes to School. <i>Contracted for Services</i>
Other Requirements		\$20,000	Special Services	010-1270-555.11-00		Connect Transit, invoice forthcoming.
Engineering & Capital Projects - Engineering		\$19,483	Engineering Services	010-1420-556.10-00	131912	Cobb Fendley & Assoc. - SH 35 intersection alignment.
Engineering & Capital Projects - Engineering		\$27,726	Engineering Services	010-1420-556.10-00	131922	Epic Transportation Group - Garden Road signal design.
Engineering & Capital Projects - Engineering		\$4,500	Equipment Maintenance	010-1420-556.10-00	132304	Gerry DeCamp - Developing an improved sequence with flashing.
Engineering & Capital Projects - Engineering		\$12,574	Engineering Services	010-1420-565.10-00	140838	Pearland Parkway Corridor Study (Traffic Signals vs. Traffic Circles). Necessary to identify long term improvements to address increased traffic along the corridor. The result will determine the best operational plan to maximize corridor throughput and safety.
Engineering & Capital Projects - Engineering		\$4,875	Engineering Services	010-1420-565.10-00	121425	Contract Amendment for collecting traffic counts for the Traffic Management Plan; Current staffing and activity levels will not allow for collecting the turning movement counts at multiple intersections by in-house staff as originally planned. The count are necessary for intersection modeling in Syncro.
Engineering & Capital Projects - Traffic		\$3,775	PW Construction & Related Lighting	010-1425-555.11-00	132390	Traffic Systems Construction - Repair street lighting service on 288 due to accident.
Engineering & Capital Projects - Traffic		\$38,760	Special Equipment	010-1425-565.73-00		This money is for the school zone flasher system. We were not able to start this project last year due to the ITS project. We needed to see what radio system was selected for the ITS project before going out to bids for the flasher system. These funds will be coupled with FY2014 funds to create a larger bid package which should result in lower costs per unit.
GIS		\$5,695	Misc. Professional Service	010-1460-555.11-00	130888	Lansun & Scott - GIS technical support.

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
GIS		\$10,625	Engineering Services	010-1460-555.11-50	121712	Geonorth, LLC - GIS recreate the functionality of the batch.
GIS		\$1,890	Consulting Services	010-1460-555.11-50	131976	Geonorth, LLC - System upgrade ARCGIS server and map optix.
Engineering & Capital Projects - GIS		\$5,500	Consulting GIS Creation	010-1460-555.11-50		Cost-share with H-GAC of "six-inch" purchase Digital Ortho photography (Aerial Imagery). We have already agreed to cost share (\$1,000) for this year's "one-foot" purchase of Digital Ortho photography (Aerial Imagery). The six-inch opportunity came later in the budget year.
Community Development - Administration		\$75,758	Misc. Professional Service	010-1605-555.11-00	132298	Kendig Keast Collaborative - Comprehensive Plan.
Community Development - Administration		\$500	Special Services	010-1605-555.11-00		Comprehensive Plan needs.
Community Development - Administration		\$80	Mileage	010-1605-555.31-00		Carryover to be used to cover mileage of Office Supervisor and Office Assistant for the Big Picture Outreach Workshop held on October 16, 2013
Community Development - Permits & Inspections		\$12,000	Special Services	010-1610-555.11-00		Due to the increase in pending inspections, 3 new hospitals and HEB starting construction that will create a higher amount of inspections than expected. For 3rd party inspections.
Community Development - Permits & Inspections		\$6,560	Misc. Professional Service	010-1610-555.11-00	131918	Bureau Veritas North America - PO for third party inspections.
Community Development - Permits & Inspections		\$2,066	Books & Periodicals	010-1610-555.13-00		City adopted new 2012 codes in order to comply with the ISO Rating for lower city insurances and to meet the current codes. Need to order additional code books.
Community Development - Permits & Inspections		\$2,600	Professional Development	010-1610-555.33-00		Funds carried over for Inspectors to register for class & exams to obtain Medical Gas Certification that has recently been mandated by the state recently and for a new Inspector to renew certifications and plumbing license. To continue to train inspectors in additional areas after receiving the ISO audit and being one of the major findings.
Community Development - Permits & Inspections		\$948	Travel	010-1610-555.33-03		Toward initial training of all inspectors for Medical Gas required for continued education and to maintain certifications up-to-date.
Community Development - HES		\$2,392	Minor Tools/Office Equipment	010-1630-542.23-00		To purchase the stands to hold the semi tough books in city vehicles. After discussion of IT strategic plan, IT has informed us that we will be getting semi-tough books instead of tablets. Each stand is estimated at \$300. Portable printers for the field were also approved and will cost an estimated \$200 each.
Community Development - HES		\$954	Books, Periodicals, & Subscription	010-1630-555-13-00		Funds needed for purchasing books for the recent adoptions of the 2012 ICC code and the 2012 IPMC. We did not purchase in FY13 due to classes were not available before the new fiscal year.
Community Development - Planning		\$2,750	P&Z Training and Conferences	010-1650-542.38-01		P&Z member training.
Community Development - Planning		\$500	Professional Development	010-1650-555.33-00		AICP Exam for new Senior Planner (\$500); Registration for 1 new staff member to State/Law Conference (\$500).
		\$500	Memberships	010-1650-555.33-01		
Community Development - Planning		\$700	Professional Development - Travel	010-1650-555.33-03		Travel for 1 new staff member to State/Law Conference (\$700).
Police		\$19,350	Video cameras & install	010-2212-565.73-00	132260	Coban video cameras for vehicles purchased in 2013.
Police		\$4,308	PCS Mobile Docking Stations	010-2212-565.80-00	132634	PCS Mobile for remaining installation of docking stations (original \$9,000) in last of the new vehicles.
Police		\$5,660	Motorola Solutions	010-2215-554.03-00	131603	Motorola Solutions for switch over to HPD system, currently on hold.
Police		\$65,000	Indoor Antenna System	010-2215-565.73-00	132497	For the installation of an indoor antenna system for handheld radios and cell phones, plus some contingency.

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
Fire		\$13,197	Small Tools	010-2320-542.23-00		Remaining Funds: for Small Tools for new pumpers and ladder truck.
Fire		\$15,107	Minor Tools	010-2320-542.23-00	132630	Municipal Emergency Services - Loose Equipment for Fire Trucks <i>purchased in 2013.</i>
Fire		\$28,640	Houston Radio System	010-2320-554.03-00		Radio Programming needs related to the City of Houston Radio Mitigation Project.
Fire		\$33,425	Medical Screening	010-2320-556.07-00	140544	TK Group Medical Screening - <i>Screening was delayed due to the process of combining EMS &amp; Fire and identifying individuals requiring medical screening.</i>
Fire		\$731	Inventory	010-2320-564.01-00	132446	Siddons - MDT Vehicle Install - <i>vehicle purchased in 2013.</i>
Fire		\$4,279	Inventory	010-2320-564.01-00	132647	Radio for SUV <i>purchased in 2013.</i>
Fire		\$6,742	Physio-Control	010-2320-564.01-00	132653	Physio-Control for AED's.
Fire		\$39,687	Vehicles	010-2320-565.80-00		Remaining Funds: for Mounting and special equipment for new pumpers and ladder truck.
Fire		\$523,640	Vehicles	010-2320-565.80-00	130146	Metro - Pumper Truck.
Fire		\$468,474	Vehicles	010-2320-565.80-00	131475	Siddons - Ladder and Pumper.
Fire		\$494,970	Houston Radio System	010-2320-565.81-00	131268	Migration to new Houston Radio System.
Parks & Recreation		\$3,000	Centennial Park pavilions, trash receptacles & solar lighting	010-3390-553.01-00	132478	Renovate the pavilions at Centennial Park, standardize the trash receptacles, and install solar lighting at the jogging trail.
		\$33,210		010-3390-565.73-00	132478	
Parks & Recreation		\$6,077	Renovate Southdown Bathroom	010-3390-553.01-00		Renovations to the bathrooms at Southdown Park (additional funds are requested for this in Fund 047). Approved for FY 2013.
Parks & Recreation		\$24,548	Woody Park parking lot and jogging trail	010-3390-565.73-00		Material to repair Woody Park parking lot and jogging trail. Approved for FY 2013.
Parks & Recreation		\$6,500	Shade Structures (General Fund portion only)	010-3390-565.73-00 047-3390-565.73-00	132478	USA Shade & Fabric Structures for Shade Structures at Parks - <i>\$24,000 in Fund 047 for Southdown &amp; Zychlinski. \$6,500 in General Fund 010 for Woody Park. Total approved in 2013 budget - \$36,500. Approved for FY 2013.</i>
Parks & Recreation		\$1,209	Software	010-3395-554.30-00	132325	Volgistics Volunteer Management Software.
Parks & Recreation		\$33,375	Service Analysis	010-3395-555.11-00	132284	PASS Service Analysis and Financial Strategies Planning Process
Parks & Recreation		\$2,500	Travel	010-3395-555.33-03		Needed for CAPRA visitation Chair's travel and expenses to NRPA Conference for CAPRA Hearing on our Department
Parks & Recreation	\$20,000	\$133,000	Facilities Maintenance Buildings & Grounds	010-3321-553.01-00		Potential Fire Station #4 entry roof replacement. Revenue is insurance proceeds.
Public Works - GF Administration		\$2,319	Time Clock Software	010-3520-542.23-00		A budget amendment was approved on 9/6/13 to move money to purchase updated time clock software. Unfortunately, the vendor will not be able to deliver it until after the first of October. Therefore, purchase was delayed until October to simplify record keeping.
Public Works - GF Streets & Drainage		\$11,350	Survey Services	010-3570-542.13-00	073256	CL Davis & Co. - Survey services for Hoang tract on Roy Road. Landowners have hired legal representation to resolve outstanding title issues before the City can move forward with our plat process/approval. A carryover from 2007.
Public Works - GF Streets & Drainage		\$121,147	Concrete Pavement Raising	010-3570-553.04-00		For concrete pavement raising in conjunction with the annual concrete pavement raising services contract for \$50,000.

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
Public Works - GF Streets & Drainage		\$72,919	McHard Rd. Irrigation Contract	010-3570-555.11-00	132620 BC4002	Hydozone Landscape; Project BC4002 - McHard Landscaping Project, MUD 4.
Public Works - GF Streets & Drainage		\$330,984	Sidewalks	010-3570-565.65-00		To remove, replace & install sidewalks in conjunction with the Annual Sidewalk and Street Maintenance contract. Remaining funds.
<b>General Fund - 10</b>	<b>\$1,872,939</b>	<b>\$2,849,652</b>				
<b>Net Carryover</b>		<b>\$976,713</b>				
<b>Amount Available</b>		<b>\$2,837,499</b>				
<b><u>Debt Service Fund - 20</u></b>						
Debt Service		\$7,405	Arbitrage	020-7000-555011-12	130601	Arbitrage Compliance Specialist
<b>Debt Service Fund - 20</b>	<b>\$0</b>	<b>\$7,405</b>				
<b>Net Carryover</b>		<b>\$7,405</b>				
<b>Amount Available</b>		<b>\$351,822</b>				
<b><u>Water/Sewer Fund - 30</u></b>						
Public Works - Wastewater Treatment		\$8,012	SWEC WWTP Centrifuge Emergency Repair	030-4042-554.05-00	132669	ABB, Inc. - Emergency repair. All services were completed and invoiced in October 2013.
Public Works - Wastewater Treatment		\$3,560	SWEC WWTP Bar Screen Equipment	030-4042-554.05-00	132504	Hartwell Environmental - parts were received and invoiced in October 2013.
Public Works - Wastewater Treatment		\$25,000	Rental of Equipment - Far NW WWTP SBR Basin Repair	030-4042-555.09-00		This amount was for the rental of equipment to make repairs on the SBR Basins at Far NW WWTP. Due to coming in at the half-way point of the year as Superintendent, and staffing short falls, we were unable to do the expected repairs during FY 2013.
Public Works - Wastewater Treatment		\$11,100	SWEC WWTP Sludge Removal	030-4042-555.11-00	132556	BMI - Biosolids Management - Sludge removed from the head works @ SWEC WWTP. Job was completed in October and invoice was received on 11/7/13.
Public Works - Wastewater Treatment		\$1,532	TCEQ Permit Renewal	030-4042-555.11-00	131563	Jacobs Engineering - still in the process of working on the permits for four plants.
Public Works - Wastewater Treatment		\$46,000	SWEC WWTP Valve Actuator Installation	030-4042-565.73-00		These funds were for the replacement and install of valve actuators at SWEC WWTP. We were unable to get to this project during FY 2013, due to staffing short falls and having to deal with needs of higher priority at other plants.
Public Works - Water Production		\$233,000	GCWA Reserve	030-4043-542-01-04		Potential reserve requirement with new contract
Public Works - Water Production		\$3,888	Vacuum Feed System	030-4043-542.06-00		Staff is transitioning from a pressure-feed to a vacuum feed system. Working with new vendor for technical specifications.
Public Works - Water Production		\$5,312	Maintenance Services - Exterior Piping at Water Wells	030-4043-553.01-00	132082	Freese & Nichols - services have not been completed. Construction Management and Inspection Services for Painting and Cleaning of Exterior Piping at Water Wells.
Public Works - Water Production		\$59,150	Maintenance Services - Exterior Piping at Water Wells	030-4043-553.01-00	132034	General Contractor Services - services were completed October 2013, and will be invoiced November 2013.
Public Works - Water Production		\$15,000	Maintenance/Replacement	030-4043-554.04-00		Replacement of spool piece on the header pipe at Southdown WW. This service was budgeted for in FY 2013, however, the project was delayed due to other plants being down.
Public Works - Water Production		\$30,000	Tank Re-lining	030-4043-554.04-00		Cleaning and re-lining interior of Hydro Tank; this service was budgeted for in FY 2013, however, other plants were down and top priority is to distribute ample water quality to our customers.

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
Public Works - Water Production		\$1,264	Green Tee Fire Flow Analysis	030-4043-554.04-00	131371	Freese & Nichols - project is 84.4% complete.
Public Works - Water Production		\$50,000	Storage Tank Diver - Cleaning/Inspection	030-4043-555.11-00		Proper cleaning and annual inspection, which has not been completed on our ground and elevated storage tanks, and hydro tanks during FY 2013. We are still working on getting a diver to provide the services, in order to stay in compliance with TCEQ.
Public Works - Water Production		\$30,000	Mud 2 - JWP	030-4043-555.11-00		Due to the delay of the MUD 2 district's billing system, this amount needs to be rolled over to cover estimated billings for September 2013.
Public Works - Water Production		\$59,594	Phase 5 Expansion of UDF Flushing Program	030-4043-555.11-00	122255	Freese & Nichols - project is only 37.27% complete; works in phases with other departments. Area 5 - 2012.
Public Works - Water Production		\$34,327	Phase 4 Expansion of UDF Flushing Program	030-4043-555.11-00	112667	Freese & Nichols - project is only 47.19% complete; works in phases with other departments. Area 4 -2011.
Public Works - Water Production		\$6,113	Engineering Services for Water Quality Study	030-4043-555.11-00	131848	Freese & Nichols - project is 90% complete.
Public Works - Water Production		\$36,713	Vacuum Feed System	030-4043-564.01-00		Staff is transitioning from a pressure-feed to a vacuum feed system. Working with new vendor for technical specifications.
Public Works - Water Production		\$14,401	Security Gates	030-4043-565.73-00		Upgrade on remaining sites, including the newest MUD 4 plant, which was under contract. <i>Budgeted in FY 2013. This will complete Gate Project.</i>
Utility Billing		\$41,342	Register Replacement Contractors	030-4145-542.58-00	132652	National Meter Services
Utility Billing		\$26,650	10" Compound Meter - Memorial Hermann	030-4145-542.58-00	132355	Park Environmental
Utility Billing		\$34,000	Registers	030-4145-542.58-00	132582	HD Supply
Utility Billing		\$6,604	Meter Pins/Antennas	030-4145-555.11-00	132644	HD Supply
Other Requirements	\$1,178		Permit MUD 4	030-0000-358.99-00		MUD 4/Cobb Fendley. Bed & Banks Permit MUD 4
Other Requirements		\$1,178	Permit MUD 4	030-4246-555-11-00	131796	MUD 4/Cobb Fendley. Bed & Banks Permit MUD 4
Other Requirements		\$3,000	Gold Water Project	030-4246-555-11-00	132212	Texas Water Foundation
<b>Water/Sewer Fund - 30</b>	<b>\$1,178</b>	<b>\$786,738</b>				
<b>Net Carryover</b>		<b>\$785,560</b>				
<b>Amount Available</b>		<b>\$3,233,522</b>				

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
<b>City-Wide Donation Fund - 18</b>						
City-Wide Donation Fund - 18 Animal Control		\$6,500	Hydraulic Bathing Tub	018-1520-565.73-00		Budgeted in prior year.
<b>City-Wide Donation Fund - 18</b>		<b>\$6,500</b>				
<b>Net Carryover</b>		<b>\$6,500</b>				
<b>Amount Available</b>		<b>\$12,904</b>				
<b>Municipal Court Tech. - 19</b>						
Municipal Court		\$262,676	Court Software	019-1540-565.73-00	132609	Tyler Technologies - Software conversion and training
Municipal Court		\$16,293	Court Software	019-1540-555-11-00	132609	Tyler Technologies - Travel Expense
<b>Municipal Court Tech. - 19</b>	<b>\$0</b>	<b>\$278,969</b>				
<b>Net Carryover</b>		<b>\$278,969</b>				
<b>Amount Available</b>		<b>\$283,435</b>				
<b>Hotel/Motel Fund - 45</b>						
CVB	<b>\$77,000</b>			045-0000-358.99-00		Tenant Improvement Allowance
CVB		\$545	Furniture	045-1350-553-01-00	132293	CVB Office Buildout, The Luck Co.
CVB		\$60	Furniture	045-1350-554-01-00	Pcard	Home Goods Store - Furnishings
CVB		\$3,964	Inventory	045-1350-564.01-00	132661	CVB Office Buildout; Aves Audio Visual Systems
CVB		\$3,300	Building/Grounds	045-1350-565.23-00		CVB Office Buildout - Blinds/Shades
CVB		\$750	Building/Grounds	045-1350-565.23-00		Other
CVB		\$8,894	Building/Grounds	045-1350-565.23-00	140988	Pearland Town Center - A/C Unit
CVB		\$2,354	Building/Grounds	045-1350-565.23-00	131945	CVB Office Buildout; Wilson Architectural Group
CVB		\$38,332	Building/Grounds	045-1350-565.23-00	132283	CVB Office Buildout; Triad Retail Construction
<b>Hotel/Motel Fund - 45</b>	<b>\$77,000</b>	<b>\$58,199</b>				
<b>Net Carryover</b>		<b>(\$18,801)</b>				
<b>Amount Available</b>		<b>\$142,667</b>				

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
<b><u>Park &amp; Rec. Dev. Fund - 47</u></b>						
Parks & Recreation/Capital Project		\$2,900	Southgate Park - Project 1101	047-0000-565.76-02		Work is completed. Invoice outstanding, to be paid in December.
Parks & Recreation/Capital Project		\$16,000	Repaint Splash Pad	047-0000-565.76-04		Repaint the splash pad at Southdown Park.
Parks & Recreation/Capital Project		\$30,000	Independence Park Bathrooms	047-0000-565.76-11		Renovations to the bathrooms at Independence Park.
Parks & Recreation/Capital Project		\$13,923	Renovate Southdown Bathroom	047-0000-565.76-04		Renovations to the bathrooms at Southdown Park (additional funds are requested for this in the General Fund 010).
<b>Park &amp; Rec. Dev. Fund - 47</b>	<b>\$0</b>	<b>\$62,823</b>				
<b>Net Carryover</b>		<b>\$62,823</b>				
<b>Amount Available</b>		<b>\$257,157</b>				
<b><u>Police State Seizure Fund- 60</u></b>						
Police		\$23,000	Automated License Plate Reader System (ALPR)	060-2213-565.73-00		To complete the transfer of our License Plate Recognition system to Vigilant Video. Original vendor went out of business and price doubled with new vendors - additional \$23,690 was approved for FY 2014 to add on to the \$23,000 approved in FY 2013.
<b>Police State Seizure Fund- 60</b>	<b>\$0</b>	<b>\$23,000</b>				
<b>Net Carryover</b>		<b>\$23,000</b>				
<b>Amount Available</b>		<b>\$61,170</b>				
<b><u>CIP Fund- 68</u></b>						
		\$25,040	Monitoring ITS Network	068-3420-556.10-00		AECOM - Monitoring ITS Network after installed.
<b>CIP Fund- 68</b>	<b>\$0</b>	<b>\$25,040</b>				
<b>Net Carryover</b>		<b>\$25,040</b>				
<b><u>Property Insurance Fund- 95</u></b>						
	\$4,241		Reimbursement	095-0000-358-45-00		TWIA Reimbursements
		\$2,588	Claims	095-3389-553.01-00	132477	Emergency Fire Station 4 roof repair.
		\$1,653	Claims	095-3389-553.01-00	132631	Core Samples - Roof
<b>Property Insurance Fund - 95</b>	<b>\$4,241</b>	<b>\$4,241</b>				
<b>Net Carryover</b>		<b>\$0</b>				
<b>Amount Available</b>		<b>\$89,008</b>				

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
<b>PEG Channel Fund- 145</b>						
		\$6,655	Office Furniture	145-1530-564.01-00	132655	The Luck Company - Cubicle work stations for new staff
<b>PEG Channel Fund - 145</b>	<b>\$0</b>	<b>\$6,655</b>				
<b>Net Carryover</b>		<b>\$6,655</b>				
<b>Amount Available</b>		<b>\$3,752</b>				Amount Available: Fund Balance is \$260,515.
<b>Grants</b>						
Grant Fund - 101	\$200,000		Recreational Trails Grant Revenue	101-0000-346.01-14		TPWD
Grant Fund - 101	\$5,633		HGAC/DWI Grant	101-0000-346.01-18		Received funding in FY13
Grant Fund - 101	\$8,396		Bulletproof Vest Partnership	101-0000-346.02-05		Carryover for PD vest. Match grant.
Grant Fund - 101	\$17,843		SAFER VFF	101-0000-346.02-11		SAFER VFF Revenue for Printing, marketing, and personnel.
Grant Fund - 101		\$5,633	HGAC/DWI Grant	101-2212-531.09-00		Received funding in FY13
Grant Fund - 101		\$16,792	Bulletproof Vest Partnership	101-2212-542.04-02		Carryover for PD vest. Match grant.
Grant Fund - 101		\$2,068	SAFER VFF	101-2320-555.07-00		SAFER VFF for Printing, marketing, and personnel.
Grant Fund - 101		\$6,195	SAFER VFF	101-2320-555.24-00		SAFER VFF for Printing, marketing, and personnel.
Grant Fund - 101		\$2,000	TIFMAS	101-2320-555.33-00		Fire Department Professional Development
Grant Fund - 101		\$9,580	SAFER VFF	101-2320-565.73-00		Turnout Gear.
Grant Fund - 101	\$12,567		EMPG	101-0000-346-01-01		Personnel
Grant Fund - 101		\$8,280	EMPG	101-2350-531.03-00		Fire Marshal personnel expense.
Grant Fund - 101		\$500	EMPG	101-2350-531.15-00		Fire Marshal personnel expense.
Grant Fund - 101		\$747	EMPG	101-2350-531.16-00		Fire Marshal personnel expense.
Grant Fund - 101		\$1,439	EMPG	101-2350-531.17-00		Fire Marshal personnel expense.
Grant Fund - 101		\$4,000	Parks KidFish	101-3393-542.35-00		Received funding in FY13
Grant Fund - 101		\$200,000	Recreational Trails Grant Expenditures	101-8600-556.30-00		Trail Project - Mary's Creek Phase II
<b>Total Grant Fund -101</b>	<b>\$244,439</b>	<b>\$257,234</b>				

FY2013 DEPARTMENT CARRYOVER RECOMMENDATION

Department	Revenue \$	Expenditure \$	Description	Account #	PO #	Notes
CDBG Grant Fund -108	\$48		PY 2010 CDBG Grant Funds	108-0000-357.01-05		Entitlement Revenue.
CDBG Grant Fund -108		\$48	Construction	108-9000-565.03-00		General Infrastructure Improvements (de-obligated from ARC)
<b>Total CDBG Grant Fund -108</b>	<b>\$48</b>	<b>\$48</b>				
CDBG Grant Fund -109	\$204,843		PY 2011 CDBG Grant Funds	109-0000-357.01-05		Entitlement Revenue.
CDBG Grant Fund -109		\$204,660	PY 2011 CDBG Construction	109-9000-556.68-00		Construction for Westchester.
<b>Total CDBG Grant Fund -109</b>	<b>\$204,843</b>	<b>\$204,660</b>				
CDBG Grant Fund -110	\$191,505		PY 2012 CDBG Grant Funds	110-0000-357.01-05		Entitlement Revenue.
CDBG Grant Fund -110		\$163,912	PY 2012 CDBG Construction	110-9000-565.03-00		Construction for Westchester.
CDBG Grant Fund -110		\$7,398	PY 2012 CDBG Construction	110-9000-565.03-00		Requesting remaining Program Administration to be reallocated towards Construction Program (Westchester). From various Accounts: Postage, Mileage, Professional Development, Consulting and Transfers.
CDBG Grant Fund -110		\$20,040	PY 2012 CDBG Social Services	110-9000-555.80-00		Requesting remaining Adult Reading Center - PY12 De-obligation Amount to be reallocated towards Construction Program (Westchester) and Social Services Programs.
<b>Total CDBG Grant Fund -109</b>	<b>\$191,505</b>	<b>\$191,350</b>				
<b>Total Grants</b>	<b>\$640,835</b>	<b>\$653,292</b>				
<b>TOTAL</b>	<b>\$2,596,193</b>	<b>\$4,762,514</b>				
<b>Net Carryover</b>		<b>\$2,166,321</b>				

**REQUESTING CARRYOVER APPROVAL FROM THE PEDC BOARD**

<b>P.E.D.C - 15</b>						
PEDC		\$376,274	Business Center Drive	015-5000-556-30-00		Business Center Drive; Requesting Board Approval
<b>P.E.D.C - 15</b>	<b>\$0</b>	<b>\$376,274</b>				
<b>Net Carryover</b>		<b>\$376,274</b>				
<b>Amount Available</b>		<b>\$1,329,705</b>				
<b>TOTAL (with PEDC)</b>	<b>\$2,596,193</b>	<b>\$5,138,788</b>				
<b>Net Carryover (W/ PEDC)</b>		<b>\$2,542,595</b>				

# Consent Agenda Item D

- D. CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2014-6** – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, AUTHORIZING CLARIFIER DRIVES FOR THE BARRY ROSE WASTEWATER TREATMENT PLANT. Mr. Jon Branson, Interim City Manager.

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b>	January 27, 2014	<b>ITEM NO.:</b>	Resolution No. R2014-6
<b>DATE SUBMITTED:</b>	January 15, 2014	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Bob Pearce	<b>PRESENTOR:</b>	Jon R. Branson
<b>REVIEWED BY:</b>	Jon R. Branson	<b>REVIEW DATE:</b>	January 21, 2014
<b>SUBJECT:</b> Purchase & Installation of Two (2) Clarifier Drives – Barry Rose WWTP			
<b>EXHIBITS:</b> Resolution #R2014-6 Ovivo USA Proposal			
<b>FUNDING:</b>			
<input type="checkbox"/> Grant <input type="checkbox"/> Developer/Other <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Bonds To Be Sold <input type="checkbox"/> Bonds- Sold <input type="checkbox"/> L/P – Sold <input type="checkbox"/> L/P – To Be Sold			
<b>EXPENDITURE REQUIRED:</b> \$148,379 (est.)		<b>AMOUNT BUDGETED:</b> \$184,000	
<b>AMOUNT AVAILABLE:</b> \$184,000		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO.:</b> 030-4042-554-05-00			
<b>ADDITIONAL APPROPRIATION REQUIRED:</b>			
<b>ACCOUNT NO.:</b>			
<b>PROJECT NO.:</b>			
<b>To be completed by Department:</b>			
<b>X</b>	<b>Finance</b>	<b>Legal</b>	<b>Ordinance</b>
			<b>Resolution</b>

**EXECUTIVE SUMMARY**

**BACKGROUND**

The Barry Rose wastewater treatment plant utilizes two (2) primary clarifier units manufactured by Eimco Water Technologies (since purchased by, and now doing business as, Ovivo USA, LLC) in its treatment process. The clarifiers are large, circular, open-air tanks into which wastewater enters from the plant's digester at a low flow rate, allowing suspended solids to settle to the floor. The settled solids are collected via multiple draft tubes located on the slowly-rotating clarifier, with the removed solids sent back to the digester for further processing. The resultant clear effluent rises to the top of the primary tanks and exits over weirs into a large secondary clarifier tank for further processing prior to its induction into the final filtration and

chemical disinfection stage, assuring that the plant produces reuse-quality water in accordance with Texas Commission on Environmental Quality standards.

Drive mechanisms are necessary to provide the torque required to rotate the large clarifier arms within the tanks. The existing EIMCO drives were installed in 1986, and have deteriorated to a condition which precludes rehabilitation, due to corrosion damage and parts obsolescence. Replacement of the drives is necessary in order to restore the clarifiers to their intended purpose and capacity. Accordingly, the Barry Rose clarifier drive replacements were included and approved in the FY2014 budget in the amount of \$184,000.

**SCOPE OF CONTRACT**

Production and provision of two (2) replacement clarifier drives as required for the Barry Rose WWTP by Ovivo USA, LLC and subsequent installation by STP Services.

**BID AND AWARD**

It is necessary at this time to purchase, and have installed, two (2) Ovivo replacement drives as described herein (further detailed in the attached proposal), which must be provided by the original clarifier manufacturer (EIMCO, now Ovivo), resulting in a single source procurement which is exempt from competitive bidding pursuant to Texas Local Government Code, Section 252.022.

The replacement drives will be purchased directly from Ovivo in the total amount of \$128,379. Upon delivery, installation of the drives will be provided by the City's mechanical services contractor, STP Services, at an estimated cost of \$10,000 per drive. Discussions between Public Works personnel and Ovivo have revealed this estimate to be significantly lower than for installation by the manufacturer. Given the City's significant experience with STP and the quality of their work, Public Works management is confident of the successful installation of these clarifier drives, and a one (1) year workmanship and parts warranty will remain intact with the STP installation.

**SCHEDULE**

The estimated lead time for delivery of the clarifier drives is 14 weeks, with the subsequent installation completion time estimated at 4-6 weeks, projecting to overall completion of the project by mid-June, 2014.

**POLICY/GOAL CONSIDERATION**

This purchase is contemplated and recommended for the purpose of furthering the City's objective to provide for a safe and reliable water system.

**CURRENT AND FUTURE FUNDING /FINANCIAL IMPACTS**

Funding for the purchase and installation of the replacement clarifier drives will be provided from the Public Works Department's operating budget.

**O&M IMPACT INFORMATION**

<b>Fiscal Year</b>	<b>2013</b>	<b>2014</b>
	\$148,379	N/A

## **RECOMMENDED ACTION**

City Council approval of a resolution awarding the purchase of two (2) clarifier drives as described herein to Ovivo USA, LLC in the total amount of \$128,379, with subsequent installation by the City's contracted mechanical services provider, STP Services, in the estimated amount of \$20,000; yielding a total anticipated expenditure of \$148,379.

**RESOLUTION NO. R2014-6**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND,  
TEXAS, AUTHORIZING CLARIFIER DRIVES FOR THE BARRY ROSE  
WASTEWATER TREATMENT PLANT.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:**

**Section 1.** That sole source pricing has been obtained for the purchase of two (2) clarifier drives.

**Section 2.** That the City Council hereby awards the contract to Ovivo USA, LLC., in the amount of \$128,379.00.

**Section 3.** The City Manager or his designee is hereby authorized to execute a contract for the purchase of two (2) clarifier drives for the Barry Rose Wastewater Treatment Plant.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

ATTEST:

\_\_\_\_\_  
YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
DARRIN M. COKER  
CITY ATTORNEY

**PREPARED FOR**

City of Pearland  
c/o STP Services  
Pearland, TX

**AREA REPRESENTATIVE**

HRM Environmental  
Scott Hawkins

**PROJECT**

C60HT Drive Replacements for  
C3S 100' Ø Clarifiers  
Serial # 23288-03 A & B

**PREPARED BY**

Ovivo USA, LLC  
4246 Riverboat Road – Suite 300  
Salt Lake City, Utah 84123-2583  
Karen Haddow  
Phone (801) 931-3027  
Fax (801) 931-3080  
[karen.haddow@ovivowater.com](mailto:karen.haddow@ovivowater.com)

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**PROPOSAL**

**Ovivo USA, LLC**

4246 Riverboat Road • Suite 300 • Salt Lake City, Utah 84123-2583 USA  
Tel: (801) 931-3000 • Fax: (801) 931-3080  
[www.ovivowater.com](http://www.ovivowater.com)

**PROJECT SUMMARY:**

Ovivo USA, LLC is pleased to offer the following proposal to provide two (2) new EWT™ C60HT drive units as replacements for existing C60R drive units. These are for existing 100' Ø EIMCO type C3S clarifiers, serial number 23288-03 A & B, originally installed in 1986.

**Replacement Drive Units: New EWT™ Model C60HT drive units.**

Ovivo will manufacture and supply two (2) new C60HT drive mechanism to include the following:

- Standard C60HT drive rated to match existing unit
- Drive torque control unit with micro switches and actuating pin
- Motor drive package (1.5 hp TEFC motor, reducer, sprockets, chain and guard)
- Premium EWT paint scheme, two (2) coats of Tnemec Series N69F epoxy @ 6-8 mils DFT
  - Top coated with (1) coat of Tnemec Series 73 Endura Shield urethane paint @ 2-3 mils DFT, Ovivo purple
  - Top coat is highly resistant to abrasion, wet conditions, corrosive fumes, chemical contact and exterior weathering
- Freight
- Engineering
- O & M manual
- 1 year warranty **(2 year warranty with Ovivo installation services)**



**Items NOT Included**

- No draining or cleaning of tank
- No electrical installation or alteration of existing electrical supply
- No finish or touch up painting
- No drive lubricants
- No overtime work hours or removal of old debris

**Price for two (2) new EWT™ C60HT drive units complete as described above:..... \$ 128,379.<sup>00</sup>**

Pricing is discounted for purchasing multiple units simultaneously. If a single unit is purchased, the price will increase per unit. Lead time is estimated at 14 weeks ARO and is contingent upon current inventory levels.

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# PROPOSAL

**Ovivo USA, LLC**

4246 Riverboat Road • Suite 300 • Salt Lake City, Utah 84123-2583 USA  
Tel: (801) 931-3000 • Fax: (801) 931-3080  
www.ovivowater.com

**DELIVERY**

Ovivo intends to ship all Products as indicated above after receipt of approved purchase order and approved submittal drawings from Purchaser. However, the date of shipment of the Products represent Ovivo's best estimate, but is not guaranteed, and Ovivo shall not be liable for any damages due to late delivery. The Products shall be delivered to the delivery point or points in accordance with the delivery terms stated in this proposal. If such delivery is prevented or postponed by reason of Force Majeure, as defined in Ovivo's standard terms and conditions of sale, Ovivo shall be entitled at its option to tender delivery to Purchaser at the point or points of manufacture, and in default of Purchaser's acceptance of delivery, to cause the Products to be stored at such a point or points of manufacture at Purchaser's expense. Such tender, if accepted, or such storage, shall constitute delivery for all purposes of this proposal. If shipment is postponed at request of Purchaser, or due to delay in receipt of shipping instructions, payment of the purchase price shall be due on notice from Ovivo that the Products are ready for shipment. Handling, moving, storage, insurance and other charges thereafter incurred by Ovivo with respect to the Products shall be for the account of Purchaser and shall be paid by Purchaser when invoiced.

**PRICING TERMS**

All prices quoted are in US Dollars. Prices are good for 45 days. After expiration of the pricing effective period, prices will be subject to review and adjustment. Prices quoted are FOB point of shipment, with freight included to an accessible point nearest the jobsite. Federal, state or local sales, use or other taxes are not included in the sales price.

**PAYMENT TERMS**

Payment terms are: One hundred percent (100%) payment due within thirty (30) days after Purchaser's receipt of invoice. Invoice will be submitted after all materials have been received at the job site or they have been successfully installed by an Ovivo contractor and the field service check-out and start-up procedure is finalized. Credit is subject to acceptance by the Ovivo Credit Department.

Purchaser shall remit payment for proper invoices received from Ovivo in accordance with the payment terms stated above even if the Purchaser has not been paid by the Purchaser's customer (the "Owner"), if Purchaser is not the end-user of the Products. Payments are due within thirty (30) days after Purchaser's receipt of invoice. Overdue and unpaid invoices are subject to a service charge of 2% per month until paid.

If Purchaser requests or causes cancellation, suspension or delay of Ovivo's work, Purchaser shall accept transfer of title and pay Ovivo all appropriate charges incurred up to date of such event plus Ovivo's overhead and reasonable profit. Additionally, all charges related to and risks incidental to storage, disposition and/or resumption of work shall be borne solely by Purchaser.

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**PROPOSAL**

**Ovivo USA, LLC**

4246 Riverboat Road • Suite 300 • Salt Lake City, Utah 84123-2583 USA  
Tel: (801) 931-3000 • Fax: (801) 931-3080  
www.ovivowater.com

Full payment for all work shall be due and payable thirty (30) days from the date work is placed into storage.

**TAXES**

Federal, State or local sales, use or other taxes are not included in the sales price. Such taxes, if applicable, shall be for Purchaser's account.

**BACKCHARGES**

In no event shall Purchaser/Owner do or cause to be done any work, purchase any services or material or incur any expense for the account of Ovivo, nor shall Ovivo be responsible for such work or expenses, until after Purchaser/Owner has provided Ovivo's PROJECT MANAGER full details (including estimate of material cost and amount and rate of labor required) of the work, services, material or expenses, and Ovivo has approved the same in writing. Ovivo will not accept Products returned by Purchaser/Owner unless Ovivo has previously accepted the return in writing and provided Purchaser/Owner with shipping instructions.

**\*\*PURCHASE ORDER SUBMISSION\*\***

In an effort to ensure all purchase orders are processed timely and efficiently, please submit all purchase order documentation to the following department and address:

Attn: Order Entry Administrator  
Ovivo USA, LLC  
4246 Riverboat Road - Suite 300,  
Salt Lake City, Utah 84123-2583  
Fax #: 801-931-3080  
Tel. #: 801-931-3000

**ADDITIONAL FIELD SERVICE**

When included and noted in the Product pricing of each proposal item, Ovivo will supply the service of a competent field representative to inspect the completed installation and adjustment of equipment, supervise initial operation, and instruct Owner's personnel in the operation and maintenance of each proposal item for the number of eight (8) hour days. Notwithstanding Ovivo's performance of the above-referenced services, Ovivo shall not be held liable for any faulty workmanship or other defects in the Products' installation, or for other goods and/or services, performed by third parties unless such goods and/or services are expressly included under Ovivo's scope of work.

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If additional service is required over and above the Field Services described above, it will be furnished to the Purchaser and billed to him at the current rate for each additional day required, plus travel and lodging expenses incurred by the service personnel during the additional service days.

It shall be the Purchaser's responsibility to provide for all necessary lubrication of all equipment prior to placing equipment in operation. All equipment must be in operating condition and ready for the Field Service Engineer when called to the project location. Should the Contractor not be ready when the Field Service Engineer is requested or if additional service is requested, the Ovivo current service rates will apply for each additional day required, plus travel and lodging expenses incurred by the service personnel during the additional service days.

### **SURFACE PREPARATION AND PAINTING GENERAL INFORMATION**

If painting the Products is included under Ovivo's scope of work, such Products shall be painted in accordance with Ovivo's standard practice. Shop primer paint is intended to serve only as minimal protective finish. Ovivo will not be responsible for condition of primed or finished painted surfaces after equipment leaves its shops. Purchasers are invited to inspect painting in our shops for proper preparation and application prior to shipment. Ovivo assumes no responsibility for field service preparation or touch-up of shipping damage to paint. Painting of fasteners and other touch-up to painted surfaces will be by Purchaser's painting contractor after mechanism erection.

Clarifier motors, gear motors and center drives shall be cleaned and painted with manufacturer's standard primer paint only. It is our intention to ship major steel components as soon as fabricated, often before drives, motors and other manufactured components. Unless you can insure that shop primed steel shall be field painted within thirty (30) days after arrival at the jobsite, we encourage you to purchase these components in the bare metal (no surface prep or primer) condition.

Ovivo cannot accept responsibility for rusting or deterioration of shop applied prime coatings on delivered equipment if the primed surfaces have not been field painted within thirty (30) days of arrival at the jobsite using manufacturers' standard primers. Other primers may have less durability.

### **GENERAL ITEMS NOT INCLUDED**

Unless specifically and expressly included above, prices quoted by Ovivo do not include unloading, hauling, erection, installation, piping, valves, fittings, stairways, ladders, walkways, grating, wall spools, concrete, grout, sealant, dissimilar metal protection, oakum, mastic, field painting, oil or grease, electrical controls, wiring, mounting hardware, welding, weld rod, shims, leveling plates, protection against corrosion due to unprotected storage, special engineering, or overall plant or system operating instructions or any other products or services.

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# PROPOSAL

**Ovivo USA, LLC**

4246 Riverboat Road • Suite 300 • Salt Lake City, Utah 84123-2583 USA  
Tel: (801) 931-3000 • Fax: (801) 931-3080  
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**MANUALS**

The content of any and all installation, operation and maintenance or other manuals or documents pertaining to the Products are copyrighted and shall not be modified without the express prior written consent of Ovivo. Ovivo disclaims any liability for claims resulting from unauthorized modifications to any such manuals or other documents provided by Ovivo in connection with the Project.

**WARRANTY AND CONDITIONS**

Ovivo standard Terms and Conditions of Sale is attached and made an essential part of this proposal. These terms and conditions are an integral part of Ovivo's offer of Products and related services and replace and supersede any terms and conditions or warranty included in Purchaser or Owner requests for quotation or specifications and cannot be changed without written approval from an authorized representative of Ovivo.

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**PROPOSAL**

**Ovivo USA, LLC**

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Tel: (801) 931-3000 • Fax: (801) 931-3080

[www.ovivowater.com](http://www.ovivowater.com)

**1. ACCEPTANCE.** The proposal of **OVIVO USA, LLC** ("SELLER"), as well as these terms and conditions of sale (collectively the "Agreement"), constitutes SELLER's contractual offer of goods and associated services, and PURCHASER's acceptance of this offer is expressly limited to the terms of the Agreement. The scope and terms and conditions of this Agreement represent the entire offer by SELLER and supersede all prior solicitations, discussions, agreements, understandings and representations between the parties. Any scope or terms and conditions included in PURCHASER's acceptance/purchase order that are in addition to or different from this Agreement are hereby rejected.

**2. DELIVERY.** Any statements relating to the date of shipment of the Products (as defined below) represent SELLER's best estimate, but is not guaranteed, and SELLER shall not be liable for any damages due to late delivery. The Products shall be delivered to the delivery point or points in accordance with the delivery terms stated in SELLER's proposal. If such delivery is prevented or postponed by reason of Force Majeure (as defined below), SELLER shall be entitled at its option to tender delivery to PURCHASER at the point or points of manufacture, and in default of PURCHASER's acceptance of delivery to cause the Products to be stored at such a point or points of manufacture at PURCHASER'S expense. Such tender, if accepted, or such storage, shall constitute delivery for all purposes of this agreement. If shipment is postponed at request of PURCHASER, or due to delay in receipt of shipping instructions, payment of the purchase price shall be due on notice from SELLER that the Products are ready for shipment. Handling, moving, storage, insurance and other charges thereafter incurred by SELLER with respect to the Products shall be for the account of PURCHASER and shall be paid by PURCHASER when invoiced.

**3. TITLE AND RISK OF LOSS.** SELLER shall retain the fullest right, title, and interest in the Products to the extent permitted by applicable law, including a security interest in the Products, until the full purchase price has been paid to SELLER. The giving and accepting of drafts, notes and/or trade acceptances to evidence the payments due shall not constitute or be construed as payment so as to pass SELLER'S interests until said drafts, notes and/or trade acceptances are paid in full. Risk of loss shall pass to PURCHASER at the delivery point.

**4. PAYMENT TERMS.** SELLER reserves the right to ship the Products and be paid for such on a pro rata basis, as shipped. If payments are not made by the due date, interest at a rate of two percent (2%) per month, calculated daily, shall apply from the due date for payment. PURCHASER is liable to pay SELLER'S legal fees and all other expenses in respect of enforcing or attempting to enforce any of SELLER'S rights relating to a breach or threatened breach of the payment terms by PURCHASER.

**5. TAXES.** Unless otherwise specifically provided in SELLER's quotation/proposal; PURCHASER shall pay and/or reimburse SELLER, in addition to the price, for all sales, use and other taxes, excises and charges which SELLER may pay or be required to pay to any government directly or indirectly in connection with the production, sale, transportation, and/or use by SELLER or PURCHASER, of any of the Products or services dealt with herein (whether the same may be regarded as personal or real property). PURCHASER agrees to pay all property and other taxes which may be levied, assessed or charged against or upon any of the Products on or after the date of actual shipment, or placing into storage for PURCHASER'S account.

**6. MECHANICAL WARRANTY.** Solely for the benefit of PURCHASER, SELLER warrants that new equipment and parts manufactured by it and provided to PURCHASER (collectively, "Products") shall be free from defects in material and workmanship. The warranty period shall be twelve (12) months from startup of the equipment not to exceed eighteen (18) months from shipment. If any of SELLER'S Products fail to comply with the foregoing warranty, SELLER shall repair or replace free of charge to PURCHASER, EX WORKS SELLER'S FACTORIES or other location that SELLER designates, any Product or parts thereof returned to SELLER, which examination shall show to have failed under normal use and service operation by PURCHASER within the Warranty Period; provided, that if it would be impracticable for the Product or part thereof to be returned to SELLER, SELLER will send a representative to PURCHASER'S job site to inspect the Product. If it is determined after inspection that SELLER is liable under this warranty to repair or replace the Product or part thereof, SELLER shall bear the transportation costs of (a) returning the Product to SELLER for inspection or sending its representative to the job site and (b) returning the repaired or replaced Products to PURCHASER; however, if it is determined after inspection that SELLER is not liable under this warranty, PURCHASER shall pay those costs. For SELLER to be liable with respect to this warranty, PURCHASER must make its claims to SELLER with respect to this warranty in writing no later than thirty (30) days after the date PURCHASER discovers the basis for its warranty claim and in no event more than thirty (30) days after the expiration of the Warranty Period. In addition to any other limitation or disclaimer with respect to this warranty, SELLER shall have no liability with respect to any of the following: (i) failure of the Products, or damages to them, due to PURCHASER'S negligence or willful misconduct, abuse or improper storage, installation, application or maintenance (as specified in any manuals or written instructions that SELLER provides to the PURCHASER); (ii) any Products that have been altered or repaired in any way without SELLER'S prior written authorization; (iii) The costs of dismantling and reinstallation of the Products; (iv) any Products damaged while in transit or otherwise by accident; (v) decomposition of Products by chemical action, erosion or corrosion or wear to Products or due to conditions of temperature, moisture and dirt; or (vi) claims with respect to parts that are consumable and normally replaced during maintenance such as filter media, filter drainage belts and the like, except where such parts are not performing to SELLER'S estimate of normal service life, in which case, SELLER shall only be liable for the pro rata cost of replacement of those parts based on SELLER'S estimate of what the remaining service life of those parts should have been; provided, that failure of those parts did not result from any of the matters listed in clauses (i) through (v) above. With regard to third-party parts, equipment, accessories or components not of SELLER'S design, SELLER'S liability shall be limited solely to the assignment of available third-party warranties. **THE PARTIES AGREE THAT ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, WHETHER WRITTEN, ORAL OR STATUTORY, ARE EXCLUDED TO THE FULLEST EXTENT PERMISSIBLE BY LAW.** All warranties and obligations of SELLER shall terminate if PURCHASER fails to perform its obligations under this Agreement including but not limited to any failure to pay any charges due to SELLER. SELLER'S quoted price for the Products is based upon this warranty. Any increase in warranty obligation may be subject to an increase in price.

**7. CONFIDENTIAL INFORMATION.** All nonpublic information and data furnished to PURCHASER hereunder, including but not limited to price, size, type and design of the Products is the sole property of SELLER and submitted for PURCHASER'S own confidential use solely in connection with this Agreement and is not to be made known or available to any third party without SELLER'S prior written consent.

**8. PAINTING.** The Products shall be painted in accordance with SELLER'S standard practice, and purchased items such as motors, controls, speed reducers, pumps, etc., will be painted in accordance with manufacturers' standard practices, unless otherwise agreed in writing.

**9. DRAWINGS AND TECHNICAL DOCUMENTATION.** When PURCHASER requests approval of drawings before commencement of manufacture, shipment may be delayed if approved drawings are not returned to SELLER within fourteen (14) days of receipt by PURCHASER of such drawings for approval. SELLER will furnish only general arrangement, general assembly, and if required, wiring diagrams, erection drawings, installation and operation-maintenance manuals for SELLER'S equipment (in English language). SELLER will supply six (6) complete sets of drawings and operating instructions. Additional sets will be paid for by PURCHASER. Electronic files, if requested from SELLER, will be provided in pdf, jpg or tif format only.

**10. SET OFF.** This Agreement shall be completely independent of all other contracts between the parties and all payments due to SELLER hereunder shall be paid when due and shall not be setoff or applied against any money due or claimed to be due from SELLER to PURCHASER on account of any other transaction or claim. except for archival or security purposes; b) not to use the program on any computer other than the computer with which it is supplied; and c) to limit access to the program to those of its employees who are necessary to permit authorized use of the program. PURCHASER agrees to execute and be bound by the terms of any software license

applicable to the Products supplied.

**11. SOFTWARE.** PURCHASER shall have a nonexclusive and nontransferable license to use any information processing program supplied by SELLER with the Products. PURCHASER acknowledges that such programs and the information contained therein is Confidential Information and agrees: a) not to copy or duplicate the program

**12. PATENT INDEMNITY.** SELLER will defend at its own expense any suit instituted against PURCHASER based upon claims that SELLER'S Product hereunder in and of itself constitutes an infringement of any valid apparatus claims of any United States patent issued and existing as of the date of this Agreement, if notified promptly in writing and given all information, assistance, and sole authority to defend and settle the same, and SELLER shall indemnify the PURCHASER against such claims of infringement. Furthermore, in case the use of the Products is enjoined in such suit or in case SELLER otherwise deems it advisable, SELLER shall, at its own expense and discretion, (a) procure for the PURCHASER the right to continue using the Products, (b) replace the same with non-infringing Products, (c) modify the Product so it becomes non-infringing, or (d) remove the Products and refund the purchase price less freight charges and depreciation. SELLER shall not be liable for, and PURCHASER shall indemnify SELLER for, any claim of infringement related to (a) the use of the Products for any purpose other than that for which it was furnished by SELLER, (b) compliance with equipment designs not furnished by SELLER or (c) use of the Products in combination with any other equipment. The foregoing states the sole liability of SELLER for patent infringement with respect to the Products

**13. GENERAL INDEMNITY.** Subject to the rights, obligations and limitations of liabilities of the parties set forth in this Agreement, PURCHASER shall protect and indemnify SELLER, its ultimate parent, its ultimate parent's subsidiaries and each of their respective officers, directors, employees and agents, from and against all claims, demands and causes of action asserted by any entity to the extent of PURCHASER'S negligence or willful misconduct in connection with this Agreement.

**14. DEFAULT, TERMINATION.** In the event that PURCHASER becomes insolvent, commits an act of bankruptcy or defaults in the performance of any term or condition of this Agreement, the entire unpaid portion of the purchase price shall, without notice or demand, become immediately due and payable. SELLER at its option, without notice or demand, shall be entitled to sue for said balance and for reasonable legal fees, plus out-of-pocket expenses and interest; and/or to enter any place where the Products are located and to take immediate possession of and remove the Products, with or without legal process; and/or retain all payments made as compensation for the use of the Products; and/or resell the Products, without notice or demand, for and on behalf of the PURCHASER, and to apply the net proceeds from such sale (after deduction from the sale price of all expenses of such sale and all expenses of retaking possession, repairs necessary to put the Products in salable condition, storage charges, taxes, liens, collection and legal fees and all other expenses in connection therewith) to the balance then due to SELLER for the Products and to receive from the PURCHASER the deficiency between such net proceeds of sale and such balance. PURCHASER hereby waives all trespass, damage and claims resulting from any such entry, repossession, removal, retention, repair, alteration and sale. The remedies provided in this paragraph are in addition to and not limitations of any other rights of SELLER.

**15. CANCELLATION.** PURCHASER may terminate this Agreement for convenience upon giving SELLER thirty (30) days prior written notice of such fact and paying SELLER for all costs and expenses (including overhead) incurred by it in performing its work and closing out the same plus a reasonable profit thereon. All such costs and expenses shall be paid to SELLER within ten (10) days of the termination of the Agreement, or be subject to an additional late payment penalty of five percent (5%) of the total amount of costs and expenses owed.

**16. REMEDIES.** The rights and remedies of the PURCHASER in connection with the goods and services provided by SELLER hereunder are exclusive and limited to the rights and remedies expressly stated in this Agreement.

**17. INSPECTION.** PURCHASER is entitled to make reasonable inspection of Products at SELLER'S facility. SELLER reserves the right to determine the reasonableness of the request and to select an appropriate time for such inspection. All costs of inspections not expressly included as an itemized part of the quoted price of the Products in this Agreement shall be paid by PURCHASER.

**18. WAIVER.** Any failure by SELLER to enforce PURCHASER'S strict performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provision of this Agreement.

**19. COMPLIANCE WITH LAWS.** If applicable laws, ordinances, regulations or conditions require anything different from, or in addition to, that called for by this Agreement, SELLER will satisfy such requirements at PURCHASER'S written request and expense.

**20. FORCE MAJEURE.** If SELLER is rendered unable, wholly or in material part, by reason of Force Majeure to carry out any of its obligations hereunder, then on SELLER'S notice in writing to PURCHASER within a reasonable time after the occurrence of the cause relied upon, such obligations shall be suspended. "Force Majeure" shall include, but not be limited to, acts of God, laws and regulations, strikes, civil disobedience or unrest, lightning, fire, flood, washout, storm, communication lines failure, delays of the PURCHASER or PURCHASER'S subcontractors, breakage or accident to equipment or machinery, wars, police actions, terrorism, embargos, and any other causes that are not reasonably within the control of the SELLER. If the delay is the result of PURCHASER'S action or inaction, then in addition to an adjustment in time, SELLER shall be entitled to reimbursement of costs incurred to maintain its schedule.

**21. INDEPENDENT CONTRACTOR.** It is expressly understood that SELLER is an independent contractor, and that neither SELLER nor its principals, partners, parents, subsidiaries, affiliates, employees or subcontractors are servants, agents, partners, joint ventures or employees of PURCHASER in any way whatsoever.

**22. SEVERABILITY.** Should any portion of this Agreement, be held to be invalid or unenforceable under applicable law then the validity of the remaining portions thereof shall not be affected by such invalidity or unenforceability and shall remain in full force and effect. Furthermore, any invalid or unenforceable provision shall be modified accordingly within the confines of applicable law, giving maximum permissible effect to the parties' intentions expressed herein.

**23. CHOICE OF LAW, CHOICE OF VENUE.** This Agreement shall be governed and construed in accordance with the laws of the State of Utah, without regard to its rules regarding conflicts or choice of law. The parties submit to the jurisdiction and venue of the state and federal courts located in Salt Lake City, Utah.

**24. ASSIGNMENT.** PURCHASER shall not assign or transfer this Agreement without the prior written consent of the SELLER. Any attempt to make such an assignment or transfer shall be null and void. SELLER shall have the authority to assign, or otherwise transfer, its rights and obligations in connection with this Agreement, in whole or in part, upon prior written notice to PURCHASER.

**25. LIMITATION ON LIABILITY. TO THE EXTENT PERMISSIBLE BY LAW, SELLER SHALL HAVE NO FURTHER LIABILITY IN CONNECTION WITH THIS AGREEMENT IN EXCESS OF THE COST OF CORRECTING ANY DEFECTS, OR IN THE ABSENCE OF ANY DEFECT, IN EXCESS OF THE VALUE OF THE PRODUCTS SOLD HERUNDER. NOTWITHSTANDING ANY LIABILITIES OR RESPONSIBILITIES ASSUMED BY SELLER HERUNDER, SELLER SHALL IN NO EVENT BE RESPONSIBLE TO PURCHASER OR ANY THIRD PARTY, WHETHER ARISING UNDER CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE, FOR LOSS OF ANTICIPATED PROFITS, LOSS BY REASON OF PLANT SHUTDOWN, NON-OPERATION OR INCREASED EXPENSE OF OPERATION, SERVICE INTERRUPTIONS, COST OF PURCHASED OR REPLACEMENT POWER, COST OF MONEY, LOSS OF USE OF CAPITAL OR REVENUE OR ANY OTHER INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY, OR CONSEQUENTIAL LOSS OR DAMAGE, WHETHER ARISING FROM DEFECTS, DELAY, OR FROM ANY OTHER CAUSE WHATSOEVER.**

REVISION DATE - MARCH 5, 2009

# PROPOSAL

Ovivo USA, LLC

4246 Riverboat Road • Suite 300 • Salt Lake City, Utah 84123-2583 USA

Tel: (801) 931-3000 • Fax: (801) 931-3080

www.ovivowater.com

**NORTH AMERICAN  
FIELD SERVICE RATE SHEET**

Effective January 1, 2013

Standard (Travel)	Daily Rate (8 hour day)	\$ 1,200.00
Hourly Rate (4 hour minimum)		\$ 150.00
Standard (Labor)	Daily Rate (8 hour day)	\$ 1,200.00
Hourly Rate (4 hour minimum)		\$ 150.00
Saturday	Daily Rate (8 hour day)	\$ 1,800.00
Hourly Rate (4 hour minimum)		\$ 225.00
Sundays/Holidays *	Daily Rate (8 hour day)	\$ 2,400.00
Hourly Rate (4 hour minimum)		\$ 300.00
Overtime **	Hourly Rate - Standard Day	\$ 225.00
Hourly Rate - Weekends & Holidays		\$ 300.00

\* Except Christmas Day and New Years Day

\*\* For all hours worked over eight (8) hours per day

**UNLESS OTHERWISE ARRANGED; EXPENSES ARE CHARGED AT ACTUAL COST PLUS 10%**

Please Note:

- All of the rates provided are portal to portal. In addition, travel and living expenses will be invoiced at actual cost PLUS 10 % and documentation will be provided for these expenses. ***If a fixed Per Diem rate is required, it will be charged at \$250.00 per day (lodging and meals) with the exception of the East Coast where the price will be \$300.00.*** Travel on Saturday, Sunday or Holidays, and after 8 hours per day will be billed at the overtime rate.
- Use of **Ovivo** Fleet vehicles for travel will be charged at the rate of \$0.565 per mile.

**PROPOSAL**

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# New Business Item No. 1

1. **CONSIDERATION AND POSSIBLE ACTION – RESOLUTION NO. R2014-7 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, ACCEPTING THE CITY’S INVESTMENT REPORT FOR THE QUARTER ENDING DECEMBER 2013. *Mr. Jon Branson, Interim City Manager.***

**AGENDA REQUEST  
BUSINESS OF THE CITY COUNCIL  
CITY OF PEARLAND, TEXAS**

<b>AGENDA OF:</b>	1/27/2014	<b>ITEM NO.:</b>	Resolution No. R2014-7
<b>DATE SUBMITTED:</b>	1/16/2014	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Rick Overgaard	<b>PRESENTOR:</b>	Jon Branson
<b>REVIEWED BY:</b>	Mike Hodge	<b>REVIEW DATE:</b>	January 16, 2014
<b>SUBJECT: December 2013 Quarterly Investment Report</b>			
<b>EXHIBITS: Resolution 2014-7 December 2013 Investment Report</b>			
	Grant	Developer/Other	Cash Opns
Bonds To Be Sold	Bonds- Sold	L/P – Sold	L/P – To Be Sold
<b>FUNDING:</b>			
<b>EXPENDITURE REQUIRED:N/A</b>		<b>AMOUNT BUDGETED:N/A</b>	
<b>AMOUNT AVAILABLE:</b>		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO</b>			
<b>ADDITIONAL APPROPRIATION REQUIRED:</b>			
<b>ACCOUNT NO.:</b>			
<b>PROJECT NO.:</b>			
<b>To be completed by Department:</b>			
<b>X Finance</b>	<b>X Legal</b>	<b>Ordinance</b>	<b>X</b>
<b>Resolution</b>			

**EXECUTIVE SUMMARY**

**BACKGROUND**

The Public Funds Investment Act (PFIA), Texas Government Code 2256 and the City's Investment Policy require that an Investment Report be presented to City Council no less than quarterly. The report, as presented, incorporates the requirements of PFIA, including detailed listing of purchases, sales, description of each security and management summary.

**POLICY/GOAL CONSIDERATION**

To achieve safety of principal, adequate liquidity to meet cash needs, and reasonable yields commensurate with the preservation of principal and liquidity. All funds will be invested in compliance with all state and local statutes and all Governmental Accounting Standards Board Statements, and related financial accounting standards.

### **FINANCIAL INFORMATION**

The City's portfolio totals \$89.4 million, up \$8.2 million from the September 2013 report. The increase is primarily due to property tax payments being made prior to calendar year end, but not actually due until January 31<sup>st</sup>. The portfolio has an average yield to maturity for the quarter of .29%, which is higher than the City's average agency note benchmark of .14%, equivalent to the weighted average maturity of the portfolio, and higher than the 1 year T-Bill benchmark of .12% for the quarter.

At December 31, 2013, yield to maturity was .33% compared to the benchmark of .13% for the one-year T-Bill and .15% for the agency benchmark, which is equivalent to the weighted average maturity of the portfolio. This is an increase of .06 basis points from last quarter.

The weighted average maturity increased to 230 days as the City's Investment Policy was amended for up to a 5-Year maturity date for single investments, with a portfolio composition of 67% in cash, 14% in CDs and 19% in agency notes as of December 31, 2013.

December 2013 quarter-end highlights are included below, along with September, June, and March for comparative purposes.

	<b>March 2013</b>	<b>June 2013</b>	<b>September 2013</b>	<b>December 2013</b>
Beginning Book Value	\$ 100,464,474	\$ 96,039,160	\$ 86,244,583	\$ 81,180,410
Ending Book Value	\$ 96,039,160	\$ 86,244,583	\$ 81,180,410	\$ 89,365,731
Change in Portfolio	\$ (4,425,314)	\$ (9,794,577)	\$ (5,064,173)	\$ 8,185,321
Interest Earned	\$ 52,241	\$ 42,379	\$ 43,968	\$ 58,819
Weighted Average Maturity	106 Days	118 Days	179 Days	230 Days
Yield to Maturity	.20%	.20%	.27%	.33%
One Year T-Bill	.14%	.15%	.10%	.13%

Benchmark				
Agency Benchmark	.16%	.12%	.09%	.15%
Portfolio Composition:				
Cash	75%	76%	69%	67%
CD	7%	11%	13%	14%
Agency Notes	18%	13%	18%	19%

Also, as a comparison, Texpool, the State local government investment pool, is yielding .024% with a weighted average maturity of 70 days. The full report is attached. The investment committee met on January 22, 2014 to review the report.

**RECOMMENDED ACTION**

Consideration and approval of Resolution 2014-7, to receive the investment report for the quarter ending December 2013.

**RESOLUTION NO. R2014-7**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, ACCEPTING THE CITY'S INVESTMENT REPORT FOR THE QUARTER ENDING DECEMBER 2013.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS:**

**Section 1.** That the City Council hereby accepts the Quarterly Investment Report attached hereto as Exhibit "A" for the quarter ending December 2013.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2014.

\_\_\_\_\_  
TOM REID  
MAYOR

ATTEST:

\_\_\_\_\_  
YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

\_\_\_\_\_  
DARRIN M. COKER  
CITY ATTORNEY



**City of Pearland  
Quarterly Investment Report  
Sept 30, 2013 - Dec 31, 2013**

<u>Portfolio at Sept 30, 2013</u>		<u>Portfolio at Dec 31, 2013</u>	
Ending Book Value	\$ 81,180,409.69	Ending Book Value	\$ 89,364,730.77
Ending Market Value	81,177,454.21	Ending Market Value	89,321,982.01
Accrued Interest Receivable	34,705.29	Accrued Interest Receivable	47,334.84
FYD Total Interest Earned	188,482.36	FYD Total Interest Earned	58,819.11
Unrealized Gain/(Loss)	(2,955.48)	Unrealized Gain/(Loss)	(42,748.76)
Change in Unrealized Gain/Loss	25,211.86	Change in Unrealized Gain/Loss	(39,793.28)
Weighted Average Maturity	179 Days	Weighted Average Maturity	230 Days
Change in Market Value	(5,192,607.54)	Change in Market Value	8,144,527.80
Yield to Maturity at Cost	0.27%	Yield to Maturity at Cost	0.33%
T-Bill Benchmark	0.10%	T-Bill Benchmark	0.13%
Agency Note Benchmark	0.09%	Agency Note Benchmark	0.15%
 <u>Average for Quarter</u> 			
	City's Yield to Maturity	0.29%	
	1 Year T-Bill Benchmark Yield	0.12%	
	Agency Note Benchmark Yield	0.14%	

This quarterly report is in compliance with the investment policy and strategy as established by the City and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Prepared by:



Claire Bogard  
Director of Finance



Rick Overgaard  
Assistant Director of Finance

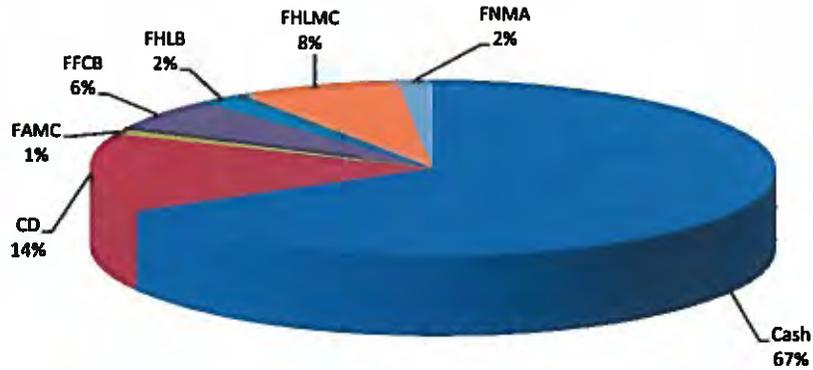


Fatima Uwakwe  
Accounting Supervisor

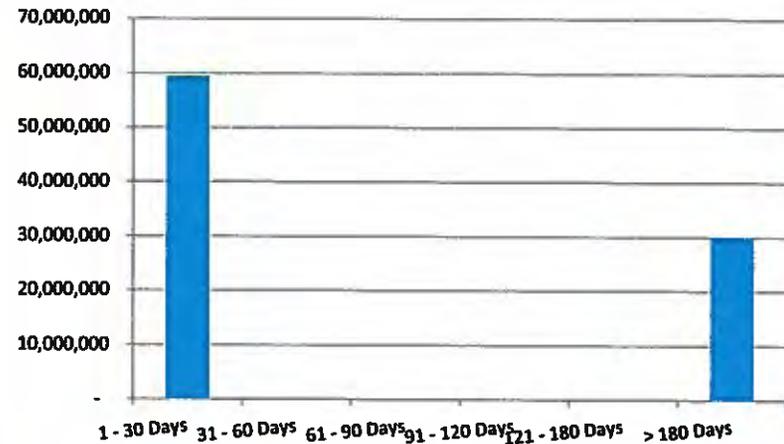
**Summary by Type  
December 31, 2013**

<u>Description</u>	<u>Face Amount \ Shares</u>	<u>Cost Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>YTM @ Cost</u>	<u>Days To Maturity</u>
Cash	\$ 59,438,541.64	\$ 59,438,541.64	\$ 59,438,541.64	\$ 59,438,541.64	0.14%	1
CD	12,903,807.96	12,903,807.96	12,903,807.96	12,876,114.47	0.56%	582
FAMC	1,000,000.00	997,890.00	997,908.33	989,706.00	1.77%	1,737
FFCB	5,500,000.00	5,533,816.03	5,502,928.55	5,504,530.50	0.28%	260
FHLB	2,000,000.00	2,016,920.00	2,007,695.89	2,000,131.00	1.02%	1,056
FHLMC	7,000,000.00	6,996,661.00	6,998,092.96	6,994,451.00	1.11%	1,010
FNMA	1,509,000.00	1,528,352.67	1,515,755.44	1,518,507.40	0.45%	416
<b>Total/Average</b>	<b>\$ 89,351,349.60</b>	<b>\$ 89,415,989.30</b>	<b>\$ 89,364,730.77</b>	<b>\$ 89,321,982.01</b>	<b>0.33%</b>	<b>230</b>

**Group Portfolio Holdings  
by Type**



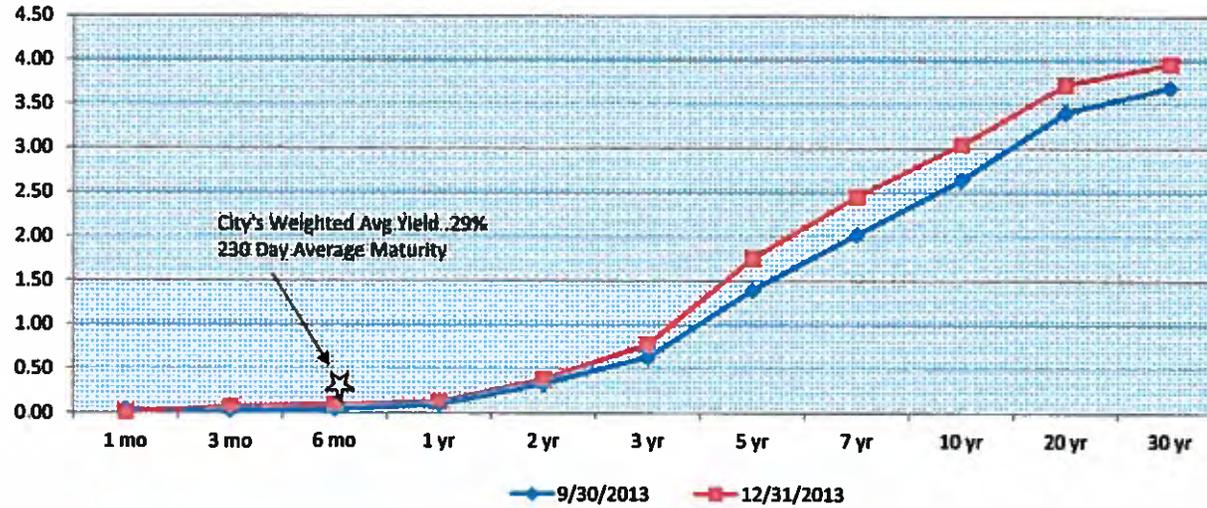
**Book Value by Maturity**



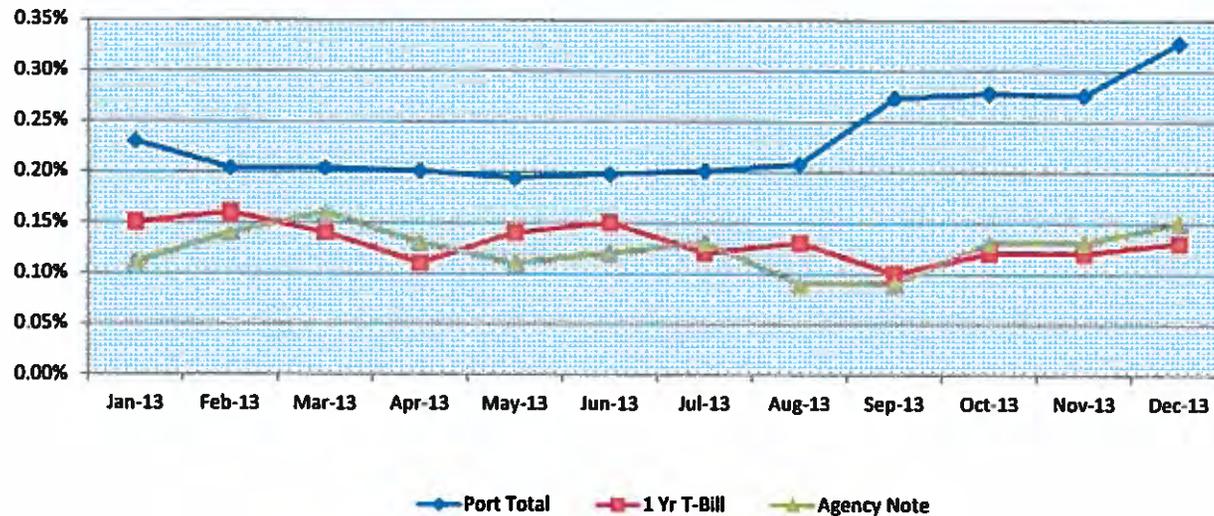
## Interest Rates

<u>Date</u>	<u>1 mo</u>	<u>3 mo</u>	<u>6 mo</u>	<u>1 yr</u>	<u>2 yr</u>	<u>3 yr</u>	<u>5 yr</u>	<u>7 yr</u>	<u>10 yr</u>	<u>20 yr</u>	<u>30 yr</u>
9/30/2013	0.03	0.02	0.04	0.10	0.33	0.63	1.39	2.02	2.64	3.41	3.69
12/31/2013	0.01	0.07	0.10	0.13	0.38	0.78	1.75	2.45	3.04	3.72	3.96

## Yield Curve Comparison



## Portfolio vs. Benchmarks



**City of Pearland**  
**Quarterly Investment Report**  
 Report Format: By CUSIP  
 Group By: Security Type  
 Portfolio/Report Group: Report Group: Pearland  
 Begin Date: 9/30/2013, End Date: 12/31/2013

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
<b>CASH</b>											
Wells Fargo Sweep Cash	WFSWEEP	10: General Fund	0.140	N/A	8,883,597.09	3,033,450.38	1,973,277.87	0.00	0.00	9,943,769.60	2,351.66
Wells Fargo Sweep Cash	WFSWEEP	17: Municipal Court Security	0.140	N/A	131,364.31	44.62	5,015.04	0.00	0.00	126,393.89	44.62
Wells Fargo Sweep Cash	WFSWEEP	18: City Wide Donation	0.140	N/A	88,806.68	4,712.60	0.00	0.00	0.00	93,519.28	32.16
Wells Fargo Sweep Cash	WFSWEEP	19: Court Technology	0.140	N/A	283,435.11	9,672.74	31,365.30	0.00	0.00	261,742.55	94.00
Wells Fargo Sweep Cash	WFSWEEP	20: Debt Services	0.140	N/A	3,073,485.03	6,678,402.89	0.00	0.00	0.00	9,751,887.92	2,165.92
Wells Fargo Sweep Cash	WFSWEEP	23: Court Juvenile Mgmt	0.140	N/A	61,821.84	1,991.19	2,254.20	0.00	0.00	61,558.83	21.77
Wells Fargo Sweep Cash	WFSWEEP	30: Water & Sewer	0.140	N/A	8,900,303.13	3,163,093.37	618,642.80	0.00	0.00	11,444,753.70	4,054.21
Wells Fargo Sweep Cash	WFSWEEP	31: Solidwaste	0.140	N/A	1,098,976.32	84,596.50	630,623.02	0.00	0.00	552,949.80	174.23
Wells Fargo Sweep Cash	WFSWEEP	35: Street Assessment	0.140	N/A	637,094.36	3,124.66	235,950.00	0.00	0.00	404,269.02	169.78
Wells Fargo Sweep Cash	WFSWEEP	42: Utility Impact Fee	0.140	N/A	3,376,384.56	985.54	744,992.35	0.00	0.00	2,632,377.75	985.54
Wells Fargo Sweep Cash	WFSWEEP	44: Shadow Creek Impact	0.140	N/A	1,767,207.70	236,489.76	214,547.69	0.00	0.00	1,789,149.77	665.03
Wells Fargo Sweep Cash	WFSWEEP	45: Hotel/Motel Occupancy	0.140	N/A	1,634,144.31	155,567.34	346,515.83	0.00	0.00	1,443,195.82	551.15
Wells Fargo Sweep Cash	WFSWEEP	46: Park Donations	0.140	N/A	116,140.62	7,049.79	10,156.33	0.00	0.00	113,034.08	37.88
Wells Fargo Sweep Cash	WFSWEEP	47: Park & Rec Development	0.140	N/A	807,708.33	25,496.41	248,000.00	0.00	0.00	585,204.74	259.01

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
Wells Fargo Sweep Cash	WFSWEEP	49: Tree Trust Fund	0.140	N/A	73,845.73	325.75	575.00	0.00	0.00	73,596.48	25.75
Wells Fargo Sweep Cash	WFSWEEP	50: Capital Projects	0.140	N/A	2,212,173.20	472,227.66	641,258.95	0.00	0.00	2,043,141.91	644.45
Wells Fargo Sweep Cash	WFSWEEP	55: Sidewalk Fund	0.140	N/A	225,800.10	78.73	0.00	0.00	0.00	225,878.83	78.73
Wells Fargo Sweep Cash	WFSWEEP	60: Police State Seizure	0.140	N/A	196,209.15	14,030.96	14,425.00	0.00	0.00	195,815.11	70.23
Wells Fargo Sweep Cash	WFSWEEP	62: Federal Police Fund	0.140	N/A	47,886.28	1,638.97	0.00	0.00	0.00	49,525.25	17.22
Wells Fargo Sweep Cash	WFSWEEP	64: 1998 Cert of Obligation	0.140	N/A	845,526.97	256.50	331,325.75	0.00	0.00	514,457.72	256.50
Wells Fargo Sweep Cash	WFSWEEP	67: 2003 Revenue Bonds	0.140	N/A	3,969,896.24	83,167.25	1,803,117.19	0.00	0.00	2,249,946.30	979.61
Wells Fargo Sweep Cash	WFSWEEP	68: 2001 Cert of Obligation	0.140	N/A	196,864.01	74,929.38	100,626.61	0.00	0.00	171,166.78	46.40
Wells Fargo Sweep Cash	WFSWEEP	70: 2005 Refunding / Mobility	0.140	N/A	656,562.03	211.94	144,498.44	0.00	0.00	512,275.53	211.94
Wells Fargo Sweep Cash	WFSWEEP	95: Property Liability	0.140	N/A	104,308.59	35,645.29	523,870.64	0.00	0.00	-383,916.76	0.00
Wells Fargo Sweep Cash	WFSWEEP	97: Employee Benefit Trust	0.140	N/A	33,108.26	24,029.24	26,159.59	0.00	0.00	30,977.91	20.42
Wells Fargo Cash	WF9871	99: COP Health Claims Fund	0.140	N/A	255,413.44	1,768,605.14	1,764,570.79	0.00	0.00	259,447.79	113.06
Wells Fargo Sweep Cash	WFSWEEP	99: COP Health Claims Fund	0.140	N/A	619,848.85	163,794.74	675,718.92	0.00	0.00	107,924.67	0.00
Wells Fargo Sweep Cash	WFSWEEP	Z101: Grant Fund	0.140	N/A	0.00	56,655.38	86,363.04	0.00	0.00	-29,707.66	0.00
Wells Fargo Sweep Cash	WFSWEEP	Z109: 2011 CDBG Fund	0.140	N/A	0.00	0.00	161.41	0.00	0.00	-161.41	0.00
Wells Fargo Sweep Cash	WFSWEEP	Z110: 2012 CDBG Fund	0.140	N/A	0.00	19,113.43	18,908.88	0.00	0.00	204.55	0.00

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
Wells Fargo Sweep Cash	WFSWEEP	Z140: U of H Fund	0.140	N/A	18,842.78	16,982.48	0.00	0.00	0.00	35,825.26	9.96
Wells Fargo Sweep Cash	WFSWEEP	Z141: U of H Capital Renewal Fund	0.140	N/A	239,779.45	83.60	0.00	0.00	0.00	239,863.05	83.60
Wells Fargo Sweep Cash	WFSWEEP	Z145: Municipal Channel	0.140	N/A	227,557.46	23,642.01	8,521.40	0.00	0.00	242,678.07	82.82
Wells Fargo Sweep Cash	WFSWEEP	Z200: 2006 Cert of Obligation	0.140	N/A	2,011,503.98	697.73	11,690.54	0.00	0.00	2,000,511.17	697.73
Wells Fargo Sweep Cash	WFSWEEP	Z201: 2007 Cert of Obligation	0.140	N/A	117,856.47	22.64	53,429.62	0.00	0.00	64,449.49	22.64
Wells Fargo Sweep Cash	WFSWEEP	Z202: 2007A Gen Obligation	0.140	N/A	2,153,229.70	743.80	32,341.97	0.00	0.00	2,121,631.53	743.80
Wells Fargo Sweep Cash	WFSWEEP	Z203: 2009 Gen Obligation	0.140	N/A	7,476,741.51	289,920.95	1,104,531.19	0.00	0.00	6,662,131.27	2,359.04
Wells Fargo Sweep Cash	WFSWEEP	Z301: W/S Pay As U Go CIP	0.140	N/A	2,159,900.81	748.00	20,691.59	0.00	0.00	2,139,957.22	748.00
Wells Fargo Sweep Cash	WFSWEEP	Z302: MUD 4 Capital Programs	0.140	N/A	1,266,241.04	364.65	559,490.86	0.00	0.00	707,114.83	364.65
<b>Sub Total/Average Cash</b>			<b>0.140</b>		<b>55,969,565.44</b>	<b>16,452,594.01</b>	<b>12,983,617.81</b>	<b>0.00</b>	<b>0.00</b>	<b>59,438,541.64</b>	<b>19,183.51</b>

**CERTIFICATE OF DEPOSIT**

CDARS 0.5 12/18/2014	1016130741	10: General Fund	0.500	12/18/2014	0.00	500,000.00	0.00	0.00	0.00	500,000.00	82.19
1st United Bank FL 0.7 5/9/2016	33741TAU5	10: General Fund	0.700	5/9/2016	0.00	248,000.00	0.00	0.00	0.00	248,000.00	247.32
Synovus Bank GA 0.5 11/28/2014	87164DBV1	10: General Fund	0.500	11/28/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.56
Townebank Portsmouth VA 0.4 6/1/2015	89214PAP4	10: General Fund	0.400	6/1/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	250.04

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
Trust Atlantic Bank 1.45 12/6/2017	89835FJCS	10: General Fund	1.450	12/6/2017	0.00	248,000.00	0.00	0.00	0.00	248,000.00	541.86
BBCN Bank LA 0.25 2/7/2014	CD073296AT2	10: General Fund	0.250	2/7/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	156.28
CDARS 0.6 6/19/2014	CD1013981872	10: General Fund	0.600	6/19/2014	500,000.00	0.00	0.00	0.00	0.00	500,000.00	2,252.75
CDARS 0.5 12/19/2013	CD1014682593	10: General Fund		12/19/2013	500,000.00	0.00	500,000.00	0.00	0.00	0.00	554.21
Cardinal Bank 0.5 5/17/2016	CD14147VDM5	10: General Fund	0.500	5/17/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.55
Moody National Bank 0.5 11/30/2013	CD1730	10: General Fund		11/30/2013	246,186.79	0.00	246,186.79	0.00	0.00	0.00	206.36
Discover Bank 0.5 2/20/2015	CD254671KH2	10: General Fund	0.500	2/20/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.55
First National Bank 1.6 3/19/2018	CD32115CBE7	10: General Fund	1.600	3/19/2018	248,000.00	0.00	0.00	0.00	0.00	248,000.00	989.29
First Niagara Bank 0.25 11/4/2013	CD33583CDH9	10: General Fund		11/4/2013	248,000.00	0.00	248,000.00	0.00	0.00	0.00	59.46
Gorham Savings Bank 0.25 2/6/2014	CD383052CNS	10: General Fund	0.250	2/6/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	156.28
Mizuho Bank 0.25 5/8/2014	CD60688TLM9	10: General Fund	0.250	5/8/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	156.28
Moody National Bank 0.5 5/30/2014	CD7130A	10: General Fund	0.500	5/30/2014	0.00	246,807.96	0.00	0.00	0.00	246,807.96	104.81
Plus International Bank 0.5 7/8/2016	CD72940UFV2	10: General Fund	0.500	7/8/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.55
Southwest Bank Ft Worth 0.3 2/27/2015	CD844772AA1	10: General Fund	0.300	2/27/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	187.52
Valley Bank Roanoke 0.3 7/30/2014	CD91935VANO	10: General Fund	0.300	7/30/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	187.53
Key Bank Ohio 0.35	CD49306SRE8	20: Debt Services	0.350	8/27/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	218.79

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
8/27/2014											
Mechanics Savings Bank 0.35 3/20/2015	CD583686BC3	20: Debt Services	0.350	3/20/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	218.78
Bay Cities Bank 0.5 12/12/2014	CD07203QBR2	30: Water & Sewer	0.500	12/12/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.55
CDARS 0.5 6/19/2014	CD1013981856B	30: Water & Sewer	0.500	6/19/2014	500,000.00	0.00	0.00	0.00	0.00	500,000.00	630.14
First Farmers Bank 0.5 5/3/2016	CD320165FZ1	30: Water & Sewer	0.500	5/3/2016	245,000.00	0.00	0.00	0.00	0.00	245,000.00	308.75
Fox Chase Bank 0.65 6/27/2016	CD35137QAN4	30: Water & Sewer	0.650	6/27/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	406.31
Goldman Sachs Bank 0.6 2/20/2015	CD38147JAA0	30: Water & Sewer	0.600	2/20/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	375.05
SAFRA NATIONAL BANK 0.6 5/5/2014	CD786580J50	30: Water & Sewer	0.600	5/5/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	375.05
United Bankers Bank 0.75 5/6/2016	909557CV0	35: Street Assessment	0.750	5/6/2016	0.00	248,000.00	0.00	0.00	0.00	248,000.00	280.28
Hardin County Bank 0.25 12/30/2014	411822BG3	42: Utility Impact Fee	0.250	12/30/2014	0.00	248,000.00	0.00	0.00	0.00	248,000.00	1.70
BMW Bank of NA 0.85 6/8/2015	CD05568P2Q9	42: Utility Impact Fee	0.850	6/8/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	531.34
College Savings Bank 0.55 6/20/2016	CD19443PAP4	42: Utility Impact Fee	0.550	6/20/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	340.07
Private Bank & Trust 0.35 5/11/2015	CD74267GTC1	42: Utility Impact Fee	0.350	5/11/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	216.40
Sterling Savings Bank 0.35 2/23/2015	CD8595316A8	42: Utility Impact Fee	0.350	2/23/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	218.78
The Independent	CD88632YAG1	42: Utility Impact Fee	1.100	9/16/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	702.55

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
Bank 1.1 9/16/2016											
Bank of Buffalo KY 0.35 6/22/2015	060788AF3	44: Shadow Creek Impact	0.350	6/22/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	26.16
Marin Business Bank 0.55 6/14/2016	CD57116AGF9	44: Shadow Creek Impact	0.550	6/14/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	343.81
First Commercial Bank Mlss 0.4 6/26/2015	31984GCW7	45: Hotel/Motel Occupancy	0.400	6/26/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	10.87
Colonial Virginia Bank 0.55 6/24/2016	CD196121AM9	45: Hotel/Motel Occupancy	0.550	6/24/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	343.81
First Natial Bank WI 0.25 1/31/2014	CD321086FE5	45: Hotel/Motel Occupancy	0.250	1/31/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	156.28
First State Bank - Un Cty Tenn 0.45 12/23/2015	336472EJ0	47: Park & Rec Development	0.450	12/23/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	24.46
US AmeriBank Largo FL 0.55 12/23/2015	917312CC2	64: 1998 Cert of Obligation	0.550	12/23/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	29.90
First National Bank ORD NEB 0.8 11/18/2016	32116RAC8	67: 2003 Revenue Bonds	0.800	11/18/2016	0.00	248,000.00	0.00	0.00	0.00	248,000.00	233.73
Asheville Savings Bank 0.35 3/27/2015	CD04407RAJ0	67: 2003 Revenue Bonds	0.350	3/27/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	218.77
CIT Bank 1.5 9/5/2017	CD17284CMN1	67: 2003 Revenue Bonds	1.500	9/5/2017	248,000.00	0.00	0.00	0.00	0.00	248,000.00	937.64
Medallion Bank UT 0.4 11/3/2015	CD58403BB62	67: 2003 Revenue Bonds	0.400	11/3/2015	248,000.00	0.00	0.00	0.00	0.00	248,000.00	250.04
First State Bank - WV 0.35 12/3/2014	CD33648FHR9	70: 2005 Refunding / Mobility	0.350	12/3/2014	248,000.00	0.00	0.00	0.00	0.00	248,000.00	218.78
Celtic Bank 0.6 6/28/2016	CD15118RJD0	Z202: 2007A Gen	0.600	6/28/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	375.06

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
		Obligation									
Kansas State Bank 0.8 10/31/2016	485382DV4	Z203: 2009 Gen Obligation	0.800	10/31/2016	0.00	248,000.00	0.00	0.00	0.00	248,000.00	331.57
Cathay Bank 0.75 3/21/2016	CD149159JE6	Z203: 2009 Gen Obligation	0.750	3/21/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	468.82
DeWitt Bank and Trust 0.5 6/20/2016	CD241888BT2	Z301: W/S Pay As U Go CIP	0.500	6/20/2016	248,000.00	0.00	0.00	0.00	0.00	248,000.00	312.55
Farm Bureau Bank 0.5 12/23/2015	307660HH6	Z302: MUD 4 Capital Programs	0.500	12/23/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	27.18
Pacific City Bank 0.35 6/26/2015	69406PBJ7	Z302: MUD 4 Capital Programs	0.350	6/26/2015	0.00	248,000.00	0.00	0.00	0.00	248,000.00	11.89
<b>Sub Total/Average Certificate Of Deposit</b>			<b>0.557</b>		<b>10,175,186.79</b>	<b>3,722,807.96</b>	<b>994,186.79</b>	<b>0.00</b>	<b>0.00</b>	<b>12,903,807.96</b>	<b>16,840.25</b>
<b>FAMC BOND</b>											
FAMC 1.72 10/3/2018	31315P5A3	30: Water & Sewer	1.766	10/3/2018	0.00	997,890.00	0.00	18.33	0.00	997,908.33	734.99
<b>Sub Total/Average FAMC Bond</b>			<b>1.766</b>		<b>0.00</b>	<b>997,890.00</b>	<b>0.00</b>	<b>18.33</b>	<b>0.00</b>	<b>997,908.33</b>	<b>734.99</b>
<b>FFCB BOND</b>											
FFCB 0.32 3/12/2015-12	3133EAU30	10: General Fund	0.320	3/12/2015	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00	808.89
FFCB 0.3 7/18/2014	3133EAYL6	10: General Fund	0.285	7/18/2014	1,000,119.55	0.00	0.00	0.00	-37.77	1,000,081.78	720.56
FFCB 0.25 12/24/2014	3133ECAV6	20: Debt Services	0.273	12/24/2014	999,715.22	0.00	0.00	58.37	0.00	999,773.59	690.31
FFCB 0.3 1/9/2015-13	3133EA3U0	42: Utility Impact Fee	0.300	1/9/2015	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00	758.33
FFCB 2.125 2/10/2014	31331JDY6	67: 2003 Revenue Bonds	0.230	2/10/2014	1,510,243.92	0.00	0.00	0.00	-7,170.74	1,503,073.18	886.56
<b>Sub</b>			<b>0.277</b>		<b>5,510,078.69</b>	<b>0.00</b>	<b>0.00</b>	<b>58.37</b>	<b>-7,208.51</b>	<b>5,502,928.55</b>	<b>3,864.65</b>

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
<b>Total/Average FFCB Bond</b>											
<b>FHLB BOND</b>											
FHLB 1.15 10/30/2014	3133743W8	30: Water & Sewer	0.300	10/30/2014	1,009,171.49	0.00	0.00	0.00	-2,140.01	1,007,031.48	734.99
FHLB 1.75 12/14/2018	313376BR5	30: Water & Sewer	1.736	12/14/2018	0.00	1,000,670.00	0.00	0.00	-5.59	1,000,664.41	723.58
FHLB 0.32 12/26/2014-13	313381G58	67: 2003 Revenue Bonds		12/26/2014	1,000,000.00	0.00	1,000,000.00	0.00	0.00	0.00	497.77
<b>Sub Total/Average FHLB Bond</b>			<b>1.013</b>		<b>2,009,171.49</b>	<b>1,000,670.00</b>	<b>1,000,000.00</b>	<b>0.00</b>	<b>-2,145.60</b>	<b>2,007,695.89</b>	<b>1,956.34</b>
<b>FHLMC BOND</b>											
FHLMC 0.375 4/28/2014	3134G3SB7	10: General Fund	0.467	4/28/2014	999,473.77	0.00	0.00	230.22	0.00	999,703.99	1,178.14
FHLMC 2 9/24/2018-14	3134G4FY9	10: General Fund	2.000	9/24/2018	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00	5,055.56
FHLMC 0.35 12/31/2015-14	3134G4QK7	10: General Fund	0.369	12/31/2015	0.00	999,625.00	0.00	0.00	0.00	999,625.00	0.00
FHLMC 1.85 12/27/2018-14	3134G4QV3	20: Debt Services	1.850	12/27/2018	0.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	205.56
FHLMC 0.5 8/28/2015-14	3134G4FP8	30: Water & Sewer	0.500	8/28/2015	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00	1,263.89
FHLMC 2.25 9/26/2018-14	3134G4GE2	42: Utility Impact Fee	2.282	9/26/2018	998,503.33	0.00	0.00	75.84	0.00	998,579.17	5,763.34
FHLMC 0.35 12/5/2014	3134G3H78	67: 2003 Revenue Bonds	0.330	12/5/2014	1,000,235.15	0.00	0.00	0.00	-50.35	1,000,184.80	834.37
<b>Sub Total/Average FHLMC Bond</b>			<b>1.114</b>		<b>4,998,212.25</b>	<b>1,999,625.00</b>	<b>0.00</b>	<b>306.06</b>	<b>-50.35</b>	<b>6,998,092.96</b>	<b>14,300.86</b>
<b>FNMA BOND</b>											
FNMA 0.35 8/25/2015	3135G0UW1	10: General Fund	0.416	8/25/2015	508,363.11	0.00	0.00	84.60	0.00	508,447.71	534.92
FNMA 1.3 11/17/2014	3136FPWZ6	30: Water & Sewer	0.462	11/17/2014	1,009,412.17	0.00	0.00	0.00	-2,104.44	1,007,307.73	1,181.67

Description	CUSIP/Ticker	Portfolio Name	Ending YTM @ Cost	Maturity Date	Beginning BV	Buy Principal	Sell Principal	Amortized Discount	Amortized Premium	Ending BV	Investment Income-BV
FNMA 1.05 10/22/2013	31398A458	30: Water & Sewer		10/22/2013	1,000,419.75	0.00	1,000,000.00	0.00	-419.75	0.00	221.92
<b>Sub Total/Average FNMA Bond</b>			<b>0.447</b>		<b>2,518,195.03</b>	<b>0.00</b>	<b>1,000,000.00</b>	<b>84.60</b>	<b>-2,524.19</b>	<b>1,515,755.44</b>	<b>1,938.51</b>
<b>Total / Average</b>			<b>0.328</b>		<b>81,180,409.69</b>	<b>24,173,586.97</b>	<b>15,977,804.60</b>	<b>467.36</b>	<b>-11,928.65</b>	<b>89,364,730.77</b>	<b>58,819.11</b>

**City of Pearland**  
**Quarterly Investment Report at Quarterend**  
 Report Format: By Transaction  
 Group By: Security Type  
 Portfolio/Report Group: Report Group: Pearland  
 As of 12/31/2013

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
<b>Cash</b>												
Wells Fargo Sweep Cash	WFSWEEP	10: General Fund	5/31/2006	N/A	0.140	9,943,769.60	9,943,769.60	9,943,769.60	9,943,769.60	1		11.13
Wells Fargo Sweep Cash	WFSWEEP	17: Municipal Court Security	5/31/2006	N/A	0.140	126,393.89	126,393.89	126,393.89	126,393.89	1		0.14
Wells Fargo Sweep Cash	WFSWEEP	18: City Wide Donation	5/31/2006	N/A	0.140	93,519.28	93,519.28	93,519.28	93,519.28	1		0.10
Wells Fargo Sweep Cash	WFSWEEP	19: Court Technology	5/31/2006	N/A	0.140	261,742.55	261,742.55	261,742.55	261,742.55	1		0.29
Wells Fargo Sweep Cash	WFSWEEP	20: Debt Services	5/31/2006	N/A	0.140	9,751,887.92	9,751,887.92	9,751,887.92	9,751,887.92	1		10.91
Wells Fargo Sweep Cash	WFSWEEP	23: Court Juvenile Mgmt	9/15/2009	N/A	0.140	61,558.83	61,558.83	61,558.83	61,558.83	1		0.07
Wells Fargo Sweep Cash	WFSWEEP	30: Water & Sewer	5/31/2006	N/A	0.140	11,444,753.70	11,444,753.70	11,444,753.70	11,444,753.70	1		12.81
Wells Fargo Sweep Cash	WFSWEEP	31: Solidwaste	12/1/2006	N/A	0.140	552,949.80	552,949.80	552,949.80	552,949.80	1		0.62
Wells Fargo Sweep Cash	WFSWEEP	35: Street Assessment	5/31/2006	N/A	0.140	404,269.02	404,269.02	404,269.02	404,269.02	1		0.45
Wells Fargo Sweep Cash	WFSWEEP	42: Utility Impact Fee	5/31/2006	N/A	0.140	2,632,377.75	2,632,377.75	2,632,377.75	2,632,377.75	1		2.95
Wells Fargo Sweep Cash	WFSWEEP	44: Shadow Creek Impact	5/31/2006	N/A	0.140	1,789,149.77	1,789,149.77	1,789,149.77	1,789,149.77	1		2.00
Wells Fargo Sweep Cash	WFSWEEP	45: Hotel/Motel Occupancy	5/31/2006	N/A	0.140	1,443,195.82	1,443,195.82	1,443,195.82	1,443,195.82	1		1.62
Wells Fargo Sweep Cash	WFSWEEP	46: Park Donations	5/31/2006	N/A	0.140	113,034.08	113,034.08	113,034.08	113,034.08	1		0.13
Wells Fargo Sweep Cash	WFSWEEP	47: Park & Rec Development	5/31/2006	N/A	0.140	585,204.74	585,204.74	585,204.74	585,204.74	1		0.65
Wells Fargo Sweep Cash	WFSWEEP	49: Tree Trust Fund	5/31/2006	N/A	0.140	73,596.48	73,596.48	73,596.48	73,596.48	1		0.08

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Wells Fargo Sweep Cash	WFSWEEP	50: Capital Projects	5/31/2006	N/A	0.140	2,043,141.91	2,043,141.91	2,043,141.91	2,043,141.91	1		2.29
Wells Fargo Sweep Cash	WFSWEEP	55: Sidewalk Fund	5/31/2006	N/A	0.140	225,878.83	225,878.83	225,878.83	225,878.83	1		0.25
Wells Fargo Sweep Cash	WFSWEEP	60: Police State Seizure	5/31/2006	N/A	0.140	195,815.11	195,815.11	195,815.11	195,815.11	1		0.22
Wells Fargo Sweep Cash	WFSWEEP	62: Federal Police Fund	5/31/2006	N/A	0.140	49,525.25	49,525.25	49,525.25	49,525.25	1		0.06
Wells Fargo Sweep Cash	WFSWEEP	64: 1998 Cert of Obligation	5/31/2006	N/A	0.140	514,457.72	514,457.72	514,457.72	514,457.72	1		0.58
Wells Fargo Sweep Cash	WFSWEEP	67: 2003 Revenue Bonds	5/31/2006	N/A	0.140	2,249,946.30	2,249,946.30	2,249,946.30	2,249,946.30	1		2.52
Wells Fargo Sweep Cash	WFSWEEP	68: 2001 Cert of Obligation	5/31/2006	N/A	0.140	171,166.78	171,166.78	171,166.78	171,166.78	1		0.19
Wells Fargo Sweep Cash	WFSWEEP	70: 2005 Refunding / Mobility	5/31/2006	N/A	0.140	512,275.53	512,275.53	512,275.53	512,275.53	1		0.57
Wells Fargo Sweep Cash	WFSWEEP	95: Property Liability	10/31/2006	N/A	0.140	-383,916.76	-383,916.76	-383,916.76	-383,916.76	1		-0.43
Wells Fargo Sweep Cash	WFSWEEP	97: Employee Benefit Trust	9/1/2007	N/A	0.140	30,977.91	30,977.91	30,977.91	30,977.91	1		0.03
Wells Fargo Sweep Cash	WFSWEEP	99: COP Health Claims Fund	9/15/2010	N/A	0.140	107,924.67	107,924.67	107,924.67	107,924.67	1		0.12
Wells Fargo Cash	WF9871	99: COP Health Claims Fund	7/21/2010	N/A	0.140	259,447.79	259,447.79	259,447.79	259,447.79	1		0.29
Wells Fargo Sweep Cash	WFSWEEP	Z101: Grant Fund	5/31/2006	N/A	0.140	-29,707.66	-29,707.66	-29,707.66	-29,707.66	1		-0.03
Wells Fargo Sweep Cash	WFSWEEP	Z109: 2011 CDBG Fund	12/1/2011	N/A	0.140	-161.41	-161.41	-161.41	-161.41	1		0.00
Wells Fargo Sweep Cash	WFSWEEP	Z110: 2012 CDBG Fund	11/15/2012	N/A	0.140	204.55	204.55	204.55	204.55	1		0.00
Wells Fargo Sweep Cash	WFSWEEP	Z140: U of H Fund	12/1/2009	N/A	0.140	35,825.26	35,825.26	35,825.26	35,825.26	1		0.04
Wells Fargo Sweep Cash	WFSWEEP	Z141: U of H Capital Renewal Fund	9/30/2013	N/A	0.140	239,863.05	239,863.05	239,863.05	239,863.05	1		0.27

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Wells Fargo Sweep Cash	WFSWEEP	Z145: Municipal Channel	4/15/2012	N/A	0.140	242,678.07	242,678.07	242,678.07	242,678.07	1		0.27
Wells Fargo Sweep Cash	WFSWEEP	Z200: 2006 Cert of Obligation	6/30/2006	N/A	0.140	2,000,511.17	2,000,511.17	2,000,511.17	2,000,511.17	1		2.24
Wells Fargo Sweep Cash	WFSWEEP	Z201: 2007 Cert of Obligation	8/31/2006	N/A	0.140	64,449.49	64,449.49	64,449.49	64,449.49	1		0.07
Wells Fargo Sweep Cash	WFSWEEP	Z202: 2007A Gen Obligation	12/31/2007	N/A	0.140	2,121,631.53	2,121,631.53	2,121,631.53	2,121,631.53	1		2.37
Wells Fargo Sweep Cash	WFSWEEP	Z203: 2009 Gen Obligation	10/30/2008	N/A	0.140	6,662,131.27	6,662,131.27	6,662,131.27	6,662,131.27	1		7.46
Wells Fargo Sweep Cash	WFSWEEP	Z301: W/S Pay As U Go CIP	12/31/2007	N/A	0.140	2,139,957.22	2,139,957.22	2,139,957.22	2,139,957.22	1		2.39
Wells Fargo Sweep Cash	WFSWEEP	Z302: MUD 4 Capital Programs	2/1/2013	N/A	0.140	707,114.83	707,114.83	707,114.83	707,114.83	1		0.79
<b>Sub Total / Average</b>					<b>0.140</b>	<b>59,438,541.64</b>	<b>59,438,541.64</b>	<b>59,438,541.64</b>	<b>59,438,541.64</b>	<b>1</b>	<b>0.00</b>	<b>66.52</b>

**Certificate Of Deposit**

CDARS 0.5 12/18/2014	1016130741	10: General Fund	12/19/2013	12/18/2014	0.500	500,000.00	500,000.00	500,000.00	500,000.00	352	82.19	0.56
Valley Bank Roanoke 0.3 7/30/2014	CD91935VANO	10: General Fund	1/30/2013	7/30/2014	0.300	248,000.00	248,000.00	248,000.00	247,985.86	211	313.91	0.28
First National Bank 1.6 3/19/2018	CD32115CBE7	10: General Fund	9/18/2013	3/19/2018	1.600	248,000.00	248,000.00	248,000.00	247,442.50	1539	130.45	0.28
1st United Bank FL 0.7 5/9/2016	33741TAU5	10: General Fund	11/8/2013	5/9/2016	0.700	248,000.00	248,000.00	248,000.00	247,127.29	860	104.64	0.28
Trust Atlantic Bank 1.45 12/6/2017	89835FJCS	10: General Fund	11/6/2013	12/6/2017	1.450	248,000.00	248,000.00	248,000.00	247,315.27	1436	246.30	0.28
BBCN Bank LA 0.25 2/7/2014	CD073296AT2	10: General Fund	2/8/2013	2/7/2014	0.250	248,000.00	248,000.00	248,000.00	247,960.82	38	39.07	0.28
Southwest Bank Ft Worth 0.3 2/27/2015	CD844772AA1	10: General Fund	2/27/2013	2/27/2015	0.300	248,000.00	248,000.00	248,000.00	247,797.88	423	8.15	0.28

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Plus International Bank 0.5 7/8/2016	CD72940UFV2	10: General Fund	7/8/2013	7/8/2016	0.500	248,000.00	248,000.00	248,000.00	246,059.15	920	78.14	0.28
CDARS 0.6 6/19/2014	CD1013981872	10: General Fund	6/21/2012	6/19/2014	0.600	500,000.00	500,000.00	500,000.00	500,000.00	170	0.00	0.56
Cardinal Bank 0.5 5/17/2016	CD14147VDM5	10: General Fund	5/17/2013	5/17/2016	0.500	248,000.00	248,000.00	248,000.00	246,544.74	868	47.56	0.28
Moody National Bank 0.5 5/30/2014	CD7130A	10: General Fund	11/30/2013	5/30/2014	0.500	246,807.96	246,807.96	246,807.96	246,807.96	150	104.81	0.28
Gorham Savings Bank 0.25 2/6/2014	CD383052CN5	10: General Fund	2/6/2013	2/6/2014	0.250	248,000.00	248,000.00	248,000.00	247,947.42	37	42.47	0.28
Discover Bank 0.5 2/20/2015	CD254671KH2	10: General Fund	2/20/2013	2/20/2015	0.500	248,000.00	248,000.00	248,000.00	247,811.77	416	451.84	0.28
Synovus Bank GA 0.5 11/28/2014	87164DBV1	10: General Fund	11/30/2012	11/28/2014	0.500	248,000.00	248,000.00	248,000.00	248,649.51	332	105.32	0.28
Townebank Portsmouth VA 0.4 6/1/2015	89214PAP4	10: General Fund	5/31/2013	6/1/2015	0.400	248,000.00	248,000.00	248,000.00	247,436.54	517	84.25	0.28
Mizuho Bank 0.25 5/8/2014	CD60688TLM9	10: General Fund	5/8/2013	5/8/2014	0.250	248,000.00	248,000.00	248,000.00	247,999.75	128	402.58	0.28
Key Bank Ohio 0.35 8/27/2014	CD49306SRE8	20: Debt Services	2/27/2013	8/27/2014	0.350	248,000.00	248,000.00	248,000.00	248,068.20	239	299.64	0.28
Mechanics Savings Bank 0.35 3/20/2015	CD583686BC3	20: Debt Services	3/20/2013	3/20/2015	0.350	248,000.00	248,000.00	248,000.00	247,633.21	444	26.16	0.28
Goldman Sachs Bank 0.6 2/20/2015	CD38147JAA0	30: Water & Sewer	2/20/2013	2/20/2015	0.600	248,000.00	248,000.00	248,000.00	247,645.86	416	542.20	0.28
SAFRA NATIONAL BANK 0.6 5/5/2014	CD786580J50	30: Water & Sewer	8/1/2012	5/5/2014	0.600	248,000.00	248,000.00	248,000.00	248,370.02	125	236.45	0.28
Bay Cities Bank 0.5 12/12/2014	CD07203QBR2	30: Water & Sewer	12/12/2012	12/12/2014	0.500	248,000.00	248,000.00	248,000.00	248,644.80	346	64.55	0.28
CDARS 0.5 6/19/2014	CD1013981856B	30: Water & Sewer	6/20/2013	6/19/2014	0.500	500,000.00	500,000.00	500,000.00	500,000.00	170	1,328.77	0.56
Fox Chase Bank 0.65	CD35137QAN4	30: Water & Sewer	6/27/2013	6/27/2016	0.650	248,000.00	248,000.00	248,000.00	246,148.18	909	17.67	0.28

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
6/27/2016												
First Farmers Bank 0.5 5/3/2016	CD320165FZ1	30: Water & Sewer	5/3/2013	5/3/2016	0.500	245,000.00	245,000.00	245,000.00	243,731.64	854	93.97	0.27
United Bankers Bank 0.75 5/6/2016	909557CV0	35: Street Assessment	11/6/2013	5/6/2016	0.750	248,000.00	248,000.00	248,000.00	247,206.40	857	127.40	0.28
Hardin County Bank 0.25 12/30/2014	411822BG3	42: Utility Impact Fee	12/30/2013	12/30/2014	0.250	248,000.00	248,000.00	248,000.00	247,248.81	364	1.70	0.28
Private Bank & Trust 0.35 5/11/2015	CD74267GTC1	42: Utility Impact Fee	5/10/2013	5/11/2015	0.350	248,000.00	248,000.00	248,000.00	247,497.55	496	118.90	0.28
Sterling Savings Bank 0.35 2/23/2015	CD8595316A8	42: Utility Impact Fee	2/22/2013	2/23/2015	0.350	248,000.00	248,000.00	248,000.00	247,805.82	419	311.53	0.28
College Savings Bank 0.55 6/20/2016	CD19443PAP4	42: Utility Impact Fee	6/19/2013	6/20/2016	0.550	248,000.00	248,000.00	248,000.00	246,211.18	902	41.11	0.28
The Independent Bank 1.1 9/16/2016	CD88632YAG1	42: Utility Impact Fee	9/18/2013	9/16/2016	1.100	248,000.00	248,000.00	248,000.00	247,572.94	990	112.11	0.28
BMW Bank of NA 0.85 6/8/2015	CD05568P2Q9	42: Utility Impact Fee	12/7/2012	6/8/2015	0.850	248,000.00	248,000.00	248,000.00	248,815.18	524	138.61	0.28
Marlin Business Bank 0.55 6/14/2016	CD57116AGF9	44: Shadow Creek Impact	6/14/2013	6/14/2016	0.550	248,000.00	248,000.00	248,000.00	246,257.06	896	63.53	0.28
Bank of Buffalo KY 0.35 6/22/2015	060788AF3	44: Shadow Creek Impact	12/20/2013	6/22/2015	0.350	248,000.00	248,000.00	248,000.00	247,049.17	538	26.16	0.28
First Natial Bank WI 0.25 1/31/2014	CD321086FE5	45: Hotel/Motel Occupancy	1/31/2013	1/31/2014	0.250	248,000.00	248,000.00	248,000.00	247,957.59	31	50.96	0.28
First Commercial Bank Miss 0.4 6/26/2015	31984GCW7	45: Hotel/Motel Occupancy	12/27/2013	6/26/2015	0.400	248,000.00	248,000.00	248,000.00	247,030.32	542	10.87	0.28
Colonial Virginia Bank 0.55 6/24/2016	CD196121AM9	45: Hotel/Motel Occupancy	6/25/2013	6/24/2016	0.550	248,000.00	248,000.00	248,000.00	246,170.50	906	26.16	0.28
First State Bank - Un Cty Tenn 0.45 12/23/2015	336472EJ0	47: Park & Rec Development	12/23/2013	12/23/2015	0.450	248,000.00	248,000.00	248,000.00	247,029.33	722	24.46	0.28

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
US AmeriBank Largo FL 0.55 12/23/2015	917312CC2	64: 1998 Cert of Obligation	12/23/2013	12/23/2015	0.550	248,000.00	248,000.00	248,000.00	247,078.43	722	29.90	0.28
Asheville Savings Bank 0.35 3/27/2015	CD04407RAJ0	67: 2003 Revenue Bonds	2/28/2013	3/27/2015	0.350	248,000.00	248,000.00	248,000.00	247,599.98	451	7.13	0.28
Medallion Bank UT 0.4 11/3/2015	CD58403BB62	67: 2003 Revenue Bonds	5/3/2013	11/3/2015	0.400	248,000.00	248,000.00	248,000.00	247,434.81	672	157.63	0.28
CIT Bank 1.5 9/5/2017	CD17284CMN1	67: 2003 Revenue Bonds	9/4/2013	9/5/2017	1.500	248,000.00	248,000.00	248,000.00	247,817.47	1344	1,202.63	0.28
First National Bank ORD NEB 0.8 11/18/2016	32116RAC8	67: 2003 Revenue Bonds	11/18/2013	11/18/2016	0.800	248,000.00	248,000.00	248,000.00	247,126.79	1053	233.73	0.28
First State Bank - WV 0.35 12/3/2014	CD33648FHR9	70: 2005 Refunding / Mobility	12/3/2012	12/3/2014	0.350	248,000.00	248,000.00	248,000.00	248,649.51	337	66.59	0.28
Celtic Bank 0.6 6/28/2016	CD15118RJD0	Z202: 2007A Gen Obligation	6/28/2013	6/28/2016	0.600	248,000.00	248,000.00	248,000.00	246,203.74	910	12.23	0.28
Kansas State Bank 0.8 10/31/2016	485382DV4	Z203: 2009 Gen Obligation	10/30/2013	10/31/2016	0.800	248,000.00	248,000.00	248,000.00	247,309.32	1035	0.00	0.28
Cathay Bank 0.75 3/21/2016	CD149159JE6	Z203: 2009 Gen Obligation	9/20/2013	3/21/2016	0.750	248,000.00	248,000.00	248,000.00	247,576.17	811	56.05	0.28
DeWitt Bank and Trust 0.5 6/20/2016	CD241888BT2	Z301: W/S Pay As U Go CIP	6/24/2013	6/20/2016	0.500	248,000.00	248,000.00	248,000.00	246,264.99	902	37.37	0.28
Farm Bureau Bank 0.5 12/23/2015	307660HH6	Z302: MUD 4 Capital Programs	12/23/2013	12/23/2015	0.500	248,000.00	248,000.00	248,000.00	247,078.18	722	27.18	0.28
Pacific City Bank 0.35 6/26/2015	69406PBJ7	Z302: MUD 4 Capital Programs	12/26/2013	6/26/2015	0.350	248,000.00	248,000.00	248,000.00	246,994.86	542	11.89	0.28
<b>Sub Total / Average</b>					<b>0.557</b>	<b>12,903,807.96</b>	<b>12,903,807.96</b>	<b>12,903,807.96</b>	<b>12,876,114.47</b>	<b>582</b>	<b>7,746.92</b>	<b>14.44</b>
<b>FAMC Bond</b>												
FAMC 1.72 10/3/2018	31315P5A3	30: Water & Sewer	12/16/2013	10/3/2018	1.766	1,000,000.00	997,890.00	997,908.33	989,706.00	1737	4,204.44	1.12

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
<b>Sub Total / Average</b>					<b>1.766</b>	<b>1,000,000.00</b>	<b>997,890.00</b>	<b>997,908.33</b>	<b>989,706.00</b>	<b>1737</b>	<b>4,204.44</b>	<b>1.12</b>
<b>FFCB Bond</b>												
FFCB 0.32 3/12/2015-12	3133EAU30	10: General Fund	10/31/2012	3/12/2015	0.320	1,000,000.00	1,000,000.00	1,000,000.00	1,000,014.00	436	968.89	1.12
FFCB 0.3 7/18/2014	3133EAYL6	10: General Fund	8/1/2012	7/18/2014	0.285	1,000,000.00	1,000,293.48	1,000,081.78	1,000,816.00	199	1,358.33	1.12
FFCB 0.25 12/24/2014	3133ECAV6	20: Debt Services	1/28/2013	12/24/2014	0.273	1,000,000.00	999,560.00	999,773.59	1,000,609.00	358	48.61	1.12
FFCB 0.3 1/9/2015-13	3133EA3U0	42: Utility Impact Fee	11/29/2012	1/9/2015	0.300	1,000,000.00	1,000,000.00	1,000,000.00	1,000,015.00	374	1,433.33	1.12
FFCB 2.125 2/10/2014	31331JDY6	67: 2003 Revenue Bonds	11/29/2012	2/10/2014	0.230	1,500,000.00	1,533,962.55	1,503,073.18	1,503,076.50	41	12,484.38	1.68
<b>Sub Total / Average</b>					<b>0.277</b>	<b>5,500,000.00</b>	<b>5,533,816.03</b>	<b>5,502,928.55</b>	<b>5,504,530.50</b>	<b>260</b>	<b>16,293.54</b>	<b>6.16</b>
<b>FHLB Bond</b>												
FHLB 1.15 10/30/2014	3133743W8	30: Water & Sewer	11/29/2012	10/30/2014	0.300	1,000,000.00	1,016,250.00	1,007,031.48	1,008,023.00	303	1,916.67	1.12
FHLB 1.75 12/14/2018	313376BR5	30: Water & Sewer	12/16/2013	12/14/2018	1.736	1,000,000.00	1,000,670.00	1,000,664.41	992,108.00	1809	826.39	1.12
<b>Sub Total / Average</b>					<b>1.018</b>	<b>2,000,000.00</b>	<b>2,016,920.00</b>	<b>2,007,695.89</b>	<b>2,000,131.00</b>	<b>1056</b>	<b>2,743.06</b>	<b>2.24</b>
<b>FHLMC Bond</b>												
FHLMC 2 9/24/2018-14	3134G4FY9	10: General Fund	9/24/2013	9/24/2018	2.000	1,000,000.00	1,000,000.00	1,000,000.00	998,228.00	1728	5,388.89	1.12
FHLMC 0.375 4/28/2014	3134G3SB7	10: General Fund	3/27/2012	4/28/2014	0.467	1,000,000.00	998,100.00	999,703.99	1,000,789.00	118	656.25	1.12
FHLMC 0.35 12/31/2015-14	3134G4QK7	10: General Fund	12/31/2013	12/31/2015	0.369	1,000,000.00	999,625.00	999,625.00	997,800.00	730	0.00	1.12
FHLMC 1.85 12/27/2018-14	3134G4QV3	20: Debt Services	12/27/2013	12/27/2018	1.850	1,000,000.00	1,000,000.00	1,000,000.00	992,872.00	1822	205.56	1.12
FHLMC 0.5 8/28/2015-14	3134G4FP8	30: Water & Sewer	8/28/2013	8/28/2015	0.500	1,000,000.00	1,000,000.00	1,000,000.00	1,000,510.00	605	1,708.33	1.12
FHLMC 2.25 9/26/2018-14	3134G4GE2	42: Utility Impact Fee	9/26/2013	9/26/2018	2.282	1,000,000.00	998,500.00	998,579.17	1,002,694.00	1730	5,937.50	1.12
FHLMC 0.35 12/5/2014	3134G3H78	67: 2003 Revenue Bonds	9/27/2012	12/5/2014	0.330	1,000,000.00	1,000,436.00	1,000,184.80	1,001,558.00	339	252.78	1.12

Description	CUSIP/Ticker	Portfolio Name	Settlement Date	Maturity Date	YTM @ Cost	Face Amount/Shares	Cost Value	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
<b>Sub Total / Average</b>					<b>1.114</b>	<b>7,000,000.00</b>	<b>6,996,661.00</b>	<b>6,998,092.96</b>	<b>6,994,451.00</b>	<b>1010</b>	<b>14,149.31</b>	<b>7.83</b>
<b>FNMA Bond</b>												
FNMA 0.35 8/25/2015	3135G0UW1	10: General Fund	7/25/2013	8/25/2015	0.416	509,000.00	508,302.67	508,447.71	508,768.40	602	608.68	0.57
FNMA 1.3 11/17/2014	3136FPWZ6	30: Water & Sewer	6/20/2012	11/17/2014	0.462	1,000,000.00	1,020,050.00	1,007,307.73	1,009,739.00	321	1,588.89	1.12
<b>Sub Total / Average</b>					<b>0.446</b>	<b>1,509,000.00</b>	<b>1,528,352.67</b>	<b>1,515,755.44</b>	<b>1,518,507.40</b>	<b>416</b>	<b>2,197.57</b>	<b>1.69</b>
<b>Total / Average</b>					<b>0.328</b>	<b>89,351,349.60</b>	<b>89,415,989.30</b>	<b>89,364,730.77</b>	<b>89,321,982.01</b>	<b>230</b>	<b>47,334.84</b>	<b>100</b>

**City of Pearland**  
**City of Pearland - by Fund**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
 Portfolio/Report Group: Report Group: Pearland  
 As of 12/31/2013

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
<b>10: General Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	9,943,769.60	9,943,769.60	9,943,769.60	0.140	N/A	1	11.13
CDARS 0.5 12/18/2014	1016130741	Certificate Of Deposit	12/19/2013	500,000.00	500,000.00	500,000.00	0.500	12/18/2014	352	0.56
Valley Bank Roanoke 0.3 7/30/2014	CD91935VANO	Certificate Of Deposit	1/30/2013	248,000.00	248,000.00	247,985.86	0.300	7/30/2014	211	0.28
First National Bank 1.6 3/19/2018	CD32115CBE7	Certificate Of Deposit	9/18/2013	248,000.00	248,000.00	247,442.50	1.600	3/19/2018	1539	0.28
1st United Bank FL 0.7 5/9/2016	33741TAU5	Certificate Of Deposit	11/8/2013	248,000.00	248,000.00	247,127.29	0.700	5/9/2016	860	0.28
Trust Atlantic Bank 1.45 12/6/2017	89835FJC5	Certificate Of Deposit	11/6/2013	248,000.00	248,000.00	247,315.27	1.450	12/6/2017	1436	0.28
BBCN Bank LA 0.25 2/7/2014	CD073296AT2	Certificate Of Deposit	2/8/2013	248,000.00	248,000.00	247,960.82	0.250	2/7/2014	38	0.28
Southwest Bank Ft Worth 0.3 2/27/2015	CD844772AA1	Certificate Of Deposit	2/27/2013	248,000.00	248,000.00	247,797.88	0.300	2/27/2015	423	0.28
Plus International Bank 0.5 7/8/2016	CD72940UFV2	Certificate Of Deposit	7/8/2013	248,000.00	248,000.00	246,059.15	0.500	7/8/2016	920	0.28
CDARS 0.6 6/19/2014	CD1013981872	Certificate Of Deposit	6/21/2012	500,000.00	500,000.00	500,000.00	0.600	6/19/2014	170	0.56
Cardinal Bank 0.5 5/17/2016	CD14147VDM5	Certificate Of Deposit	5/17/2013	248,000.00	248,000.00	246,544.74	0.500	5/17/2016	868	0.28
Moody National Bank 0.5 5/30/2014	CD7130A	Certificate Of Deposit	11/30/2013	246,807.96	246,807.96	246,807.96	0.500	5/30/2014	150	0.28
Gorham Savings Bank 0.25 2/6/2014	CD383052CN5	Certificate Of Deposit	2/6/2013	248,000.00	248,000.00	247,947.42	0.250	2/6/2014	37	0.28
Discover Bank 0.5 2/20/2015	CD254671KH2	Certificate Of Deposit	2/20/2013	248,000.00	248,000.00	247,811.77	0.500	2/20/2015	416	0.28
Synovus Bank GA 0.5 11/28/2014	87164DBV1	Certificate Of Deposit	11/30/2012	248,000.00	248,000.00	248,649.51	0.500	11/28/2014	332	0.28

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
Townebank Portsmouth VA 0.4 6/1/2015	89214PAP4	Certificate Of Deposit	5/31/2013	248,000.00	248,000.00	247,436.54	0.400	6/1/2015	517	0.28
Mizuho Bank 0.25 5/8/2014	CD60688TLM9	Certificate Of Deposit	5/8/2013	248,000.00	248,000.00	247,999.75	0.250	5/8/2014	128	0.28
FFCB 0.32 3/12/2015-12	3133EAU30	FFCB Bond	10/31/2012	1,000,000.00	1,000,000.00	1,000,014.00	0.320	3/12/2015	436	1.12
FFCB 0.3 7/18/2014	3133EAYL6	FFCB Bond	8/1/2012	1,000,000.00	1,000,081.78	1,000,816.00	0.285	7/18/2014	199	1.12
FHLMC 2 9/24/2018-14	3134G4FY9	FHLMC Bond	9/24/2013	1,000,000.00	1,000,000.00	998,228.00	2.000	9/24/2018	1728	1.12
FHLMC 0.375 4/28/2014	3134G3SB7	FHLMC Bond	3/27/2012	1,000,000.00	999,703.99	1,000,789.00	0.467	4/28/2014	118	1.12
FHLMC 0.35 12/31/2015-14	3134G4QK7	FHLMC Bond	12/31/2013	1,000,000.00	999,625.00	997,800.00	0.369	12/31/2015	730	1.12
FNMA 0.35 8/25/2015	3135G0UW1	FNMA Bond	7/25/2013	509,000.00	508,447.71	508,768.40	0.416	8/25/2015	602	0.57
<b>Sub Total / Average</b>				<b>19,923,577.56</b>	<b>19,922,436.04</b>	<b>19,915,071.46</b>	<b>0.380</b>		<b>288</b>	<b>22.29</b>
<b>17: Municipal Court Security</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	126,393.89	126,393.89	126,393.89	0.140	N/A	1	0.14
<b>Sub Total / Average</b>				<b>126,393.89</b>	<b>126,393.89</b>	<b>126,393.89</b>	<b>0.140</b>		<b>1</b>	<b>0.14</b>
<b>18: City Wide Donation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	93,519.28	93,519.28	93,519.28	0.140	N/A	1	0.10
<b>Sub Total / Average</b>				<b>93,519.28</b>	<b>93,519.28</b>	<b>93,519.28</b>	<b>0.140</b>		<b>1</b>	<b>0.10</b>
<b>19: Court Technology</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	261,742.55	261,742.55	261,742.55	0.140	N/A	1	0.29
<b>Sub Total / Average</b>				<b>261,742.55</b>	<b>261,742.55</b>	<b>261,742.55</b>	<b>0.140</b>		<b>1</b>	<b>0.29</b>
<b>20: Debt Services</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	9,751,887.92	9,751,887.92	9,751,887.92	0.140	N/A	1	10.91

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
Key Bank Ohio 0.35 8/27/2014	CD49306SRE8	Certificate Of Deposit	2/27/2013	248,000.00	248,000.00	248,068.20	0.350	8/27/2014	239	0.28
Mechanics Savings Bank 0.35 3/20/2015	CD583686BC3	Certificate Of Deposit	3/20/2013	248,000.00	248,000.00	247,633.21	0.350	3/20/2015	444	0.28
FFCB 0.25 12/24/2014	3133ECAV6	FFCB Bond	1/28/2013	1,000,000.00	999,773.59	1,000,609.00	0.273	12/24/2014	358	1.12
FHLMC 1.85 12/27/2018-14	3134G4QV3	FHLMC Bond	12/27/2013	1,000,000.00	1,000,000.00	992,872.00	1.850	12/27/2018	1822	1.12
<b>Sub Total / Average</b>				<b>12,247,887.92</b>	<b>12,247,661.51</b>	<b>12,241,070.33</b>	<b>0.299</b>		<b>193</b>	<b>13.71</b>

### 23: Court Juvenile Mgmt

Wells Fargo Sweep Cash	WFSWEEP	Cash	9/15/2009	61,558.83	61,558.83	61,558.83	0.140	N/A	1	0.07
<b>Sub Total / Average</b>				<b>61,558.83</b>	<b>61,558.83</b>	<b>61,558.83</b>	<b>0.140</b>		<b>1</b>	<b>0.07</b>

### 30: Water & Sewer

Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	11,444,753.70	11,444,753.70	11,444,753.70	0.140	N/A	1	12.81
Goldman Sachs Bank 0.6 2/20/2015	CD38147JAA0	Certificate Of Deposit	2/20/2013	248,000.00	248,000.00	247,645.86	0.600	2/20/2015	416	0.28
SAFRA NATIONAL BANK 0.6 5/5/2014	CD786580J50	Certificate Of Deposit	8/1/2012	248,000.00	248,000.00	248,370.02	0.600	5/5/2014	125	0.28
Bay Cities Bank 0.5 12/12/2014	CD07203QBR2	Certificate Of Deposit	12/12/2012	248,000.00	248,000.00	248,644.80	0.500	12/12/2014	346	0.28
CDARS 0.5 6/19/2014	CD1013981856B	Certificate Of Deposit	6/20/2013	500,000.00	500,000.00	500,000.00	0.500	6/19/2014	170	0.56
Fox Chase Bank 0.65 6/27/2016	CD35137QAN4	Certificate Of Deposit	6/27/2013	248,000.00	248,000.00	246,148.18	0.650	6/27/2016	909	0.28
First Farmers Bank 0.5 5/3/2016	CD320165FZ1	Certificate Of Deposit	5/3/2013	245,000.00	245,000.00	243,731.64	0.500	5/3/2016	854	0.27
FAMC 1.72 10/3/2018	31315P5A3	FAMC Bond	12/16/2013	1,000,000.00	997,908.33	989,706.00	1.766	10/3/2018	1737	1.12
FHLB 1.15 10/30/2014	3133743W8	FHLB Bond	11/29/2012	1,000,000.00	1,007,031.48	1,008,023.00	0.300	10/30/2014	303	1.13
FHLB 1.75 12/14/2018	313376BRS	FHLB Bond	12/16/2013	1,000,000.00	1,000,664.41	992,108.00	1.736	12/14/2018	1809	1.12

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
FHLMC 0.5 8/28/2015-14	3134G4FP8	FHLMC Bond	8/28/2013	1,000,000.00	1,000,000.00	1,000,510.00	0.500	8/28/2015	605	1.12
FNMA 1.3 11/17/2014	3136FPWZ6	FNMA Bond	6/20/2012	1,000,000.00	1,007,307.73	1,009,739.00	0.462	11/17/2014	321	1.13
<b>Sub Total / Average</b>				<b>18,181,753.70</b>	<b>18,194,665.65</b>	<b>18,179,380.20</b>	<b>0.403</b>		<b>304</b>	<b>20.36</b>
<b>31: Solidwaste</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	12/1/2006	552,949.80	552,949.80	552,949.80	0.140	N/A	1	0.62
<b>Sub Total / Average</b>				<b>552,949.80</b>	<b>552,949.80</b>	<b>552,949.80</b>	<b>0.140</b>		<b>1</b>	<b>0.62</b>
<b>35: Street Assessment</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	404,269.02	404,269.02	404,269.02	0.140	N/A	1	0.45
United Bankers Bank 0.75 5/6/2016	909557CV0	Certificate Of Deposit	11/6/2013	248,000.00	248,000.00	247,206.40	0.750	5/6/2016	857	0.28
<b>Sub Total / Average</b>				<b>652,269.02</b>	<b>652,269.02</b>	<b>651,475.42</b>	<b>0.372</b>		<b>326</b>	<b>0.73</b>
<b>42: Utility Impact Fee</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	2,632,377.75	2,632,377.75	2,632,377.75	0.140	N/A	1	2.95
Hardin County Bank 0.25 12/30/2014	411822BG3	Certificate Of Deposit	12/30/2013	248,000.00	248,000.00	247,248.81	0.250	12/30/2014	364	0.28
Private Bank & Trust 0.35 5/11/2015	CD74267GTC1	Certificate Of Deposit	5/10/2013	248,000.00	248,000.00	247,497.55	0.350	5/11/2015	496	0.28
Sterling Savings Bank 0.35 2/23/2015	CD8595316A8	Certificate Of Deposit	2/22/2013	248,000.00	248,000.00	247,805.82	0.350	2/23/2015	419	0.28
College Savings Bank 0.55 6/20/2016	CD19443PAP4	Certificate Of Deposit	6/19/2013	248,000.00	248,000.00	246,211.18	0.550	6/20/2016	902	0.28
The Independent Bank 1.1 9/16/2016	CD88632YAG1	Certificate Of Deposit	9/18/2013	248,000.00	248,000.00	247,572.94	1.100	9/16/2016	990	0.28
BMW Bank of NA 0.85 6/8/2015	CD05568P2Q9	Certificate Of Deposit	12/7/2012	248,000.00	248,000.00	248,815.18	0.850	6/8/2015	524	0.28
FFCB 0.3 1/9/2015-13	3133EA3U0	FFCB Bond	11/29/2012	1,000,000.00	1,000,000.00	1,000,015.00	0.300	1/9/2015	374	1.12

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
FHLMC 2.25 9/26/2018-14	3134G4GE2	FHLMC Bond	9/26/2013	1,000,000.00	998,579.17	1,002,694.00	2.282	9/26/2018	1730	1.12
<b>Sub Total / Average</b>				<b>6,120,377.75</b>	<b>6,118,956.92</b>	<b>6,120,238.23</b>	<b>0.621</b>		<b>494</b>	<b>6.85</b>
<b>44: Shadow Creek Impact</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	1,789,149.77	1,789,149.77	1,789,149.77	0.140	N/A	1	2.00
Marin Business Bank 0.55 6/14/2016	CD57116AGF9	Certificate Of Deposit	6/14/2013	248,000.00	248,000.00	246,257.06	0.550	6/14/2016	896	0.28
Bank of Buffalo KY 0.35 6/22/2015	060788AF3	Certificate Of Deposit	12/20/2013	248,000.00	248,000.00	247,049.17	0.350	6/22/2015	538	0.28
<b>Sub Total / Average</b>				<b>2,285,149.77</b>	<b>2,285,149.77</b>	<b>2,282,456.00</b>	<b>0.207</b>		<b>156</b>	<b>2.56</b>
<b>45: Hotel/Motel Occupancy</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	1,443,195.82	1,443,195.82	1,443,195.82	0.140	N/A	1	1.61
First Natl Bank WI 0.25 1/31/2014	CD321086FE5	Certificate Of Deposit	1/31/2013	248,000.00	248,000.00	247,957.59	0.250	1/31/2014	31	0.28
First Commercial Bank Miss 0.4 6/26/2015	31984GCW7	Certificate Of Deposit	12/27/2013	248,000.00	248,000.00	247,030.32	0.400	6/26/2015	542	0.28
Colonial Virginia Bank 0.55 6/24/2016	CD196121AM9	Certificate Of Deposit	6/25/2013	248,000.00	248,000.00	246,170.50	0.550	6/24/2016	906	0.28
<b>Sub Total / Average</b>				<b>2,187,195.82</b>	<b>2,187,195.82</b>	<b>2,184,354.23</b>	<b>0.228</b>		<b>168</b>	<b>2.45</b>
<b>46: Park Donations</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	113,034.08	113,034.08	113,034.08	0.140	N/A	1	0.13
<b>Sub Total / Average</b>				<b>113,034.08</b>	<b>113,034.08</b>	<b>113,034.08</b>	<b>0.140</b>		<b>1</b>	<b>0.13</b>
<b>47: Park &amp; Rec Development</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	585,204.74	585,204.74	585,204.74	0.140	N/A	1	0.65
First State Bank - Un Cty Tenn 0.45 12/23/2015	336472EJ0	Certificate Of Deposit	12/23/2013	248,000.00	248,000.00	247,029.33	0.450	12/23/2015	722	0.28
<b>Sub Total / Average</b>				<b>833,204.74</b>	<b>833,204.74</b>	<b>832,234.07</b>	<b>0.232</b>		<b>216</b>	<b>0.93</b>

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
<b>49: Tree Trust Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	73,596.48	73,596.48	73,596.48	0.140	N/A	1	0.08
<b>Sub Total / Average</b>				<b>73,596.48</b>	<b>73,596.48</b>	<b>73,596.48</b>	<b>0.140</b>		<b>1</b>	<b>0.08</b>
<b>50: Capital Projects</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	2,043,141.91	2,043,141.91	2,043,141.91	0.140	N/A	1	2.29
<b>Sub Total / Average</b>				<b>2,043,141.91</b>	<b>2,043,141.91</b>	<b>2,043,141.91</b>	<b>0.140</b>		<b>1</b>	<b>2.29</b>
<b>55: Sidewalk Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	225,878.83	225,878.83	225,878.83	0.140	N/A	1	0.25
<b>Sub Total / Average</b>				<b>225,878.83</b>	<b>225,878.83</b>	<b>225,878.83</b>	<b>0.140</b>		<b>1</b>	<b>0.25</b>
<b>60: Police State Seizure</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	195,815.11	195,815.11	195,815.11	0.140	N/A	1	0.22
<b>Sub Total / Average</b>				<b>195,815.11</b>	<b>195,815.11</b>	<b>195,815.11</b>	<b>0.140</b>		<b>1</b>	<b>0.22</b>
<b>62: Federal Police Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	49,525.25	49,525.25	49,525.25	0.140	N/A	1	0.06
<b>Sub Total / Average</b>				<b>49,525.25</b>	<b>49,525.25</b>	<b>49,525.25</b>	<b>0.140</b>		<b>1</b>	<b>0.06</b>
<b>64: 1998 Cert of Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	514,457.72	514,457.72	514,457.72	0.140	N/A	1	0.58
US AmeriBank Largo FL 0.55 12/23/2015	917312CC2	Certificate Of Deposit	12/23/2013	248,000.00	248,000.00	247,078.43	0.550	12/23/2015	722	0.28
<b>Sub Total / Average</b>				<b>762,457.72</b>	<b>762,457.72</b>	<b>761,536.15</b>	<b>0.273</b>		<b>236</b>	<b>0.85</b>
<b>67: 2003 Revenue Bonds</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	2,249,946.30	2,249,946.30	2,249,946.30	0.140	N/A	1	2.52

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
Asheville Savings Bank 0.35 3/27/2015	CD04407RAJ0	Certificate Of Deposit	2/28/2013	248,000.00	248,000.00	247,599.98	0.350	3/27/2015	451	0.28
Medallion Bank UT 0.4 11/3/2015	CD58403BB62	Certificate Of Deposit	5/3/2013	248,000.00	248,000.00	247,434.81	0.400	11/3/2015	672	0.28
CIT Bank 1.5 9/5/2017	CD17284CMN1	Certificate Of Deposit	9/4/2013	248,000.00	248,000.00	247,817.47	1.500	9/5/2017	1344	0.28
First National Bank ORD NEB 0.8 11/18/2016	32116RAC8	Certificate Of Deposit	11/18/2013	248,000.00	248,000.00	247,126.79	0.800	11/18/2016	1053	0.28
FFCB 2.125 2/10/2014	31331JDY6	FFCB Bond	11/29/2012	1,500,000.00	1,503,073.18	1,503,076.50	0.230	2/10/2014	41	1.68
FHLMC 0.35 12/5/2014	3134G3H78	FHLMC Bond	9/27/2012	1,000,000.00	1,000,184.80	1,001,558.00	0.330	12/5/2014	339	1.12
<b>Sub Total / Average</b>				<b>5,741,946.30</b>	<b>5,745,204.28</b>	<b>5,744,559.85</b>	<b>0.304</b>		<b>222</b>	<b>6.43</b>
<b>68: 2001 Cert of Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	171,166.78	171,166.78	171,166.78	0.140	N/A	1	0.19
<b>Sub Total / Average</b>				<b>171,166.78</b>	<b>171,166.78</b>	<b>171,166.78</b>	<b>0.140</b>		<b>1</b>	<b>0.19</b>
<b>70: 2005 Refunding / Mobility</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	512,275.53	512,275.53	512,275.53	0.140	N/A	1	0.57
First State Bank - WV 0.35 12/3/2014	CD33648FHR9	Certificate Of Deposit	12/3/2012	248,000.00	248,000.00	248,649.51	0.350	12/3/2014	337	0.28
<b>Sub Total / Average</b>				<b>760,275.53</b>	<b>760,275.53</b>	<b>760,925.04</b>	<b>0.209</b>		<b>111</b>	<b>0.85</b>
<b>95: Property Liability</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	10/31/2006	-383,916.76	-383,916.76	-383,916.76	0.140	N/A	1	-0.43
<b>Sub Total / Average</b>				<b>-383,916.76</b>	<b>-383,916.76</b>	<b>-383,916.76</b>	<b>0.140</b>		<b>1</b>	<b>-0.43</b>
<b>97: Employee Benefit Trust</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	9/1/2007	30,977.91	30,977.91	30,977.91	0.140	N/A	1	0.03
<b>Sub Total / Average</b>				<b>30,977.91</b>	<b>30,977.91</b>	<b>30,977.91</b>	<b>0.140</b>		<b>1</b>	<b>0.03</b>

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
<b>99: COP Health Claims Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	9/15/2010	107,924.67	107,924.67	107,924.67	0.140	N/A	1	0.12
Wells Fargo Cash	WF9871	Cash	7/21/2010	259,447.79	259,447.79	259,447.79	0.140	N/A	1	0.29
<b>Sub Total / Average</b>				<b>367,372.46</b>	<b>367,372.46</b>	<b>367,372.46</b>	<b>0.140</b>		<b>1</b>	<b>0.41</b>
<b>Z101: Grant Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	5/31/2006	-29,707.66	-29,707.66	-29,707.66	0.140	N/A	1	-0.03
<b>Sub Total / Average</b>				<b>-29,707.66</b>	<b>-29,707.66</b>	<b>-29,707.66</b>	<b>0.140</b>		<b>1</b>	<b>-0.03</b>
<b>Z109: 2011 CDBG Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	12/1/2011	-161.41	-161.41	-161.41	0.140	N/A	1	0.00
<b>Sub Total / Average</b>				<b>-161.41</b>	<b>-161.41</b>	<b>-161.41</b>	<b>0.140</b>		<b>1</b>	<b>0.00</b>
<b>Z110: 2012 CDBG Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	11/15/2012	204.55	204.55	204.55	0.140	N/A	1	0.00
<b>Sub Total / Average</b>				<b>204.55</b>	<b>204.55</b>	<b>204.55</b>	<b>0.140</b>		<b>1</b>	<b>0.00</b>
<b>Z140: U of H Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	12/1/2009	35,825.26	35,825.26	35,825.26	0.140	N/A	1	0.04
<b>Sub Total / Average</b>				<b>35,825.26</b>	<b>35,825.26</b>	<b>35,825.26</b>	<b>0.140</b>		<b>1</b>	<b>0.04</b>
<b>Z141: U of H Capital Renewal Fund</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	9/30/2013	239,863.05	239,863.05	239,863.05	0.140	N/A	1	0.27
<b>Sub Total / Average</b>				<b>239,863.05</b>	<b>239,863.05</b>	<b>239,863.05</b>	<b>0.140</b>		<b>1</b>	<b>0.27</b>
<b>Z145: Municipal Channel</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	4/15/2012	242,678.07	242,678.07	242,678.07	0.140	N/A	1	0.27

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
<b>Sub Total / Average</b>				<b>242,678.07</b>	<b>242,678.07</b>	<b>242,678.07</b>	<b>0.140</b>		<b>1</b>	<b>0.27</b>
<b>Z200: 2006 Cert of Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	6/30/2006	2,000,511.17	2,000,511.17	2,000,511.17	0.140	N/A	1	2.24
<b>Sub Total / Average</b>				<b>2,000,511.17</b>	<b>2,000,511.17</b>	<b>2,000,511.17</b>	<b>0.140</b>		<b>1</b>	<b>2.24</b>
<b>Z201: 2007 Cert of Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	8/31/2006	64,449.49	64,449.49	64,449.49	0.140	N/A	1	0.07
<b>Sub Total / Average</b>				<b>64,449.49</b>	<b>64,449.49</b>	<b>64,449.49</b>	<b>0.140</b>		<b>1</b>	<b>0.07</b>
<b>Z202: 2007A Gen Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	12/31/2007	2,121,631.53	2,121,631.53	2,121,631.53	0.140	N/A	1	2.37
Celtic Bank 0.6 6/28/2016	CD15118RJD0	Certificate Of Deposit	6/28/2013	248,000.00	248,000.00	246,203.74	0.600	6/28/2016	910	0.28
<b>Sub Total / Average</b>				<b>2,369,631.53</b>	<b>2,369,631.53</b>	<b>2,367,835.27</b>	<b>0.188</b>		<b>96</b>	<b>2.65</b>
<b>Z203: 2009 Gen Obligation</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	10/30/2008	6,662,131.27	6,662,131.27	6,662,131.27	0.140	N/A	1	7.45
Kansas State Bank 0.8 10/31/2016	485382DV4	Certificate Of Deposit	10/30/2013	248,000.00	248,000.00	247,309.32	0.800	10/31/2016	1035	0.28
Cathay Bank 0.75 3/21/2016	CD149159JE6	Certificate Of Deposit	9/20/2013	248,000.00	248,000.00	247,576.17	0.750	3/21/2016	811	0.28
<b>Sub Total / Average</b>				<b>7,158,131.27</b>	<b>7,158,131.27</b>	<b>7,157,016.76</b>	<b>0.184</b>		<b>65</b>	<b>8.01</b>
<b>Z301: W/S Pay As U Go CIP</b>										
Wells Fargo Sweep Cash	WFSWEEP	Cash	12/31/2007	2,139,957.22	2,139,957.22	2,139,957.22	0.140	N/A	1	2.39
DeWitt Bank and Trust 0.5 6/20/2016	CD241888BT2	Certificate Of Deposit	6/24/2013	248,000.00	248,000.00	246,264.99	0.500	6/20/2016	902	0.28
<b>Sub Total / Average</b>				<b>2,387,957.22</b>	<b>2,387,957.22</b>	<b>2,386,222.21</b>	<b>0.177</b>		<b>95</b>	<b>2.67</b>
<b>Z302: MUD 4 Capital Programs</b>										

Description	CUSIP/Ticker	Security Type	Settlement Date	Face Amount/Shares	Book Value	Market Value	YTM @ Cost	Maturity Date	Days To Maturity	% of Portfolio
Wells Fargo Sweep Cash	WFSWEEP	Cash	2/1/2013	707,114.83	707,114.83	707,114.83	0.140	N/A	1	0.79
Farm Bureau Bank 0.5 12/23/2015	307660HH6	Certificate Of Deposit	12/23/2013	248,000.00	248,000.00	247,078.18	0.500	12/23/2015	722	0.28
Pacific City Bank 0.35 6/26/2015	69406PBJ7	Certificate Of Deposit	12/26/2013	248,000.00	248,000.00	246,994.86	0.350	6/26/2015	542	0.28
<b>Sub Total / Average</b>				<b>1,203,114.83</b>	<b>1,203,114.83</b>	<b>1,201,187.87</b>	<b>0.257</b>		<b>261</b>	<b>1.35</b>
<b>Total / Average</b>				<b>89,351,349.60</b>	<b>89,364,730.77</b>	<b>89,321,982.01</b>	<b>0.328</b>		<b>230</b>	<b>100</b>

**City of Pearland**  
**Purchases**  
**Portfolio/Report Group: Report Group: Pearland**  
**From 9/30/2013 To 12/31/2013**

Portfolio Name	Description	Bullet/Callable	CUSIP/Ticker	Action	Settlement Date	Maturity Date	Price	Face Amount/Shares	YTM @ Cost	Principal	Interest/Dividends	Broker/Dealer
10: General Fund	Trust Atlantic Bank 1.45 12/6/2017		89835FJCS	Buy	11/6/2013	12/6/2017	100	248,000.00	1.450	248,000.00	0.00	Wells Fargo Bank
10: General Fund	1st United Bank FL 0.7 5/9/2016		33741TAU5	Buy	11/8/2013	5/9/2016	100	248,000.00	0.700	248,000.00	0.00	Wells Fargo Bank
10: General Fund	CDARS 0.5 12/18/2014		1016130741	Buy	12/19/2013	12/18/2014	100	500,000.00	0.500	500,000.00	0.00	Independence Bank
10: General Fund	Moody National Bank 0.5 5/30/2014		CD7130A	Buy	11/30/2013	5/30/2014	100	246,807.96	0.500	246,807.96	0.00	Moody National Bank
10: General Fund	FHLMC 0.35 12/31/2015-14	Yes	3134G4QK7	Buy	12/31/2013	12/31/2015	99.9625	1,000,000.00	0.369	999,625.00	0.00	Gilford Securities
20: Debt Services	FHLMC 1.85 12/27/2018-14	Yes	3134G4QV3	Buy	12/27/2013	12/27/2018	100	1,000,000.00	1.850	1,000,000.00	0.00	Gilford Securities
30: Water & Sewer	FAMC 1.72 10/3/2018		31315P5A3	Buy	12/16/2013	10/3/2018	99.789	1,000,000.00	1.766	997,890.00	3,487.78	CastleOak Securities
30: Water & Sewer	FHLB 1.75 12/14/2018		313376BR5	Buy	12/16/2013	12/14/2018	100.067	1,000,000.00	1.736	1,000,670.00	97.22	CastleOak Securities
35: Street Assessment	United Bankers Bank 0.75 5/6/2016		909557CV0	Buy	11/6/2013	5/6/2016	100	248,000.00	0.750	248,000.00	0.00	Wells Fargo Bank
42: Utility Impact Fee	Hardin County Bank 0.25 12/30/2014		411822BG3	Buy	12/30/2013	12/30/2014	100	248,000.00	0.250	248,000.00	0.00	Wells Fargo Bank
44: Shadow Creek Impact	Bank of Buffalo KY 0.35 6/22/2015		060788AF3	Buy	12/20/2013	6/22/2015	100	248,000.00	0.350	248,000.00	0.00	Wells Fargo Bank
45: Hotel/Motel Occupancy	First Commercial Bank Miss 0.4 6/26/2015		31984GCW7	Buy	12/27/2013	6/26/2015	100	248,000.00	0.400	248,000.00	0.00	Wells Fargo Bank
47: Park & Rec Development	First State Bank - Un Cty Tenn 0.45 12/23/2015		336472EJ0	Buy	12/23/2013	12/23/2015	100	248,000.00	0.450	248,000.00	0.00	Wells Fargo Bank

Portfolio Name	Description	Bullet/Callable	CUSIP/Ticker	Action	Settlement Date	Maturity Date	Price	Face Amount/Shares	YTM @ Cost	Principal	Interest/Dividends	Broker/Dealer
64: 1998 Cert of Obligation	US AmeriBank Largo FL 0.55 12/23/2015		917312CC2	Buy	12/23/2013	12/23/2015	100	248,000.00	0.550	248,000.00	0.00	Wells Fargo Bank
67: 2003 Revenue Bonds	First National Bank ORD NEB 0.8 11/18/2016		32116RAC8	Buy	11/18/2013	11/18/2016	100	248,000.00	0.800	248,000.00	0.00	Wells Fargo Bank
Z203: 2009 Gen Obligation	Kansas State Bank 0.8 10/31/2016		485382DV4	Buy	10/30/2013	10/31/2016	100	248,000.00	0.800	248,000.00	0.00	Wells Fargo Bank
Z302: MUD 4 Capital Programs	Farm Bureau Bank 0.5 12/23/2015		307660HH6	Buy	12/23/2013	12/23/2015	100	248,000.00	0.500	248,000.00	0.00	Wells Fargo Bank
Z302: MUD 4 Capital Programs	Pacific City Bank 0.35 6/26/2015		69406PB17	Buy	12/26/2013	6/26/2015	100	248,000.00	0.350	248,000.00	0.00	Wells Fargo Bank

**Pledged Collateral Reconciliation Report  
December 31, 2013**

<b>Bank</b>	<b>Account Number</b>	<b>Account Name</b>	<b>Amount</b>
Wells Fargo	201-0419505	Operating	\$ -
Wells Fargo	201-0419513	Payroll Fund	-
Wells Fargo	001-3042841	Sweep Account	65,707,889.74
Wells Fargo	179-0121790	EMS Payments	-
Wells Fargo	807-1613395	Credit Card Account	-
Wells Fargo	818-4567843	Alvin ISD	4,255,688.68
Wells Fargo	280-7409871	Health Claims	<u>259,447.79</u>
		<b>Total of Bank Balances</b>	<b>\$ 70,223,026.21</b>
		<b>Pledged Collateral for City</b>	<b>79,321,718.32</b>
		<b>FDIC Insurance</b>	<u>250,000.00</u>
		<b>Total Collateral</b>	<b>\$ 79,571,718.32</b>
		<b>Over (Under) Collateralized</b>	<b>\$ 9,348,692.11</b>
		<b>Total % Collateralized</b>	<b>113.3%</b>
<b>Bank</b>	<b>Account Number</b>	<b>Account Name</b>	<b>Amount</b>
Wells Fargo	100-7284258	Development Authority	<u>1,014,217.71</u>
		<b>Total of Bank Balances</b>	<b>\$ 1,014,217.71</b>
		<b>Pledged Collateral for DAP</b>	<b>1,113,813.39</b>
		<b>FDIC Insurance</b>	<u>250,000.00</u>
		<b>Total Collateral</b>	<b>\$ 1,363,813.39</b>
		<b>Over (Under) Collateralized</b>	<b>\$ 349,595.68</b>
		<b>Total % Collateralized</b>	<b>134.5%</b>
<b>Bank</b>	<b>Account Number</b>		
Regions	6180003939		\$ 4,300.13
	6180003948		<u>543,049.06</u>
		<b>Total of Bank Balances</b>	<b>\$ 547,349.19</b>
		<b>Regions Trust Collateral</b>	<b>\$ 312,216.65</b>
		<b>FDIC Insurance</b>	<u>250,000.00</u>
		<b>Over (Under) Collateralized</b>	<b>\$ 14,867.46</b>
		<b>Total % Collateralized</b>	<b>102.7%</b>
		<b>Total \$ Over (Under) Collateralized</b>	<b>\$ 9,698,287.79</b>
		<b>Total % Collateralized</b>	<b>113.1%</b>
		<b>Status</b>	<b>Collateralized</b>

# New Business Item No. 2

1. **SECTION 551.087 - REGARDING CONSULTATIONS WITH CITY ATTORNEY - REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS.** *Mr. Jon Branson, Interim City Manager.*

# New Business Item No. 3

3. **CONSIDERATION AND POSSIBLE ACTION – REGARDING THE CITY  
MANAGER’S SELECTION PROCESS.** *City Council.*