



**CITY COUNCIL AGENDA  
CITY OF PEARLAND  
SPECIAL MEETING With DOCKETED PUBLIC HEARING**

**TUESDAY, SEPTEMBER 2, 2014, 6:30 P.M.**

COUNCIL CHAMBERS | PEARLAND CITY HALL | 3519 LIBERTY DRIVE  
281.652.1600

- I. **Call to Order**
- II. **Purpose of Hearing** – Public comment and testimony regarding the proposed 2014 Tax Rate for the 2014–2015 Budget.
  - I. **Staff Review** – Proposed 2014 Tax Rate for the 2014 – 2015 Budget.
  - II. **Citizen Comments**
  - III. **Council/Staff discussion**
  - IV. **Adjournment**
- III **Purpose of Hearing** – Public comment and testimony regarding the proposed Fiscal Year 2014-2015 Budget.
  - I. **Staff Review** – Fiscal Year 2014-2015 Budget.
  - II. **Citizen Comments**
  - III. **Council/Staff Discussion**
  - IV. **Adjournment**
- IV. **NEW BUSINESS:**
  1. **COUNCIL INPUT AND DISCUSSION:** Regarding the Fiscal Year 2015 Budget, and Multi-Year Financial Plan:
    - Police Staffing and Funding
    - Review of all changes to Budget from filed Budget
    - Other Budget Discussions items

**OTHER BUSINESS:**

**EXECUTIVE SESSION UNDER TEXAS GOVERNMENT CODE**

1. **Section 551.087 – Consultation with City Attorney** – Regarding Economic Development Negotiations.

**NEW BUSINESS CONTINUED:**

- 2. Consideration and Possible Action –** Regarding Economic Development Negotiations.

**V. ADJOURNMENT**

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

# Public Hearing Agenda

**Purpose of Hearing** – Public comment and testimony regarding the proposed 2014 Tax Rate for the 2014–2015 Budget.



The second public hearing will be September 8, 2014. The first reading of the ordinance is scheduled for September 22, with the second and final reading scheduled for September 29, 2014.

**POLICY CONSIDERATION**

Property Tax Code; the Truth-in-Taxation process.

**FINANCIAL INFORMATION**

The tax rate is split into two components: operating and debt service. The proposed operating tax rate is \$0.2221, an increase of .0070 from the current year, and the proposed debt service tax rates is \$0.4900, the same as the current tax rate.

The proposed tax rate of \$0.7121 is .0070 cents higher than the current tax rate of \$0.7051.

**RECOMMENDED ACTION**

Conduct a public hearing on the proposed 2014 tax rate.



# **CITY OF PEARLAND**

**Public Hearing on 2014 Tax Rate for  
Fiscal Year 2014-2015  
September 2, 2014**

A young green seedling with three leaves and a visible root system growing out of dark, rich soil. The background is a light, hazy sky.

**Planting  
Seeds for  
the Future**

# Property Valuation and Tax Rate

Updated:

Property Tax Rate

New Value Information

Average Residential Values



# PROPERTY VALUES

FY2014 (Tax Year 2013) Budgeted Roll	\$7,045,219,500
FY2014 (Tax Year 2013) Adjusted Roll	\$7,002,766,044
FY2015 (Tax Year 2014) Roll	\$7,600,947,459
Increase from Adjusted Roll	8.5%

	<u>TY 2013</u>	<u>TY 2014</u>	<u>% Inc.</u>
Brazoria	\$6,336,973,174	\$6,798,542,076	7.3%
Harris	\$474,703,268	\$542,532,146	14.3%
Fort Bend	\$191,089,602	\$259,873,237	36.0%
City	\$5,455,948,418	\$5,895,997,521	8.1%
TIRZ	\$1,546,817,626	\$1,704,949,938	10.2%
Total	\$7,002,766,044	\$7,600,947,459	8.5%

# PROPERTY VALUES

Increase in Value	\$598,181,415	8.5%
New Value – Brazoria Co.	\$170,255,235	28%
New Value – Fort Bend Co.	\$46,624,697	8%
New Value – Harris Co.	\$41,626,637	7%
<b>Total New Value</b>	<b>\$258,506,569</b>	<b>43%</b>

Brazoria County - \$111.182 Commercial; \$59.073 Residential  
Fort Bend County – All Residential



# Average Residential Taxable Value

	<u>Fort Bend</u>	<u>Brazoria</u>
FY 2014	234,935	173,409
FY 2015	245,967	182,692
% Change	4.70%	5.35%

Based on Category A1-Residential Single Family  
Harris County not available, includes New Construction

Homesteaded homes for Brazoria County increased by 146.  
Fort Bend County saw an increase of 147 homesteaded homes.



# Proposed Rate & Allocation

	Previous 2013	Current 2014	Proposed 2015	Change
O&M	.2151	.2151	<b>.2221</b>	<b>.0070</b>
Debt	.4900	.4900	<b>.4900</b>	<b>.0000</b>
Total	.7051	.7051	<b>.7121</b>	<b>.0070</b>
Effective Tax Rate	.67328	.71610	<b>.67423</b>	
Rollback Rate	.71830	.72595	<b>.71215</b>	

Tax Rate needed to cover debt service requirements and obligations, and operations for public safety, parks, public works, community development and general government



# Tax Bill Comparison Average Homeowner

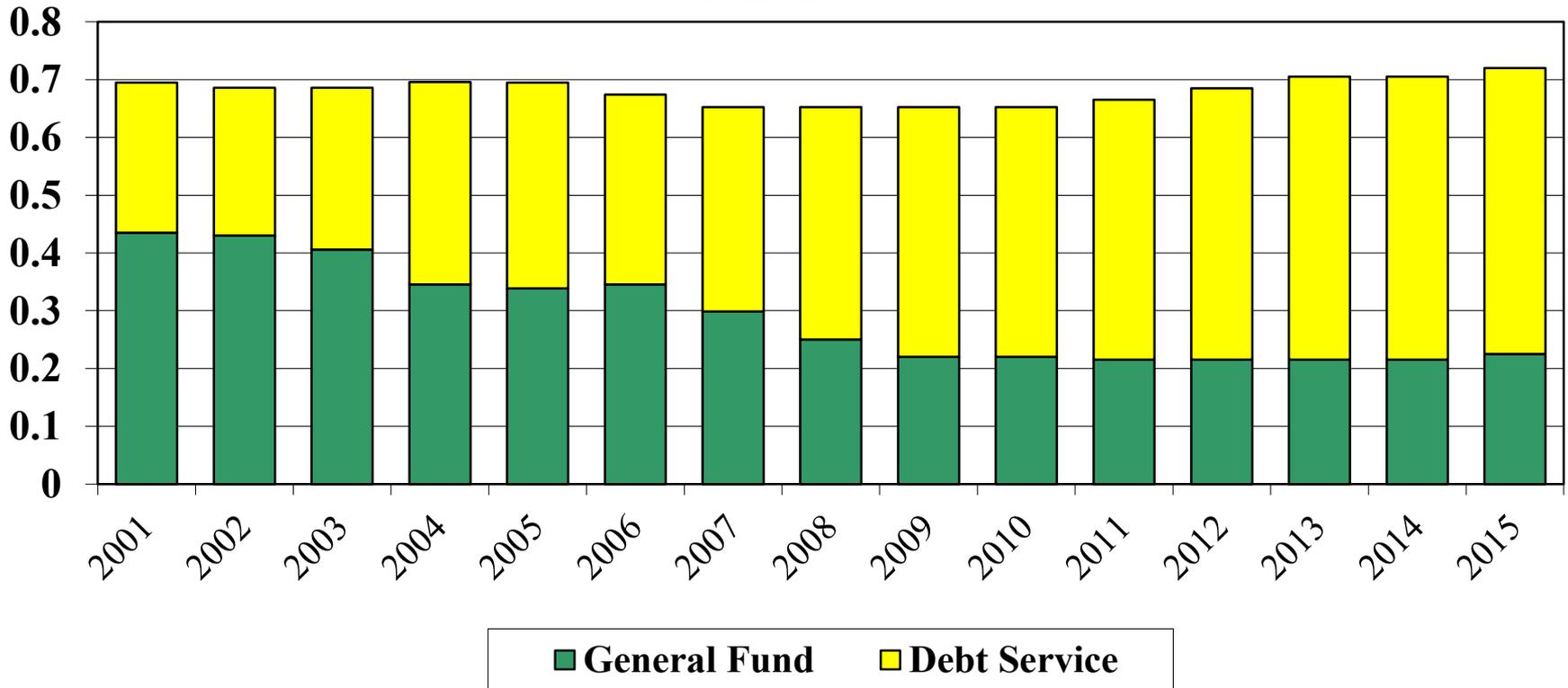
➤ **2013 Average Value**

**\$177,859**

Value Change	FY2014 Bill	FY2015 Bill	\$ Inc.	% Inc.
-4.0%	\$1,219	\$1,180	(\$39)	-3.1%
-2.0%	\$1,219	\$1,205	(\$14)	-1.1%
0.0%	\$1,219	\$1,231	\$12	0.9%
2.0%	\$1,219	\$1,256	\$37	3.0%
4.0%	\$1,219	\$1,282	\$63	5.2%
5.0%	\$1,219	\$1,294	\$75	6.2%
6.0%	\$1,219	\$1,307	\$88	7.2%
8.0%	\$1,219	\$1,332	\$113	9.3%
10.0%	\$1,219	\$1,357	\$138	11.3%



# Historical Tax Rate Allocation - Fiscal Year



Tax Rate Split:	<u>2001</u>	<u>%</u>	<u>2007</u>	<u>%</u>	<u>2015</u>	<u>%</u>
General Fund	\$0.4350	63	\$0.2990	46	\$0.2221	31
Debt Service Fund	\$0.2600	37	\$0.3537	54	\$0.4900	69
	<u>\$0.6950</u>		<u>\$0.6527</u>		<u>\$0.7121</u>	



# Questions?

Public Hearing on 2014 Tax Rate  
For the 2014-2015 Budget  
September 2, 2014

# Public Hearing Agenda

**Purpose of Hearing** – Public comment and testimony regarding the proposed Fiscal Year 2014-2015 Budget.

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

<b>AGENDA OF: 9/2/2014</b>	<b>ITEM NO.:</b> Public Hearing
<b>DATE SUBMITTED: 8/22/2014</b>	<b>DEPARTMENT OF ORIGIN:</b> Finance
<b>PREPARED BY: Bobby Pennington</b>	<b>PRESENTOR:</b> Clay Pearson
<b>REVIEWED BY: Clay Pearson</b>	<b>REVIEW DATE: 8/28/2014</b>
<b>SUBJECT: Public Hearing on the Proposed Fiscal Year 2014-15 Budget</b>	
<b>EXHIBITS: PowerPoint Presentation</b>	
<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: N/A</b>	
<b>ACCOUNT NO.: N/A</b>	
<b>PROJECT NO.: N/A</b>	
<b>To be completed by Department:</b>	
<input type="checkbox"/> <b>Finance</b>	<input type="checkbox"/> <b>Legal</b>
<input type="checkbox"/> <b>Ordinance</b>	<input type="checkbox"/> <b>Resolution</b>

**EXECUTIVE SUMMARY**

**BACKGROUND**

Pursuant to the Texas Local Government Code, the City of Pearland is required to hold a public hearing on the proposed budget giving taxpayers an opportunity to participate in the process. The public notice giving the date, time, and location of the public hearing was published in the newspaper on August 21<sup>st</sup> of 2014, as well as being aired on the municipal channel and posted on the City's web-site.

The information below includes detail from the FY 2015 budget filing, with associated changes made via the budget workshop process. Any additional changes to the budget will be incorporated into the final budget ordinance set for 1st reading scheduled September 22, 2014.

## **FINANCIAL INFORMATION**

The summaries below are for the Budget as discussed through August 28<sup>th</sup>. New changes from tonight's reading will be incorporated for the First Reading on September 9, 2014.

### **General Fund**

The budget as proposed totals \$66,910,359. Subsequent proposed changes to the budget after budget workshops with City Council include \$260,000 reductions in recurring expenses and \$25,578 in non-recurring expenses.

The budget for General Government includes an additional six full-time General Fund positions, as compared to 23 last year, of which two of those positions are in Police. Other items to the budget include the full merger of the Fire and EMS Departments, landscape contract increases for corridor beautification, and operating expenditures of new parks coming on-line in 2015: Max Road, Shadow Creek Ranch, and Centennial Parks.

Highlights for FY 2015 include replacement of the City's Enterprise Resource Planning/Management system (H T E), which is currently 18 years of age and is ending its serviceable lifespan, and a \$1.2 million pavement and sidewalk rehabilitation initiative. A total allocation of \$1.7 million from the General Fund and \$800K from water/sewer fund is needed to complete the replacement of the City's ERP system.

Fire Station #3 is scheduled to open in early 2015, and budgeted amounts of \$335,236 will cover staffing of four full-time and 8 part-time positions. Fire Station #2 is scheduled to open in late 2015, therefore the Budget does not provide personnel for Fire Station #2 until 2016.

Proposed revenues are under expenditures by \$3.3 million. The amount is a planned drawdown of fund balance for the most part. Ending balance at 9/30/2015 is estimated to be \$12.2 million which is over the two month reserve policy requirement by \$1.8 million. The City's operating structural imbalance continues to be worked and brought to balance in future years.

### **Debt Service Fund**

The Debt Service Fund accounts for the payment of principal and interest on debt issued by the City and tax rebates to in City Mud's. Total debt service payments for fiscal year 2015 total \$30.2 million. This debt is funded by property taxes. The debt service tax rate remains at the FY 2014's rate of \$0.4900. There is a planned drawdown of fund balance in the

amount of \$119,611, which will bring the fund balance at 9/30/2015 to \$4.0 million, \$1.0 million over a 10% policy reserve.

### Tax Rate

The budget, pursuant to budget discussions and direction, proposes to increase the tax rate from the 2014 rate of \$0.7051 to \$0.7121 in FY 2015. The debt service and operating components calculate out at \$0.4900 and \$0.2221, respectively.

### Water and Sewer Fund

The Water and Sewer Fund revenue totals \$35.6 million, which includes a 4.63% revenue increase, generating \$1,358,432 in additional revenues. Expense of \$37.0 million include funding for the lease/purchase of a vacuum truck, merit and benefit increases in the amount of \$924,520, and annual debt service of \$10.7 million. Purchase of surface water totals \$3.9 million. The Water and Sewer Fund budget includes supplemental requests totaling \$4.8 million, 74% of which are non-recurring expenses.

Revenues under Expenses total \$1.4 million. With a \$2.3 million reserve for debt service, the Cash Equivalents from beginning to end year leave \$10.4 million in the fund at 9/30/2015. The Cash Reserve Ratio for the fund is 28%.

### Other

The City's budget also includes many other funds, such as the Hotel/Motel Occupancy Tax Fund, CDBG Fund, Grant Fund, Police State Seizure Fund, Solid Waste Fund, and the Pearland Economic Development Corporation to name a few. To see and review the entire budget, the budget can be found on-line on the City's web-site or for review through a request to the City Secretary's office.

The first reading of the ordinance to adopt the budget is scheduled for September 8, with the second and final reading on September 29, 2014.

## **RECOMMENDED ACTION**

Conduct a public hearing on the proposed budget for fiscal year 2014-2015.



# **CITY OF PEARLAND**

**Public Hearing on Proposed Budget**

**Fiscal Year 2014-2015**

**September 2, 2014**

A young green plant with three leaves and a thin stem is growing out of a mound of dark, rich soil. The roots are visible, spreading out in the soil.

**Planting  
Seeds for  
the Future**

# Planting Seeds in the Garden

## Firm Root Network of Support

- Master Plans (roads, parks, water/sewer, etc.)
- Financial Planning
- Quality School Systems
- Workforce
- Business
- Neighborhoods
- Amenities
- City Organization



# Planting Seeds in the Garden

## Vulnerabilities

- Resources needed to support growth
  - Infrastructure (bonds)
  - Provision of Services
- Maintaining the existing infrastructure
  - Fertilizing, watering, removal of weeds
- Property valuation of new development/growth
- Reliance on sales tax to fund operations



# Planting Seeds in the Garden

## Photosynthesis = Growth and Blooms

- Significant increase in property values beginning in FY2014, over prior years
- Create an environment for quality growth
  - Continued commercial development
- Set high quality standards
  - Beautification
- Sales tax continues to grow at moderate pace
- High caliber of dedicated professionals



# Planting Seeds in the Garden

## FY2015 Budget

- ✓ Supporting a 47 square mile, 110,000 resident, \$7 billion valuation community
- ✓ Continuing to deliver excellent services, through making what we have even better.



# Budget Summary

Can be accomplished with:

1. Adopting a Total Tax Rate at **\$0.7121**

✓ General Fund Rate (M&O); **\$0.2221**

The City lowered the operating component of the tax rate from the proposed \$0.2251 to 0.2221, in order to stay within the rollback tax rate.

✓ Debt Service (I&S); **\$0.4900**

Council voted on leaving the debt service component of the tax rate the same, lowering the proposed rate of \$0.4950.

2. Water/sewer revenue increase – 4.63%

3. Solid Waste increase based on CPI, per contract

4. Maintains Financial Health and Stability now and in future

Numbers presented include changes to the budget since filed.



# Proposed Rate & Allocation

## PROPOSED BUDGET – FILED

	<b>Previous 2013</b>	<b>Current 2014</b>	<b>Proposed 2015</b>	<b>Change</b>
O&M	.2151	.2151	<b>.2251</b>	<b>.0100</b>
Debt	.4900	.4900	<b>.4950</b>	<b>.0050</b>
Total	.7051	.7051	<b>.7201</b>	<b>.0150</b>

## PROPOSED BUDGET - CURRENT

	<b>Previous 2013</b>	<b>Current 2014</b>	<b>Revised 2015</b>	<b>Change</b>
O&M	.2151	.2151	<b>0.2221</b>	<b>0.0070</b>
Debt	.4900	.4900	<b>0.4900</b>	<b>0.0000</b>
Total	.7051	.7051	<b>0.7121</b>	<b>0.0070</b>

# Tax Bill Comparison Average Homeowner

➤ **2013 Average Taxable Value** **\$177,859**

Value Change	FY2014 Bill	FY2015 Bill	\$ Inc.	% Inc.
-4.0%	\$1,219	\$1,180	(\$39)	-3.1%
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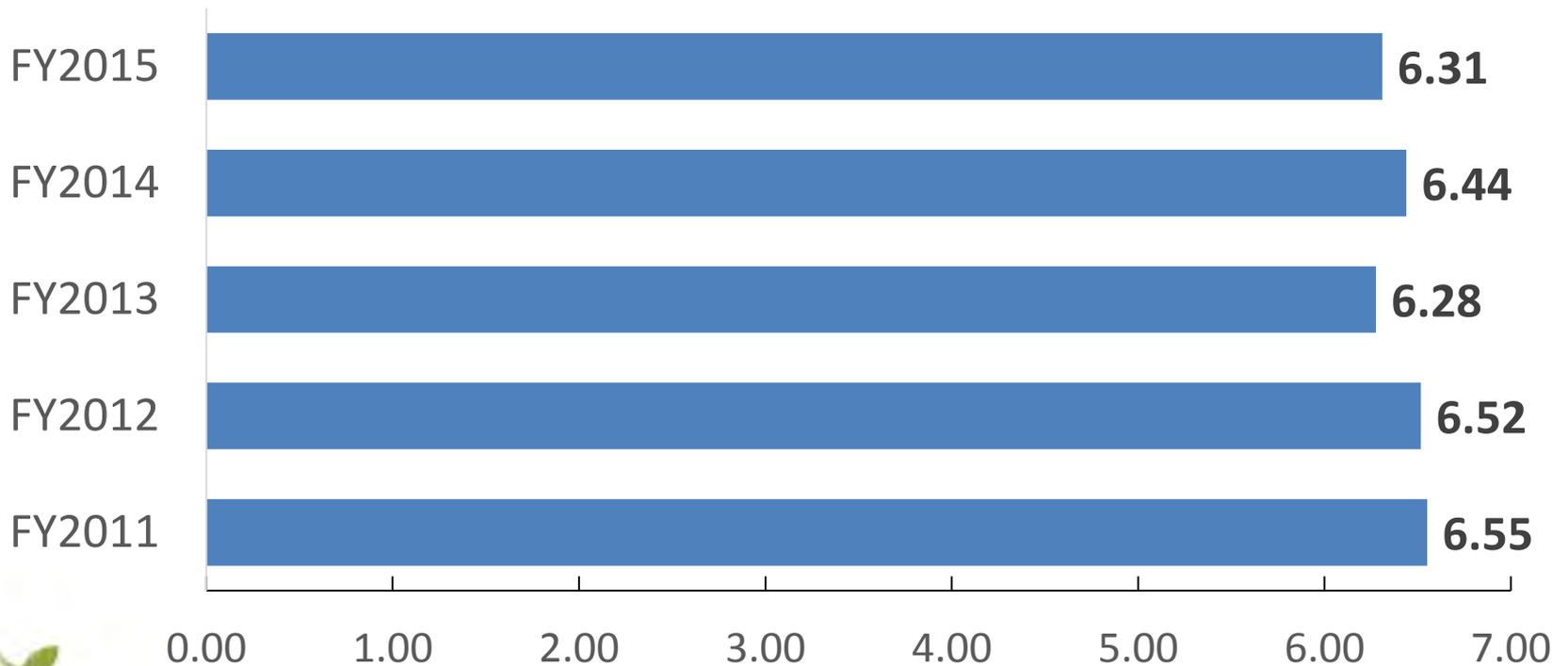
# STAFFING HIGHLIGHTS-New

<b>STAFFING</b>	<b>FT</b>	<b>PT</b>
Chief Information Officer (9 Mo)	1	
Patrol Sergeants	1	
Court Bailiff (Court Fund)		1
Receptionist (CVB)		2
Utility Inspector	1	
Crime Analyst (9 Mo)	1	
Parks Maintenance Worker	-1	
Health/Code Officer (CDBG)	1	
Permit Clerk	1	
<b>Total New</b>	<b>5</b>	<b>3</b>

<b>STAFFING BY FUND</b>	<b>FT</b>	<b>PT</b>
General Fund	4	
Water/Sewer Fund	1	
Other	0	3
<b>Total New</b>	<b>5</b>	<b>3</b>

# STAFFING HIGHLIGHTS

## FULL-TIME EMPLOYEE EQUIVALENTS PER 1,000 POPULATION



# DEBT SERVICE FUND

## Revenues

Property Taxes	\$	28,661,736
Rent/Other		799,476
Transfers In		613,411
<b>TOTAL</b>	<b>\$</b>	<b>30,074,623</b>

## Expenditures

MUD Rebates/Other	\$	4,747,297
Debt Service		24,250,692
Short Term Note		1,196,245
<b>TOTAL</b>	<b>\$</b>	<b>30,194,234</b>

<b>Revenues Over Expenditures</b>	<b>(\$</b>	<b>119,611)</b>
<b>Fund Balance at 9/30/2015</b>	<b>\$</b>	<b>4,022,182</b>
<b>Over Policy</b>	<b>\$</b>	<b>1,002,759</b>



# GENERAL FUND

## Proposed – FY2015

Revenues	\$ 63,582,881
Expenditures	
Operating Expenditures	\$ 65,363,615
Transfers Out	\$ 1,546,744
Total Expenditures	<u>\$ 66,910,359</u>
Revenues Under Expenditures	<u>\$ (3,327,478)</u>
Fund Balance – Beginning	\$ 15,532,128
Fund Balance – Ending	<u>\$ 12,204,650</u>
Policy Requirement – 2 months	\$ 10,420,076
Over Policy	\$ 1,784,573

# GENERAL FUND

## Reductions to Proposed – FY2015

	Recurring	Non-Recurring	Total
Tuition Reimbursement (City Manager's office)	5,000		5,000
Parks Maintenance Worker	36,900		36,900
Patrol Sergeant	101,742	11,560	113,302
Split Facilities	36,132		36,132
Superintendent position - 33.3% on W&S, 100% = \$108,504 incl.bene.			
PT Fire/Investigator	21,390	14,018	35,408
Trail Connectivity	5,920		5,920
Custodial - Janitorial	7,500		7,500
Paving	3,385		3,385
Sidewalks	2,031		2,031
Ditch Cleaning	20,000		20,000
<b>Expenditure Total</b>	<b>240,000</b>	<b>25,578</b>	<b>265,578</b>
KPB Contribution (Recycle Center)	20,000		20,000
<b>Revenue Total</b>	<b>20,000</b>	<b>0</b>	<b>20,000</b>
<b>Total Change</b>	<b>260,000</b>	<b>25,578</b>	<b>285,578</b>

# GENERAL FUND

## Select Supplemental Request

Full List (pages 18-20)

### Information Technology

- |                                 |             |
|---------------------------------|-------------|
| ✓ ERP Replacement (Year 1 of 2) | \$1,472,090 |
| ✓ CIO and Business Analyst      | \$ 214,527  |
| ✓ Annual Replacement            | \$ 227,954  |

### Police

- |                                   |            |
|-----------------------------------|------------|
| ✓ Patrol Sergeant (1 + 1 Vehicle) | \$ 177,545 |
| ✓ Crime Analyst                   | \$ 59,792  |

### Fire

- |                                     |           |
|-------------------------------------|-----------|
| ✓ Training Tower Structural Repairs | \$ 50,000 |
| ✓ Health Code Officer (CDBG funded) | \$ 80,449 |
| ✓ Remount Ambulance                 | \$ 83,100 |



# GENERAL FUND

## Select Supplemental Request

### Inspections

Permit Clerk	\$ 41,587
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### Public Works

Dump Truck Replacement	\$ 101,509
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Pneumatic Roller & Recycler Rental	\$ 134,516
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Flashing Left Turn Arrow Program (yr 1 of 3)	\$ 138,186
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Span Wire Rebuild	\$ 192,000
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School Zone Flasher System (yr 3 of 3)	\$ 38,760
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### Parks

SCR Park – 2 months	\$ 106,840
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Centennial Park – 4 months	\$ 39,921
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Recreation Software Upgrade	\$ 34,047
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# WATER & SEWER FUND

## Proposed – FY2015

Revenues	\$ 35,583,118
Expenses	\$ 37,017,108
Revenues Under Expenses	(\$ 1,433,990)
Cash Equivalents – Beginning	\$ 14,074,705
Reserve for Debt Service	\$ 2,278,256
Cash Equivalents – Ending	10,362,459
Bond Coverage	1.56
Cash Reserve Ratio	28%



# Water-Sewer Revenue Increase

## 4.63% Revenue Increase

Water	<u>Current</u>	<u>Proposed</u>	
Base	11.98	11.98	
Volume			
2,001-6,000	2.93	3.16	
6,001-15,000	3.67	3.96	Non-Res.
15,001-25,000	4.40	4.75	Irrigation
25,001- +	5.86	6.33	

### Sewer

Base	14.41	14.41
Volume	3.03	3.28

8% increase on volume charges



# Monthly Water-Sewer Bill Comparison

## Current to Proposed

Gallons	Current	Proposed
Residential		
Base - 2,000	26.39	26.39
5,000-5,000 Cap	44.27	45.71
10,000-8,000 Cap	70.97	74.55
Irrigation 25,000	113.18	121.23
Commercial		
25,000 - 2" meter	180.49	192.91
50,000 - 2" meter	347.99	373.91
150,000- 2" meter	1,017.99	1,097.91



# **WATER & SEWER FUND**

## **Select Supplemental Request**

### **Lift Stations**

Auto Dialer Alarm System (44)	\$ 231,000
Lift Station Rehabilitation	\$ 500,000

### **Wastewater Treatment Plants**

Sludge dewatering/hauling Far NW WWTP	\$ 525,000
Utility Inspector, with Vehicle	\$ 79,784

### **Water Production**

Auto Flushers (25) yr 2 of 3yr program	\$ 107,400
Interior Lining of ST's (yr 2 of 3 yr program)	\$ 400,000
Pigging of lines in the South East	\$ 300,000



# WATER & SEWER FUND

## Select Supplemental Request

### Distribution & Collections

Vacuum Truck \$ 459,026

### Construction

Longwood St. Manhole Rehab \$ 159,000



# HOTEL/MOTEL & CVB (pg 123)

## Revenues

Revenues from 13 Hotels	\$1,393,078
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## Expenditures

Arts Promotion	\$15,000
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Historic Preservation	\$15,000
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Contractual/Other	\$192,961
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CVB Activities/Operations	\$596,252
---------------------------	-----------

<b>Total Expenditures</b>	<b>\$819,213</b>
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Revenues Over Expenditures	\$573,865
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<b>Fund Balance at 9/30/2015</b>	<b>\$3,494,090</b>
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# P.E.D.C. FY 2015

## Revenues

Sales Tax	\$8,921,768
Lease Payment	436,998
Interest/Other	57,000
Total Revenue	<u>\$9,415,766</u>

## Expenditures

Operations	\$1,809,301
Operating Transfers	204,971
Capital/Inventory	960,000
Debt Service	8,602,270
Total Operating Exp.	<u>\$11,576,542</u>

Revenues under Expenditures (2,160,776)

Incentives/Capital 3,132,014

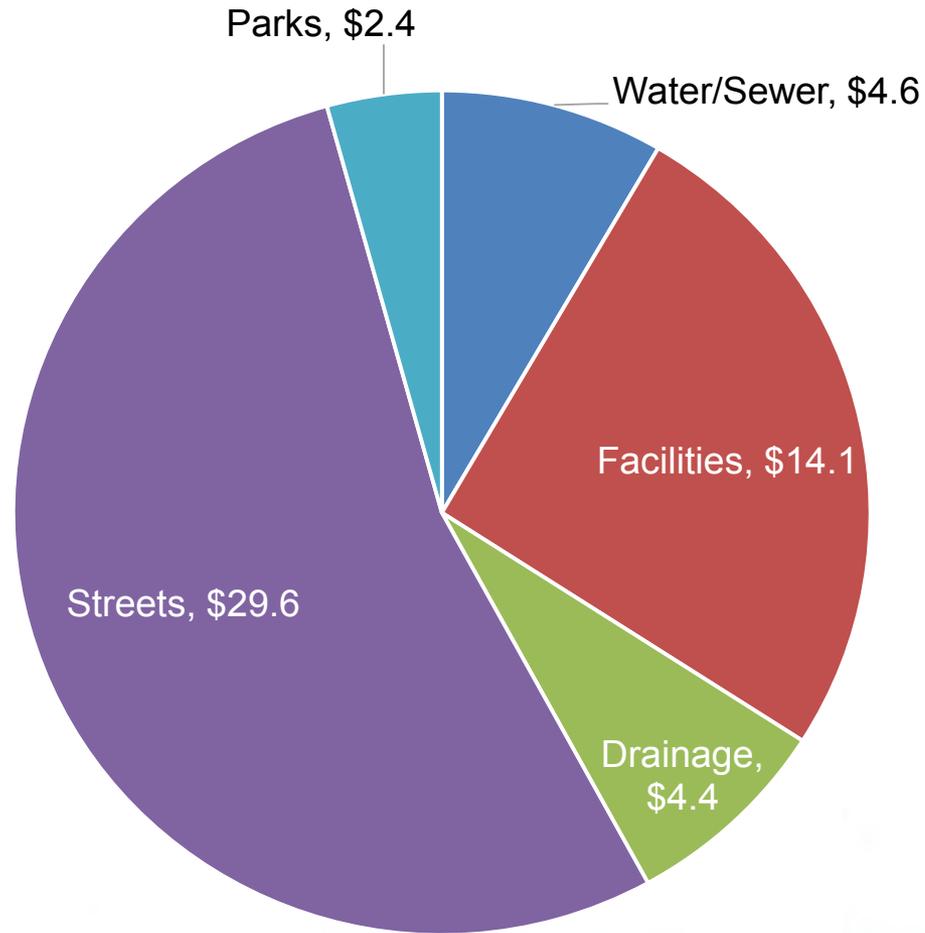
Net Change in Fund Balance (5,292,790)

Fund Balance 9/30/2015 \$12,130,754



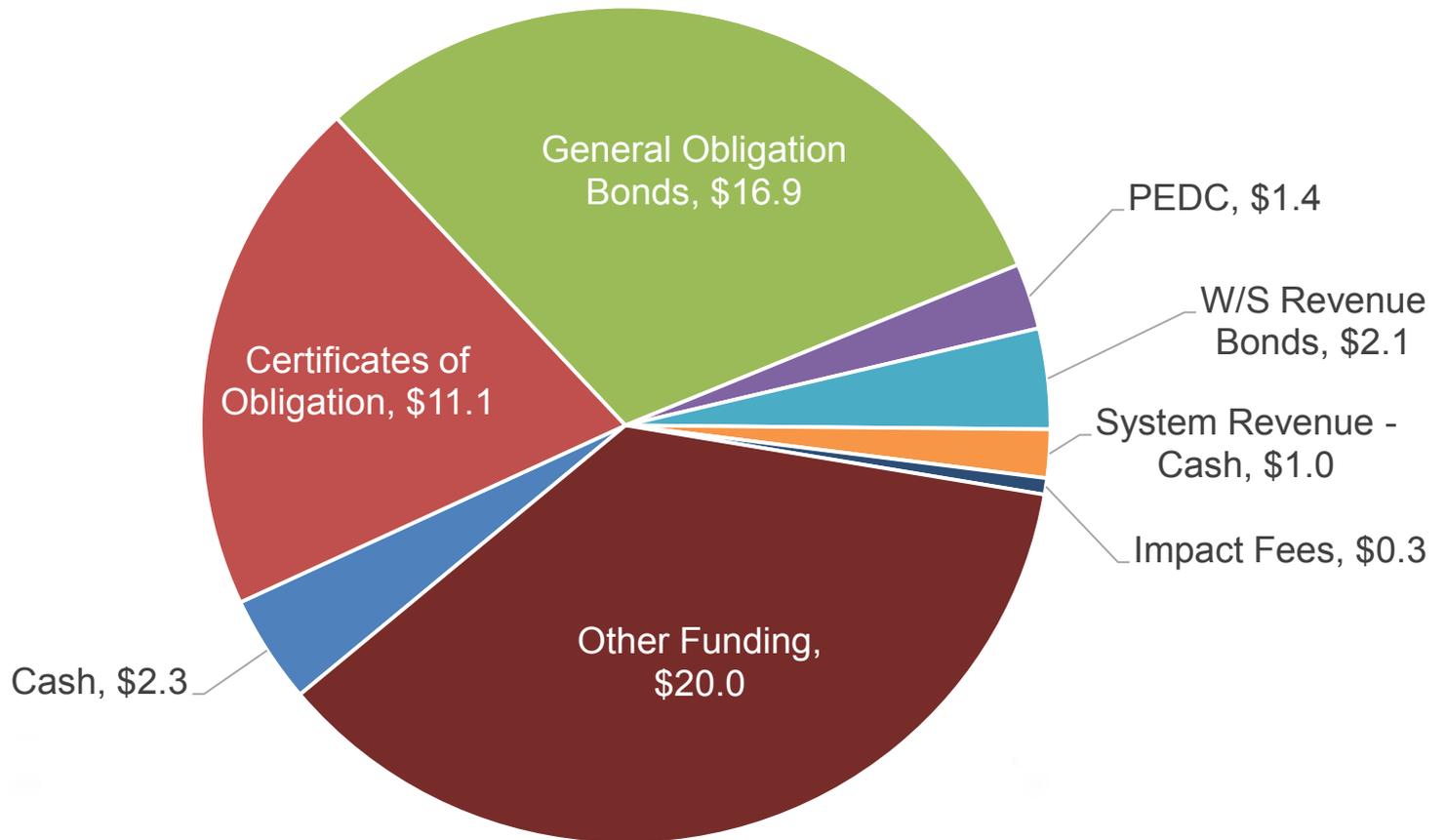
# Fiscal Year 2015 CIP

## \$55,134,653 - Uses



# Fiscal Year 2015 CIP

## \$55,134,653 - Sources



# REMAINING BUDGET CALENDAR

September 2	Tuesday	1 <sup>st</sup> Public Hearing on Budget and Tax Rate
September 8	Monday	2nd Public Hearing on Budget and Tax Rate
September 22	Monday	1st Reading of Ordinances
September 29	Monday	2nd Reading of Ordinances Adopt 5-Year CIP 2015-2019





# Questions?

Fiscal Year  
2014-2015  
Public Hearing  
On Proposed Budget

# New Business Item No. 1

1. **COUNCIL INPUT AND DISCUSSION:** Regarding the Fiscal Year 2015 Budget, and Multi-Year Financial Plan:
  - Police Staffing and Funding
  - Review of all changes to Budget from filed Budget
  - Other Budget Discussions items

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

<b>AGENDA OF:</b>	September 2, 2014	<b>ITEM NO.:</b>	New Business No. 1
<b>DATE SUBMITTED:</b>	August 22, 2014	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Bobby Pennington	<b>PRESENTOR:</b>	Clay Pearson
<b>REVIEWED BY:</b>	Clay Pearson	<b>REVIEW DATE:</b>	8/28/2014
<b>SUBJECT: Fiscal Year 2015 Budget Discussion</b>			
<b>EXHIBITS: PowerPoint Presentation Packet of Additional Budget Information</b>			
<b>FUNDING:</b>	<input type="checkbox"/> Grant	<input type="checkbox"/> Developer/Other	<input 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> N/A		<b>AMOUNT BUDGETED:</b> N/A	
<b>AMOUNT AVAILABLE:</b> N/A		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO.:</b> N/A			
<b>ADDITIONAL APPROPRIATION REQUIRED:</b>			
<b>ACCOUNT NO.:</b>			
<b>PROJECT NO.:</b>			
<b>To be completed by Department:</b>			
X	Finance	Legal	Ordinance
			Resolution

**EXECUTIVE SUMMARY**

**BACKGROUND**

The September 2<sup>nd</sup> Budget Discussion #4 continues the City's process towards adopting a budget by the last regularly scheduled Council meeting in September, and prior to the beginning of the fiscal year pursuant to State law and according to City Charter. Budget Discussion #1 was held on August 4<sup>th</sup> with the presentation of the Fiscal Year 2015 Budget and Multi-Year Financial Plan, followed by Budget Discussion #2 which was held the following week on August 11<sup>th</sup> with the presentations of the City's Debt Service plan and tax rate, as well as the 5-Year CIP 2015-2019. Discussion #3 was held on August 25<sup>th</sup> to discuss budget items that Council requested further clarification on. The discussion tonight will continue to cover the Fiscal Year 2015 Budget and Multi-Year Financial Plan as needed, provide to Council staff responses to questions and requests for information made by Council during prior Council meetings related to the budget.

## **SCHEDULE**

The first public hearing on the budget and tax rate will be held on September 2, 2014, and the second public hearing (tax) will be held on September 8<sup>th</sup>, 2014. The first reading of the ordinances (budget and tax rate) is scheduled for September 22<sup>nd</sup> with the second and final reading set for September 29<sup>th</sup>.

## **POLICY/GOAL CONSIDERATION**

Pursuant to State Statute and City Charter, the budget was filed with the City Secretary and submitted to City Council 60 to 90 days prior to the beginning of the fiscal year. The budget provides a complete financial plan for the program of services to be provided in the upcoming fiscal year – 2015.

The proposed budget is a public record and has been on the City's web-site, a copy provided to each library, and is available for viewing in the City's Secretary's office as well.

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

The budget serves as the financial plan (revenues and expenditures) and provides for the annual program of services for the City in fiscal year 2015. Changes to the budget since filed on July 28, 2014 include:

- General Fund – Reductions in revenues and expenditures associated with the reduction in the M&O component of the tax rate, from \$0.2251 to \$0.2221;
- Debt Service Fund – Reductions in revenues resulting from lowering the debt service tax rate from \$0.4950 as filed to \$0.4900 as revised and voted on by Council on August 13, 2014;
- Water-Sewer Fund – Water/Sewer Fund includes an adjustment of \$36,132 for a 33.3% share of a Facilities Superintendent position that originally was supported entirely by the General Fund.
- CIP – CIP changes are related to FY2014 Projected inter-fund transfers and funding related to Shadow Creek Ranch Park, Lift Station projects, and lowering expenditures for Hillhouse Annex Phase II.
- PEDC Fund – funding added for the Pearland Chamber of Commerce contract that was approved by the Board in July.
- City-Wide Donation Fund – removal of the Animal Control Study.

## **O&M IMPACT INFORMATION**

See proposed budget.

**RECOMMENDED ACTION**

Review and discuss the proposed budget for Fiscal Year 2014-2015, Multi-Year Financial Plan, and 5-Year Capital Improvement Program.



# CITY OF PEARLAND

**Proposed Budget, Multi-Year  
Financial Plan and Five Year CIP**

**Fiscal Year 2015**

**September 2, 2014**

A photograph of a young green plant with several leaves and a visible root system growing out of dark, rich soil. The plant is positioned on the left side of the slide, with its roots extending downwards and outwards into the soil.

**Planting  
Seeds for  
the Future**

# Topics for Discussion

- A. Police Expenditures (Personnel Services)
- B. Natatorium HVAC
- C. City Hall Renovations
- D. Funding Options
- E. Other Budget Discussion



# A. Police Expenditures (Personnel Services)

Currently, in Patrol and the Traffic Unit there are 92 budgeted officers and 9 budget Sergeants.

Total of 101 in Patrol & Traffic Unit

144 Budgeted Certified Officers Department  
Wide (excluding Chiefs and Captains)

Chief's memo indicated an ideal targeted level to provide special details and proactive units of 97 officers and 12 Sergeants for patrol/ability to handle calls for service, which equates to a ratio of 1 Sergeant to every 8 officers.

# A. Police Expenditures (Personnel Services)

## Sergeants Span of Control

- KSU survey 1 – 7 officers
- Pearland desired levels 1 – 8
  - Currently at 1 – 9 in Patrol

Allows for active supervision versus just high priority matters

Night shift officers tend to have less experience, needing more supervision

Two additional Sergeants would bring span of control more in line with recommendations

All staffing options include 2 additional Sergeants



# A. Police Expenditures (Personnel Services)

## Police Recruitment – Lateral Transfer

- Currently 4 vacancies
  - Competitive Market, Lack of Viable Candidates
- High hiring standards (education, aptitude)
- Experienced officers from other agencies
  - Shorter training period (6 to 12 weeks, vs 12 weeks to 8 months)
- Researching the legal and program details for a lateral transfer program to aid in the recruitment of officers (ie: Sign on bonus at time of hire and 1yr anniversary; bonus every year at anniversary for up to 5-years; contractual obligation to pay money back upon separation, etc.)



# A. Police Expenditures (Personnel Services)

## Assumptions used in Costing Out Scenarios

- Sergeants promoted Oct. 2014
- Officers hired Feb. 2015
  - Earliest could get on board (applications, testing, etc.)
  - Lateral Transfer Program Implemented
  - Salary at base of Police Pay Plan but eligible for bonus equivalent to placement at Civil Service Step 5
- 1 Shared Car for every 2 patrol officers (12 hour shifts; vehicle in constant service)



# A. Police Personnel Service Options

## Incremental Cost

<u>Options</u>	Recurring	Non- Recurring	Total
2 Sergeants/2 Officers	248,917	93,203	342,120
2 Sergeants/3 Officers	328,381	104,791	433,172
2 Sergeants/4 Officers	424,518	174,846	599,364

One Sergeant already in proposed budget. Staffing shows total additional positions, however cost above is incremental



# B. Natatorium HVAC

## (non-recurring)

Dectron HCAC Unit

Continued component failures

Units are currently down

Emergency rental of portable Carrier unit in interim until permanent solution can be addressed

Added \$500,000 to General Fund Contingency for potential repair/replacement of entire unit; funded from Fund Balance as a non-recurring expense

Waiting on results of options, permanent solutions and costs from 3<sup>rd</sup> party consultant

Possibility to recoup part or all of the expenditure thru 3<sup>rd</sup> party warranties, reimbursement, etc.



# C. City Hall Renovations

## Recommendation

Develop Schematic Design with cost estimates for different types of work and logical sections of the building.

Options would be presented to City Council to discuss the extent of renovation before moving forward with full Design Development and Construction Drawings.

Design contract forthcoming will allow for this flexibility; schematic design with cost, but only authorize full design on areas and items that Council wants to fund.

No change in FY2015 CIP appropriation is recommended; bonds would only be sold for what is approved.



## D. Funding Options

Parks – Equipment	\$ 28,450
Business Analyst - Defer	\$ 55,477
General Fund Contingency Reduction	\$ 50,000
Sidewalk Program (entire budget)	<u>\$434,969</u>
Total	\$568,896

### Other Funding Considerations

Raise Processing Fee from \$10 to \$20	\$110,000
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# Review of Completed Budget Calendar

July 28	Budget Filed; Books Distributed
August 4	Budget Review of all Funds
August 11	Tax Rate and Debt Service Review CIP 2015-2019 Review
August 13	Vote on Tax Rate; Set Public Hearings on Tax Rate and Budget
August 25	Budget Discussion on Major Topics Provided updates and clarifications on Council questions
September 2	Public Hearing – Tax Rate Public Hearing – Budget Budget Discussion on Remaining Issues Provided updates and clarifications on Council questions



# Remaining Budget Calendar

- September 8      Second Public Hearing – Tax Only  
Budget Workshop (have to nail down budget in order to prepare Ordinances.)
- September 22    1<sup>st</sup> Reading of Ordinances  
(Tax, Budget, Fees)
- September 29    2<sup>nd</sup> Reading of Ordinances  
Resolution adopting 5-Year CIP
- October 1        Start of Fiscal Year, Happy New Year!





# Questions?

Fiscal Year  
2014-2015  
Proposed Budget  
August 25, 2014



# Memo

To: Mayor and City Council

From: Clay Pearson, City Manager

Via: Claire Board, Director of Finance  
Bobby Pennington, Budget Officer  
Trent Epperson, Assistant City Manager

Date: August 28, 2014

Re: Updates and Clarifications to Proposed Budget – Further Updates

During our budget workshop held on Monday, August 25<sup>th</sup>, there were some questions and other comments that came up regarding the proposed budget. This packet intends to answer and provide the required information to questions or requests from the prior meeting. The items are presented below:

## **Item #1 – LEED Certification**

The Delores Fenwick Nature Center was planned to be a LEED Platinum Certified building to continue the educational aspects of the John Hargrove Environmental Center, which includes the Recycle Center, the Southwest Environmental Center Wastewater Treatment Plant, and future nature trails. The facility would house Keep Pearland Beautiful and serve as an education facility for the public on “green” building construction, recycling, energy reuse, and sustainable practices.

Due to the incremental LEED cost constraints, Council has recommended not to pursue as a formally-designed LEED certified project. Without the certification, Staff estimates that \$250,000 can be reduced from the project construction in 2017 while maintaining the “green” building and energy efficiency standards, thereby eliminating the need to issue Certificates of Obligation, over and above the 2007 voted bonds. As an environmental center, the building is still planned to have a grass rooftop, water cistern, etc. Until the individual design elements are costed out, the recommendation is to leave the remaining construction dollars in FY 2016 and FY 2017, until further clarification and discussion, as it was these type of elements that drove the learning opportunities.

## **Item #2 – Needs Assessment for Animal Services**

Staff had proposed a professional review of the Animal Services facility and staffing requirements needed due to population growth, and response time to the west end of Pearland. The Needs Assessment Study would provide a formal plan as to where a new facility would go, when the facility is needed, what the facility needs to include are all questions to assist the City in planning for future facility timing and funding needs.

Council and Staff are aware that Animal Services are likely needed with another service point in the future, but until the City is closer in timing, and the range of opportunities and alternatives are available, including construction, Council thought better to defer to a later date. Staff agrees, and this item will be deferred.

### **Item #3 – City Hall Complex Renovations**

The Community Center was built in 1983 and City Hall was constructed in 1986. A major renovation to both buildings, collectively referred to as the City Hall Complex, has been in the planning stage for several years. The need for the renovations is based on the need to replace thirty year old building systems, provide additional space for current and future staff, upgrade building security, and reallocate space to improve building efficiency. The end result will be an updated complex that will meet the needs of the citizens and staff for the next thirty years.

Most recently, a \$400,000 allocation from Certificates of Obligation was approved to provide the funding for study and design cost. Staff further develop the cost estimates with options within the \$4.1 million construction budget.

The City Hall Complex renovation cost is based on preliminary estimates for HVAC replacement, electrical upgrades, ADA upgrades, security upgrades, and general renovation. The estimates at this time are not specifically broken down by types of work or areas of the buildings. A design contract is currently being negotiated that will develop the programming and general building layout into a schematic design. Based on the schematic design, we will develop cost estimates for the different types of work and logical sections of the buildings. That information with options will be presented to the City Council to discuss the extent of the renovations and the construction budget before moving forward with the design development and construction drawings. The design contract you will soon see will allow the flexibility to fully develop a comprehensive schematic plan for the complex but only authorize the final design on the areas that are funded for construction. Staff proposes no change to the CIP. Staff suggest further Council discussion is needed before proceeding with construction.

### **Item #4 – Natatorium HVAC**

On August 19, 2014, via the Thursday packet Council was made aware of the HVAC failures at the Natatorium. This week, the system went out completely and staff is working on renting a portable carrier unit to be installed early next week until a permanent solution can be found.

Staff is waiting on a full report from the engineering firm that the City hired, to present options and cost for a permanent solution as well as determine if there is a responsible third party. One of those solutions would be a full replacement, given the ongoing extended nature of the failures with the Dectron systems. As such, the City will be adding \$500,000 to the General Fund Contingency to be available in order to repair or replace the unit. Any 3<sup>rd</sup> party responsibilities at that point is not budgeted.

### **Item #5 – Take Home Vehicles (Citywide Policy)**

City Staff plans to revisit the citywide take-home vehicle policy, as we continue to look for ways to be more efficient. Currently, the revised policy adopted November 2013, states that supervisory personnel and employees who are subject to call-back may be assigned a take-home vehicle. There are no restrictions in these cases with regard to

residency. The City has, for example, Public Works and Animal Services employees with take home cars. All non-police take-home fleet will be reviewed as to the necessity.

#### **Item #6 – Parks & Facility Maintenance (Comparison on Exhibit G)**

In looking at the comparison on Exhibit G - there appears to be a \$1,113,751 increase in between the Projected and the Proposed Budget for Parks Maintenance West, Parks Maintenance and Facilities Maintenance. Exhibit G is a statement of finances prior to reorganization and was provided to Council for comparison purposes only. The total Projected Budget for these three divisions in Exhibit G is \$3,091,690 and the Proposed Budget total for the same is \$4,205,441. A portion of the increase is to accommodate the operating cost of new parks coming on line – Max Road and Shadow Creek Ranch.

Increase to Parks Maintenance West, Parks Maintenance and Facilities Maintenance include the following:

- \$311,723 - Beautification (Median/Facilities) contract and additions to the contract.
- \$437,517 - New parks (lighting, operations, equipment and materials for maintenance).
- \$109,912 – Specific non-recurring facility repairs and maintenance (Man Lift with Trailer, Diesel Exhaust removal system for Fire Station #1, 2 vehicle replacements, and 2 A/C replacements for example).
- Salaries and Benefits, as well as other minor increases make up the rest of the increase.

#### **Item #7 – Human Resource Miscellaneous Account**

The Human Resource Miscellaneous account line item 010-1040-542.33-00 is used for entry level and promotional police exams. The proposed amount budgeted in FY2015 is \$8,500.

#### **Item #8 – Contingency Funding**

Typically used for unforeseen or unplanned items. The City Charter states that the provision shall be made in the annual budget for a contingent appropriation not to exceed 1% of the General Fund, which would be \$653,636 based on the FY2015 General Fund budget. The fiscal year budget includes \$268,170 for General Fund contingency and this amount had been \$205,000 in FY2011, but reduced during the downturn in FY2012 to \$155,000. It is recommended that the budgeted increase is necessary due the hazard of not having appropriate funding for unanticipated or unplanned items. Contingent appropriations are not to exceed the limits provided in the Charter. The Natatorium A/C expenditure in Item #4 of \$500,000 will be shown here.

#### **Other Information**

During our budget workshop held on Monday, August 25th, there were some questions and other comments that came up regarding the proposed budget that staff is addressing in the attached packet.

**Attachment A – PD Memo Lateral Hiring and Police Sergeants**

Attached is a Police memo in regards to changing the hiring process to allow for a lateral transfer and the need and role of Pearland Police Sergeants as the first-line supervisors.

**Attachment B – Priority Response Time Analysis**

Attached is a Police memo in regards to Priority Response Time Analysis. The analysis is a random sampling of Priority-1 responses from January 2012 to present. The memo also provides a separate analysis Priority-2 calls.

**Attachment C – Sidewalk Replacement Program Overview**

Attached is a Public Works memo in regards to the Sidewalk Replacement Program.

**Attachment D – Supplemental Recurring Expenditure Increase of \$889K in Detail**

During the budget presentation on August 4, a PowerPoint slide was presented to Council that summarized recurring expenditures in the General Fund. Supplemental Requests, excluding vehicle/computer replacement was listed at \$889K as part of the Proposed Budget. Attached is a detailed list of the Supplemental request items totaling \$889K.

This aforementioned information addresses your concerns and questions as we understand them. If there are any other questions, or clarifications related to the proposed budget that you would like to be addressed, please let us know.



## **PEARLAND POLICE DEPARTMENT**

**J.C. DOYLE, CHIEF OF POLICE**

### **MEMORANDUM**

**TO: Claire Bogard, Director of Finance**

**DATE: August 27, 2014**

**FROM: J. Spires, Asst. Chief of Police**

**VIA:**

**SUBJECT: Hiring and Lateral Incentive**

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Currently, we have four vacancies. A competitive job market and lack of viable candidates contributes to the difficulty in recruiting officers. In addition to competing with the private sector for employees, Pearland faces competition from other police agencies, both near and far as this is a dilemma that faces police agencies across the United States. In Texas the competition is so fierce that Houston PD implemented a \$7000 sign-on bonus for veteran officers and Dallas countered with a \$10,000 offer. Although every city is different and has nuances to their schedule, benefits, and nature of work there is visible evidence of overall competitiveness. League City began actively recruiting in Pearland via billboard and theater commercials where they tout both a high base salary and a sign-on bonus for veteran officers

#### **Cadet Hiring Process**

From the last hiring process on February 1, 2014 the Department hired two cadet applicants. They are expected to graduate in December and then will progress through a twelve week training program. Providing everything goes well with their academy training, State licensing exam, and Field Training Program they will be released to work alone around March of 2015. From that process of an initial 85 who took the written test, 35 passed both the written exam and the physical agility test and received full applications for employment; of those, 24 returned their applications. Mandatory disqualifying events and background investigations culled most others, with only five reaching the stage of oral review board. Due to the responsibility, the expectations for quality, and potential liability posed by a police officer's actions, Pearland's hiring standards must remain high in order to provide the service our citizens demand.

While cadet candidates have become outstanding officers, the process is lengthy before they can patrol on their own, whereas certified police officers are able to provide a staffing benefit much more quickly. Since they are already certified and bring their experience with them, they are subject only to the Field training program. Although they ultimately were not selected for employment, the last hiring process only yielded five certified police officers as applicants. Recruiting efforts should be broadened toward veteran officers due to the near immediate benefits they bring.

Pending final decision on the viability/implementation of a lateral transfer, we will begin a new hiring process to fill the four vacancies. Should we receive additional officers it would be in our best interest to expand our recruiting efforts outside the Houston area. This would provide us

with a larger pool of applicants from other academy's and experienced officers from other agencies.

### **Sergeant – Front line leadership**

Currently, the Patrol Division operates on 12 hour shifts staffed by four squads (two day shift and two night shift). The two requested positions are for the Night Shifts, when additional supervisors from other Divisions are not on duty and would not be able to field supervisory duties. To provide additional supervisors to meet the needs of both Night Shifts, one Sergeant for each squad is necessary.

As the first-line of supervisor, Sergeants are tasked with the direct reports of patrol officers. As shift bids are based on seniority, traditionally officers with less tenure are assigned to Nights. Due to the competitive hiring market most less-tenured officers are recent academy graduates, not veteran officers with experience from other agencies. These less-experienced officers present more of a supervisory need, thereby taxing the Sergeant's effective span of control. While FEMA recommends a span of control during emergencies of between 1:3 to 1:7, the average from a Kansas State University survey found the average for police agencies during normal functions was 1:7. With a higher span of control, it is more likely that only matters of higher priority would be handled by Sergeants, as opposed to active supervision to ensure better patrol response for Pearland citizens. As detailed above, most Night Shift officers have less experience and need active supervision. Currently, the span of control for Sergeants on patrol squads is 1:9. Additional Sergeants would bring the recommended span of control more in line with recommendations and allow for coverage if another Sergeant was off-duty for any reason.

Johnny Spires  
Asst. Chief of Police



# PEARLAND POLICE DEPARTMENT

J.C. DOYLE, CHIEF OF POLICE

## MEMORANDUM

**TO:** J.C. Doyle, Chief of Police **DATE:** August 27, 2014

**FROM:** R.J. Fraser, Captain, Patrol Division

**VIA:** J.L. Spires, Assistant Chief of Police

**SUBJECT:** Priority 1 Response Time Analysis

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The following is a sample of calls taken from the last three calendar years, in an effort to break down the components of response times previously reported. It should be noted that there was a fundamental error in the "TOTAL" calculation used for Response Times in the Performance Measures we provided earlier. The calculation that was previously reported is an "average of an average" rather than a "weighted average". The Priority-1 Response Times are accurately reported as follows:

	<b>CALLS</b>	<b>Avg. of INTAKE</b>	<b>Avg. TRAVEL</b>	<b>TOTAL Response TIME</b>
<b>FY2012</b>	656	1.12	3.39	<b>4.51</b>
<b>FY2013</b>	701	1.15	3.76	<b>4.91</b>
<b>FY2014*</b>	684	1.03	3.38	<b>4.41</b>

\*YTD

### **PRIORITY ONE**

To evaluate the components of the Priority-1 calls, as requested I have completed a random sampling of Priority-1 responses from January 2012 to present. The sample included 169 calls-for-service for "In Progress" calls, including 'Assault In Progress', 'Burglary In Progress', and 'Robbery In Progress'. CAD indicates 2041 Priority-1 Calls from October 1, 2011 to present. The sample represents 8.2% of the total Priority-1 calls. All of the calls sampled were associated with an offense report, which indicates that they were actual Assault, Burglary, or Robbery cases.

The response time analysis from the sample is reflected as follows:

<b>Year</b>	<b>Count of CALL</b>	<b>Avg. of INTAKE</b>	<b>Avg. of TRAVEL</b>	<b>Avg. of MINUTES</b>
2012	58	1.22	3.57	4.79
2013	71	1.32	3.37	4.70
2014	40	1.57	3.33	4.90

The Dispatch Intake Time indicates the average time from the receipt of the call to the first dispatch. The Dispatch Intake Time is a critical part of providing officers with accurate information. The Intake Time is increased with the types of calls sampled due to the emotional state of the callers, threats, disorder at the scene, etc. In addition, the increase may be attributable to the additional time required for dispatch to determine whether a call requires Police intervention before being routed to Harris County Emergency for FIRE/EMS dispatch.

Intake Time has further increased because of the proliferation of technology. The use of cellular phones to call 9-1-1 does not consistently provide accurate location information. While the location of a cell-caller may be triangulated by 9-1-1, the technology will not provide an exact location in a densely populated area such as a mall or an apartment complex. Often cell-phone location is limited to the address of the cellular-tower accessed by the caller's phone. Further, Voice-Over-Internet-Protocol phones will provide dispatch with the most recent registered location provided to the internet-carrier, by the customer. VOIP initial location information is not always complete and accurate.

The Travel Time indicates the time from dispatch to first arrival. The trending change in Response Times indicate that the Dispatch Intake Time has increased, while the Travel Time has gone down.

In 71 of the 169 (42%) Priority-1 calls sampled, the first officer on scene was not assigned to the district where the call was located. So, in less than half of the sample, the first officer on scene was either a traffic unit, a supervisory unit, a unit assigned to another district, or an off-duty unit. Out-of-District response could be a result of the lack of unit availability, the district unit was already on a call; or a result of opportunity, as the responding unit was closer.

Response times in these incidents are reflected as follows:

Year	Count of CALL	Avg. of INTAKE	Avg. of TRAVEL	Avg. of MINUTES
2012	22	1.18	4.42	5.61
2013	33	1.41	3.57	4.99
2014	16	1.35	3.03	4.38

While the Dispatch Intake Time in the sampled 'Out-of-District' cases is less, the Travel Time is higher. Again a trend of reduced travel time is indicated, with the overall response time trending downward.

The remaining responses, from units assigned to the district, are reflected as follows:

Year	Count of CALL	Avg. of INTAKE	Avg. of TRAVEL	Avg. of MINUTES
2012	36	1.24	3.05	4.29
2013	38	1.25	3.20	4.44
2014	24	1.73	3.53	5.25

The response for In-District units has trended upwards in the area of Dispatch Intake Time and Travel time. These numbers reflect 58% of Priority-1 responses sampled.

When addressing the calls in the various Districts, the response times appear as follows:

District	Count of CALL	Avg. of INTAKE	Avg. of TRAVEL	Avg. of MINUTES
A	13	1.42	3.93	5.35
B	16	1.22	2.88	4.10
C	20	0.99	3.21	4.20
D	21	1.34	3.10	4.44
E	28	1.70	3.20	4.90

The highest response times are in Districts A and E. A District has a lower overall call volume and generally fewer officers assigned. E District has more area to cover and higher traffic volume.

The trend for each district is reflected as follows:

District/Year	Calls	Avg. Resp
<b>A</b>	<b>25</b>	<b>5.03</b>
2012	8	5.45
2013	12	4.43
2014	5	5.79
<b>B</b>	<b>41</b>	<b>4.67</b>
2012	12	4.75
2013	17	4.91
2014	12	4.24
<b>C</b>	<b>30</b>	<b>4.71</b>
2012	10	4.37
2013	12	5.04
2014	8	4.64
<b>D</b>	<b>32</b>	<b>4.22</b>
2012	10	4.17
2013	15	3.88
2014	7	5.00
<b>E</b>	<b>41</b>	<b>5.22</b>
2012	18	5.10
2013	15	5.21
2014	8	5.52

The results in E District are indicative of an increased response time. This could be attributable to growth of the district, lack of familiarity with new residential streets, and/or increased traffic.

### ***PRIORITY TWO***

I further completed a random sampling of Priority-2 responses from January 2012 to present. The sample included 213 calls-for-service for Priority-2 calls, including 'Minor Accidents', 'Family Violence', 'Theft In Progress', 'Verbal Disturbances', and 'Welfare Concerns'. CAD indicates 19,430 Priority-2 Calls from October 1, 2011 to present. The sample represents 1.1% of the total Priority-2 calls.

The response time analysis is reflected as follows:

<b>YEAR</b>	<b>Count of CALL</b>	<b>Avg. of INTAKE</b>	<b>Avg. of TRAVEL</b>	<b>Avg. of MINUTES</b>
2012	86	2.59	5.37	7.95
2013	74	4.83	7.05	11.88
2014	53	2.08	5.59	7.67

The Dispatch Intake Time indicates the average time from the receipt of the call to the first dispatch. The Travel Time indicates the time from dispatch to first arrival. The data indicates a large jump in dispatch intake time and travel times for 2013. This may be due to sampling issues. The response times are still below the target times.

In 82 of the 213 (38.5%) Priority-2 calls sampled, the first officer on scene was not assigned to the district where the call was located. The first officer on scene was either a traffic unit, a supervisory unit, a unit assigned to another district, or an off-duty unit. This response could be a result of the lack of unit availability, the district unit was already on a call; or a result of opportunity, as the responding unit was closer.

Response times in these incidents are reflected as follows:

<b>YEAR</b>	<b>Count of CALL</b>	<b>Avg. of INTAKE</b>	<b>Avg. of TRAVEL</b>	<b>Avg. of MINUTES</b>
2012	35	2.83	5.26	8.09
2013	29	4.66	8.39	13.06
2014	18	2.52	5.38	7.91

The dispatch times in these cases is slightly higher. This is accounted for by locating available units. The differences are negligible and response times still fall below target.

The remaining responses are reflected as follows:

<b>YEAR</b>	<b>Count of CALL</b>	<b>Avg. of INTAKE</b>	<b>Avg. of TRAVEL</b>	<b>Avg. of MINUTES</b>
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2012	51	2.42	5.44	7.86
2013	45	4.93	6.19	11.12
2014	35	1.85	5.69	7.54

The response for Priority-2 calls is definitely shorter when In-District units are available. These calls are less likely to be reassigned.

When addressing the calls in the various Districts, the response times appear as follows:

DISTRICT	Count of CALL	Avg. of INTAKE	Avg. of TRAVEL	Avg. of MINUTES
A	30	4.49	5.05	9.54
B	46	3.76	5.66	9.42
C	50	2.91	5.96	8.87
D	44	2.55	7.33	9.88
E	43	2.90	5.74	8.64

The highest response times are in D Districts. A District has a lower overall call volume and generally fewer officers assigned. E District has more area to cover and higher traffic volume, by a number of E District calls occur at Town Center, where D District units are available for assistance.

The trend for each district is reflected as follows:

District/Year	Count of CALL	Avg. of MINUTES
<b>A</b>	<b>30</b>	<b>9.54</b>
2012	16	6.86
2013	9	15.38
2014	5	7.59
<b>B</b>	<b>46</b>	<b>9.42</b>
2012	19	8.37
2013	14	14.62
2014	13	5.36
<b>C</b>	<b>50</b>	<b>8.87</b>
2012	20	7.58
2013	15	11.16
2014	15	8.31
<b>D</b>	<b>44</b>	<b>9.88</b>
2012	18	9.13

2013	18	10.06
2014	8	11.16
<b>E</b>	<b>43</b>	<b>8.64</b>
2012	13	7.64
2013	18	10.41
2014	12	7.06

The results in D District are indicative of an increased response time. The increase in response time for this district is caused by the increased call volume for Offense Reports taken at the Public Safety Building, where an officer is called to the building. This negatively effects unit availability.

We will continue to look at this data in order to make adjustments and direct resources for optimal Patrol responses.

R.J. Fraser,  
 Captain,  
 Patrol Division



## Memo

To: Clay Pearson, City Manager

From: Michael Leech, Assistant Director of Public Works<sup>MAL</sup>

CC: Trent Epperson, Assistant City Manager  
Eric Wilson, Public Works Director

Date: August 28, 2014

Re: Sidewalk Replacement Program Overview

The Public Works Department takes pride in its ownership of the sidewalk infrastructure located within City Rights Of Way (ROW) throughout the community. As measured by the City's Geographic Information System (GIS), there are more than 560 miles of sidewalk throughout the City.

Currently, the Public Works Department sidewalk rehabilitation program process primarily involves the removal and replacement of deficient sections of sidewalk. Removal and replacement has proven to be the most effective means of addressing sidewalk deficiencies. Other methods including, concrete raising (mud jacking) and concrete shaving have been used in the past with limited success. Please note, that only sections of sidewalk in need of replacement are removed and replaced, rather than full sidewalk replacement. This is done to maximize the useful life of the remaining sidewalk panels which are in good condition. This is demonstrated in the photograph below.



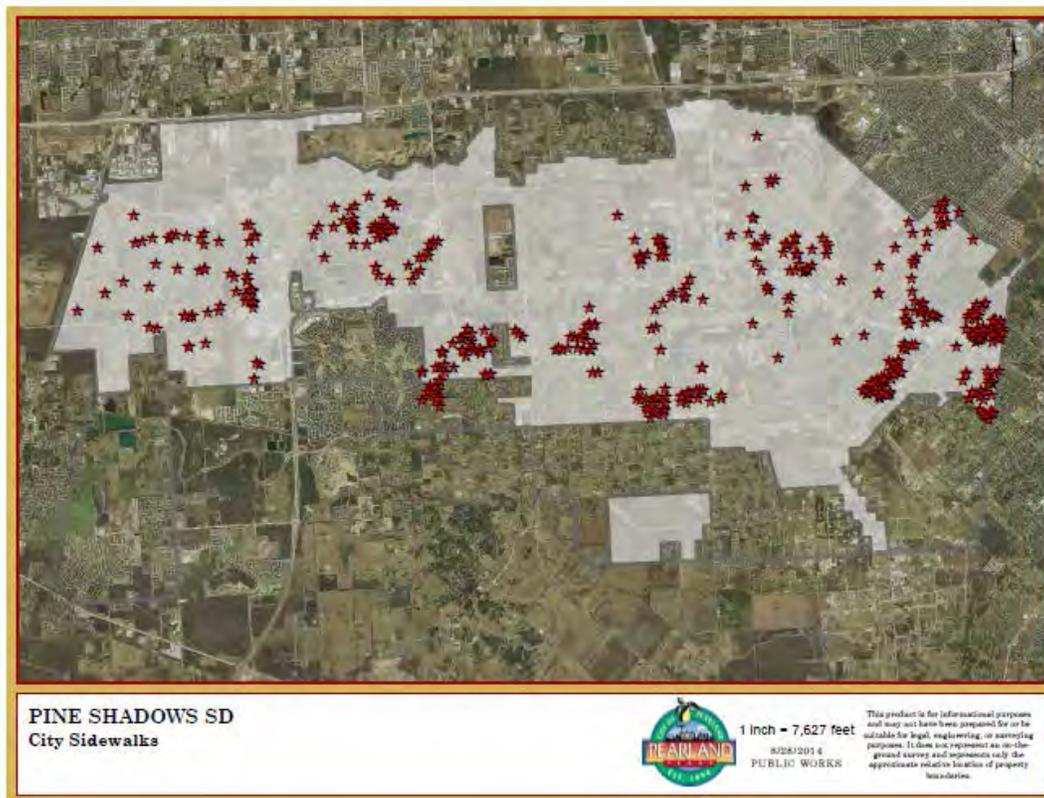
The cause of the majority of sidewalk failures is soils movement, better defined in this case as soil expansion and contraction. Soil movement is common in our area and is dictated by soil moisture content and soil composition. Much of Pearland is comprised of heavy and medium clay soils which are particularly susceptible to expansion and contraction. Recent changes in

the City's sidewalk construction specification will extend the life of new developer constructed sidewalks before reconstruction is necessary.

The removal and replacement of sidewalks in Pearland has traditionally been performed through contracted services and the process works as follows: a Public Works representative identifies areas within a subdivision or along a stretch of ROW which are to be addressed by the contractor. The contractor repairs the sidewalk and the Public Works Representative approves or disapproves of the work. Reasons for disapproval can be inadequate site restoration or poor concrete finish work. Restoration is critical as in many cases this work is performed in front of a citizens' home. Our goal is to leave the site as good, or better than we found it.

Until the ROW assessment and recommendations are received, staff uses a heat map approach to the prioritization and scheduling of the sidewalk contractor. There are currently 563 open work requests from citizens and businesses for sidewalk repair service in the Public Works work order system, dating back to 2009. Because of the extent of the issue and the geographic separation of the requests it would be impractical for the repairs to be done on a first come first served basis. Additionally, the work requests only identify those customer generated requests. Once an area is completely inventoried, based on the heat map, the true number of areas that need to be addressed increases in scope by approximately 300%. Once the area is completely identified the contractor is given notice to proceed with the rehabilitation.

The 563 open work request do not include any of those that have been repaired. Those requests have been closed. The following exhibit shows the locations of the open work requests and is taken from the City's GIS.



The following table shows the quantity of sidewalk removed and replaced within the past three fiscal years and costs of that work.

Year	Quantity (linear Feet)	Cost	Unit Cost
FY12	9,342	\$180,745	\$19.35 per foot
FY13	5,356	\$131,433	\$24.54 per foot
FY14 to date	21,377	\$436,610	\$20.43 per foot
<b>Totals</b>	<b>36,075</b>	<b>\$748,788</b>	<b>\$20.75 per foot</b>
<b>Total (Miles)</b>	<b>6.83 miles</b>		<b>\$109,593 per mile</b>

In preparation for the fiscal year 2015 budget process, and without the information that will result of the ROW assessment, staff determined that the past funding levels for sidewalk repairs were insufficient. In looking at the magnitude of the problem staff made the determination to request an amount of \$1.1 million in a supplemental budget request. This amount would provide a noticeable improvement to the sidewalk system while waiting for the results and recommendations that will be included in the ROW assessment. Based on the linear foot pricing above \$1.1 million would result in approximately 53,000 (10 miles) of sidewalk rehabilitation.



To conclude, it is the opinion of the Public Works Department that the sidewalk program is a key component of the effort to recapitalize the City's infrastructure while ensuring that Pearland remains a safe and walkable community with high quality infrastructure. The program must have a significant increase in annual funding to address the backlog of work requests and to handle the aging infrastructure.

**ATTACHMENT D**

<b>DEPARTMENT</b>	<b>DESCRIPTION</b>	<b>RECURRING EXPENDITURES</b>	<b>RECURRING REDUCTIONS RECOMMENDED</b>
Information Technology			
	Business Analyst - 9 months	55,277	recommended to be removed
	Update MS Office for 28 desktop computers	9,240	
	Update MS Office for 41 Laptop Computers	13,530	
Police			
	2 Patrol Sergeants and 1 Vehicle	209,259	recommended to be reduced by 1 Sgt.
	Crime Analyst Civilian - 9 months	53,142	
	Overtime Savings-Hiring of 3 F-T Firefighters for ba	(67,395)	
Fire Marshal/Emergency Management			
	Fire Inspector/Investigator - Part-Time - 9 months	21,390	recommended to be removed
Health & Environmental			
	Health Code Enforcement Officer for grant	80,219	
Communications			
	Year Round Intern	10,321	
Community Development Admin			
	Intern	5,720	
	Plotter (Lease 36 Months)	7,400	
Inspections			
	Permit Clerk	38,537	
Planning			
	Plan Review Service (in lieu of new hire)	50,000	
ROW - Right-of-Way Maintenance/Mowing			
	Landscaping, SH35, FM518 + ROWs & Medians	95,333	
Streets & Drainage			
	Pneumatic Roller & Recycler Rental	134,516	
Parks & Recreation			
	Shadow Creek Sportsplex O&M - 2 mos	61,490	
	New Recreation Software/Transition to Cloud	30,735	
	Centennial Park O&M - 4 months	39,921	
	Trail Connectivity O&M - 9 months	5,920	
	Replacement 72" Zero Turn Mower - MR 119	9,950	
	Replacement 15' Power Driven Mower Deck MD111	14,500	recommended to be removed
	Replacement 6' Power Driven Mower Deck MD111	4,000	recommended to be removed
Other Miscellaneous		5,496	recommended to be removed
<b>TOTAL GENERAL FUND</b>		<b>888,501</b>	

# New Business Item No. 2

2. **Consideration and Possible Action** – Regarding Economic Development Negotiations.