

# AGENDA

## CITY OF PEARLAND ♦ CITY COUNCIL

**AUGUST 8, 2016**

**6:30 p.m.**

**MAYOR  
Tom Reid**

**Gary Moore  
Mayor Pro-Tem  
Position No. 3**

### COUNCIL MEMBERS

**Tony Carbone  
Position No. 1**



**Derrick Reed  
Position No. 2**

**Keith Ordeneaux  
Position No. 4**

**Greg Hill  
Position No. 5**

**Trent Perez  
Position No. 6**

**Jon R. Branson  
Deputy City Manager**

**Clay Pearson  
City Manager**

**Trent Epperson  
Assistant City Manager**

**Darrin Coker  
City Attorney**

**Young Lorfing, TRMC  
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.



**CITY COUNCIL AGENDA**

CITY OF PEARLAND  
REGULAR COUNCIL  
MEETING

**MONDAY, AUGUST 8, 2016 6:30 P.M.**

COUNCIL CHAMBERS | PEARLAND CITY HALL | 3519 LIBERTY  
DRIVE 281.652.1600

**I. CALL TO ORDER**

**II. INVOCATION AND THE PLEDGE OF ALLEGIANCE TO THE UNITED STATES OF AMERICA FLAG AND TEXAS FLAG**

**ROLL CALL:** Mayor Reid, Mayor Pro-Tem Moore, Councilmembers Carbone, Reed, Ordeneaux, Hill and Perez.

**III. CITIZEN COMMENTS:** In order to hear all citizen comments at a reasonable hour, the City Council requests that speakers respect the three-minute time limit for individual comments and the five-minute time limit for an individual speaking on behalf of a group. This is not a question-answer session, however, it is an opportunity to voice your thoughts with City Council.

**IV. PUBLIC HEARING: None**

**V. 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 (*VI. matters removed from Consent Agenda*). Approval of the Consent Agenda enacts the items of legislation.

**A. Consideration and Possible Action** – Excuse the absence of Councilmember Greg Hill from the Regular Council Meeting held on July 25, 2016.

**B. Consideration and Possible Action – Second and Final Reading of Ordinance No. 2000M-148** – An Ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract

546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105. **(Located at 3546 & 3618 Harkey Road, Pearland, TX.)** Zone Change Application No. ZONE 16-00004, A request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the **Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district**; on approximately 16.305 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.

- C. **Consideration and Possible Action – Resolution No. R2016-105 –** A Resolution of the City Council of the City of Pearland, Texas, amending a fixed unit rate contract for building plan review and inspection services with MiKayla Architects, in the estimated amount of an additional \$50,000.
- D. **Consideration and Possible Action – Resolution No. R2016-139 –** A Resolution of the City Council of the City of Pearland, Texas, accepting the 2015 annual report for Tax Increment Reinvestment Zone #2.
- E. **Consideration and Possible Action – Resolution No. R2016-137 –** A Resolution of the City Council for the City of Pearland, approving employee ancillary benefits for Employee Life Insurance, Accidental Death and Dismemberment, and Long Term Disability to Symetra, in the estimated amount of \$84,109, for fiscal year 2016-2017.
- F. **Consideration and Possible Action – Resolution No. R2016-145 –** A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Interlocal Agreement with Brazoria County for paving services along Smith Ranch Road in the estimated amount of \$42,247.

## VII. **NEW BUSINESS:**

- 1. **Consideration and Possible Action – First Reading of Ordinance No. 2000M-150 –** An Ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property, being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records. **(Northeast corner of Broadway and Shauntel Streets, Pearland, TX.)** Zone Change Application No. ZONE 16-00009, a request of Kris Szecsy applicant, on behalf of George Gartner, owner; **for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery**; on approximately 2.939 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.

2. **Consideration and Possible Action – Resolution No. R2016-141** – A Resolution of the City of Pearland, Texas, authorizing the issuance of the Pearland Economic Development Corporation Sales Tax Revenue Refunding Bonds, Series 2016; authorizing a Sales Tax Remittance Agreement; authorizing a continuing disclosure undertaking in connection with such bonds; and making various findings and provisions related to the subjects.
3. **Consideration and Possible Action – Resolution No. R2016-138** – A Resolution of the City Council of the City of Pearland, Texas, approving the U. S. Department of Housing and Urban Development Community Development Block Grant Program year 2016/fiscal year 2017 Annual Action Plan.
4. **Consideration and Possible Action – Resolution No. R2016-136** – A Resolution of the City Council of the City of Pearland, Texas, awarding a bid for the construction of the Industrial Drive at SH 35 Realignment and Intersection Improvements Project to Excel Paving & Construction Company, in the amount of \$745,192.00.
5. **Consideration and Possible Action – Resolution No. R2016-144** – A Resolution of the City Council of the City of Pearland, Texas, approving a revised funding assistance application to the Texas Water Development Board, Drinking Water State Revolving Fund (DWSRF) program; for the preliminary design, pilot testing, final design, and first phase (10 MGD) construction of a Surface Water Treatment Plant and associated water conveyance infrastructure and a water meter change out/replacement program in the amount of \$159.5 million.

#### **VIII. MAYOR/COUNCIL ISSUES FOR FUTURE CITY COUNCIL AGENDAS**

##### **OTHER BUSINESS:**

#### **IX. ADJOURNMENT**

This site is accessible to disabled individuals. For special assistance, please call Young Lorfin at 281.652.1840 prior to the meeting so that appropriate arrangements can be made.

All agenda supporting documents are available at [pearlandtx.gov](http://pearlandtx.gov)

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> Consent Item
<b>DATE SUBMITTED:</b> August 1, 2016	<b>DEPARTMENT OF ORIGIN:</b> City Secretary
<b>PREPARED BY:</b> Maria E. Rodriguez	<b>PRESENTOR:</b> City Council
<b>REVIEWED BY:</b> Jon R. Branson	<b>REVIEW DATE:</b> August 1, 2016
<b>SUBJECT:</b> Excuse the absence of Councilmember Greg Hill from the Regular Council Meeting held on July 25, 2016.	
<b>EXHIBITS:</b> None	
<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**

Excuse Councilmember Greg Hill's absence from the July 25, 2016, Regular Council Meeting.

**RECOMMENDED ACTION**

Council action required.

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> Ordinance No. 2000M-148				
<b>DATE SUBMITTED:</b> August 2, 2016	<b>DEPT. OF ORIGIN:</b> Planning				
<b>PREPARED BY:</b> Martin Griggs	<b>PRESENTOR:</b> Lata Krishnarao				
<b>REVIEWED BY:</b> Lata Krishnarao	<b>REVIEW DATE:</b> August 3, 2016				
<p><b>SUBJECT:</b> Ordinance No. 2000M-148 - An ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property being a 16.305 acre tract in Section 16 of the H.T. &amp; B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105. <b>(Located at 3546 &amp; 3618 Harkey Road, Pearland, TX.)</b> Zone Change Application No. ZONE 16-00004, a request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning <b>from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district</b>; on approximately 16.305 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.</p>					
<p><b>ATTACHMENTS:</b> Ordinance No. 2000M-148 and Exhibits (Exhibit A- Legal Description; Exhibit B – Vicinity map; Exhibit C – Legal Ad; Exhibit D – Planning and Zoning Recommendation Letter); Joint Public Hearing Packet (06.20.16)</p>					
<p><b>EXPENDITURE REQUIRED:</b> N/A  <b>AMOUNT AVAILABLE:</b> N/A  <b>ACCOUNT NO.:</b> N/A</p>	<p><b>AMOUNT BUDGETED:</b> N/A  <b>PROJECT NO.:</b> N/A</p>				
<p><b>ADDITIONAL APPROPRIATION REQUIRED:</b> N/A  <b>ACCOUNT NO.:</b> N/A  <b>PROJECT NO.:</b> N/A</p>					
<p><b>To be completed by Department:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 25%;">Finance</td> <td style="text-align: center; width: 25%;">Legal</td> <td style="text-align: center; width: 25%;">Ordinance</td> <td style="text-align: center; width: 25%;">Resolution</td> </tr> </table>		Finance	Legal	Ordinance	Resolution
Finance	Legal	Ordinance	Resolution		

**SUMMARY:** The applicant is requesting a zone change on approximately 16.305 acres of land from Single Family Residential - 1 (R-1) zoning district to Single Family Residential – 3 (R-3) for the development of a residential subdivision. The majority of the parcel is currently undeveloped, however, there is a warehouse developed on approximately 1.8 acres adjacent to Harkey Road. The proposed development includes residential lots with a width of approximately 60 feet wide. The designation of the R-3 zoning district reduces the minimum lot size from 8,800 square feet to 6,000 square feet and lot width from 80' to 60'.

There are many requirements such as minimum yard requirements, lot depth, and percentage of lot coverage which are all the same amongst the residential zoning classifications. Some of the key differences between the R-1 and R-3 zoning classifications range from minimum lot area, lot width, allowed gross density within a cluster development. The differences are listed in the following table:

Zoning Classification	Minimum Lot Area	Minimum Lot Width	Gross Density for Cluster Development
R-1	8,800 square feet	80'	3.2 units per acre
R-3	6,000 square feet	60'	4.7 units per acre

**RECOMMEDATION:** Staff cannot recommend approval of the requested zone change from R-1 to R-3 on the approximately 16.305 acre site for the following reasons:

1. The requested change in zoning reduces the minimum width of the lot by 20 feet (80 feet wide to 60 feet wide). This reduction presents a dramatic increase in mass of building or volume as viewed from the roadway as density of dwelling units increases.
2. Cypress Village Phase 1 (147 lots) and Phase 2 (198 lots) provide a typical lot size of the minimum 6,000 square feet with 60 foot wide lots. The first strategic priority from the Comprehensive Plan was to provide a variety of residential lot types and configurations. A rezoning to R-2 would be more appropriate to add diversity in lot size in the Cypress Village neighborhood.
3. The Comprehensive Plan advocates for a variety in lot sizes, larger lots, and opportunities to move within a subdivision. The proposed zoning of R-3 requires a minimum lot size of 6,000 square feet and would provide the same lot size as the previous two sections of Cypress Village. In other areas of the City, recent developments have capitalized on properties currently zoned R-3 and R-4 and are providing an overstock of similarly styled development opportunities. Lot size of 7,000 square feet, as provided by R-2 zoning would be in conformance with the 2015 Comprehensive Plan recommendations. The 2015 Comprehensive Plan estimated that 61 percent of all single family homes are in Medium Density Residential classification.

4. A minimum 10 foot landscape reserve is required on the residentially zoned properties adjacent to nonresidential uses or zoning districts. This requirement will affect three sides of the property that abuts the M-1 zoned property (3554 Harkey Road).

Staff recommends a change of zoning from Single Family Residential -1 (R-1) to Single-Family Residential - 2 (R-2) zoning districts for the following reasons:

1. The Comprehensive Plan recommends a mix of housing sizes currently that mix is not met with the requested R-3 zone but would be met with an R-2 zoning district.
2. R-2 lots would also be more in conformance with larger lots on the east side of Harkey Road.

**PUBLIC NOTIFICATION:** A Joint Public Hearing was conducted on June 20, 2016. Staff sent public notices, comment forms and a vicinity map to the applicant, the owner of the property and to property owners within 200 feet of the subject property under consideration for the zone change. Additionally, a legal notice of the public hearing was published in the local newspaper, and a notification sign was placed on the property by the applicant.

Of the 74 property owners within the 200 foot notice area, two “Public Comment Forms” regarding this request were returned in opposition to the request. Staff received no phone calls inquiring about the request.

At the Joint Public Hearing meeting, two people spoke in opposition to the request.

**PLANNING AND ZONING COMMISSION DISCUSSION:** At the regular meeting of the P&Z Commission on June 20, 2016, P&Z Commissioner Isenberg moved to recommend approval of Zone Change Application No .ZONE 16-00004, to rezone the subject property from R-1 to R-3. Commissioner Starr seconded the motion to rezone from R-1 to R-3. The motion failed by a vote of 2-3. Commissioners Isenberg and Pradia voted in favor. Commissioners Tunstall, Duncan and Starr voted in opposition.

P&Z Commissioner Mary Starr moved to reconsider the zone change, and P&Z commissioner Troy Pradia seconded the reconsideration. The vote was approved by a vote of 3-2. Commissioners Isenberg, Pradia, and Starr voted in favor. Commissioners Tunstall and Vice Chairperson Duncan voted in opposition.

P&Z Commissioner Troy Pradia moved to amend the zone from R-1 to R-2, and P&Z Commissioner Mary Starr seconded the motion. The motion to amend the zone change from R-1 to R-2 was approved by a vote of 4-1. Commissioners Isenberg, Pradia, Tunstall, and Starr voted in favor. Thomas Duncan voted in opposition.

## **Ordinance No. 2000M – 148**

Ordinance No. 2000M-148 - An ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105. **(Located at 3546 & 3618 Harkey Road, Pearland, TX.)** Zone Change Application No. ZONE 16-00004, a request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning **from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district**; on approximately 16.305 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.

**WHEREAS**, Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district; on approximately 16.305 acres of land on the following described property; said property being legally described in the legal description attached hereto and made a part hereof for all purposes as Exhibit "A," and more graphically depicted in the vicinity map attached hereto and made a part hereof for all purposes as Exhibit "B"; and

**WHEREAS**, on the 20<sup>th</sup> day of June 2016, a Joint Public Hearing was held before the Planning and Zoning Commission and the City Council of the City of Pearland, Texas, notice being given by publication in the official newspaper of the City, the affidavit of publication being attached hereto and made a part hereof for all purposes as Exhibit "C," said call and notice being in strict conformity with provisions of Section 1.2.2.2 of Ordinance No. 2000T; and

**WHEREAS**, on the 20<sup>th</sup> day of June 2016, the Planning and Zoning Commission submitted its report and recommendation to the City Council regarding the proposed change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential–3 (R-3) zoning district; on approximately 16.305 acres of land, said recommendation attached hereto and made a part hereof for all purposes as Exhibit “D”; and

**WHEREAS**, upon receipt of the report from the Planning and Zoning Commission, City Council considered this application and the recommendation of the Planning and Zoning Commission at regular meetings on the 25<sup>th</sup> day of July 2016 and the 8<sup>th</sup> day of August 2016; and

**WHEREAS**, the City Council having fully heard the testimony and argument of all interested parties, and having been fully advised in the premises, finds that in the case of the application of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential–3 (R-3) zoning district; on approximately 16.305 acres of land; presented which, in the judgment of the City Council, would justify the approval of said application; now, therefore,

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

**Section I.** The following described property located within the corporate City Limits of the City of Pearland, Texas, and presently being located within the Single Family Residential-1 (R-1) zoning district, is hereby granted a change in zoning to Single Family Residential–2 (R-3) zoning district, in accordance with all conditions and requirements of the current Unified Development Code approved by the City Council and incorporated for all purposes, such property being more particularly described as:

**Legal Description:** Being a 16.305 acre tract in Section 16 of the H.T. & B. RR

Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105.

**General Location:** 3546 & 3618 Harkey Road, Pearland, TX.

**Section II.** The City Council of the City of Pearland finds and determines that the recitations in the preamble hereof are true and that all necessary prerequisites of law have been accomplished and that no valid protest of the proposed change has been made. The City Council further finds and determines that there has been compliance with the mandates of law in the posting and presentation of this matter to the Planning and Zoning Commission for consideration and decision.

**Section III.** The City Council of the City of Pearland finds and determines that the amendment adopted herein promotes the health, safety, and general welfare of the public and is a proper valid exercise of the City's police powers.

**Section IV.** If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional 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 V.** All rights and remedies, which have accrued in the favor of the City under this Ordinance and its amendments thereto, shall be and are preserved for the benefit of the City.

**Section VI.** This Ordinance shall become effective after its passage and approval on second and final reading.

PASSED, APPROVED, and ADOPTED on First Reading this 25<sup>th</sup> day of July,

2016.

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TOM REID  
MAYOR

ATTEST:

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YOUNG LORFING, TRMC  
CITY SECRETARY

PASSED, APPROVED, and ADOPTED on Second and Final Reading this 8<sup>th</sup>  
day of August, 2016.

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TOM REID  
MAYOR

ATTEST:

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YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

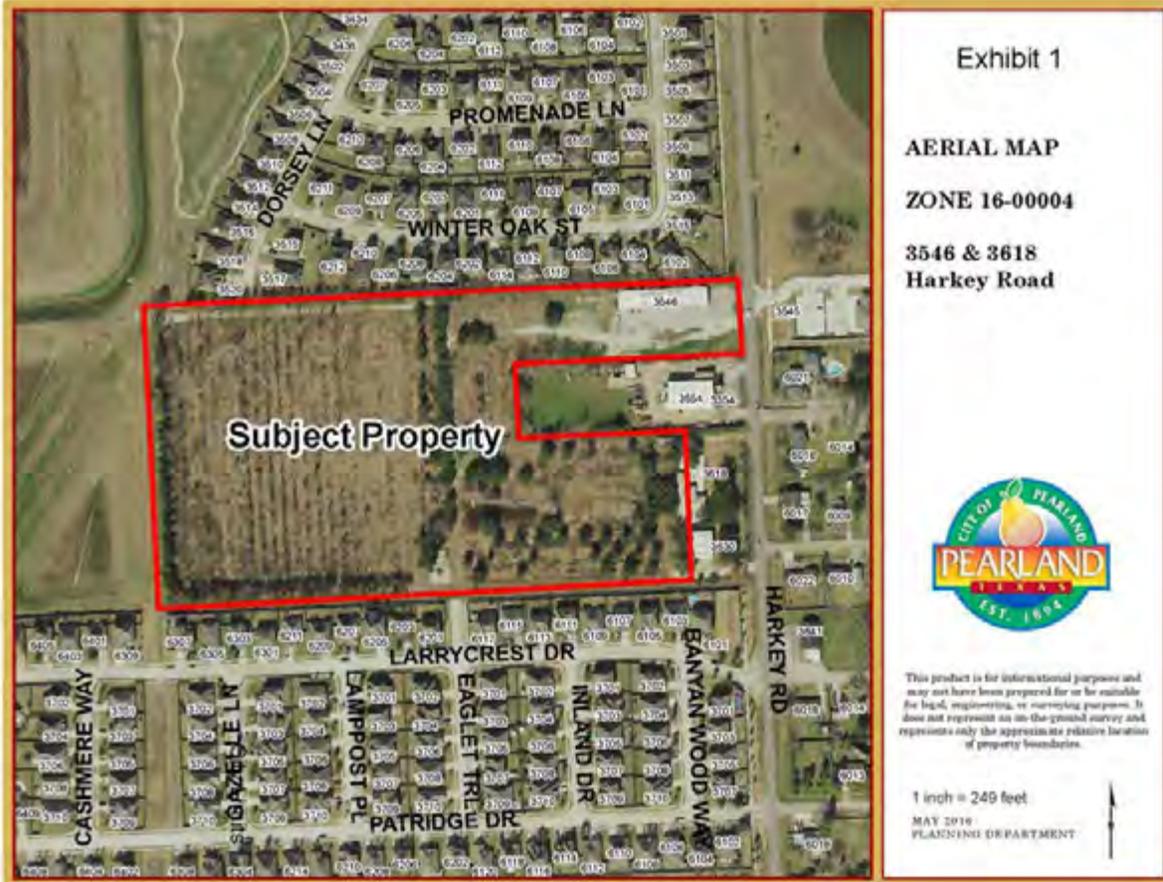
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DARRIN M. COKER  
CITY ATTORNEY

**Exhibit A**  
**Legal Description**

Being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105.

**Exhibit B  
Vicinity Map**



**Exhibit C  
Legal Ad**

**NOTICE OF A JOINT PUBLIC HEARING OF THE CITY COUNCIL  
AND  
THE PLANNING AND ZONING COMMISSION  
OF THE CITY OF PEARLAND, TEXAS  
ZONE CHANGE APPLICATION NUMBER: ZONE 16-00004**

Notice is hereby given that on June 20, 2016, at 6:30 p.m., the City Council and Planning and Zoning Commission of the City of Pearland, in Brazoria, Harris and Fort Bend Counties, Texas, will conduct a joint public hearing in the Council Chambers of City Hall, located at 3519 Liberty Drive, Pearland, Texas, at the request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district; on approximately 16.305 acres of land, to wit:

Being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105.

General Location: 3546 & 3618 Harkey Road, Pearland, TX.

At said hearing, all interested parties shall have the right and opportunity to appear and be heard on the subject. For additional information, please contact the Planning Department at 281-652-1765.

Frankie Legaux  
City Planner

**Exhibit D  
Planning and Zoning Commission Recommendation Letter**



## Planning & Zoning Commission

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### Recommendation Letter

June 22, 2016

Honorable Mayor and City Council Members  
3519 Liberty Drive  
Pearland, TX 77581

Re: Recommendation on Zoning Change Application No. ZONE 16-00004

Honorable Mayor and City Council Members:

At their regular meeting on June 20, 2016, the Planning and Zoning Commission considered the following:

A request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-2 (R-2) zoning district; on approximately 16.305 acres of land.

**Legal Description:** Being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105.

**General Location:** 3546 & 3618 Harkey Road, Pearland, TX.

At the regular meeting of the P&Z Commission on June 20, 2016, P&Z Commissioner Isenberg made the motion to recommend approval of Zone Change Application No .ZONE 16-00004, to rezone the subject property from R-1 to R-3. Commissioner Starr seconded the motion to rezone from R-1 to R-3. The motion failed by a vote of 2-3. Commissioners Isenberg and Pradia voted in favor. Commissioners Tunstall, Duncan and Starr voted in opposition.

P&Z Commissioner Mary Starr moved to reconsider the zone change, and P&Z Commissioner Troy Pradia seconded the reconsideration. The vote was approved by a vote of 3-2. Commissioners Isenberg, Pradia, and Starr voted in favor. Commissioners Tunstall and Vice Chairperson Duncan voted in opposition.

P&Z Commissioner Troy Pradia moved to amend the zone from R-1 to R-2, and P&Z Commissioner Mary Starr seconded the motion. The motion to amend the zone change from R-1 to R-2 was approved by a vote of 4-1. Commissioners Isenberg, Pradia, Tunstall, and Starr voted in favor. Thomas Duncan voted in opposition.

Sincerely,



Frankie Legaux  
City Planner  
On behalf of the Planning and Zoning Commission



**JOINT PUBLIC HEARING**  
THE CITY COUNCIL CITY AND THE PLANNING AND ZONING COMMISSION OF  
THE CITY OF PEARLAND, TEXAS,  
**MONDAY, JUNE 20, 2016, AT 6:30 P.M.**  
COUNCIL CHAMBERS - CITY HALL-3519 LIBERTY DRIVE

**I. CALL TO ORDER**

**II. PURPOSE OF HEARING**

**Zone Change Application No. ZONE 16-00004**

A request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district; on approximately 16.305 acres of land.

**Legal Description:** Being a 16.305 acre tract in Section 16 of the H.T. & B. RR Co. Survey, Abstract 546, Brazoria County, Texas. Said tract is part of a 15 acre tract of land described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 113, and part of a 3.00 acre tract described in a deed to Marvin Wayne Smith as recorded under Brazoria County Clerk's File No. 85197 105.

**General Location:** 3546 & 3618 Harkey Road, Pearland, TX.

**III. APPLICATION INFORMATION AND CASE SUMMARY**

- A. STAFF REPORT
- B. APPLICANT PRESENTATION
- C. STAFF WRAP UP

**IV. PERSONS WISHING TO SPEAK FOR OR AGAINST THE PROPOSED REQUEST**

**V. COUNCIL/PLANNING COMMISSION/STAFF DISCUSSION**

**VI. ADJOURNMENT**

**This site is accessible to disabled individuals. For special assistance, please call Young Lorfing, City Secretary, at 281-652-1655 prior to the meeting so that appropriate arrangements can be made.**



## Staff Report

To: City Council and Planning and Zoning Commission

From: Planning Department

Date: June 20, 2016

Re: Zone Change Application No. ZONE 16-00004

A request of Chad Thumann, R. West Development, applicant, on behalf of Patrick Tagtow, owner; for approval of a change in zoning from the Single Family Residential-1 (R-1) zoning district to a Single Family Residential-3 (R-3) zoning district; on approximately 16.305 acres of land.

General Location: 3546 & 3618 Harkey Road, Pearland, TX.

### Summary of Request

The applicant is requesting a zone change on approximately 16.305 acres of land from Single Family Residential - 1 (R-1) zoning district to Single Family Residential - 3 (R-3) for the development of a residential subdivision. The majority of the parcel is currently undeveloped, however, there is a warehouse developed on approximately 1.8 acres adjacent to Harkey Road. The proposed development includes 71 residential lots each with a width of approximately 60 feet wide. The designation of the R-3 zoning district reduces the minimum lot size from 8,800 square feet to 6,000 square feet and lot width from 80' to 60'.

There are many requirements such as minimum yard requirements, lot depth, and percentage of lot coverage which are all the same amongst the residential zoning classifications. The following summary will concentrate on the differences. Some of the key differences between the R-1 and R-3 zoning classifications range from minimum lot area, lot width, allowed gross density within a cluster development. The differences are listed in the following table:

Zoning Classification	Minimum Lot Area	Minimum Lot Width	Gross Density for Cluster Development
R-1	8,800 square feet	80'	3.2 units per acre
R-3	6,000 square feet	60'	4.7 units per acre

## **Recommendation**

Staff cannot recommend approval of the requested zone change from R-1 to R-3 on the approximately 16.305 acre site for the following reasons:

1. The requested change in zoning reduces the minimum width of the lot by 20 feet (80 feet wide to 60 feet wide). This reduction presents a dramatic increase in mass of building or volume as viewed from the roadway as density of dwelling units increases.
2. Cypress Village Phase 1 (147 lots) and Phase 2 (198 lots) provide a typical lot size of the minimum 6,000 square feet with 60 foot wide lots. The first strategic priority from the Comprehensive Plan was to provide a variety of residential lot types and configurations. A rezoning to R-2 would be more appropriate to add diversity in lot size in the Cypress Village neighborhood.
3. The Comprehensive Plan advocates for a variety in lot sizes, larger lots, and opportunities to move within a subdivision. The proposed zoning of R-3 requires a minimum lot size of 6,000 square feet and would provide the same lot size as the previous two sections of Cypress Village. In other areas of the City, recent developments have capitalized on properties currently zoned R-3 and R-4 and are providing an overstock of similarly styled development opportunities. Lot size of 7,000 square feet, as provided by R-2 zoning would be in conformance with the 2015 Comprehensive Plan recommendations. The 2015 Comprehensive Plan estimated that 61 percent of all single family homes are in Medium Density Residential classification.
4. A minimum 10 foot landscape reserve is required on the residentially zoned properties adjacent to nonresidential uses or zoning districts. This requirement will affect three sides of the property that abuts the M-1 zoned property (3554 Harkey Road).

Staff recommends a change of zoning from Single Family Residential -1 (R-1) to Single-Family Residential - 2 (R-2) zoning districts for the following reasons:

1. The Comprehensive Plan recommends a mix of housing sizes currently that mix is not met with the requested R-3 zone but would be met with an R-2 zoning district.
2. R-2 lots would also be more in conformance with larger lots on the east side of Harkey Road.

## **Site History**

The site includes two separate parcels. The site is primarily undeveloped with a vacant commercial structure located along Harkey Road. The property was annexed in 1997.

Currently, the property is zoned R-1 since the adoption of the Unified Development Code (UDC) in 2006.

The site is surrounded by R-3 zoning on three sides and by R-1 zoning on the east side of Harkey Road. There is a parcel that the site surrounds which is zoned M-1 and contains a vacant commercial building, otherwise the property is completely surrounded by developed land. Property on the East side of Harkey Road is developed with a lower density residential homes and a church.

	Zoning	Land Use
<b>North</b>	Single Family Residential (R-3)	Residential Subdivision – Cypress Village Section 1
<b>South</b>	Single Family Residential (R-3)	Residential Subdivision – Cypress Village Section 2
<b>East</b>	Single Family Residential (R-1) / Light Industry (M-1)	Church – Kingdom Hall of Jehovahs Witnesses – Wagon Wheel Subdivision – Vacant Commercial Building
<b>West</b>	Single Family Residential (R-3)	Residential Subdivision – Cypress Village Section 2

### **Conformance with the Comprehensive Plan**

The proposed zoning is not in conformance with the 2015 Comprehensive Plan. The FLUP designates this property as “Medium Density Residential” which is described as single-family detached dwellings (R-2, R-3, or R-4 zoning designations with lot sizes between 5,000 – 7,000 square feet), patio homes, or townhomes. However, the Comprehensive Plan advocates for a variety in lot sizes, larger lots, and opportunities to move within a subdivision. The proposed zoning of R-3 requires a minimum lot size of 6,000 square feet. The previous two sections of Cypress Village have provided a similar lot size. Lot size of 7,000 square feet, as provided by R-2 zoning would be in conformance with the 2015 Comprehensive Plan recommendations.

### **Conformance with the Thoroughfare Plan**

According to the Thoroughfare Plan, Harkey Road is a Secondary Thoroughfare to be widened. Secondary Thoroughfares are defined as having a minimum right-of-way of 100 feet. The right-of-way along Harkey Road varies. Additional ROW will be dedicated at the time of platting.

### **Conformance with the Unified Development Code**

The larger property is undeveloped while the smaller parcel is partially developed with a vacant commercial structure. The applicant is proposing to develop the property as a

residential subdivision. The proposed development is required to meet all zoning, subdivision, and development regulations. It is important to note that all yard requirements are the same between R-1, R-2, and R-3 zoning districts. The only difference between the three are minimum lot area, lot width, and the available density in a cluster plan. The lot requirements of the proposed R-3 zoning district are provided in the following table.

<b>Single Family Residential – District Comparison</b>			
	<b>Minimum Lot Size</b>	<b>Minimum Lot Width</b>	<b>Gross Density for Cluster Development</b>
R-1	8,800 sq. ft.	80 ft.	3.2 units per acre
R-2	7,000 sq. ft.	70 ft.	4.0 units per acre
R-3	6,000 sq. ft.	60 ft.	4.7 units per acre

The lots size and dimensions can reduced if the applicant proposed a cluster development with approval of the Planning and Zoning Commission.

### **Platting Status**

The subject property has not been platted.

### **Availability of Utilities**

The subject property has access to City water and sanitary sewer infrastructure. A 16-inch water line exists along the west side of Harkey Road, and a 30-inch sanitary sewer line runs along the east side of the street.

### **Impact on Existing and Future Development**

The proposed use is compatible with the adjacent developments however, the density of that use should be a key consideration. In a cluster development plan, the R-3 allows for 1.5 more units per gross acre than the current R-1 zoning designation. The subject property is surrounded by existing residential developments with R-3 zoning to the north, west, and south and R-1 to the east across Harkey Road. The R-2 zoning classification provides potential for a greater variety in lot size than currently allowed. If the rezoning is approved than the proposed development would remove one of the existing non-conforming commercial structures in the area and bring the property into conformance with the zoning and FLUP.

**Additional Comments**

The request has been reviewed by the City's Development Review Committee (DRC), and there were no additional comments from other departments at the time of this report.

**Public Notification**

Staff sent public notices, comment forms and a vicinity map to the applicant, the owner of the property and to property owners within 200 feet of the subject property under consideration for the zone change. Additionally, a legal notice of the public hearing was published in the local newspaper, and a notification sign was placed on the property by the applicant.

**Opposition to or Support of Proposed Request**

Staff has not received any returned notices in opposition to or in support of the proposed change in zoning request.

**Exhibits**

1. Aerial Map
2. Zoning Map
3. Future Land Use Map
4. Notification Map
5. Notification List
6. Applicant Packet



**Subject Property**

**Exhibit 1**

**AERIAL MAP**

**ZONE 16-00004**

**3546 & 3618  
Harkey Road**



This product is for informational 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.

1 inch = 249 feet

MAY 2016  
PLANNING DEPARTMENT



# Exhibit 2

## ZONING MAP

### ZONE 16-00004

#### 3546 & 3618 Harkey Road



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1 inch = 249 feet

MAY 2016  
PLANNING DEPARTMENT

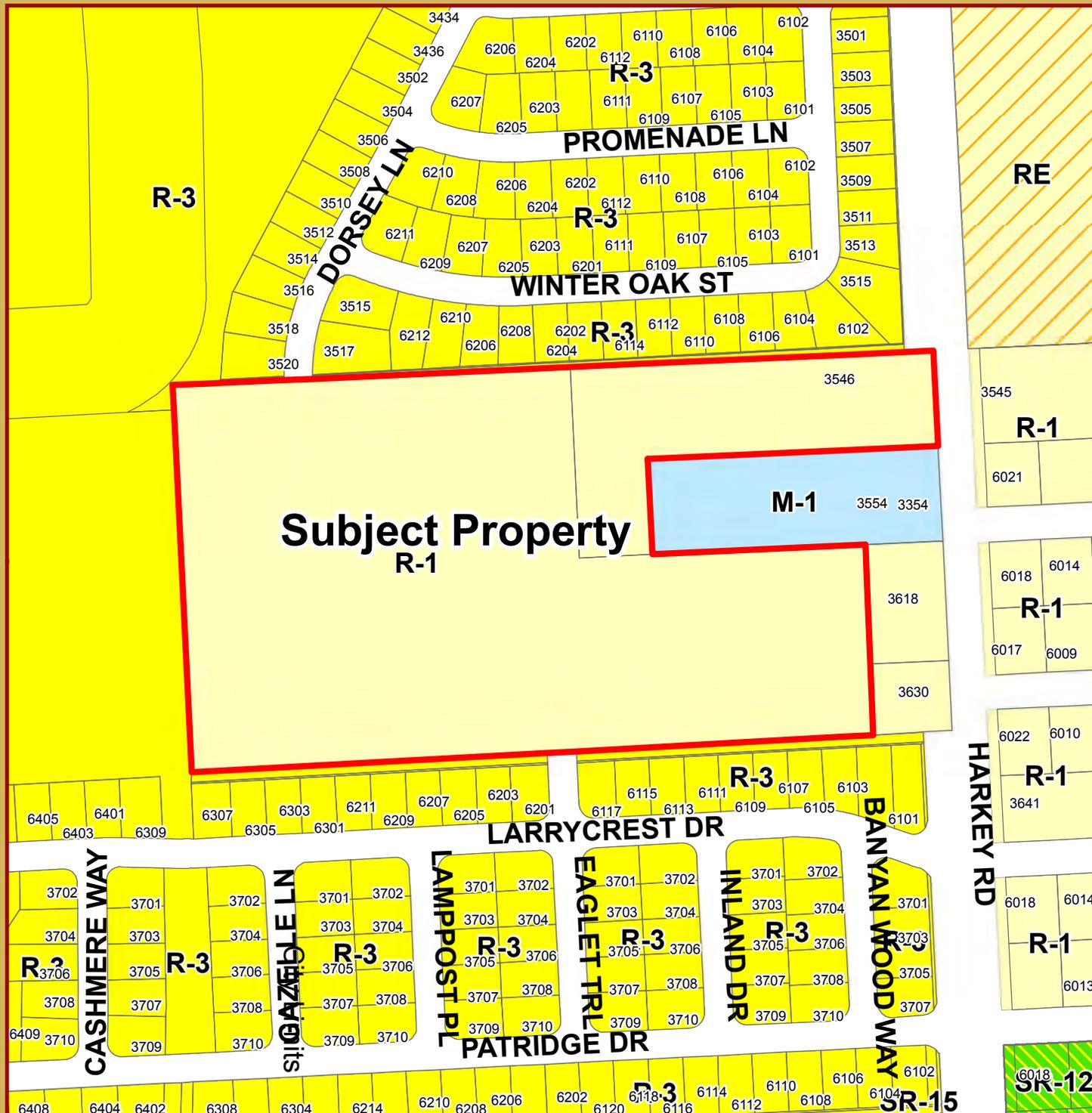


Exhibit 3

FLUP MAP

ZONE 16-00004

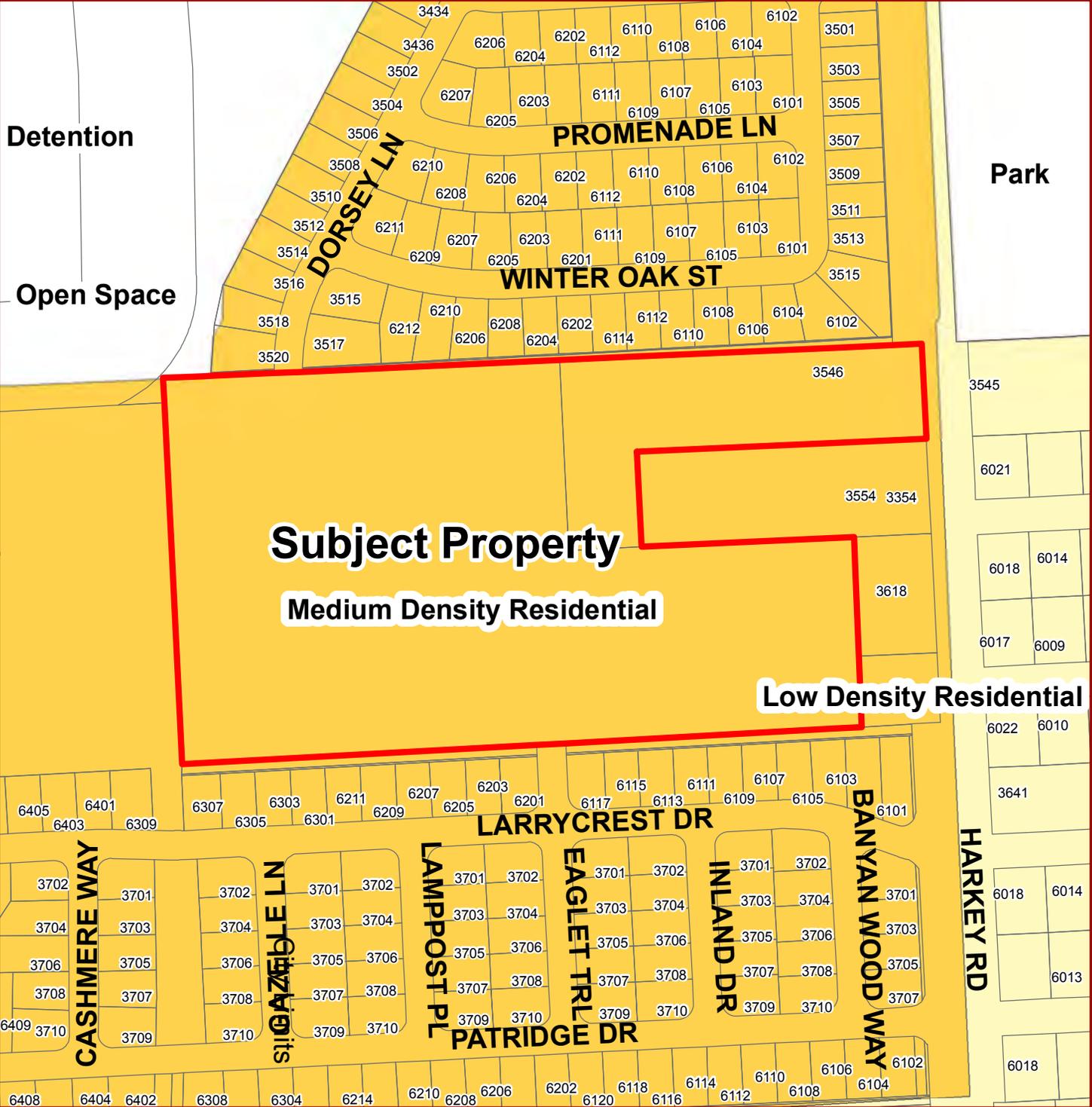
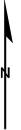
3546 & 3618  
Harkey Road



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1 inch = 249 feet

MAY 2016  
PLANNING DEPARTMENT



# Exhibit 4

## NOTIFICATION MAP

**ZONE 16-00004**

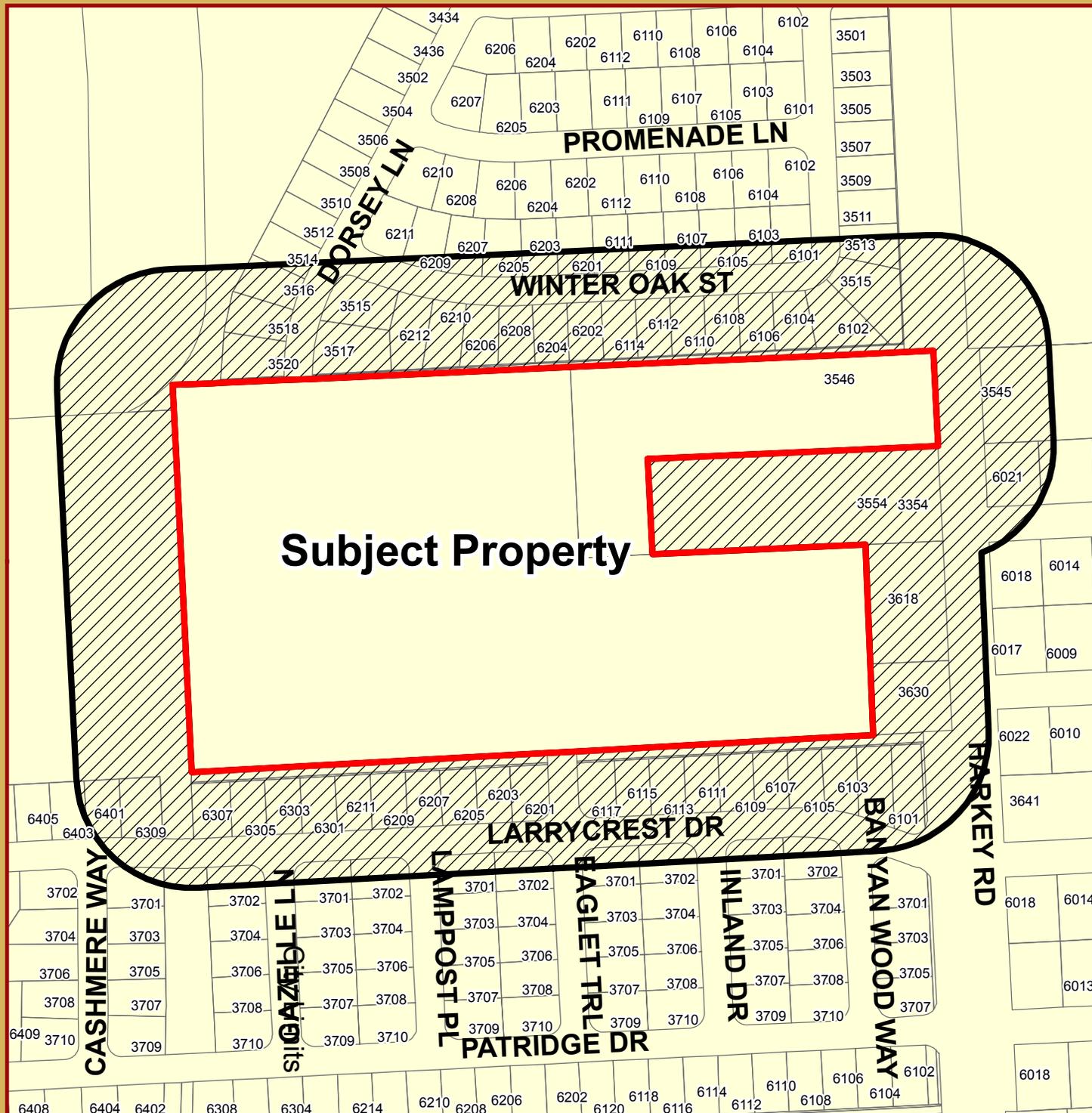
**3546 & 3618  
Harkey Road**



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1 inch = 249 feet

MAY 2016  
PLANNING DEPARTMENT



**EXHIBIT 5**

ZONE 16-00004

3546 and 3618 Harkey

Property_Owner	Address	City	State	Zip_Code
AGUILERA MARICELA	3702 LAMPPOST PL	PEARLAND	TX	77584
BANKSTON BILLY	6010 BECKY LN	PEARLAND	TX	77584
BELL DARRYL WILLIAM & YULONDA MARIA			TX	
BLODGETT STANLEY E & ETHEL	6103 WINTER OAK ST	PEARLAND	TX	77584
BRAZORIA COUNTY MUD #19 % ALLEN BOONE HUMPHRIES ROBINSON LLP	3200 SOUTHWEST FWY STE 2600	HOUSTON	TX	77027
BREAUD LOUISE	3702 EAGLET TRAIL	PEARLAND	TX	77584
BROWN NATASHAA M	3702 BANYAN WOOD WAY	PEARLAND	TX	77584
BUENDEL 6211 WINTER OAK LAND TRUST	12320 BARKER CYPRESS RD	CYPRESS	TX	77429
BULL JASON & JILL	6112 WINTER OAK ST	PEARLAND	TX	77584
CASTRO JUAN & MALLELY	3515 DORSEY LN	PEARLAND	TX	77584
CHOICE SEMETRICA Y	3513 CYPRESS VILLAGE DR	PEARLAND	TX	77584
CITY OF PEARLAND	3519 LIBERTY DR	PEARLAND	TX	77581
CLUNIE SARAH K	2127 HILLSIDE OAK LN	HOUSTON	TX	77062
COLLINS ALBERT THOMAS & MIRANDA	3520 DORSEY LN	PEARLAND	TX	77584
CORNELIUS JOSEPH & KRISTINA VERA	3701 EAGLET TRL	PEARLAND	TX	77584
CYPRESS VILLAGE PROPERTY OWNERS ASSN	3900 MAGNOLIA ST	PEARLAND	TX	77584
DEUTSCHE BANK NATIONAL TRUST CO % SELECT PORTFOLIO SERVICING INC	3815 SOUTH WEST TEMPLE	SALT LAKE CITY	UT	84115
DIAZ ERIK F	3516 DORSEY LN	PEARLAND	TX	77584
DICKSON CHEREE ANNETTE	Moved; new address is unknown			
ELLIS MARY KATHRYN	6109 LARRYCREST DR	PEARLAND	TX	77584
ELMORE FRANKLIN WADE & CASEY LEE WALLETT	6305 LARRYCREST DR	PEARLAND	TX	77584
ESPINOSA MARIO & CASEY	6209 WINTER OAK ST	PEARLAND	TX	77584
FLORES ANGELA	3701 CASHMERE WAY	PEARLAND	TX	77584
FOSHA JAMELLE A	6105 LARRYCREST DR	PEARLAND	TX	77584
FOWLER GARY	6107 LARRYCREST DR	PEARLAND	TX	77584
GEORGE SAJI	6108 WINTER OAK ST	PEARLAND	TX	77584
GOMEZ JESUS & ISABEL	6113 LARRYCREST DR	PEARLAND	TX	77584
HAWKINS DIANE V	6207 LARRYCREST DR	PEARLAND	TX	77584
HELMA LANCE J JR & SHAE L	6211 LARRYCREST DR	PEARLAND	TX	77584
HERRICK KIMBERLY N	2108 GOLDFINCH LN	LEAGUE CITY	TX	77573
HILL TONY LYNN & JENNIFER JACKIE	6101 LARRYCREST DR	PEARLAND	TX	77584
JACKSON HOPE M	6106 WINTER OAK ST	PEARLAND	TX	77584
JEFF LINDA FEURTADO	3702 INLAND DR	PEARLAND	TX	77584
JERNIGAN BRICE M	6101 WINTER OAK ST	PEARLAND	TX	77584
JOSEPH LATASHA CORMIER	6102 WINTER OAK ST	PEARLAND	TX	77584
KASIM ADESOLA O	6104 WINTER OAK ST	PEARLAND	TX	77584
LEGRAND DAVID & TARA	6107 WINTER OAK ST	PEARLAND	TX	77584
LIVSOPH RENTALS LLC	4520 MERRIE LN	BELLAIRE	TX	77401
MACHINING SPECIALTISTS INC % P MULCANNEY & C UPSHAW	3554 HARKEY RD	PEARLAND	TX	77584
MACIK JACOB J	1253 PYBURN	ANGLETON	TX	77515
MACK GARY & EVANGELINE	3515 CYPRESS VILLAGE DR	PEARLAND	TX	77584
MATA JESUS & MARIA ELENA MATA	6205 LARRYCREST DR	PEARLAND	TX	77584
MCGLOTHLIN AMANDA & MARK H	6115 LARRYCREST DR	PEARLAND	TX	77584
MENDEZ DANIEL F & CLARE	3702 GAZELLE LN	PEARLAND	TX	77584
MONTOYA MARIA D & SERGIO & ESMERALDA DIAZ	3701 LAMPPOST PL	PEARLAND	TX	77584
MYERS ZEBULON SCOTT & JENNIFER MARIE	6203 LARRYCREST DR	PEARLAND	TX	77584
NELSON MICHAEL R	6111 WINTER OAK ST	PEARLAND	TX	77584
NETTLES DAVID & MELANIE	6205 WINTER OAK ST	PEARLAND	TX	77584
ODELL THOMAS L & LATISHA M	6309 LARRYCREST DR	PEARLAND	TX	77584
PALACIOS PETER & MELINDA	6206 WINTER OAK ST	PEARLAND	TX	77584
PASSEY CHRISTOPHER	3701 GAZELLE LN	PEARLAND	TX	77584
PENNINGTON JONATHAN	6209 LARRYCREST DR	PEARLAND	TX	77584
PEREZ GILBERT	6103 LARRYCREST DR	PEARLAND	TX	77584
RICH JEREMY & NIKI	6210 WINTER OAK ST	PEARLAND	TX	77584
RILEY MICAH A	6403 LARRYCREST DR	PEARLAND	TX	77584
RODRIGUEZ AMY KAY (ANKENMAN)	6202 WINTER OAK ST	PEARLAND	TX	77584
RODRIGUEZ JOSE & LOAMMI GARZA	6201 LARRYCREST DR	PEARLAND	TX	77584
SAGARNAGA CJAY & SARA A	6401 LARRYCREST DR	PEARLAND	TX	77584
SHANKS CAROL A & BILL R	3518 DORSEY LN	PEARLAND	TX	77584
SHANNON JUDY	6203 WINTER OAK ST	PEARLAND	TX	77584
SIGEL JAY & CHERYL	2826 CENTER DR	VERNON	TX	76384
SILVERLAKE CONGREGATION OF JEHOVAH'S WITNESS	3603 BARRINGTON CT	PEARLAND	TX	77584
SOSA CARMELO & RITA	6208 WINTER OAK ST	PEARLAND	TX	77584
STEWART CARL C	6114 WINTER OAK ST	PEARLAND	TX	77584
<b>TAGTOW PATRICK K &amp; STEPHANIE</b>	<b>3921 QUAIL RUN DR</b>	<b>PEARLAND</b>	<b>TX</b>	<b>77584</b>
THOMPSON ANDREW ROYCE & JULIA NICHOLE	6110 WINTER OAK ST	PEARLAND	TX	77584
<b>THUMANN CHAD</b>	<b>7918 BROADWAY ST, STE 104</b>	<b>PEARLAND</b>	<b>TX</b>	<b>77581</b>
TOMPKINS WILLIAM H	3514 DORSEY LN	PEARLAND	TX	77584
TRAN THUY LIEU & DUC LE	6204 WINTER OAK ST	PEARLAND	TX	77584

**EXHIBIT 5**

ZONE 16-00004

3546 and 3618 Harkey

VELAZQUEZ ERIC D & LASHICA T	6117 LARRYCREST DR	PEARLAND	TX	77584
WARD BARBRA	6303 LARRYCREST DR	PEARLAND	TX	77584
WEBSTER TRICIA & DOUGLAS J BLATT	3701 INLAND DR	PEARLAND	TX	77584
YUSUF REMI & LATASHA	6111 LARRYCREST DR	PEARLAND	TX	77584
ZAMORA ALBERTO L	6021 BECKY LN	PEARLAND	TX	77584
ZAMORA EDWARD L	3517 DORSEY LN	PEARLAND	TX	77584



# City of Pearland Planning Department Universal Application

City of Pearland  
Community Development  
3523 Liberty Drive  
(Community Center)  
Pearland, Texas 77581  
281.652.1765  
281.652.1702 (fax)  
pearlandtx.gov

Please complete each field - incomplete applications will not be accepted.  
Include the applicable checklist for each project type with this application.  
Refer to the schedule on the City's website and/or within the Planning Department  
for deadlines and anticipated meeting dates for each project type.

### TYPE OF APPLICATION:

- Zoning Change (from) R1 (to) R3
- Cluster Development Plan
- Planned Development Workshop
- Plat (list type): \_\_\_\_\_

- ZBA Variance
- P&Z Variance
- Special Exception
- Conditional Use Permit

\*Plat Types include:  
Minor, Amending,  
Preliminary, Final,  
Master, Replat

### PROJECT INFORMATION:

- Residential  Commercial

- Property Platted  Property Not Platted

Project Name: Cypress Village 3 Tax ID: \_\_\_\_\_

Project Address/Location: 3546/3618 Harkey Rd

Subdivision: A 0546HT&BRR Tracts7B(PT)&7D No. of Lots: 3 Total Acres: 16.283

Brief Description of Project: Residential Subdivision

When a completed application packet has been accepted and reviewed, additional information may be required by staff as a result of the review, therefore it may be necessary to postpone the proposed project and remove it from the scheduled agenda and place it on a future agenda according to Section 1.2.1.2 of the Unified Development Code.

### PROPERTY OWNER INFORMATION:

Name: Patrick Tagtow  
 Address: 3921 Quail Run Dr  
 City: Pearland State: TX Zip: 77584  
 Phone: 281-772-1607  
 Fax: N/A  
 Email Address: pat\_tagtow@bmc.com

### APPLICANT/AGENT INFORMATION:

Name: Chad Thumann  
 Address: 7918 Broadway Ste 104  
 City: Pearland State: TX Zip: 77581  
 Phone: 281-914-5202  
 Fax: 281-997-2886  
 Email Address: chad@rwestdevelopment.com

\*\*Property owner must be the current owner of the property at the time of submittal of the application, and not the party that has the property under contract.  
As owner and applicant, I hereby request approval of the above described request as provided for by the Unified Development Code of the City of Pearland.

\*\*Owner's Signature: [Signature] Date: 5-16-2016

Agent's/  
Applicant's Signature: [Signature] Date: 5-16-2016

### OFFICE USE ONLY:

FEES PAID:	DATE PAID:	RECEIVED BY:	RECEIPT NUMBER:
			APPLICATION NUMBER:

ZONE 16-00004

## APPLICATION CHECKLIST FOR THE FOLLOWING: Zoning Change

- Application and checklist filled out completely and signed by the owner of the property.
- If the applicant is the designated agent, the application shall include a written statement from the property owner authorizing the agent to file the application on his behalf. **Section 1.2.1.1 (a) of the Unified Development Code (UDC).**
- Metes and Bounds Description (survey or plat of the property that provides or contains the metes and bounds description).
- Parcel map, printed from the City of Pearland website, indicating the location and boundaries of the subject property.
- Letter of Intent explaining the zone change request in detail, why the zoning is being requested to be changed, and the uses that are being proposed.
- Acknowledgement of the sign to be posted on the property ten (10) days prior to the public hearing.
- Provide evidence or proof that all taxes and obligations have been paid regarding the subject property.
- Application fee, as determined below, by cash, check made payable to the City of Pearland, or credit card (Visa and MasterCard only)
  - 0 to less than 25 acres
    - \$1000.00, plus \$25.00 per each type of zoning district requested
  - 25 to less than 50 acres
    - \$1025.00, plus \$25.00 per each type of zoning district requested
  - 50 to less than 75 acres
    - \$1050.00, plus \$25.00 per each type of zoning district requested
  - 75 to less than 100 acres
    - \$1075.00, plus \$25.00 per each type of zoning district requested
  - 100 acres and above
    - \$1100.00, plus \$25.00 per each type of zoning district requested

4-28-2016

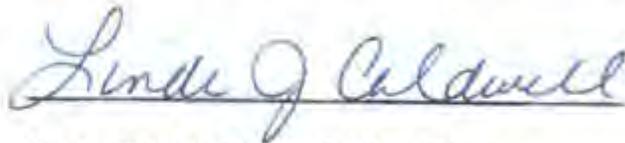
City of Pearland,

I Patrick Tagtow authorize Chad Thumann to act as my agent for the zoning purposes of my property located at 3546/3618 Harkey Rd. Pearland, TX 77584. Any questions or concerns please feel free to contact me at 713-569-5543.

Thanks,

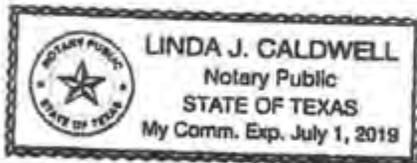
  
Patrick Tagtow

SWORN TO BEFORE ME AND SUBSCRIBED IN MY PRESENCE THIS 27<sup>th</sup> DAY OF APRIL, 2016.



SIGNATURE OF NOTARY PUBLIC

NOTARY PUBLIC Harris County, Texas



My Commission expires: July 1, 2019

**RWest Development, Inc**  
**7918 Broadway #104**  
**Pearland, TX 77581**  
**281-977-1500**

Letter of Intent

5-16-2016

**City of Pearland P&Z**  
**3523 Liberty Dr**  
**Pearland, TX 77584**

**Re: Zoning Request**

**This Letter of Intent is to serve as an indication of our interest in establishing a R-3 Single Family Development on the below referenced property. The general terms are as follows:**

**Property:** A Vacant Tract of land consisting of 16.28 acres located at 3546/3618 Harkey Rd Pearland Tx 77584 (see exhibit for land shape and location).

**Purpose:** Establish a R-3 single family residential development as outlined in the UDC.

**Scope:** The planned development is currently consistent with current zoning district regulations, except lot size. In order to provide optimal spacing to the planned development, lot size requirements could not be achieved through the current R-1 minimum lot standards. R-3 would provide the optimal spacing required for this size and shape tract of land.

Please process our application and put us on the next P&Z zoning agenda. Feel free to contact me with any concerns or questions.

**Best Regards,**

  
**Chad Thumann**

## Posting of Notification Signs on Property under Consideration for a Zone Change

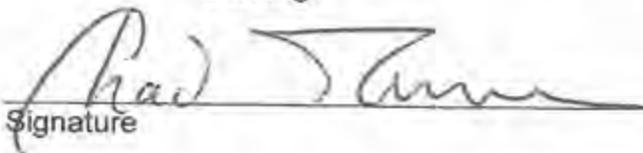
Any person, firm or corporation requesting a zoning change, a conditional use permit (CUP), or a variance shall be required to erect and maintain a sign(s), to be inspected by the City, upon the property for which a variance or zoning change has been requested.

Such sign(s) shall be located as follows:

- (1) One (1) sign per street frontage shall be located within thirty feet (30') of the abutting street, or as determined by the City.
- (2) So as to be clearly visible and readable from the public right-of-way and not obstructed in any manner.
- (3) So as not to create a hazard to traffic on the public rights-of-way abutting the property.
- (4) On the subject property at least ten (10) days prior to the hearing of such zoning change request by the Planning and Zoning Commission, and to remain continuously on said property until final action by the City Council or withdrawal of the case by the applicant. Removal of the sign by the applicant prior to a recommendation by the Planning and Zoning Commission and/or a final decision by the City Council shall constitute a withdrawal of the request.
- (5) The signs shall be as follows:
  - A minimum sign size of 2 feet by 3 feet, but no larger than 4 feet by 4 feet
  - At least 2 feet above the ground
  - Blue or black lettering that is a minimum of 3 inches by 1/2 inch, on a white background
  - Message content as follows:

**PROPOSED (SPECIFY REQUEST)**  
Contact City of Pearland  
281-652-1765

- ❖ Signs must be professionally made; handwritten signs are not allowed.
- ❖ Signs must be freestanding and cannot be attached to a tree, fence, or building.

  
Signature

5-16-16  
Date





Google earth





16.305 ACRES  
(CALLED 16.283 ACRES)  
(710,264 SQUARE FEET)

CYPRESS VILLAGE, SECTION 1  
VOL. 24, PG. 164  
P.R.B.C.T.

CYPRESS VILLAGE, SECTION 2  
VOL. 24, PG. 236  
P.R.B.C.T.

MACHINING SPECIALISTS, INC.  
B.C.C. FILE NO. 97-035464  
BRAZORIA COUNTY CLERK'S OFFICE

REMAINDER OF 15 ACRE TRACT  
MARVIN WAYNE SMITH  
B.C.C. FILE NO. 85197 113  
O.P.R.R.P.

LEGEND	
P.O.C.	Place Of Commencing
P.O.B.	Place Of Beginning
IRF	Iron Rod Found
IPF	Iron Pipe Found
PRBCT	Plat Records Brazoria County Texas
BCC	Brazoria County Clerk
PP	Power Pole
—	Overhead Electric Lines

FIELD NOTE DESCRIPTION OF A 16.305 ACRE TRACT IN SECTION 16 OF THE H.T. & B. R.R. CO. SURVEY, ABSTRACT NO. 546, BRAZORIA COUNTY, TEXAS. SAID TRACT IS PART OF A 15 ACRE TRACT OF LAND DESCRIBED IN A DEED TO MARVIN WAYNE SMITH AS RECORDED UNDER BRAZORIA COUNTY CLERK'S FILE NO. 85197 113, AND PART OF A 3.00 ACRE TRACT DESCRIBED IN A DEED TO MARVIN WAYNE SMITH AS RECORDED UNDER BRAZORIA COUNTY CLERK'S FILE NO. 85197 105. SAID 16.305 ACRE TRACT IS MORE PARTICULARLY BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A POINT ON THE WEST RIGHT-OF-WAY LINE OF HARKEY ROAD (60' R.O.W.) AND THE SOUTH LINE OF SAID 15 ACRE TRACT, FROM WHICH A FOUND 5/8 INCH IRON ROD BEARS N 55°34' E - 0.3 FEET AND A FOUND 1/2 INCH IRON PIPE BEARS N 88°28' E - 0.9 FEET, SAID POINT BEING 30.00 FEET WEST OF THE EAST LINE OF SAID SECTION 16;

THENCE S 89°59'51" W, ALONG THE SOUTH LINE OF SAID 15 ACRE TRACT AND THE NORTH LINE OF CYPRESS VILLAGE, SECTION 2, A SUBDIVISION IN BRAZORIA COUNTY, TEXAS, AS RECORDED IN VOLUME 24, PAGE 236, OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS, FOR A DISTANCE OF 173.79 FEET TO A FOUND 5/8 INCH IRON ROD FOR THE POINT OF BEGINNING, SAID ROD BEING THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 89°59'51" W, CONTINUING ALONG THE SOUTH LINE OF SAID 15 ACRE TRACT AND THE NORTH LINE OF SAID CYPRESS VILLAGE, SECTION 2, FOR A DISTANCE OF 1,117.08 FEET TO A FOUND 5/8 INCH IRON ROD WITH CAP STAMPED "RAINWATER RPLS 4722" FOR THE SOUTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A FOUND 1/2 INCH IRON PIPE BEARS N 57°50' W - 0.2 FEET AND A FOUND 5/8 INCH IRON ROD WITH A CAP STAMPED "WALSH ENGINEERING" BEARS S 82°32' E - 1.7';

THENCE N 00°00'29" E, ALONG THE WEST LINE OF SAID 15 ACRE TRACT AND THE EAST LINE OF RESERVE "D" OF SAID CYPRESS VILLAGE, SECTION 2, A DISTANCE OF 659.65 FEET TO A FOUND 1/2 INCH IRON PIPE FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH A FOUND 5/8 INCH IRON ROD WITH A CAP STAMPED "WALSH ENGINEERING" BEARS S 88°47' E - 1.6 FEET;

THENCE N 89°59'26" E, ALONG THE NORTH LINE OF SAID 15 ACRE TRACT AND THE SOUTH LINE OF CYPRESS VILLAGE, SECTION 1, A SUBDIVISION IN BRAZORIA COUNTY, TEXAS, AS RECORDED IN VOLUME 24, PAGE 164, OF THE PLAT RECORDS OF BRAZORIA COUNTY, TEXAS, A DISTANCE OF 1,290.78 FEET TO A FOUND 5/8 INCH IRON ROD ON THE WEST RIGHT-OF-WAY LINE OF HARKEY ROAD, SAID ROD BEING THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH, ALONG THE WEST RIGHT-OF-WAY LINE OF HARKEY ROAD, A DISTANCE OF 165.06 FEET TO A FOUND 5/8 INCH IRON ROD FOR CORNER;

THENCE WEST, ALONG THE NORTH LINE OF A 2.00 ACRE TRACT DESCRIBED IN DEED TO MACHINING SPECIALISTS, INC. AS RECORDED IN CLERK'S FILE NO. 97 035464 IN THE BRAZORIA COUNTY CLERK'S OFFICE, A DISTANCE OF 497.86 FEET TO A FOUND 5/8 INCH IRON ROD WITH A CAP STAMPED "WALSH ENGINEERING" FOR THE NORTHWEST CORNER OF SAID 2.00 ACRE TRACT, SAME BEING AN INTERIOR CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE S 00°01'28" E, ALONG THE WEST LINE OF SAID 2.00 ACRE TRACT, A DISTANCE OF 165.10 FEET TO A FOUND 5/8 INCH IRON ROD WITH A CAP STAMPED "WALSH ENGINEERING" FOR THE SOUTHWEST CORNER OF SAID 2.00 ACRE TRACT, SAME BEING AN INTERIOR CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE EAST, ALONG THE SOUTH LINE OF SAID 2.00 ACRE TRACT, A DISTANCE OF 312.91 FEET TO A SET 1/2 INCH IRON ROD FOR CORNER;

THENCE S 01°55'39" E, ALONG THE EAST SIDE OF A WROUGHT-IRON FENCE, A DISTANCE OF 329.83 FEET TO THE PLACE OF BEGINNING AND CONTAINING 16.305 ACRES (710,264 SQUARE FEET), MORE OR LESS.

STANDARD LAND SURVEY  
OF  
16.305 ACRES  
IN  
SECTION 16  
OF THE  
H.T. & B. R.R. CO. SURVEY  
ABSTRACT NO. 546, BRAZORIA COUNTY, TEXAS

3111

FLOOD STAMP  
IT APPEARS THROUGH VISUAL INTERPOLATION THAT ACCORDING TO THE FLOOD INSURANCE RATE MAPS, COMMUNITY-PANEL NO. 480077 0040 I, MAP REVISED SEPT. 22, 1999. THIS PROPERTY IS NOT IN A FLOOD PRONE AREA, ZONE X.

TO: TEXAS CITIZENS BANK AND SOUTH LAND TITLE, LLC, EXCLUSIVELY.  
I, Todd J. Slaton, Registered Professional Land Surveyor No. 5082, do hereby certify that the plat shown hereon was prepared from an actual survey made on the ground under my supervision and conforms to the Texas Board of Professional Land Surveying minimum standards adopted September 1, 1992; the size, location and types of improvements are shown with setback dimensions where applicable. There are no apparent visible encroachments, conflicts or protrusions except as shown. All easements shown are per the reference plat unless noted otherwise. This plat was prepared specifically for the transaction referenced below. The undersigned assumes no responsibility for any other use. Certification shown is revoked and this survey is null and void if this document is altered in any manner, or does not bear an original seal and signature of Todd J. Slaton in blue ink. All 1/2 inch iron rods set with cap stamped "True Meridian".



By Todd J. Slaton  
Todd J. Slaton, Registered Professional Land Surveyor No. 5082

PURCHASER: Patrick K. Tagtow  
and Stephanie Tagtow  
GF No. PL1000751  
South Land Title, LLC

4/16/10  
Date:



SCALE: 1" = 60'  
DATE  
SURVEYED: APRIL 5, 2010  
JOB NO. 10-1748

2015 TAX STATEMENT



RO'VIN GARRETT, PCC  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515

**Certified Owner:**

TAGTOW PATRICK K & STEPHANIE  
 3921 QUAIL RUN DR  
 PEARLAND, TX 77584-7783

**Legal Description:**

A0546 H T & B R R, TRACT 7D, ACRES  
 13.493

Account No: 0546-0008-000

Appr. Dist. No.: 177394

Legal Acres: 13.4930

Parcel Address: HARKEY RD CR 103

As of Date: 05/16/2016

Print Date: 05/16/2016

Market Value		Appraised Value	Assessed Value	Capped Value	Homesite Value	Agricultural Market Value	Non-Qualifying Value
Land	Improvement						
\$161,920	\$0	\$161,920	\$161,920	\$0	\$0	\$161,920	\$0
Taxing Unit	Assessed Value (100%)	Exemptions		Taxable Value	Tax Rate	Tax	
		Code	Amount				
BRAZORIA COUNTY <i>Amount saved by additional sales tax revenue \$6.86</i>	\$161,920	OSP	\$155,170.00	\$6,750	0.4260000	\$28.76	
SPECIAL ROAD & BRIDGE	\$161,920	OSP	\$155,170.00	\$6,750	0.0600000	\$4.05	
PEARLAND ISD	\$161,920	OSP	\$155,170.00	\$6,750	1.4156000	\$95.55	
BRAZORIA DRAINAGE DIST 4	\$161,920	OSP	\$155,170.00	\$6,750	0.1555000	\$10.50	
CITY OF PEARLAND	\$161,920	OSP	\$155,170.00	\$6,750	0.7053000	\$47.61	
<b>Total Tax:</b>						\$186.47	
<b>Total Tax Paid to date:</b>						\$186.47	
<b>Total Tax Remaining:</b>						\$0.00	

**Exemptions:**

OSP OPEN SPACE I-D-1

**AMOUNT DUE IF PAID BY:**

05/31/2016 13%	06/30/2016 15%	08/01/2016 18 + up to 20%	08/31/2016 19 + up to 20%	09/30/2016 20 + up to 20%	10/31/2016 21 + up to 20%
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/30/2016 22 + up to 20%	01/02/2017 23 + up to 20%	01/31/2017 24 + up to 20%	02/28/2017 25 + up to 20%	03/31/2017 26 + up to 20%	05/01/2017 27 + up to 20%
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**School Information:**

PEARLAND ISD 2015 M&O 1.0400000 I&S .37560000 Total 1.4156000 2014 M&O 1.0400000 I&S .37570000 Total 1.4157000

PLEASE CUT AT THE DOTTED LINE AND RETURN THIS PORTION WITH YOUR PAYMENT.

4.1.64

Print Date: 05/16/2016

PLEASE NOTE YOUR ACCOUNT NUMBER ON YOUR CHECK AND MAKE CHECKS PAYABLE TO:

RO'VIN GARRETT, PCC  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515  
 (979) 864-1320, (979) 388-1320, (281) 756-1320



0546-0008-000  
 TAGTOW PATRICK K & STEPHANIE  
 3921 QUAIL RUN DR  
 PEARLAND, TX 77584-7783

AMOUNT PAID:  
 \$ \_\_\_\_\_

05460008000 2015 052016 0000000000 0000000000 0000000000 4

2015 TAX STATEMENT



RO'VIN GARRETT, PCC  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515

**Certified Owner:**

TAGTOW PATRICK K & STEPHANIE  
 3921 QUAIL RUN DR  
 PEARLAND, TX 77584-7783

**Legal Description:**

A0546 H T & B R R, TRACT 7B (PT), ACRES  
 2.540

Account No: 0546-0014-000

Appr. Dist. No.: 177430

Legal Acres: 2.5400

Parcel Address: HARKEY RD

As of Date: 05/16/2016

Print Date: 05/16/2016

Market Value		Appraised Value	Assessed Value	Capped Value	Homesite Value	Agricultural Market Value	Non-Qualifying Value
Land	Improvement						
\$30,480	\$0	\$30,480	\$30,480	\$0	\$0	\$30,480	\$0

Taxing Unit	Assessed Value (100%)	Exemptions		Taxable Value	Tax Rate	Tax
		Code	Amount			
BRAZORIA COUNTY <i>Amount saved by additional sales tax revenue \$1.29</i>	\$30,480	OSP	\$29,210.00	\$1,270	0.4260000	\$5.41
SPECIAL ROAD & BRIDGE	\$30,480	OSP	\$29,210.00	\$1,270	0.0600000	\$0.76
PEARLAND ISD	\$30,480	OSP	\$29,210.00	\$1,270	1.4156000	\$17.98
BRAZORIA DRAINAGE DIST 4	\$30,480	OSP	\$29,210.00	\$1,270	0.1355000	\$1.97
CITY OF PEARLAND	\$30,480	OSP	\$29,210.00	\$1,270	0.7053000	\$8.96

**Total Tax:** \$35.08  
**Total Tax Paid to date:** \$35.08  
**Total Tax Remaining:** \$0.00

**Exemptions:**

OSP OPEN SPACE 1-D-1

**AMOUNT DUE IF PAID BY:**

05/31/2016 13%	06/30/2016 15%	08/01/2016 18 + up to 20%	08/31/2016 19 + up to 20%	09/30/2016 20 + up to 20%	10/31/2016 21 + up to 20%
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11/30/2016 22 + up to 20%	01/02/2017 23 + up to 20%	01/31/2017 24 + up to 20%	02/28/2017 25 + up to 20%	03/31/2017 26 + up to 20%	05/01/2017 27 + up to 20%
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**School Information:**

PEARLAND ISD 2015 M&O 1.0400000 I&S .375600000 Total 1.4156000 2014 M&O 1.0400000 I&S .375700000 Total 1.4157000

PLEASE CUT AT THE DOTTED LINE AND RETURN THIS PORTION WITH YOUR PAYMENT.

4.1.64

Print Date: 05/16/2016

PLEASE NOTE YOUR ACCOUNT NUMBER ON YOUR CHECK AND MAKE CHECKS PAYABLE TO:

RO'VIN GARRETT, PCC  
 BRAZORIA COUNTY TAX ASSESSOR - COLLECTOR  
 111 E. LOCUST  
 ANGLETON, TEXAS 77515  
 (979) 864-1320, (979) 388-1320, (281) 756-1320



0546-0014-000  
 TAGTOW PATRICK K & STEPHANIE  
 3921 QUAIL RUN DR  
 PEARLAND, TX 77584-7783

AMOUNT PAID:

\$ \_\_\_\_\_

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> Resolution No. R2016-105
<b>DATE SUBMITTED:</b> July 25, 2015	<b>DEPT OF ORIGIN:</b> Community Development
<b>PREPARED BY:</b> Kevin Byal	<b>PRESENTOR:</b> Kevin Byal
<b>REVIEWED BY:</b> Lata Krishnarao	<b>REVIEW DATE:</b> July 29, 2016
<b>SUBJECT: Resolution No. R2016-105</b> - A Resolution of the City Council of the City of Pearland, Texas, amending a fixed unit rate contract for building plan review and inspection services with Mikayla Architects, in the estimated amount of an additional \$50,000.	
<b>EXHIBIT: Resolution No. R2016-105 and Exhibit A - Copy of the contract; Redlined version of the contract showing amendments</b>	
<b>EXPENDITURE REQUIRED:</b> N/A <b>AMOUNT AVAILABLE:</b> \$20,000.00 <b>ACCOUNT NO.:</b> N/A	<b>AMOUNT BUDGETED:</b> \$220,000.00 <b>PROJECT NO.:</b> N/A
<b>ADDITIONAL APPROPRIATION REQUIRED:</b> \$50,000.00 <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**

The Inspection Services Division depends heavily on contractors to carry out the day to day functions of building inspections and plan review. Our current contract with Mikayla Architects began in May 2015 and will expire in September 2016. Staff is requesting our third amendment to the contract to increase the amount from \$220,000 to \$270,000.

The week of July 18, 2016, one of our building inspectors tendered his resignation. As a result of this and considering that we are in the midst of the busy summer construction months, it will be necessary to amend the contract again in order to be able to meet the inspection workload for this vacant position.

We have approximately \$20,000 remaining that we previously anticipated would carry us through to the end of September. We are estimating approximately 6 to 8 weeks to fill the vacant building inspector position. During this time it is expected that the third party inspection costs will increase by an additional \$50,000 to cover the vacancy until it is refilled. That combined with the remaining \$20,000 will allow us to provide the necessary inspection services the remainder of the fiscal year and provide coverage until another inspector is hired.

Over the previous 14 months the reliance on contract services is the result of high volume of inspections, multiple position vacancies, large projects such as Memorial Herman which require several hundred inspections and training of staff on TRAKiT. Additionally, there is one temporary full time inspector's position that has not been able to be filled due to lack of qualified applicants.

For comparison, below are the total monthly inspections that were completed this fiscal year as compared to same time last year. To date, the inspections for this fiscal year are higher by 2,831 inspections (10.85%), for the same period.

#### Building Inspection Comparison

Month	FY 2014/15		FY 2015/16	
	Actual		Actual	
	Month	YTD	Month	YTD
October	2,957	2,957	3,931	3,931
November	2,340	5,297	3,158	7,089
December	2,530	7,827	3,569	10,658
January	2,719	10,546	3,094	13,752
February	2,891	13,437	2,997	16,749
March	3,088	16,525	3,307	20,056
April	3,197	19,722	2,840	22,896
May	3,039	22,761	2,843	25,739
June	3,335	26,096	3,188	28,927

Past Contract Actions include the following:

- May 18, 2015 City Council passed Resolution No. R2015-99, authorizing a fixed unit rate contract for building plan review and inspection services with Mikayla Architects. The contract amount was \$90,000.00 for the period of June 9, 2015 to June 8, 2016.
- In November 2015, due to high inspection demands the contract was amended to not exceed \$180,000 and the expiration was extended to September 30, 2016 to coincide with the fiscal year.
- June 13, 2016 City Council passed Resolution No. R2016-105 amending the contract amount, increasing it to \$220,000. High inspection volume and the implementation of the TRAKiT permitting and land management system and the associated staff training, caused a large proportion of inspection work to be shifted to Mikayla.

### **RECOMMENDED ACTION**

Authorize the City Manager to execute the proposed Contract Amendment for the additional amount of \$50,000.00 for a total contract not to exceed \$270,000.00 and to allocate the required funds.

**RESOLUTION NO. R2016-105**

**A Resolution of the City Council of the City of Pearland, Texas, amending a fixed unit rate contract for building plan review and inspection services with MiKayla Architects, in the estimated amount of an additional \$50,000.**

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

**Section 1.** That certain contract for building plan review and inspection services, a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes, is hereby amended.

**Section 2.** That the City Manager or his designee is hereby authorized to execute and the City Secretary to attest an amended contract for building plan review and inspection services.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2016.

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

ATTEST:

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

APPROVED AS TO FORM:

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

## **CONTRACT FOR PROFESSIONAL SERVICES**

THIS CONTRACT is entered into on June 8, 2015, as amended August 8, 2016, by and between the City of Pearland ("CITY") and Mikayla Architects ("CONSULTANT").

The CITY engages the CONSULTANT to perform professional services for a project known and described as Commercial Construction Plan Review ("PROJECT").

### **SECTION I - SERVICES OF THE CONSULTANT**

The CONSULTANT shall perform the following professional services to CITY standards and in accordance with the degree of care and skill that a professional in Texas would exercise under the same or similar circumstances:

- A. The CONSULTANT shall provide construction plan review services and inspection services as requested by the City. See Task orders A, B, C & D attached, for a detailed SCOPE OF WORK and PROJECT schedule. The PROJECT shall be completed within the scheduled included in Task A, B, C & D.
- B. The CONSULTANT shall prepare and submit a detailed work order/invoice for each plan review project submitted to the City.
- C. The CONSULTANT acknowledges that the CITY (through its employee handbook) considers the following to be misconduct that is grounds for termination of a CITY employee: Any fraud, forgery, misappropriation of funds, receiving payment for services not performed or for hours not worked, mishandling or untruthful reporting of money transactions, destruction of assets, embezzlement, accepting materials of value from vendors, or consultants, and/or collecting reimbursement of expenses made for the benefit of the CITY. The CONSULTANT agrees that it will not, directly or indirectly; encourage a CITY employee to engage in such misconduct.
- D. The CONSULTANT shall submit all final plan review and inspection comments in both hard copy and electronic format. All other documents shall be Microsoft Office and/or Adobe Acrobat compatible. The software version used shall be compatible to current CITY standards. Other support documents, for example, structural calculations, drainage reports and geotechnical reports, shall be submitted in hard copy only.
- E. The CONSULTANT recognizes that all work products generated by the CONSULTANT under the CONTRACT shall be delivered to the CITY upon request, shall become subject to the Open Records Laws of this State.

- F. The CONSULTANT shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons, damages to property, or any errors and omissions relating to the performance of any work by the CONSULTANT, its agents, employees or subcontractors under this Agreement, as follows:
- (1) Workers' Compensation as required by law.
  - (2) Professional Liability Insurance in an amount not less than \$1,000,000 in the aggregate.
  - (3) Comprehensive General Liability and Property Damage Insurance with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for each occurrence of damage to or destruction of property.
  - (4) Comprehensive Automobile and Truck Liability Insurance covering owned, hired, and non-owned vehicles, with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for property damage.

The CONSULTANT shall include the CITY as an additional insured under the policies, with the exception of the Professional Liability Insurance and Workers' Compensation. Certificates of Insurance and endorsements shall be furnished to the CITY before work commences. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, and/or reduced in coverage or in limits ("Change in Coverage") except with prior written consent of the CITY and only after the CITY has been provided with written notice of such Change in Coverage, such notice to be sent to the CITY either by hand delivery to the City Manager or by certified mail, return receipt requested, and received by the City no fewer than thirty (30) days prior to the effective date of such Change in Coverage. Prior to commencing services under this CONTRACT, CONSULTANT shall furnish CITY with Certificates of Insurance, or formal endorsements as required by this CONTRACT, issued by CONSULTANT'S insurer(s), as evidence that policies providing the required coverage, conditions, and limits required by this CONTRACT are in full force and effect.

- G. The CONSULTANT shall indemnify and hold the CITY, its officers, agents, and employees, harmless from any claim, loss, damage, suit, and liability of every kind for which CONSULTANT is legally liable, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person, for damage to any property, or errors in design, any of which are caused by the negligent act or omission of the CONSULTANT, his officers, employees, agents, or subcontractors under this CONTRACT.
- H. All parties intend that the CONSULTANT, in performing services pursuant to this CONTRACT, shall act as an independent contractor and shall have control of its

own work and the manner in which it is performed. The CONSULTANT is not to be considered an agent or employee of the CITY.

## **SECTION II - PERIOD OF SERVICE**

This CONTRACT will be binding upon execution and end upon written notice by the City or expire on September 30, 2016.

## **SECTION III - CONSULTANT'S COMPENSATION**

- A. The method of payment for this CONTRACT is lump sum not to exceed rate. Total compensation for the services performed shall 75% of the plan review fee collected by the City for each review and the inspection fees listed in Task C & D.
- B. The CITY shall pay the CONSULTANT in installments based upon work orders completed. City will issue requests for work orders as needed with the City obligated to make lump sum payments for specific work orders. Cumulative compensation is not obligated to but shall not exceed     \$270,000.00    .
- C. The CITY shall make payments to the CONSULTANT within thirty (30) days after receipt and approval of a detailed invoice. Invoices shall be submitted upon delivery of review comments to the City.

## **SECTION IV - THE CITY'S RESPONSIBILITIES**

- A. The CITY's designee shall be the Building Official during the term of this CONTRACT. The Building Official has the authority to administer this CONTRACT and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by the CITY on any aspect of the work shall be directed to the Building Official.
- B. The CITY shall review submittals by the CONSULTANT and provide prompt response to questions to minimize delay in the progress of the CONSULTANT'S work.

## **SECTION V - TERMINATION**

- A. The CITY, at its sole discretion, may terminate this CONTRACT for any reason -- with or without cause -- by delivering written notice to CONSULTANT personally or by certified mail at 4829 Briarbend Drive, Houston Texas 77035. Immediately after receiving such written notice, the CONSULTANT shall discontinue providing the services under this CONTRACT.

- B. If this CONTRACT is terminated, CONSULTANT shall deliver to the CITY all documents or work product generated by the CONSULTANT under the CONTRACT, entirely or partially completed, together with all unused materials supplied by the CITY on or before the 15<sup>th</sup> day following termination of the CONTRACT.
- C. In the event of such termination, the CONSULTANT shall be paid for services performed prior to receipt of the written notice of termination. The CITY shall make final payment within sixty (60) days after the CONSULTANT has delivered to the CITY a detailed invoice for services rendered and the documents or work product generated by the CONSULTANT under the CONTRACT.
- D. If the remuneration scheduled under this contract is based upon a fixed fee or definitely ascertainable sum, the portion of such sum payable shall be proportionate to the percentage of services completed by the CONSULTANT based upon the scope of work.
- E. In the event this CONTRACT is terminated, the CITY shall have the option of completing the work, or entering into a CONTRACT with another party for the completion of the work.
- F. If the CITY terminates this CONTRACT for cause and/or if the CONTRACTOR breaches any provision of this CONTRACT, then the CITY shall have all rights and remedies in law and/or equity against CONSULTANT. Venue for any action or dispute arising out of or relating to this CONTRACT shall be in Brazoria County, Texas. The laws of the State of Texas shall govern the terms of this CONTRACT. The prevailing party in the action shall be entitled to recover its actual damages with interest, attorney's fees, costs and expenses incurred in connection with the dispute and/or action. CONSULTANT and CITY desire an expeditious means to resolve any disputes that may arise between under this CONTRACT. To accomplish this, the parties agree to mediation as follows: If a dispute arises out of or relates to this CONTRACT, or the breach thereof, and if the dispute cannot be settled through negotiation, then the parties agree first to try in good faith, and before pursuing any legal remedies, to settle the dispute by mediation of a third party who will be selected by agreement of the parties.

## **SECTION VI – ENTIRE AGREEMENT**

This CONTRACT represents the entire agreement between the CITY and the CONSULTANT and supersedes all prior negotiations, representations, or contracts, either written or oral. This CONTRACT may be amended only by written instrument signed by both parties.

## **SECTION VII – COVENANT AGAINST CONTINGENT FEES**

The CONSULTANT affirms that he has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT to solicit or secure this CONTRACT, and that he has not paid or agreed to pay any company or person, other than a bona fide employee,

any fee, commission, percentage brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the CONTRACT. For breach or violation of this clause, the CITY may terminate this CONTRACT without liability, and in its discretion, may deduct from the CONTRACT price or consideration, or otherwise recover, the full amount of such fee, commission, percentage brokerage fee, gift, or contingent fee that has been paid.

#### **SECTION VIII- SUCCESSORS AND ASSIGNS**

This CONTRACT shall not be assignable except upon the written consent of the parties hereto.

The parties have executed this CONTRACT this 8th day of June, 2015. Amended August, 8 2016.

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CITY OF PEARLAND, TEXAS

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Michael Herman, CONSULTANT

# **TASK ORDER A**

## **A. Scope of Services: Commercial Plan Review Services for the City of Pearland**

- 1. Mikayla Architects will review assigned Commercial Construction Documents for compliance with the following codes, or newer version as adopted by City Council:**

<b>International Building Code</b>	<b>2012 Edition</b>
<b>International Plumbing Code</b>	<b>2012 Edition</b>
<b>International Mechanical Code</b>	<b>2012 Edition</b>
<b>International Fuel Gas Code</b>	<b>2012 Edition</b>
<b>International Energy (IECC) Code</b>	<b>2012 Edition</b>
<b>National Electrical Code</b>	<b>2011 Edition</b>

- a. **Plan submittals will be picked-up within 24 hours of being notified by the City**
- b. **Reviews will be completed within ten (10) business days**
- c. **A Plan Review Report will be provided to the City**

### **Documents provided by the owner:**

**Construction Documents  
City Permit Application**

## **B. Compensation:**

### **Fees for services described in Section A.**

- 1. 75% of the Plan Review Fee collected by the City  
(Based on the City's permit fee schedule revised 2/25/2015)**

## **TASK ORDER B**

### **A. Scope of Services: Residential Plan Review Services for the City of Pearland**

#### **1. Mikayla Architects will review assigned Residential Construction Documents for compliance with the following codes:**

**International Residential Code                      2012 Edition**

**International Energy (IECC) Code                      2012 Edition**

- a. Plan submittals will be picked-up within 24 hours of being notified by the City**
- b. Reviews will be completed within ten (10) business days**
- c. A Plan Review Report will be provided to the City**

#### **Documents provided by the owner:**

**Construction Documents  
City Permit Application**

### **B. Compensation:**

#### **Fees for services described in Section A.**

- 1. 75% of the Plan Review Fee collected by the City  
(Based on the City's permit fee schedule revised 2/25/2015)**



# **TASK ORDER D**

## **A. Scope of Services: Commercial Inspection Services for the City of Pearland**

### **1. Mikayla Architects will inspect assigned Commercial Construction for compliance with the following codes:**

<b>International Building Code</b>	<b>2012 Edition</b>
<b>International Plumbing Code</b>	<b>2012 Edition</b>
<b>International Mechanical Code</b>	<b>2012 Edition</b>
<b>International Fuel Gas Code</b>	<b>2012 Edition</b>
<b>International Energy (IECC) Code</b>	<b>2012 Edition</b>
<b>National Electrical Code</b>	<b>2011 Edition</b>

- a. Inspection services will be completed within 24 hours of being notified by the City.**
- b. Inspections services will be completed during normal business hours of 8:00 AM to 5:30 PM, Monday through Friday.**

## **B. Compensation:**

### **1. Fees for services described in Section A.**

- a. Inspection Fee:**

<b>&lt; 5,000 SF</b>	<b>\$425.00</b>
<b>5,001 SF- 10,000 SF</b>	<b>\$525.00</b>
<b>&gt; 10,000 SF</b>	<b>\$625.00</b>
- b. Re-inspection Fee:** **\$125.00**

**Inspection fees are based on a per stop basis, regardless of number of disciplines to be inspected at each stop.**

## **CONTRACT FOR PROFESSIONAL SERVICES**

THIS CONTRACT is entered into on June 8, 2015, as amended ~~June 13, 2016~~ August 8, 2016, by and between the City of Pearland ("CITY") and Mikayla Architects ("CONSULTANT").

The CITY engages the CONSULTANT to perform professional services for a project known and described as Commercial Construction Plan Review ("PROJECT").

### **SECTION I - SERVICES OF THE CONSULTANT**

The CONSULTANT shall perform the following professional services to CITY standards and in accordance with the degree of care and skill that a professional in Texas would exercise under the same or similar circumstances:

- A. The CONSULTANT shall provide construction plan review services and inspection services as requested by the City. See Task orders A, B, C & D attached, for a detailed SCOPE OF WORK and PROJECT schedule. The PROJECT shall be completed within the scheduled included in Task A, B, C & D.
- B. The CONSULTANT shall prepare and submit a detailed work order/invoice for each plan review project submitted to the City.
- C. The CONSULTANT acknowledges that the CITY (through its employee handbook) considers the following to be misconduct that is grounds for termination of a CITY employee: Any fraud, forgery, misappropriation of funds, receiving payment for services not performed or for hours not worked, mishandling or untruthful reporting of money transactions, destruction of assets, embezzlement, accepting materials of value from vendors, or consultants, and/or collecting reimbursement of expenses made for the benefit of the CITY. The CONSULTANT agrees that it will not, directly or indirectly; encourage a CITY employee to engage in such misconduct.
- D. The CONSULTANT shall submit all final plan review and inspection comments in both hard copy and electronic format. All other documents shall be Microsoft Office and/or Adobe Acrobat compatible. The software version used shall be compatible to current CITY standards. Other support documents, for example, structural calculations, drainage reports and geotechnical reports, shall be submitted in hard copy only.
- E. The CONSULTANT recognizes that all work products generated by the CONSULTANT under the CONTRACT shall be delivered to the CITY upon request, shall become subject to the Open Records Laws of this State.

- F. The CONSULTANT shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons, damages to property, or any errors and omissions relating to the performance of any work by the CONSULTANT, its agents, employees or subcontractors under this Agreement, as follows:
- (1) Workers' Compensation as required by law.
  - (2) Professional Liability Insurance in an amount not less than \$1,000,000 in the aggregate.
  - (3) Comprehensive General Liability and Property Damage Insurance with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for each occurrence of damage to or destruction of property.
  - (4) Comprehensive Automobile and Truck Liability Insurance covering owned, hired, and non-owned vehicles, with minimum limits of \$1,000,000 for injury or death of any one person, \$1,000,000 for each occurrence, and \$1,000,000 for property damage.

The CONSULTANT shall include the CITY as an additional insured under the policies, with the exception of the Professional Liability Insurance and Workers' Compensation. Certificates of Insurance and endorsements shall be furnished to the CITY before work commences. Each insurance policy shall be endorsed to state that coverage shall not be suspended, voided, canceled, and/or reduced in coverage or in limits ("Change in Coverage") except with prior written consent of the CITY and only after the CITY has been provided with written notice of such Change in Coverage, such notice to be sent to the CITY either by hand delivery to the City Manager or by certified mail, return receipt requested, and received by the City no fewer than thirty (30) days prior to the effective date of such Change in Coverage. Prior to commencing services under this CONTRACT, CONSULTANT shall furnish CITY with Certificates of Insurance, or formal endorsements as required by this CONTRACT, issued by CONSULTANT'S insurer(s), as evidence that policies providing the required coverage, conditions, and limits required by this CONTRACT are in full force and effect.

- G. The CONSULTANT shall indemnify and hold the CITY, its officers, agents, and employees, harmless from any claim, loss, damage, suit, and liability of every kind for which CONSULTANT is legally liable, including all expenses of litigation, court costs, and attorney's fees, for injury to or death of any person, for damage to any property, or errors in design, any of which are caused by the negligent act or omission of the CONSULTANT, his officers, employees, agents, or subcontractors under this CONTRACT.
- H. All parties intend that the CONSULTANT, in performing services pursuant to this CONTRACT, shall act as an independent contractor and shall have control of its

own work and the manner in which it is performed. The CONSULTANT is not to be considered an agent or employee of the CITY.

## **SECTION II - PERIOD OF SERVICE**

This CONTRACT will be binding upon execution and end upon written notice by the City or expire on September 30, 2016.

## **SECTION III - CONSULTANT'S COMPENSATION**

- A. The method of payment for this CONTRACT is lump sum not to exceed rate. Total compensation for the services performed shall 75% of the plan review fee collected by the City for each review and the inspection fees listed in Task C & D.
- B. The CITY shall pay the CONSULTANT in installments based upon work orders completed. City will issue requests for work orders as needed with the City obligated to make lump sum payments for specific work orders. Cumulative compensation is not obligated to but shall not exceed     \$220,000  
\$270,000.00.
- C. The CITY shall make payments to the CONSULTANT within thirty (30) days after receipt and approval of a detailed invoice. Invoices shall be submitted upon delivery of review comments to the City.

## **SECTION IV - THE CITY'S RESPONSIBILITIES**

- A. The CITY's designee shall be the Building Official during the term of this CONTRACT. The Building Official has the authority to administer this CONTRACT and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by the CITY on any aspect of the work shall be directed to the Building Official.
- B. The CITY shall review submittals by the CONSULTANT and provide prompt response to questions to minimize delay in the progress of the CONSULTANT'S work.

## **SECTION V - TERMINATION**

- A. The CITY, at its sole discretion, may terminate this CONTRACT for any reason -- with or without cause -- by delivering written notice to CONSULTANT personally or by certified mail at 4829 Briarbend Drive, Houston Texas 77035. Immediately after receiving such written notice, the CONSULTANT shall discontinue providing the services under this CONTRACT.

- B. If this CONTRACT is terminated, CONSULTANT shall deliver to the CITY all documents or work product generated by the CONSULTANT under the CONTRACT, entirely or partially completed, together with all unused materials supplied by the CITY on or before the 15<sup>th</sup> day following termination of the CONTRACT.
- C. In the event of such termination, the CONSULTANT shall be paid for services performed prior to receipt of the written notice of termination. The CITY shall make final payment within sixty (60) days after the CONSULTANT has delivered to the CITY a detailed invoice for services rendered and the documents or work product generated by the CONSULTANT under the CONTRACT.
- D. If the remuneration scheduled under this contract is based upon a fixed fee or definitely ascertainable sum, the portion of such sum payable shall be proportionate to the percentage of services completed by the CONSULTANT based upon the scope of work.
- E. In the event this CONTRACT is terminated, the CITY shall have the option of completing the work, or entering into a CONTRACT with another party for the completion of the work.
- F. If the CITY terminates this CONTRACT for cause and/or if the CONTRACTOR breaches any provision of this CONTRACT, then the CITY shall have all rights and remedies in law and/or equity against CONSULTANT. Venue for any action or dispute arising out of or relating to this CONTRACT shall be in Brazoria County, Texas. The laws of the State of Texas shall govern the terms of this CONTRACT. The prevailing party in the action shall be entitled to recover its actual damages with interest, attorney's fees, costs and expenses incurred in connection with the dispute and/or action. CONSULTANT and CITY desire an expeditious means to resolve any disputes that may arise between under this CONTRACT. To accomplish this, the parties agree to mediation as follows: If a dispute arises out of or relates to this CONTRACT, or the breach thereof, and if the dispute cannot be settled through negotiation, then the parties agree first to try in good faith, and before pursuing any legal remedies, to settle the dispute by mediation of a third party who will be selected by agreement of the parties.

## **SECTION VI – ENTIRE AGREEMENT**

This CONTRACT represents the entire agreement between the CITY and the CONSULTANT and supersedes all prior negotiations, representations, or contracts, either written or oral. This CONTRACT may be amended only by written instrument signed by both parties.

## **SECTION VII – COVENANT AGAINST CONTINGENT FEES**

The CONSULTANT affirms that he has not employed or retained any company or person, other than a bona fide employee working for the CONSULTANT to solicit or secure this CONTRACT, and that he has not paid or agreed to pay any company or person, other than a bona fide employee,

any fee, commission, percentage brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the CONTRACT. For breach or violation of this clause, the CITY may terminate this CONTRACT without liability, and in its discretion, may deduct from the CONTRACT price or consideration, or otherwise recover, the full amount of such fee, commission, percentage brokerage fee, gift, or contingent fee that has been paid.

#### **SECTION VIII- SUCCESSORS AND ASSIGNS**

This CONTRACT shall not be assignable except upon the written consent of the parties hereto.

The parties have executed this CONTRACT this 8th day of June, 2015. Amended ~~June 13,~~  
~~2016~~August, 8 2016.

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CITY OF PEARLAND, TEXAS

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Michael Herman, CONSULTANT

# **TASK ORDER A**

## **A. Scope of Services: Commercial Plan Review Services for the City of Pearland**

- 1. Mikayla Architects will review assigned Commercial Construction Documents for compliance with the following codes, or newer version as adopted by City Council:**

<b>International Building Code</b>	<b>2012 Edition</b>
<b>International Plumbing Code</b>	<b>2012 Edition</b>
<b>International Mechanical Code</b>	<b>2012 Edition</b>
<b>International Fuel Gas Code</b>	<b>2012 Edition</b>
<b>International Energy (IECC) Code</b>	<b>2012 Edition</b>
<b>National Electrical Code</b>	<b>2011 Edition</b>

- a. **Plan submittals will be picked-up within 24 hours of being notified by the City**
- b. **Reviews will be completed within ten (10) business days**
- c. **A Plan Review Report will be provided to the City**

### **Documents provided by the owner:**

**Construction Documents  
City Permit Application**

## **B. Compensation:**

### **Fees for services described in Section A.**

- 1. 75% of the Plan Review Fee collected by the City  
(Based on the City's permit fee schedule revised 2/25/2015)**

## **TASK ORDER B**

### **A. Scope of Services: Residential Plan Review Services for the City of Pearland**

#### **1. Mikayla Architects will review assigned Residential Construction Documents for compliance with the following codes:**

**International Residential Code                      2012 Edition**

**International Energy (IECC) Code                      2012 Edition**

- a. Plan submittals will be picked-up within 24 hours of being notified by the City**
- b. Reviews will be completed within ten (10) business days**
- c. A Plan Review Report will be provided to the City**

#### **Documents provided by the owner:**

**Construction Documents  
City Permit Application**

### **B. Compensation:**

#### **Fees for services described in Section A.**

- 1. 75% of the Plan Review Fee collected by the City  
(Based on the City's permit fee schedule revised 2/25/2015)**



# **TASK ORDER D**

## **A. Scope of Services: Commercial Inspection Services for the City of Pearland**

### **1. Mikayla Architects will inspect assigned Commercial Construction for compliance with the following codes:**

<b>International Building Code</b>	<b>2012 Edition</b>
<b>International Plumbing Code</b>	<b>2012 Edition</b>
<b>International Mechanical Code</b>	<b>2012 Edition</b>
<b>International Fuel Gas Code</b>	<b>2012 Edition</b>
<b>International Energy (IECC) Code</b>	<b>2012 Edition</b>
<b>National Electrical Code</b>	<b>2011 Edition</b>

- a. Inspection services will be completed within 24 hours of being notified by the City.**
- b. Inspections services will be completed during normal business hours of 8:00 AM to 5:30 PM, Monday through Friday.**

## **B. Compensation:**

### **1. Fees for services described in Section A.**

<b>a. Inspection Fee:</b>	<b>&lt; 5,000 SF</b>	<b>\$425.00</b>
	<b>5,001 SF- 10,000 SF</b>	<b>\$525.00</b>
	<b>&gt; 10,000 SF</b>	<b>\$625.00</b>
<b>b. Re-inspection Fee:</b>		<b>\$125.00</b>

**Inspection fees are based on a per stop basis, regardless of number of disciplines to be inspected at each stop.**

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

<b>AGENDA OF:</b>	August 08, 2016	<b>ITEM NO.:</b>	Resolution No. R2016-139
<b>DATE SUBMITTED:</b>	July 25, 2016	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Rick Overgaard	<b>PRESENTOR:</b>	Rick Overgaard
<b>REVIEWED BY:</b>	Cynthia Pearson/JRB	<b>REVIEW DATE:</b>	July 25, 2016
<b>SUBJECT: Resolution NO. R2016-139 - A Resolution of the City Council of the City of Pearland, Texas, accepting the 2015 annual report for Tax Increment Reinvestment Zone #2.</b>			
<b>EXHIBITS: R2016-139 Exhibit A – 2015 Annual Report</b>			
<b>FUNDING:</b>			
<input type="checkbox"/> Bonds To Be Sold	<input type="checkbox"/> Grant	<input type="checkbox"/> Developer/Other	<input type="checkbox"/> Cash Opns
<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:</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 Resolution</b>

**EXECUTIVE SUMMARY**

**BACKGROUND**

In accordance with the Tax Increment Financing Act (Chapter 311, Tax Code), Reinvestment Zone Number Two, City of Pearland, Texas (the Zone) was established by Ordinance 891 of the City Council of the City of Pearland (the City), Texas on December 21, 1998 and is further known as “Shadow Creek Ranch.” The Zone ends December 2028. After two plan amendments adding 465 acres to the Zone, the Zone is now composed of 3,932+ acres, of which 3,125+ acres are within Brazoria County and 807+ acres are within Fort Bend County.

The objective of the Zone is to facilitate quality mixed-use development with a self-sustaining tax base for the City and the other participating taxing entities. Improvements in the Zone significantly enhance the value of all taxable real property in the Zone and are a general benefit. Participating entities in the Zone include: the City of Pearland, Brazoria County, Fort Bend County and Alvin Independent School District. These entities participate in the Zone at various levels as described in their respective inter-local agreements, with property tax increment from each being deposited into the Zone.

For 2015, the capture appraised value in the Zone was \$1,813,240,306 and tax increment received from the participating entities was \$18.1 million for 2015 before expenditures.

The Zone pursues its objective by acting as a financing vehicle for regional public improvements, as described in the Project Plan as amended. Property tax increment is used to reimburse the developer, via Letter of Financing Agreements, for the infrastructure pursuant to the project plan.

The Zone has currently approved \$173 million in reimbursements, of which \$103 million has been reimbursed along with \$38 million in interest.

Pursuant to State law, attached for consideration is the Pearland Tax Increment Reinvestment Zone 2015 Annual Report. The annual report must be submitted to the chief executive officer of each taxing unit that levies taxes on property within the Zone. The report must include the following items:

- The amount and source of revenue in the tax increment fund established for the zone
- The amount and purpose of expenditures from the fund
- The amount of principal and interest due on outstanding bonded indebtedness
- The tax increment base and current appraised value retained by the zone
- The captured appraised value shared by the city and other taxing units
- The total amount of tax increments received and
- Any additional information necessary to demonstrate compliance with the tax increment financing plan adopted.

Staff will be present to review the 2015 Annual Report with the board. The report will be presented to City Council on August 8, 2016 and to be filed/presented to the other participating entities.

**POLICY/GOAL CONSIDERATION**

File report pursuant to State law.

The TIRZ#2 Board is scheduled to meet on August 8, 2016 to accept the report. After City Council acceptance on August 8, 2016, staff will contact Brazoria County, Fort Bend County, and Alvin Independent School District for filing.

**RECOMMENDED ACTION**

Consideration and Approval of Resolution NO. R2016 – 139, A Resolution of the City Council of the City of Pearland, Texas, accepting the 2015 annual report for Tax Increment Reinvestment Zone #2.

**RESOLUTION NO. R2016-139**

**A Resolution of the City Council of the City of Pearland, Texas, accepting the 2015 annual report for Tax Increment Reinvestment Zone #2.**

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

**Section 1.** That the Annual Report for Tax Increment Reinvestment Zone #2, attached hereto as Exhibit "A, is hereby accepted.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2016.

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

ATTEST:

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

APPROVED AS TO FORM:

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

**REINVESTMENT ZONE NUMBER TWO  
CITY OF PEARLAND, TEXAS**



**ANNUAL REPORT  
2015**

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# CITY OF PEARLAND, TEXAS CITY COUNCIL

## 2015 Council Members

<b>Mayor</b>	Hon. Tom Reid
<b>Mayor Pro-Tem</b>	Hon. Tony Carbone
<b>Council Member</b>	Hon. Tony Carbone
	Hon. Derrick Reed
	Hon. Gary Moore
	Hon. Keith Ordeneaux
	Hon. Greg Hill

## City Staff

<b>City Manager</b>	Clay Pearson
<b>Director of Finance</b>	Claire Bogard

# REINVESTMENT ZONE NUMBER TWO CITY OF PEARLAND, TEXAS

## BOARD OF DIRECTORS

### 2015 Board Members

- Position 1 Donna Coleman  
State Senator Designee
- Position 2 Gary Davis  
State Representative Designee
- Position 3 Herb Fain, Jr.  
City of Pearland Designee
- Position 4 Gary Cook, Vice Chair  
City of Pearland Designee
- Position 5 Kenneth R. Phillips, Chair  
City of Pearland Designee
- Position 6 Jo Knight  
City of Pearland/Alvin Independent  
School District Designee
- Position 7 Mike Pyburn  
Alvin Independent School District Designee
- Position 8 Ali Hasanali  
Fort Bend County Designee
- Position 9 Larry Loessin  
Brazoria County Designee

# DESCRIPTION OF ZONE

In accordance with the Tax Increment Financing Act (Chapter 311, Tax Code), Reinvestment Zone Number Two, City of Pearland, Texas (the Zone) was established by Ordinance 891 of the City Council of the City of Pearland (the City), Texas on December 21, 1998. The original Zone, also known as "Shadow Creek Ranch", consisted of 3,467 acres located in Brazoria County and Fort Bend County, Texas. In addition, the Zone is located in Alvin I.S.D. (AISD), Fort Bend I.S.D. (FBISD) and a small portion in Pearland I.S.D. (PISD). The original Zone is generally bounded by Clear Creek on the north, State Highway 288 on the east, Broadway (the extension of FM 518 west of S.H. 288) on the south and FM 521 on the west. A map illustrating the original boundaries of the Zone follows on page 15 as Exhibit 1. On August 23, 1999, by Ordinance No. 918 of the City, the Project Plan and Reinvestment Zone Financing Plan (the Project Plan) for the original TIRZ boundaries was adopted.

## **1<sup>st</sup> Plan Amendment**

On July 10, 2006, by Ordinance 1276 of the City, the Project Plan was amended and the Zone was expanded to provide for the annexation of 457 acres of vacant land, adjacent to the Zone. 288 acres are in Brazoria County and 169 acres are in Fort Bend County.

## **2<sup>nd</sup> Plan Amendment**

On November 13, 2006 by Ordinance 1312 of the City, the Project Plan was amended to provide for development of public improvements to serve Shadow Creek Ranch Town Center. The proposed development is within the boundaries of the original Zone and Brazoria County.

## **3<sup>rd</sup> Plan Amendment**

On November 13, 2006 by Ordinance 1313 of the City, the Project Plan was amended and the Zone was expanded to provide for the annexation of 8± acres to facilitate the improvement and widening of Broadway from S.H. 288 to F.M. 521. The boundaries of the annexed area are within Brazoria County.

The Zone is now composed of 3,932+ acres, of which 3,125± acres are within Brazoria County and 807± acres are within Fort Bend County. A map illustrating the boundaries of the Zone as expanded follows on page 16 as Exhibit 2.

## **PURPOSE OF ZONE**

The objective of the Zone is to facilitate quality mixed-use development with a self-sustaining tax base for the City and the other participating taxing entities.

The City Council, in adopting the ordinances creating and expanding the Zone, found that the development described in the Project Plan, and its subsequent amendments, would not likely occur, to the quality, standards and densities described in the Project Plan, but for the creation of the Zone.

The City Council further found that improvements in the Zone will significantly enhance the value of all taxable real property in the Zone and will be of general benefit to the City. The Zone will pursue its objective by acting as a financing vehicle for regional public improvements, as described in the Project Plan as amended. The methods of financing and the sources of funding available to the Zone, including the participation levels of the various participating entities, including the City, Brazoria County, Fort Bend County and Alvin ISD, are described in the Project Plan and its amendments.

# STATE OF THE ZONE AND PLAN IMPLEMENTATION IN 2014

**1. The information provided in this section is in accordance with § 311.016 (a) (1) of the Texas Tax Code, which requires inclusion of the amount and source of revenue in the tax increment fund established for the zone.**

In addition to the City's tax increment revenue, interlocal agreements with Brazoria County, Fort Bend County and Alvin ISD provide for each taxing unit's participation in the Zone. The Project Plan also allows for the participation of Brazoria Drainage District No. 4 and Fort Bend Independent School District, though neither is currently participating. Levels of participation are detailed in the Project Plan and current levels of participation are shown in Table A. The zone is currently in its sixteenth year.

**TABLE A  
Taxing Entity Participation**

<b>Taxing Entity</b>	<b>Zone Years</b>	<b>Participation</b>
<b>City of Pearland</b>	9 through 30	100% of taxes collected at current tax rate on Captured Appraised Value (1)
<b>Brazoria County</b>	1 through 30	100% of taxes collected at current tax rate on Captured Appraised Value up to a tax rate of \$.1359, or if rate is less than \$.1359 then 38% of actual tax rate.
<b>Fort Bend County</b>	11 through 20	100% of taxes collected at current tax rate on Captured Appraised Value, up to a maximum tax rate of .468075 (2)
<b>Alvin ISD</b>	1 through 30	100% of taxes collected at current tax rate on Captured Appraised Value (3)

*(1) 64% to be repaid as an administrative cost, provided the TIRZ retain at least \$.255 / \$100.*

*(2) In years 21 through 30 participation drops to 100% of .31205.*

*(3) 75% to be used by AISD for the construction of educational facilities.*

The obligations of the participating taxing jurisdictions, as defined in their respective interlocal agreements, include the timely deposit of tax increment into the City's tax increment revenue fund.

Table B illustrates the growth in appraised value from base year to tax year 2015 for each participating jurisdiction. Table C illustrates the amount of the incremental revenue, which has been transferred to the increment fund. These amounts are based upon actual taxes collected as of December 31, 2015.

**TABLE B**  
**Base Market Value by Jurisdiction (1)**

Taxing Entity	Base Year	Base Value	2015 Value (2)	Change
<b>Original Zone</b>	<b>1998</b>			
City of Pearland		7,172,980	1,815,013,156	1,807,840,176
Brazoria County		4,143,160	1,494,141,806	1,489,998,646
Fort Bend County		3,029,820	320,871,350	317,841,530
Alvin ISD		4,143,160	1,414,493,302	1,410,350,142
<b>1st Plan Amendment</b>	<b>2006</b>			
City of Pearland		4,381,680	9,781,810	5,400,130
Brazoria County		3,354,830	6,059,930	2,705,100
Fort Bend County		1,026,850	3,721,880	2,695,030
<b>2nd Plan Amendment (3)</b>	<b>2006</b>			
City of Pearland				
Brazoria County				
Fort Bend County				
<b>3rd Plan Amendment (4)</b>	<b>2006</b>			
City of Pearland				
Brazoria County				
Fort Bend County				

- (1) The information in this table was provided by the Brazoria and Fort Bend County Appraisal Districts  
(2) Market value (less exemptions) as of January 1, 2015.  
(3) All of the land within the 2nd Plan Amendment area is within the boundaries of the original Zone.  
(4) All of the land within the 3rd Plan Amendment area is either owned by a municipality or within dedicated ROW and thus tax exempt.

**TABLE C**  
**City of Pearland TIRZ No. 2 Tax Increment Revenue Fund Balance by Year (1)**

Year	2000 / 2001		2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	1999 (2)	(2) (5)														
City of Pearland Revenue	\$ 45,111	\$ 93,856	\$ 67,388	\$ 167,897	\$ 753,905	\$ 935,516	\$ 4,632,534	\$ 6,312,426	\$ 6,719,800	\$ 8,318,686	\$ 9,600,003	\$ 8,349,033	\$ 10,280,251	\$ 10,459,326	\$ 12,326,867	\$ 10,624,549
Rebate to City for Administrative Costs (3)			\$ (23,221)	\$ (60,353)	\$ (299,311)	\$ (344,257)	\$ (1,667,712)	\$ (4,039,953)	\$ (4,067,024)	\$ (5,068,860)	\$ (5,848,747)	\$ (5,233,446)	\$ (6,514,331)	\$ (6,677,117)	\$ (7,865,023)	\$ (6,803,968)
Brazoria County Revenue				\$ 159,854	\$ 205,459	\$ 815,614	\$ 1,110,573	\$ 1,055,912	\$ 1,297,278	\$ 1,434,579	\$ 1,449,043	\$ 1,486,826	\$ 1,499,782	\$ 1,527,826	\$ 1,674,994	
Alvin ISD Revenue (4)		\$ 10,969	\$ 207,479	\$ 229,941	\$ 826,613	\$ 2,616,519	\$ 2,917,931	\$ 2,879,739	\$ 3,574,007	\$ 6,941,779	\$ 3,927,965	\$ 4,112,895	\$ 4,160,862	\$ 4,167,334	\$ 4,933,323	
Other Revenue			\$ 4,130	\$ 80,981	\$ 40,827	\$ 90,358	\$ 267,907	\$ 150,232	\$ 46,199	\$ 16,119	\$ 9,859	\$ 2,532,291	\$ 1,310,196	\$ 1,348,416	\$ 1,476,931	
Fort Bend County Revenue						\$ 125,300	\$ 185,540	\$ 189,508	\$ 358,745	\$ 654,408	\$ 435,863	\$ 432,546	\$ 505,394	\$ 725,795	\$ 929,041	
Expenditures for Zone Administration			\$ (11,824)	\$ (154,203)	\$ (134,237)	\$ (305,626)	\$ (302,978)	\$ (127,259)	\$ (94,639)	\$ (68,646)	\$ (40,196)	\$ (16,767)	\$ (24,122)	\$ (16,427)	\$ (22,208)	
Transfers to Development Authority						\$ (1,204,318)	\$ (3,129,978)	\$ (5,106,344)	\$ (3,548,991)	\$ (7,671,822)	\$ (10,784,813)	\$ (10,381,230)	\$ (12,016,051)	\$ (10,997,930)	\$ (11,494,978)	\$ (12,666,896)
<b>Fund Balance</b>	\$ 45,111	\$ 230,491	\$ 194,103	\$ 395,012	\$ 1,166,179	\$ 1,511,781	\$ 1,449,062	\$ 1,930,590	\$ 1,638,990	\$ 1,854,605	\$ 2,277,367	\$ 1,989,003	\$ 2,127,904	\$ 2,332,457	\$ 2,999,404	\$ 2,510,500

- (1) Source: City of Pearland, Texas. Fund balances as of 12/31 of each year.  
(2) Note that in years 1999 through 2001 revenue was reported net of expenditures. From year 2002 forward gross revenue is reported along with rebates to the city and other expenditures.  
(3) Rebate for admin costs prior to 2007 is 36%. In 2007 the rebate increased to 64%.  
(4) Note that Alvin ISD revenue is reported net of the 75% rebate to Alvin ISD.  
(5) Revenue for 2000 and 2001 have been combined. In each year revenue was the same as in 1999.  
(6) In addition to fund balance, as of 12/31/15, AISD had \$4,943,224 in the suspense account.

**2. The information provided in this section is in accordance with §311.016 (a) (2) of the Texas Tax Code, which requires inclusion of the amount and purpose of expenditures from the fund.**

The Board of Directors of the Zone has been granted by City Council, in accordance with Section 311.010 of Texas Tax Code, the power to administer, manage, and operate the Zone and to implement the Project Plan. The Zone was created for the duration of 30 years, or until dissolved by the City.

The total cost of the public improvements within the Zone, as outlined in the original Project Plan, amounts to \$294,482,034. Of this amount, the City will fund \$35,471,061 worth of improvements, and the Texas Department of Transportation (TxDOT) will fund another \$10,277,050 worth of improvements. The Zone will fund the remaining improvements, which amounts to a cost of \$248,733,923, unadjusted for inflation.

**1st Plan Amendment**

The original list of project costs was amended with the approval of the 1st Plan Amendment, which included improvements, estimated to total \$34,724,218. These improvements address the water, wastewater, storm sewer, lakes channels, roads and landscaping costs for the 457± acre annexation.

**2nd Plan Amendment**

The list of project costs was amended again with the approval of the 2nd Plan Amendment, which included improvements estimated to total \$11,749,618. These improvements address major road infrastructure, detention, drainage, landscaping and the relocation of pipelines and overhead utilities. All projects associated with this annexation have been completed.

**3rd Plan Amendment**

The list of project costs was amended a third time with the approval of the 3rd Plan Amendment, which included improvements estimated to total \$8 million. This amendment addressed the need to fund and construct a section of Broadway. All projects associated with this annexation have been completed.

These costs are detailed in the amended Project Budget, a copy of which follows as Table D. The Zone as now enlarged is composed of 3,932± acres, of which 3,125± acres are within Brazoria County and 807± acres are within Fort Bend County. A map illustrating the boundaries of the Zone as amended follows on page 16 as Exhibit 2.

TABLE D  
 Reinvestment Zone NO. 2, City of Pearland, Texas - Shadow Creek Ranch  
 Budget

Item	TIRZ Budget as approved (08/23/99) (1)	1st Plan Amendment (2)	2nd Plan Amendment (2)	3rd Plan Amendment (2)	TIRZ Budget as Amended (3)
<b>Infrastructure</b>					
<b>Streets</b>					
Pavement	12,610,050	1,634,000			14,244,050
Sidewalks	1,859,400				1,859,400
Landscaping and Irrigation	9,675,350				9,675,350
Entry Monuments	735,320				735,320
Lighting		125,900			125,900
Broadway Widening and Signalization			2,831,789		2,831,789
Business Center Drive Paving			852,722		852,722
Memorial Hermann Drive Paving			383,107		383,107
Water System	3,026,863	363,000			3,389,863
Wastewater System	6,940,964	1,029,000			7,969,964
Storm Water System	10,195,776	1,649,000			11,844,776
Lakes and Channels					
Improvements	29,121,915	5,625,600			34,747,515
Land Cost	4,597,889	6,675,000			11,272,889
Detention and Drainage					
Land Cost			2,850,000		2,850,000
Beautification / Deepening / Pond Creation			200,000		200,000
Site Drainage Facilities			1,842,000		1,842,000
Parks and Recreation					
Improvements	5,155,524	5,573,025			10,728,549
Land Cost	2,383,545				2,383,545
Landscaping					
Business Center Drive			157,500		157,500
Memorial Hermann Drive			67,500		67,500
Overhead Utilities Placed Underground			1,200,000		1,200,000
Pipeline Relocation			700,000		700,000
Major Improvements					
Water Plants					
Land Cost	20,000				20,000
WWTP	340,000				340,000
Lift Station	300,000				300,000
Traffic Signals	600,000	550,000			1,150,000
McHard Road Reimbursables					
Miscellaneous	150,000				150,000
Signal	100,000				100,000
SH 288 Access Road	1,000,000				1,000,000
FM 518 Improvements		6,485,600			6,485,600
Broadway / FM 518 Improvements				7,100,000	7,100,000
Contingencies and Engineering					
Contingencies (10%)	8,181,116	1,733,620			9,914,736
Engineering (15%)	11,274,211	2,860,473	490,000	900,000	15,524,684
Master Drainage Plan Costs		70,000			70,000
Environmental Study Costs		100,000			100,000
Subtotal	108,267,923	34,474,218	11,574,618	8,000,000	162,316,759
Zone Administration / Creation					
TIRZ Administration (1-3 Years)	466,000				466,000
Reimbursable TIRZ Creation Costs	900,000				900,000
Annexation Costs		250,000			250,000
Plan Amendment Costs			175,000		175,000
Subtotal	1,366,000	250,000	175,000		1,791,000
<b>Total</b>	109,633,923	34,724,218	11,749,618	8,000,000	164,107,759
<b>City Facilities</b>					
Library					
Improvements	2,395,000				2,395,000
Land Cost	105,000				105,000
Fire / Police Station					
Improvements	2,255,000				2,255,000
Land Cost	245,000				245,000
Subtotal	5,000,000				5,000,000
Educational Facilities					
AISD Elementary School	41,600,000				41,600,000
AISD Jr. High School	21,450,000				21,450,000
AISD Fresh/Soph Campus	34,050,000				34,050,000
FBISD Elementary School	11,000,000				11,000,000
FBISD Middle School	26,000,000				26,000,000
Subtotal	134,100,000				134,100,000
<b>Grand Total</b>	248,733,923	34,724,218	11,749,618	8,000,000	303,207,759

(1) The original TIRZ Budget as approved in 1999 dollars has not been adjusted for inflation.

(2) The amended Budgets as approved in 2006 are shown in 2006 dollars and have not been adjusted for inflation.

(3) The Budget as amended shows budget line items as approved in their respective years without adjustment for inflation.

**TIRZ-Funded Projects:**

Since the creation of the Zone a series of infrastructure improvements have been funded and constructed. Project #13-06-002, Southlake, Phase 2 was initiated in 2013. The proposed improvements total \$9.1 million (2006 dollars) for construction, design, and contingency for streets, water, sewer, drainage, land, and landscaping. The Zone approved two Joint Construction and Reimbursement Agreements with Brazoria-Fort Bend Municipal Utility District #1 and 518 SCR, Ltd for shared projects: (1) Southlake Phase 2 and (2) Southlake, Shelton Ridge Lane Phase 2 Gulf Coast Water Authority Canal Bridge. The board also approved Letter of Financing Agreements (Project 14-06-001) for Southlake Phase 3 totaling \$2.8 million (2006 dollars) and (Project 14-06-002) for Shadow Grove Phase I totaling \$5.9 million (2006 dollars).

During calendar year 2015 Shadow Creek Ranch reported approximately 205 home sales and 234 closings. This brings the total number of homes in the Zone to 5,902 as of December 31, 2015. Also, major construction during 2015 included completion of the Memorial Herman Hospital and Medical Center, 658 multi-family units, a neighborhood commercial center, Panda Express and an Auto Zone.

**City Funded Improvements:**

- There were no City funded projects in 2015.

**TxDOT Funded Improvements:**

- There were no TxDOT funded projects in 2015.

***3. The information provided in this section is in accordance with §311.016 (a) (3) of the Texas Tax Code, which requires inclusion of the amount of principal and interest due on outstanding bonded indebtedness.***

**Bond Issues**

In accordance with a Tri-Party Agreement dated October 11, 2004 between the TIRZ, the City of Pearland, and the Development Authority of Pearland (DAP), the TIRZ has pledged increment to provide for the repayment of debt issued on its behalf. In this regard, the DAP sold bonds in 2004, 2005, 2006, 2007 and 2009. The bonds were refunded in 2012 and are outlined in Table E. The Development Authority also sold Series 2013 bonds and Series 2014 bonds, totaling \$9,150,000 and \$8,060,000 respectively.

**TABLE E  
Development Authority of Pearland Outstanding Debt as of December 31, 2015**

<b>Tax increment Contract Revenue Bonds</b>	<b>Principal Amount Issued</b>	<b>Principal Amount Outstanding</b>	<b>Total Debt Service Outstanding</b>
<b>Series 2012 (refunding)</b>	\$56,915,000	\$45,830,000	\$56,719,137
<b>Series 2013</b>	\$9,150,000	\$8,355,000	\$11,075,998
<b>Series 2014</b>	\$8,060,000	\$7,510,000	\$9,083,520
<b>Total</b>	\$74,125,000	\$61,695,000	\$76,878,655

In addition to developer reimbursements made via the sale of bonds, the DAP has also made payments from cash reserves. In 2015 the DAP made direct payments to the developer totaling \$6,840,000. Total direct payments as of the end of 2015 for the DAP is \$54,831,860, all of which are reflected in the reimbursements outlined in Table F.

**Additional LFA's Approved for Reimbursement**

The Zone Board has approved a series of Letter Financing Agreements (LFA's) for reimbursement. Prior to Board action all project costs related to each LFA were reviewed by the Zone's Auditor, McGrath & Co. PLLC, and summarized in a reimbursement report, which included eligible project costs plus interest.

Table F outlines Letter Financing Agreements approved through the end of 2015.

TABLE F

## Letter Finance Agreements Approved for Reimbursement

Letter Finance Agreement (LFA)	LFA Date	LFA Amount (1)	Reimbursements Through 2015 (2)
Creation Costs	06/19/2000	\$ 900,000	\$ 1,235,408
LFA 99-11-001 (Entry)	11/08/1999	919,150 *	1,220,281
LFA 00-01-001 (V1P1A)	02/21/2000	6,524,629	5,243,529
LFA 00-10-002 (V1P1B)	10/09/2000	10,318,290	10,593,290
LFA 01-04-001 (V1P1B)	08/23/2001	1,967,061	805,884
LFA 03-10-004 (Kingsley Drive, Phase 3)	10/07/2003	3,529,173	2,791,877
LFA 04-07-006 (Traffic Signal Shadow Creek PKWY/Kingsley)	07/13/2004	287,788	293,578
LFA 04-07-007 (Parks and Trails Grading and Infrastructure)	07/13/2004	1,007,256	877,201
LFA 03-10-001 (Remaining Village 2, Phase 2 Improvements)	10/07/2003	7,554,654	8,493,040
LFA 04-07-002 (Fire/Police Station Land Cost)	07/13/2004	408,668	555,954
LFA 02-08-001 (Village 1 and Village 2 Phase 2 Improvements)	08/06/2002	4,727,516	6,029,532
LFA 01-11-002 (Additional Village 1 and Village 2 Improvements)	11/12/2001	24,509,430	33,055,576
LFA 03-10-002 (Village 3, Phase 1 and 2 Improvements)	10/07/2003	7,809,950	11,734,369
LFA 06-03-001 (Elementary School #2 Site)	03/27/2006	1,687,801	1,886,601
LFA 06-08-002 (Library Site)	08/28/2006	481,569	557,100
LFA 04-07-003 (Regional Nature Park)	07/13/2004	760,988	1,168,312
LFA 03-10-005 (Kingsley Drive Phase 4 Improvements)	10/07/03	4,486,342	6,811,005
LFA 03-10-006 (Village 5 Improvements)	10/07/03	7,055,177	11,274,134
LFA 04-07-005 (Village 4, Phase 1 and Refelction Bay North Improvements)	04/07/05	3,354,452	5,223,786
LFA 03-10-003 (Village 3, Phase 3 Improvements)	10/07/03	7,711,582	12,811,167
LFA 04-07-004 (Village 3, Phase 4 Improvements)	07/13/04	8,204,999	13,624,832
LFA 06-01-003 (Remaining Village 4 Improvements)	01/30/06	7,120,532	-
LFA 06-08-001 (Additional Sidewalks)	08/28/06	2,356,305	-
LFA 06-01-001 (Kingsley Drive North)	01/31/06	6,417,644	5,536,104
LFA 06-01-002 (Additional Village 4 Improvements)	01/31/06	9,392,437	-
LFA 06-08-003 (S.H. 228 Frontage Road)	08/31/06	1,276,667	-
LFA 06-10-001 (Road Infrastructure, Pipeline Relocation and Site Drainage; Part of 2nd Plan Amendment)	10/23/06	9,949,618	-
LFA 07-03-002 (Shadow Creek Ranch Town Center Improvements; Part of 2nd Plan Amendment)	03/12/07	1,851,598	-
LFA 07-03-001 (Village 7, Phase 1 Broadway Improvements)	03/12/2007	1,271,499	-
LFA 08-05-001 (Broadway to FM 521)	05/05/2008	9,482,989	-
LFA 08-05-002 (Broadway Landscape - Northside)	05/05/2008	1,158,218 *	-
LFA 08-01-001 (Broadway Improvements) City of Pearland	01/15/2008	8,449,086	-
LFA 10-06-001 (Discovery Bay Extension to SH288)	06/07/2010	912,908	-
LFA 10-06-002 (SCH-4 Site)	06/07/2010	2,530,620	-
LFA 10-06-003 (SCH-5 Site)	06/07/2010	4,935,370	-
LFA 13-06-004 (SCH-3 Site)	06/24/2013	2,382,379	-
		\$ 173,694,345	\$ 141,822,560

(1) LFA amounts have been adjusted for inflation per the Project and Financing Plan and related budget.

(2) Amounts reimbursed include actual interest per the Developer Reimbursement Agreement.

\* Actual costs exceeded the amount of the LFA. Per the governing agreements, reimbursement is limited to the amount of the LFA

**4. The information provided in this section is in accordance with §311.016 (a) (4) of the Texas Tax Code, which requires inclusion of the tax increment base and current captured appraised value retained by the zone.**

In each year subsequent to the base year, the Zone will receive tax increment revenue based on ad valorem property taxes levied and collected by each participating taxing unit on the captured appraised value of the Zone. The captured appraised value of the Zone is the total appraised value of all real property located within the Zone as of January 1, less the total appraised base year (January 1, 1998) value.

As of December 31, 2015, development schedules for the original Zone remained unchanged from projections in the Project Plan. However, because the pace of development is unpredictable, and because the Project Plan provides a best estimate of captured appraised values, the actual captured appraised value in any future year may not equal the projected estimates of such value.

As of January 1, 1998, the base year for the Zone, the area encompassed by the original Zone was undeveloped land, with a total appraised value of \$7,172,980. On January 1, 2015, the area encompassed by the Zone had a total appraised value of \$1,815,013,156. As a result, the total captured appraised value (net base year value and exemptions) on the tax roll as of January 1, 2015 was \$1,807,840,176 for the City, as illustrated in Table B.

The City of Pearland base year (2006) value for the 457± acres annexed in the 1st Plan Amendment was \$4,381,680. As of January 1, 2015 the total appraised value was \$9,781,810. As a result the total captured appraised value on the roll as of January 1, 2015 was \$5,400,130. All lands associated with the 2nd Plan Amendment are within the boundaries of the original Zone. All lands associated with the 3rd Plan Amendment are either owned by a municipality or are dedicated right-of-way with no taxable value.

**5. The information provided in this section is in accordance with §311.016 (a) (5) of the Texas Tax Code, which requires inclusion of the captured appraised value shared by the municipality and other taxing units, the total amount of tax increments received, and any additional information necessary to demonstrate compliance with the tax increment financing plan adopted by the governing body of the municipality.**

As previously stated, the City, Brazoria County, Fort Bend County and Alvin ISD are the only taxing units currently participating in the Zone. As of January 1, 2015 the total captured appraised value in the TIRZ was \$1,813,240,306 for the original and annexed areas of the Zone. The total amount of tax increment revenue received is detailed in Table C.

*(This report was written in accordance with the provisions of Chapter 311.016 of the Texas Tax Code)*

**REINVESTMENT ZONE NUMBER TWO  
CITY OF PEARLAND, TEXAS**

**2015 ANNUAL REPORT  
EXHIBITS**

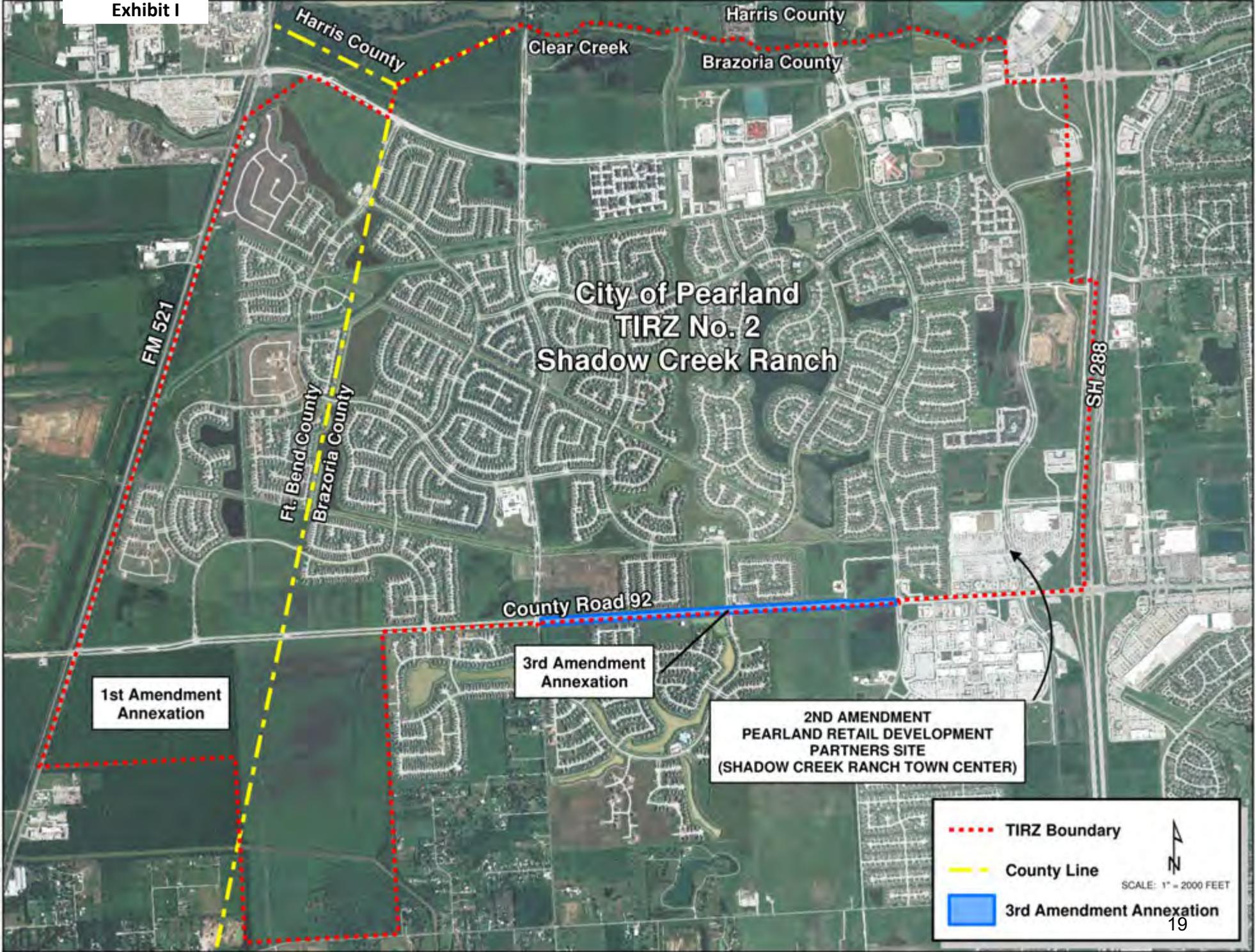




Exhibit 2

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

<b>AGENDA OF:</b>	August 8, 2016	<b>ITEM NO.:</b>	Resolution No. R2016-137
<b>DATE SUBMITTED:</b>	July 29, 2016	<b>DEPT. OF ORIGIN:</b>	Human Resources
<b>PREPARED BY:</b>	Michelle Graham	<b>PRESENTER:</b>	Michelle Graham
<b>REVIEWED BY:</b>	Jon R. Branson	<b>REVIEW DATE:</b>	August 1, 2016
<b>SUBJECT: Resolution No.R2016-137; A Resolution of the City Council for the City of Pearland, approving employee ancillary benefits for Employee Life Insurance, Accidental Death and Dismemberment, and Long Term Disability to Symetra, in the estimated amount of \$84,019, for fiscal year 2016-2017.</b>			
<b>EXHIBITS:</b> A. Resolution R2016-137 B. City of Pearland RFP Analysis presentation C. Life & Disability-Best and Final Offer presentation			
<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> \$84,019 <b>AMOUNT BUDGETED:</b> \$84,019			
<b>AMOUNT AVAILABLE:</b> \$84,019		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO.:</b> Various			
<b>ADDITIONAL APPROPRIATION REQUIRED:</b>			
<b>ACCOUNT NO.:</b>			
<b>PROJECT NO.:</b>			
<b>To be completed by Department:</b>			
Finance	X Legal	Ordinance	X Resolution

**EXECUTIVE SUMMARY**

**BACKGROUND**

The City of Pearland (City), as part of the benefit package, offers life insurance coverage, accidental death and dismemberment (AD&D) policy, optional employee paid life as well as, long term disability to full-time employees. These benefits were last bid out in 2013. This year is the final year we could renew that contract. Our current provider is Lincoln Financial and our current coverage for life insurance is \$50,000 or 1X an employee’s annual salary (up to a maximum of \$150,000), whichever is greater. Long Term Disability (LTD) benefit goes into effect on the 91<sup>st</sup> day of an employee’s absence from work and it pays 50% of the employee’s monthly salary up to a maximum of \$5,000 per month. Employees may also elect optional life

insurance for up to 3 x their annual earnings or \$300,000. The contracts for the existing plans will terminate on September 30, 2016.

In coordination with IPS Advisors, City Staff sent out requests for proposals (RFP) for Basic Life and AD&D, Optional Life and LTD.

### **SCOPE OF CONTRACT**

The following coverage is being proposed:

#### **Life Insurance & AD&D**

Class I (Employees earning \$50,000 or less annually) - \$50,000

Class II (All other employees excluding City Manager) \$175,000 (1X Basic Annual Earning up to \$175,000)

Class III (City Manager) \$400,000 (2X Basic Annual Earning up to \$400,000)

#### **Long Term Disability (LTD)**

Class I (City Manager) - \$8,000

Class II (All other employees FTE's working 40+ hours/week) - \$6000

### **BID AND AWARD**

The City, through our consultant IPS, conducted an open, competitive RFP process for its Basic and Optional life insurance, AD&D and LTD in May of this year. The request for proposals went to market May 19<sup>th</sup> and were due to IPS by June 14<sup>th</sup>. Six (6) proposals were received, namely, Lincoln Financial Group, Dearborn National, Municipal Pool, MetLife, Symetra, and UNUM. On July 11<sup>th</sup> staff received the initial analysis for the vendors with notice that they would be negotiating for best and final offer from the top three vendors. On July 15<sup>th</sup> we received the best and final offer along with the analysis and recommendation from IPS.

After reviewing the proposals and IPS negotiating for best and final offer, it is recommended that a carrier change from Lincoln Financial to Symetra occur for the 2016 – 2017 fiscal year. Symetra has substantially matched the City's current benefit levels and Symetra's financial proposal represents a -1.3% decrease to current employer costs. Optional employee paid life rates will remain at current levels with Symetra and rates will be guaranteed for 3 years.

### **SCHEDULE**

After approval from Council, an agreement will be made for the Life Insurance, AD&D and LTD plans with Symetra. Employees will be informed about the changes during open enrollment beginning August 25<sup>th</sup>, with an effective date of October 1, 2016.

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

We currently have 611 budgeted positions however taking into account vacancies throughout the year, expenses are projected to be \$84,019 for these benefits based on 540 employees, consistent with current volume of enrollment.

### **RECOMMENDED ACTION**

Consideration and approval of a resolution awarding an agreement with Symetra to provide basic and optional life insurance, AD&D and LTD coverage's.

**RESOLUTION NO. R2016-137**

**A Resolution of the City Council for the City of Pearland, approving employee ancillary benefits for Employee Life Insurance, Accidental Death and Dismemberment, and Long Term Disability to Symetra, in the estimated amount of \$84,109, for fiscal year 2016-2017.**

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

**Section 1.** That the City of Pearland has received bids for employee ancillary benefits, attached hereto as Exhibit "A", and such rates have been evaluated.

**Section 2.** That the City Council hereby adopts the ancillary employee benefit package offered by Symetra in the amount described in exhibit "A", attached hereto and incorporated for all purposes.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2016.

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

ATTEST:

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

APPROVED AS TO FORM:

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

Where Experience and  
Independence Matter

Corporate Benefits Consulting  
Insurance Planning Services  
Retirement Plan Consulting



# City of Pearland Life and Disability RFP Analysis

Brent A. Weegar, MBA  
Principal

Brian Wilson  
Account Manager



July 8, 2016



# Table of Contents

- I. *RFP Vendor Response*
- II. *Life and Disability RFP Results*
- III. *Vendor Selection Criteria*
- IV. *Recommended Finalist*

# I. RFP Vendor Response



# RFP Vendor Response

## **Basic Life/AD&D/Vol. Life/Disability**

Lincoln Financial Group – Presented

Dearborn National – Presented

Municipal Pool – Presented

MetLife – Presented

Symetra – Presented

UNUM– Presented

# II. Life and Disability RFP Results



**CITY OF PEARLAND  
EMPLOYER PAID BASIC LTD COMBINED FINANCIALS**

	<b>Lincoln Current</b>	<b>Lincoln Renewal</b>	<b>Municipal Pool</b>	<b>Symetra</b>	<b>Dearborn National</b>	<b>Metlife</b>	<b>UNUM</b>
Basic	\$43,642	\$54,461	\$34,988	\$41,479	\$45,806	\$60,712	\$73,934
LTD	\$41,596	\$51,195	\$55,994	\$57,594	\$62,393	\$54,714	\$51,195
<b>Total</b>	<b>\$85,238</b>	<b>\$105,655</b>	<b>\$90,982</b>	<b>\$99,073</b>	<b>\$108,199</b>	<b>\$115,426</b>	<b>\$125,128</b>
\$ Change	\$0	\$20,417	\$5,744	\$13,835	\$22,961	\$30,188	\$39,890
% Change	0.00%	23.95%	6.74%	16.23%	26.94%	35.42%	46.80%

**CITY OF PEARLAND**  
**Basic Life/ADD**  
**RFP Analysis**

<b>BASIC LIFE BENEFITS</b>	<b>Lincoln Current</b>	<b>Lincoln Renewal</b>	<b>Municipal Pool Proposed</b>	<b>Symetra Proposed</b>	<b>Dearborn National Proposed</b>	<b>Metlife Proposed</b>	<b>UNUM Proposed</b>
<b>Class Description</b>	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: >50k Non-City Mgrs Class II: City Mgrs Class III: <50k Non-City Mgrs	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers
<b>Definition of Earnings</b>	Basic Annual Earnings	Basic Annual Earnings	Basic Annual Earnings				
<b>Basic Life Schedule</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: \$50,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000
<b>Maximum Benefit</b>	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000	Class I: \$175,000 Class II: \$400,000 Class III: \$50,000	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000				
<b>Guarantee Issue Amount</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$175,000 Class II: \$400,000 Class III: \$50,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000
<b>Age Reduction Schedule</b>	to 65% at 65; 50% at 70	65% at 65; 50% at 70	65% at 65; 50% at 70				
<b>Terminates at Retirement</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Waiver of Premium</b>	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 65	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 65	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 66	Included/Employee only; disabled prior to age 60; 6 month EP; to age 65	Included- 9 month EP to age 65	Included- 60/65 6 mos	Included/Employee Only; disabled prior to age 60; 9 month EP; to Age 65
<b>Accelerated Death Benefit</b>	75% to \$500,000	75% to \$500,000	100% to \$1,000,000	75% to \$500,000	75% to \$250,000	80% to \$500,000	75% to \$500,000
<b>Conversion</b>	Included	Included	Included	Included	Included	Yes	Included
<b>Portability</b>	Included	Included	Included	Included	Not Included	No	Included
<b>Spouse Life Amount</b>	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
<b>Child(ren) Life Amount</b>	14 days to age 25 \$2,000	14 days to age 25 \$2,000	Live birth to age 16 \$2,000	14 days to age 25 \$2,000	\$2,500	\$2,000	Live birth to 6 months: \$1,000 6 months to 26 years: \$2,000
<b>BASIC AD&amp;D BENEFITS</b>							
<b>Class Description</b>	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: >50k Non-City Mgrs Class II: City Mgrs Class III: <50k Non-City Mgrs	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers
<b>Definition of Earnings</b>	Basic Annual Earnings	Basic Annual Earnings	Basic Annual Earnings				
<b>Basic AD&amp;D Schedule</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: 1x BAE Class II: 2x BAE Class III: \$50,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000
<b>Maximum Benefit</b>	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000	Class I: \$175,000 Class II: \$400,000 Class III: \$50,000	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000				
<b>Age Reduction Schedule</b>	to 65% at 65; 50% at 70	Reduces by 35% at age 65; 50% at age 70	65% at age 65; 50% at age 70				
<b>Education</b>	Not Included	Not Included	Lesser of actual cost, 5% or \$5,000 for four (4) years	2.5% to \$2,500	3% to \$3,000	no	6% of AD&D amount or \$6,000
<b>Seatbelt</b>	Lesser of 10% of Benefit or \$10,000	Lesser of 10% of Benefit or \$10,000	Lesser of 20% or \$20,000	10% to \$10,000	10% to \$25,000	10% to \$25,000	10% of full amount of insured Employee's AD&D benefit to a max benefit of \$25,000
<b>Air Bag</b>	Lesser of 10% of Benefit or \$10,000	Lesser of 10% of Benefit or \$10,000	Lesser of 10% or \$10,000	5% to \$5,000	5% to \$5,000	5% to \$10,000	5% of full amount of insured Employee's AD&D benefit to a max benefit of \$5,000
<b>Bereavement Counseling</b>	Included with LifeKeys	Included with LifeKeys	Actual cost up to \$500	Not Included	Included	N/A	Included
<b>FINANCIALS</b>							
<b>Volume</b>	\$36,061,100	\$36,061,100	\$36,061,100	\$36,061,100	\$36,061,100	\$36,061,100	\$36,061,100
<b>EE Rate (per \$1,000) - Life</b>	\$0.075	\$0.100	\$0.055	\$0.070	\$0.080	\$0.105	\$0.132
<b>EE Rate (per \$1,000) - AD&amp;D</b>	\$0.020	\$0.020	\$0.020	\$0.020	\$0.020	\$0.029	\$0.033
<b>Dependent Life (201 Units)</b>	\$1.050	\$1.050	\$1.050	\$1.050	\$1.050	\$1.130	\$1.050
<b>Monthly Premium</b>	\$3,637	\$4,538	\$2,916	\$3,457	\$3,817	\$5,059	\$6,161
<b>Annual Premium</b>	\$43,642	\$54,460.58	\$34,988	\$41,479	\$45,806	\$60,712	\$73,934
<b>\$ Change from Current</b>	N/A	\$10,818	(\$8,655)	(\$2,164)	\$2,164	\$17,070	\$30,291
<b>% Change from Current</b>	N/A	24.8%	-19.8%	-5.0%	5.0%	39.1%	69.4%
<b>Number of Employees</b>	546	546	546	546	546	546	546
<b>Employer Contribution</b>	100%	100%	100%	100%	100%	100%	100%
<b>Participation Requirement</b>	100%	100%	100%	100%	100%	100%	100% of all eligible employees
<b>Actively at Work</b>	Not Waived	Not Waived	Not Waived				
<b>Effective Date</b>	10/1/2013	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2016
<b>Rate Guarantee</b>	3 years	2 years	3 years	3 years	2 years	2 years	2 Years
<b>AM Best Rating</b>	A+	A+ Superior	A+	A	A+	A+ Superior	A (Excellent)

Note: This is a brief summary and not intended to be a contract.

Does not match current

Not competitive

**CITY OF PEARLAND**

**Voluntary Life**

**RFP Analysis**

<b>VOLUNTARY LIFE BENEFITS</b>	<b>Lincoln Financial Current</b>	<b>Lincoln Financial Renewal</b>	<b>UNUM Proposed</b>	<b>Dearborn National Proposed</b>	<b>Symetra Proposed</b>	<b>Metlife Proposed</b>	<b>Municipal Pool Proposed</b>
Class Description	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week
Definition of Earnings	BAE						
Employee Life Schedule	Increments of \$10,000						
Employee Maximum Benefit	3x BAE to \$300,000	Lesser of 5 x annual salary or \$50,000					
Employee Guarantee Issue Amount	\$175,000 to age 69 \$50,000 age 70+	\$175,000 to age 69 \$50,000 age 70+	\$175,000	\$175,000	\$175,000	\$100,000	\$150,000
Age Reduction Schedule	65% at 65; 50% at 70	None	None				
Waiver of Premium	Included	Included	Included	Included	Included	Included- 60/65 6 mos	Included
Accelerated Death Benefit	75% to \$500,000	75% to \$500,000	75% to \$500,000	75% to \$250,000	75% to \$500,000	80% to \$500,000	100% to \$1,000,000
Conversion	Included						
Portability	Included						
Suicide Clause	Included						
<b>FINANCIALS (per \$1,000)</b>							
Age of Employee							
Up to 24	\$0.070	\$0.070	\$0.0700	\$0.070	\$0.070	\$0.110	\$0.060
25 – 29	\$0.110	\$0.110	\$0.1100	\$0.110	\$0.110	\$0.110	\$0.090
30 – 34	\$0.130	\$0.130	\$0.1300	\$0.130	\$0.130	\$0.110	\$0.120
35 – 39	\$0.140	\$0.140	\$0.1400	\$0.140	\$0.140	\$0.140	\$0.130
40 – 44	\$0.200	\$0.200	\$0.2000	\$0.200	\$0.200	\$0.200	\$0.180
45 – 49	\$0.310	\$0.310	\$0.3100	\$0.310	\$0.310	\$0.310	\$0.280
50 – 54	\$0.620	\$0.620	\$0.6200	\$0.620	\$0.620	\$0.620	\$0.560
55 – 59	\$1.020	\$1.020	\$1.0200	\$1.020	\$1.020	\$1.020	\$0.920
60 – 64	\$1.430	\$1.430	\$1.4300	\$1.430	\$1.430	\$1.430	\$1.290
65 – 69	\$2.540	\$2.540	\$2.5400	\$2.540	\$2.540	\$2.540	\$2.290
70 – 74	\$4.200	\$4.200	\$4.2000	\$4.200	\$4.200	\$4.200	\$3.780
75 – 79	\$7.130	\$7.130	\$7.1300	\$7.130	\$7.130	\$4.200	\$6.420
80 – 84	\$11.730	\$11.730	\$7.1300	\$11.730	\$7.130	\$4.200	\$6.420
85 – 89	\$11.730	\$11.730	\$7.1300	\$11.730	\$7.130	\$4.200	\$6.420
90 – 94	\$11.730	\$11.730	\$7.1300	\$11.730	\$7.130	\$4.200	\$6.420
95 – 99	\$11.730	\$11.730	\$7.1300	\$11.730	\$7.140	\$4.200	\$6.420
Employee AD&D Rate (per \$1,000)	\$0.045	\$0.045	\$0.045	\$0.045	\$0.450	\$0.028	\$0.025
Participation Required	Minimum of 10 Lives	Minimum of 10 Lives	Greater of 20% eligible or 10 enrolled	Based on current 45%	Based on current 45%	25.00%	0.00%
True Open Enrollment	Not Included	Not Included	Included up to GI	Not Included	Not Included	Takeover Basis	Takeover Basis
Grandfather Current Amounts	Included	Included	Included	Up to \$260,000	Included	Included	Included
Annual Coverage Increase	Included	Included	Up to GI	\$10,000 One Ups	Not Included	Not Included	Not Included
Actively At Work	Not Waived						
Effective Date	10/1/2013	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2016
Rate Guarantee	3 Year	2 Year	3 Years	2 Year	3 Years	2 Years	3 Years
AM Best Rating	A+	A+	A	A+	A	A+	A+

**CITY OF PEARLAND**  
**Long Term Disability**  
**RFP Analysis**

LTD BENEFITS	Lincoln Financial Current	Lincoln Financial Renewal	UNUM Proposed	Municipal Pool Proposed	Metlife Proposed	Symetra Proposed	Dearborn National Proposed
Class Description	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All others Class II: City Managers Class III: Fire Police	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week
Definition of Earnings	BAE	BAE	BAE	BAE	BAE	BAE	BAE
Monthly Percentage	50%	50%	50%	50%	50%	50%	50%
Monthly Maximum	Class I: \$8,000 Class II: \$6,000	Class I: \$8,000 Class II: \$6,000	Class I: \$8,000 Class II: \$6,000	Class I: \$8,000 Class II: \$6,000	Class I: \$6,000 Class II: \$8,000 Class III: \$6,000	Class I: \$8,000 Class III: \$6,000	Class I: \$8,000 Class III: \$6,000
Guarantee Issue	All GI	All GI	All GI	All GI	All GI	All GI	N/A
Minimum Benefit	\$100	\$100	10% or \$100	\$100	10% or \$100	\$100	\$100
Elimination Period	90 Day	90 Day	90 Days	90 Days	Class I: 180 days Class II: 90 days Class III: 180 days	90 Days	90 Days
Maximum Benefit Duration	SSNRA	SSNRA	SSNRA to RBD	SSNRA	SSNRA to RBD	SSNRA	SSNRA
Definition of Own Occ/Any Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ
Residual/Partial	Zero Day Residual	Zero Day Residual	Zero Day Residual	Zero Day Residual	Zero Day Residual	Zero Day Residual	Zero Day Residual
Social Security Integration	Full Family	Full Family	Full Family	Full Family	Full Family	Full Family	Full Family
Earnings Test	Loss of Duties Only *No earnings test during the EP* 1% Loss - Own OCC 15% Loss - Any Gainful Occ	Loss of Duties Only *No earnings test during the EP* 1% Loss - Own OCC 15% Loss - Any Gainful Occ	Loss of Earning <b>AND</b> Loss of Duties 20% Loss - Own Occ 40% Loss - Any Gainful Occ	1% Loss - Own Occ 15% Loss - Any Occ	20% Loss of Material Duties	1% Loss - Own OCC 15% Loss - Any Occ	Loss of Earning AND Duties 20% Loss - Own Occ 20% Loss - Any Occ
Survivor Benefit	3 Month Lump Sum	3 Month Lump Sum	3 Month Lump Sum	3 Month Lump Sum	3 Month Lump Sum	3 Month Lump Sum	3 Month Lump Sum
Pre-existing Limitations	3/12	3/12	3/12	3/12	3/12	3/12	3/12
Mental/Nervous Limits	24 Months per Disability	24 Months per Disability	12 Months Lifetime	24 Months per Disability	24 Months per Disability	24 Months per Disability	24 Months per Disability
Drug & Alcohol Limits	24 Months per Disability	24 Months per Disability	No Limit	24 Months per Disability	24 Months per Disability	24 Months per Disability	24 Months per Disability
Self-reported Limitations	24 Months per Disability	24 Months per Disability	12 Months Lifetime	25 Months per Disability	24 Months per Disability	24 Months per Disability	No Limit
Mandatory Rehab	Included	Included	Included - Voluntary	Included	Included	Included	Included - Voluntary
Family Care Benefit	\$250	\$250	\$350	Included	\$400	\$250	Included
Work Incentive	Included	Included	Included	Included	Included	Included	Included- 12 Months
EAP Program	4 face to face	4 face to face	Telephonic Work-Life Balance	Telephonic	3 face to face	5 face to face	3 face to face
Taxable Benefit	Yes	Yes	Yes	Yes	Yes	Yes	Yes
FICA Match	Included	Included	Included	Included	Included	Included	Not Included
W2 Preparation	Included	Included	Included	Included	Included	Included	Included
<b>FINANCIALS</b>							
Covered Payroll	\$2,666,386	\$2,666,386	\$2,666,386	\$2,666,386	\$2,666,386	\$2,666,386	\$2,666,386
Rate (per \$100)	\$0.130	\$0.160	\$0.160	\$0.175	\$0.171	\$0.180	\$0.195
Monthly Premium	\$3,466	\$4,266	\$4,266	\$4,666	\$4,560	\$4,799	\$5,199
Annual Premium	\$41,596	\$51,195	\$51,195	\$55,994	\$54,714	\$57,594	\$62,393
\$ Change from Current	N/A	\$9,599	\$9,599	\$14,398	\$13,119	\$15,998	\$20,798
% Change from Current	N/A	23.1%	23.1%	34.6%	31.5%	38.5%	50.0%
Number of Employees	540	540	540	540	540	540	540
Actively at Work	Not Waived	Not Waived	Not Waived	Not Waived	Not Waived	Not Waived	Not Waived
Effective Date	10/1/2013	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2016	10/1/2013
Rate Guarantee	3 Year	2 Years	1 Year	2 Years	2 Years	3 Years	2 Year
AM Best Rating	A+	A+	A	A+	A	A	A

Note: This is a brief summary and not intended to be a contract.

# III. Vendor Selection Criteria



# Vendor Selection Matrix – Life & Disability

	<u>Finalist</u> <u>Lincoln</u> <u>Financial</u>	<u>Finalist</u> <u>Municipal</u> <u>Pool</u>	<u>Finalist</u> <u>Symetra</u>	<u>Dearborn</u> <u>National</u>	<u>MetLife</u>	<u>Unum</u>
Cost (25%)	20	25	22	19	16	13
Financial Stability (20%)	20	20	20	20	20	20
Communication (5%)	5	5	5	5	5	5
Claims Processing (25%)	25	25	25	25	25	25
Claims Management Reports (10%)	10	9	10	9	10	9
Integrated Systems / Technology Initiative (10%)	10	10	10	9	10	10
References(5%)	5	4	4	4	5	5
<b>TOTAL</b>	<b>95</b>	<b>98</b>	<b>96</b>	<b>91</b>	<b>91</b>	<b>87</b>

**CODE KEY:**

- 60 Below Average
- 70 Average
- 80 Average / No Basis for Comparison
- 90 Above Average
- 100 Clearly Demonstrable Advantage

# IV. Finalist Recommendations



# Recommendations

- **Life & Disability – Finalist Recommendations**
  - Lincoln Financial
  - Municipal Pool
  - Symetra
- **IPS will proceed with requesting best and final offers from these carriers and provide our recommendation to the City by July 15<sup>th</sup>.**



Where Experience and  
Independence Matter

Corporate Benefits Consulting  
Insurance Planning Services  
Retirement Plan Consulting



# City of Pearland Life and Disability – Best and Final Offers



Brent A. Weegar, MBA  
Principal

Brian Wilson  
Account Manager

July 15, 2016



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- I. *Finalist List*
- II. *Life and Disability Best and Final Offers*
- III. *Vendor Selection Criteria*
- IV. *Recommendations*

# I. RFP Vendor Response



# RFP – Finalist List

## **Basic Life/AD&D/Vol. Life/Disability**

Lincoln Financial Group – Presented

Symetra – Presented

Municipal Pool – Presented

## II. Life and Disability RFP Results



**CITY OF PEARLAND**

**Basic Life/ADD  
RFP Analysis**

Recommended

<b>BASIC LIFE BENEFITS</b>	<b>Lincoln Current</b>	<b>Lincoln Renewal</b>	<b>Symetra Proposed</b>	<b>Municipal Pool Proposed</b>
<b>Class Description</b>	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers
<b>Definition of Earnings</b>	Basic Annual Earnings	Basic Annual Earnings	Basic Annual Earnings	Basic Annual Earnings
<b>Basic Life Schedule</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2 x BAE to \$400,000
<b>Maximum Benefit</b>	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000			
<b>Guarantee Issue Amount</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000
<b>Age Reduction Schedule</b>	to 65% at 65; 50% at 70			
<b>Terminates at Retirement</b>	Yes	Yes	Yes	Yes
<b>Waiver of Premium</b>	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 65	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 65	Included/Employee only; disabled prior to age 60; 6 month EP; to age 65	Included/ Employee only; disabled prior to age 60; 6 month EP; to Age 66
<b>Accelerated Death Benefit</b>	75% to \$500,000	75% to \$500,000	75% to \$500,000	100% to \$1,000,000
<b>Conversion</b>	Included	Included	Included	Included
<b>Portability</b>	Included	Included	Included	Included
<b>Spouse Life Amount</b>	\$5,000	\$5,000	\$5,000	\$5,000
<b>Child(ren) Life Amount</b>	14 days to age 25 \$2,000	14 days to age 25 \$2,000	14 days to age 25 \$2,000	Live birth to age 16 \$2,000
<b>BASIC AD&amp;D BENEFITS</b>				
<b>Class Description</b>	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers	Class I: Employees earning \$50,000 or less annually Class II: All other Employees Excluding City Manager Class III: All FT City Managers
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<b>Basic AD&amp;D Schedule</b>	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2x BAE to \$400,000	Class I: \$50,000 Class II: 1x BAE to \$175,000 Class III: 2 x BAE to \$400,000
<b>Maximum Benefit</b>	Class I: \$50,000 Class II: \$175,000 Class III: \$400,000			
<b>Age Reduction Schedule</b>	to 65% at 65; to 50% at 70	to 65% at 65; to 50% at 70	to 65% at 65; to 50% at 70	to 65% at 65; to 50% at 70
<b>Education</b>	Not Included	Not Included	2.5% to \$2,500	Lesser of actual cost, 5% or \$5,000 for four (4) years
<b>Seatbelt</b>	Lesser of 10% of Benefit or \$10,000	Lesser of 10% of Benefit or \$10,000	10% to \$10,000	Lesser of 20% or \$20,000
<b>Air Bag</b>	Lesser of 10% of Benefit or \$10,000	Lesser of 10% of Benefit or \$10,000	10% to \$10,000	Lesser of 10% or \$10,000
<b>Bereavement Counseling</b>	Included with LifeKeys	Included with LifeKeys	Included with Beneficiary Connect	Actual cost up to \$500
<b>FINANCIALS</b>				
<b>Volume</b>	\$36,061,100	\$36,061,100	\$36,061,100	\$36,061,100
<b>EE Rate (per \$1,000) - Life</b>	\$0.075	\$0.100	\$0.050	\$0.050
<b>EE Rate (per \$1,000) - AD&amp;D</b>	\$0.020	\$0.020	\$0.020	\$0.020
<b>Dependent Life (201 Units)</b>	\$1.050	\$1.050	\$1.050	\$1.050
<b>Monthly Premium</b>	\$3,637	\$4,538	\$2,735	\$2,735
<b>Annual Premium</b>	\$43,642	\$54,460.58	\$32,823.92	\$32,824
<b>\$ Change from Current</b>	N/A	\$10,818	(\$10,818)	(\$10,818)
<b>% Change from Current</b>	N/A	24.8%	-24.8%	-24.8%
<b>Number of Employees</b>	546	546	546	546
<b>Employer Contribution</b>	100%	100%	100%	100%
<b>Participation Requirement</b>	100%	100%	100%	100%
<b>Effective Date</b>	10/1/2013	10/1/2016	10/1/2016	10/1/2016
<b>Rate Guarantee</b>	3 years	2 years	3 years	3 years
<b>AM Best Rating</b>	A+	A+	A	A+

Note: This is a brief summary and not intended to be a contract.

**CITY OF PEARLAND**

**Voluntary Life**

**RFP Analysis**

Recommended

<b>VOLUNTARY LIFE BENEFITS</b>	<b>Lincoln Financial</b>	<b>Lincoln Financial</b>	<b>Symetra</b>	<b>Municipal Pool</b>
	<b>Current</b>	<b>Renewal</b>	<b>Proposed</b>	<b>Proposed</b>
Class Description	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week	All Full Time Employees enrolled in Basic Life working 40+ hours per week
Definition of Earnings	BAE	BAE	BAE	BAE
Employee Life Schedule	Increments of \$10,000	Increments of \$10,000	Increments of \$10,000	Increments of \$10,000
Employee Maximum Benefit	3x BAE to \$300,000	3x BAE to \$300,000	3x BAE to \$300,000	Lesser of 3x annual salary or \$50,000
Employee Guarantee Issue Amount	\$175,00 to age 69 \$50,000 age 70+	\$175,00 to age 69 \$50,000 age 70+	\$175,000	\$175,000
Age Reduction Schedule	65% at 65; 50% at 70			
Waiver of Premium	Included	Included	Included	Included
Accelerated Death Benefit	75% to \$500,000	75% to \$500,000	75% to \$500,000	100% to \$1,000,000
Conversion	Included	Included	Included	Included
Portability	Included	Included	Included	Included
Suicide Clause	Included	Included	Included	Included
<b>FINANCIALS (per \$1,000)</b>				
<b>Age of Employee</b>				
Up to 24	\$0.070	\$0.070	\$0.070	\$0.060
25 – 29	\$0.110	\$0.110	\$0.110	\$0.090
30 – 34	\$0.130	\$0.130	\$0.130	\$0.120
35 – 39	\$0.140	\$0.140	\$0.140	\$0.130
40 – 44	\$0.200	\$0.200	\$0.200	\$0.180
45 – 49	\$0.310	\$0.310	\$0.310	\$0.280
50 – 54	\$0.620	\$0.620	\$0.620	\$0.560
55 – 59	\$1.020	\$1.020	\$1.020	\$0.920
60 – 64	\$1.430	\$1.430	\$1.430	\$1.290
65 – 69	\$2.540	\$2.540	\$2.540	\$2.290
70 – 74	\$4.200	\$4.200	\$4.200	\$3.780
75 – 79	\$7.130	\$7.130	\$7.130	\$6.420
80 – 84	\$11.730	\$11.730	\$7.130	\$6.420
85 – 89	\$11.730	\$11.730	\$7.130	\$6.420
90 – 94	\$11.730	\$11.730	\$7.130	\$6.420
95 – 99	\$11.730	\$11.730	\$7.140	\$6.420
<b>Employee AD&amp;D Rate (per \$1,000)</b>	\$0.045	\$0.045	\$0.450	\$0.025
Grandfather Current Amounts	Included	Included	Included	Included
Annual Coverage Increase	Included	Included	Lesser of \$10,000 Increase or to GI for Employees	Not Included
Effective Date	10/1/2013	10/1/2016	10/1/2016	10/1/2016
Rate Guarantee	3 Year	2 Year	3 Years	3 Years
AM Best Rating	A+	A+	A	A+

**CITY OF PEARLAND**  
**Long Term Disability**  
**RFP Analysis**

Recommended

LTD BENEFITS	Lincoln Financial	Lincoln Financial	Symetra	Municipal Pool
	Current	Renewal	Proposed	Proposed
Class Description	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week	Class I: All FT City Managers Class II: All Other FTE working 40+ hours per week
Definition of Earnings	BAE	BAE	BAE	BAE
Monthly Percentage	50%	50%	50%	50%
Monthly Maximum	Class I: \$8,000 Class II: \$6,000	Class I: \$8,000 Class II: \$6,000	Class I: \$8,000 Class II: 6,000	Class I: \$8,000 Class II: \$6,000
Guarantee Issue	All GI	All GI	All GI	All GI
Minimum Benefit	\$100	\$100	\$100	\$100
Elimination Period	90 Day	90 Day	90 Days	90 Days
Maximum Benefit Duration	SSNRA	SSNRA	SSNRA	SSNRA
Definition of Own Occ/Any Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ	2 Year Own Occ
Residual/Partial	Zero Day Residual	Zero Day Residual	Zero Day Residual	Zero Day Residual
Social Security Integration	Full Family	Full Family	Full Family	Full Family
Earnings Test	Loss of Earning AND Duties 1% Loss - Own OCC 15% Loss - Any Occ	Loss of Earning AND Duties 1% Loss - Own OCC 15% Loss - Any Occ	Loss of Earning AND Duties 1% Loss - Own OCC 15% Loss - Any Occ	Loss of Earnings AND Duties 1% Loss - Own Occ 15% Loss - Any Occ
Survivor Benefit	3 Month Lump Sum			
Pre-existing Limitations	3/12	3/12	3/12	3/12
Mental/Nervous Limits	24 Months per Disability			
Drug & Alcohol Limits	24 Months per Disability			
Self-reported Limitations	24 Months per Disability	24 Months per Disability	24 Months per Disability	Not Limited
Mandatory Rehab	Included	Included	Included	Included
Family Care Benefit	\$250	\$250	\$250	\$250
Work Incentive	Included	Included	Included	Included
EAP Program	4 face to face	4 face to face	5 face to face	Telephonic
Taxable Benefit	Yes	Yes	Yes	Yes
FICA Match	Included	Included	Included	Included
W2 Preparation	Included	Included	Included	Included
<b>FINANCIALS</b>				
Covered Payroll	\$2,666,386	\$2,666,386	\$2,666,386	\$2,666,386
Rate (per \$100)	\$0.130	\$0.160	\$0.160	\$0.166
Monthly Premium	\$3,466	\$4,266	\$4,266	\$4,426
Annual Premium	\$41,596	\$51,195	\$51,195	\$53,114
\$ Change from Current	N/A	\$9,599	\$9,599	\$11,519
% Change from Current	N/A	23.1%	23.1%	27.7%
Number of Employees	540	540	540	540
Effective Date	10/1/2013	10/1/2016	10/1/2016	10/1/2016
Rate Guarantee	3 Year	2 Years	3 Years	3 Years
AM Best Rating	A+	A+	A	A+

Note: This is a brief summary and not intended to be a contract.

**CITY OF PEARLAND  
EMPLOYER PAID BASIC LTD COMBINED FINANCIALS**

Recommended

	Lincoln Current	Lincoln Renewal	Symetra	Municipal Pool
Basic	\$43,642	\$54,461	\$32,824	\$32,824
LTD	\$41,596	\$51,195	\$51,195	\$53,114
<b>Total</b>	<b>\$85,238</b>	<b>\$105,655</b>	<b>\$84,019</b>	<b>\$85,938</b>
\$ Change	\$0	\$20,417	(\$1,219)	\$700
% Change	0.00%	23.95%	-1.43%	0.82%

# III. Vendor Selection Criteria



# Vendor Selection Matrix – Life & Disability

	<u>Lincoln Financial</u>	<u>Recommended Symetra</u>	<u>Municipal Pool</u>
Cost (25%)	20	25	24
Financial Stability (20%)	20	20	20
Communication (5%)	5	5	5
Claims Processing (25%)	25	25	25
Claims Management Reports (10%)	10	10	9
Integrated Systems / Technology Initiative (10%)	10	10	10
References(5%)	5	4	4
<b>TOTAL</b>	<b>95</b>	<b>99</b>	<b>97</b>

**CODE KEY:**

- 60 Below Average
- 70 Average
- 80 Average / No Basis for Comparison
- 90 Above Average
- 100 Clearly Demonstrable Advantage

# IV. Recommendations



# Recommendations

- **A carrier change from Lincoln Financial to Symetra for Basic Life, Optional Life and Long Term Disability is recommended for the 2016 – 2017 plan year.**
- **Symetra has substantially matched the current plan of benefits.**
- **Symetra's combined employer paid life and long term disability costs are -1.3% below Lincoln Financials current costs and -25.4% below renewal costs. Rates will be guaranteed for 3 years.**
- **Optional employee paid life rates will remain at current costs with Symetra and all current employee elections will be grandfathered. Rates will be guaranteed for 3 years.**
- **Symetra's financial rating is A by AM Best rating agency.**



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

<b>AGENDA OF:</b>	August 8, 2016	<b>ITEM NO.:</b>	R2016-145
<b>DATE SUBMITTED:</b>	June 13, 2016	<b>DEPT. OF ORIGIN:</b>	Public Works
<b>PREPARED BY:</b>	Michael Leech	<b>PRESENTOR:</b>	Michael Leech
<b>REVIEWED BY:</b>	Trent Epperson	<b>REVIEW DATE:</b>	August 3, 2016
<b>SUBJECT: Resolution No. R2016-145 - A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Interlocal Agreement with Brazoria County for paving services along Smith Ranch Road in the estimated amount of \$42,247.</b>			
<b>EXHIBITS:</b> R2016-145 Exhibit A – Project Area Map Exhibit B - Interlocal Agreement Exhibit C – Administrative Update – July 28 (Paving and Sidewalk)			
<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> \$42,247 (est.) <b>AMOUNT BUDGETED:</b> \$1,536,457			
<b>AMOUNT AVAILABLE:</b> \$874,053		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO.:</b> 305-310-5200.020 (Public Works Streets and Drainage Operations Budget)			
<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 Resolution</b>

**EXECUTIVE SUMMARY**

**BACKGROUND**

At the October 29, 2015 City Council meeting, an Inter-local agreement was approved by City Council for the County to provide asphalt paving services for the City. In summary, the terms of this agreement are that the County provides manpower and equipment and the City pays for the cost of materials also provides man power. That work is underway and the list of streets can be found in exhibit C.

Recently the County reached out to the City to inquire about interest in overlaying the City's portion of Smith Ranch Road (County Road 94) as they were planning to overlay their portion. The County's portion of the project stretches from FM518 north to the City limit line along Smith Ranch (County Road 94). The City's portion stretches from the City limit line to Hughes Ranch road. Exhibit C shows the location of the project.

### **SCOPE OF CONTRACT**

The scope of work for this project includes a 2.5 inch overlay of the City's portion of Smith Ranch Road (County Road 94) in the estimated amount of \$42,247. Staff has evaluated this proposal and finds it to be a good value as Public Works staff has been making repairs and applying patches along this portion of roadway for years now. Additionally, the widening of CR94 is not scheduled to occur for at least two years. This interim measure will provide for a good driving surface until the widening project occurs and throughout the widening project.

### **BID AND AWARD**

N/A

### **SCHEDULE**

It is anticipated that this work will be complete by mid-September at the latest.

### **POLICY/GOAL CONSIDERATION**

- Safe Community – the new driving surface will eliminate rutting which holds water and can lead to hydroplaning.
- Fiscal Responsibility – the estimated cost of \$42,247 is a good value and is significantly less expensive than if these services were acquired via contractor.
- Sustainable Infrastructure – this overlay will extend the usable life of the street and will eliminate maintenance costs for the next several years.

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

<b>Fiscal Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Expenditure	\$42,247.00 (Est.)	\$0	\$0

### **RECOMMENDED ACTION**

The Public Works Department recommends approval of a resolution of the City Council of the City of Pearland, Texas approving an inter-local agreement with Brazoria County for paving services along Smith Ranch Road (County Road 94) in the estimated amount of \$42,247.

**RESOLUTION NO. R2016-145**

**A Resolution of the City Council of the City of Pearland, Texas, authorizing the City Manager or his designee to enter into an Interlocal Agreement with Brazoria County for paving services along Smith Ranch Road in the estimated amount of \$42,247.**

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

**Section 1.** That certain Interlocal Agreement by and between the City of Pearland and Brazoria County, a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes, is hereby authorized and approved.

**Section 2.** That the City Manager or his designee is hereby authorized to execute and the City Secretary to attest an Interlocal Agreement with Brazoria County.

PASSED, APPROVED and ADOPTED this the \_\_\_\_ day of \_\_\_\_\_, A.D., 2016.

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

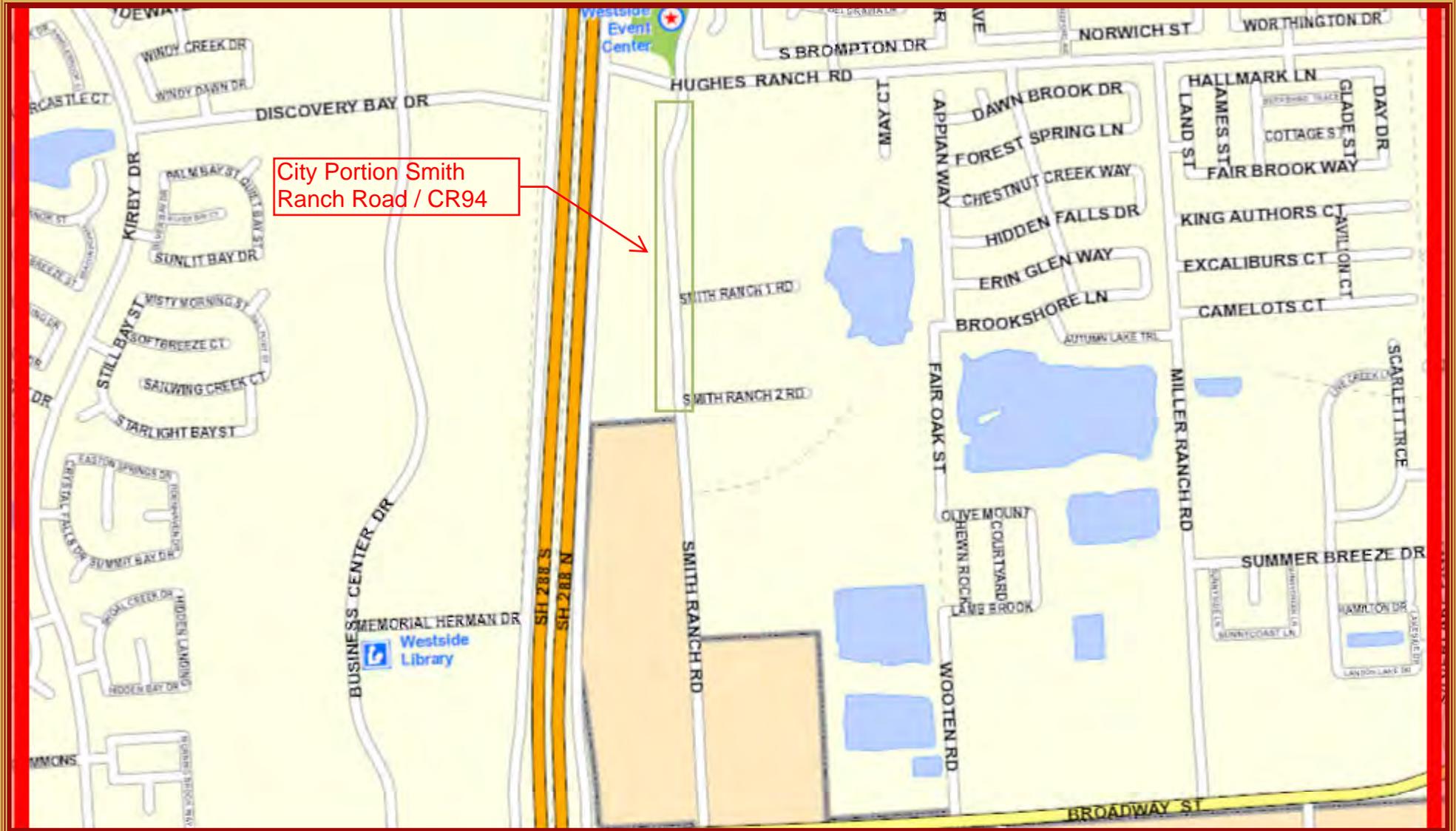
ATTEST:

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

APPROVED AS TO FORM:

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

# SMITH RANCH ROAD (COUNTY ROAD 94)



## Legend/Notes



1:12,000

1 inch = 1,000 feet



**NORTH**  
This product is for informational purposes only and may not be prepared or be suitable for legal, engineering, or surveying purposes.

MAP PREPARED: AUGUST 3, 2016  
GIS DEPARTMENT

**MATT HANKS, J.D., P.E.**  
COUNTY ENGINEER

**TREY HASKINS, P.E.**  
ASST. COUNTY ENGINEER

**CLAY FORISTER, P.E.**  
ASST. COUNTY ENGINEER



**BRAZORIA COUNTY**  
451 N VELASCO, SUITE 230  
ANGLETON, TEXAS 77515

(979) 864-1265  
(979) 388-1265  
(281) 756-1265  
(979) 864-1270

ANGLETON  
CLUTE  
HOUSTON  
FAX

July 22, 2016

Michael Leech  
Assistant Director of Public Works  
City of Pearland  
3519 Liberty Drive  
Pearland, Texas 77581

RE: IS16-0012 – Overlay CR 94 between FM 518 and Hughes Ranch Road

Please find two copies of the above referenced Interlocal Agreement between Brazoria County and the City of Pearland, which has been approved by Commissioners' Court and signed by Brazoria County Judge Sebesta.

Please carefully review the conditions of the agreement, and if acceptable, agreement must be signed by the Mayor, acting pursuant to authorization of its Board of Trustees.

Please retain a copy for your records and return the second signed copy of the agreement to this office.

If you have any questions, please contact Jasmine Escamilla at (979) 864-1865.

Sincerely,



Matt Hanks, JD, PE  
County Engineer

MH/JE  
Enclosure

THE STATE OF TEXAS     §  
  §  
COUNTY OF BRAZORIA   §

**INTERLOCAL AGREEMENT**  
**BETWEEN BRAZORIA COUNTY AND THE CITY OF PEARLAND**  
**IS16-0012**

This Agreement is made between BRAZORIA COUNTY and the CITY OF PEARLAND hereinafter referred to as the COUNTY and CITY respectively.

**RECITALS**

WHEREAS, the CITY wishes to overlay CR 94 between FM 518 and Hughes Ranch Road, approximately 0.49 miles; and

WHEREAS, the CITY has requested the COUNTY’S assistance to providing labor and equipment to overlay CR 94; and

WHEREAS, the COUNTY has agreed to utilize Brazoria County Road & Bridge equipment and employees to perform this work pursuant to the authority of Tex. Transp. Code §251.015, and the Interlocal Cooperation Act, Tex. Gov. Code Sec. 791.001 et. Seq., subject to the conditions and limitations of this Agreement;

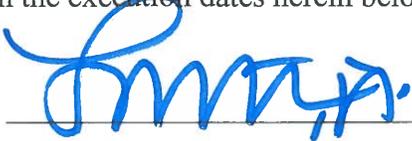
NOW THEREFORE, the CITY and COUNTY agree as follows:

- 1.01 COUNTY agrees to supply such equipment as may be necessary together with operators to overlay CR 94 between FM 518 and Hughes Ranch Road, approximately 0.49 miles, with 2.5 inch HMA Type D Asphalt and associated primer.
- 1.02 The CITY agrees to pay material needed in the project directly to supplier, and in the event COUNTY costs in performing above-described work exceed \$10,000.00, the CITY shall pay, from the point in time that COUNTY’S costs equal the sum \$10,000.00, the labor costs and the hourly value of equipment used, plus any other costs associated with the use of the equipment. Though it is contemplated by this agreement that CITY will obtain the necessary design and engineering studies required by the project prior to the commencement of the work, CITY agrees to pay the reasonable cost of any design or engineering work obtained by COUNTY if it exceeds the sum of \$10,000.00. The value of equipment shall be those hourly rates which have been previously established by the COUNTY for each item of its equipment, multiplying the same by the number of hours, such equipment has been utilized in excess of the point in time when COUNTY’S costs equaled the sum of \$10,000.00. COUNTY equipment utilized on site for the project shall be charged to CITY on a daily rate for each day it is on-site.

- 1.03 The parties intend that COUNTY, in performing such services, shall act as an independent contractor and shall have control of the work and the manner in which it is performed. COUTNY is not considered an agent or employee of CITY.
- 1.04 Each party agrees that payments for the performance of governmental functions or services shall be from current revenues available to the paying party and further that such payments shall fairly compensate the performing party for the service it supplies provides for the other party's benefit.
- 1.05 COUNTY does not warrant the suitability for this project of any material purchased by CITY from a third party which maintains a continuing contract with COUTNY. Any cost estimate made connection with this project is only an estimate and is not warranty of the final cost of the project.
- 1.06 To the extent permitted by law, CITY agrees to assume the risk of, fully indemnify, hold harmless and defend COUNTY, its agent, officers and employees from any and all loss, damage, cost demands and causes of action of any manner from the performance of the above referenced work.
- 1.07 COUTNY executes this Agreement by and through the County Judge acting pursuant to Order of the Commissioners Court so authorizing, and the CITY executes this Agreement by and through the President acting pursuant to authorizations of its Board of Trustees.
- 1.08 Nothing herein shall be constructed to make either party purchaser or consumer of goods or services from the other.
- 1.09 Nothing herein shall be constructed to create any rights in third parties.
- 1.10 Misspelling of one or more words in this agreement shall not avoid this agreement. Such misspelled words shall be read so as to have the meaning apparently intended by the parties.

IN TESTIMONY OF WHICH, witness our signatures on the execution dates herein below.

By: \_\_\_\_\_  
 CITY OF PEARLAND  
 MAYOR

By:  \_\_\_\_\_  
 BRAZORIA COUNTY  
 COUNTY JUDGE

Date signed: \_\_\_\_\_

Date signed: \_\_\_\_\_

# Memo

Exhibit C



To: Clay Pearson, City Manager

From: Michael Leech, Assistant Director of Public Works

CC: Eric Wilson, Public Works Director

Trent Epperson, Assistant City Manager

Date: July 21, 2016

Re: FY16 and FY17 Paving and Sidewalk Programs Update

7/28/2016

To: Mayor and City Council members  
FYI, status on current and future streets and sidewalks work. Clay

This memorandum will provide an update on the following topics:

1. The Five Year Pavement Rehabilitation Plan report sent to the City council in March of 2016 with specific focus on years 2016 and 2017
2. The FY16 and FY17 sidewalk program.

## **FY2016 Paving:**

On May 23, the Public Works and Engineering Departments met to discuss the relationship between the streets listed in the Five Year Pavement Rehabilitation Plan report (attached) and the Repetitive Flood Loss properties list sent to the City by FEMA. The purpose of the meeting was to discuss the possible impacts paving of certain streets on the FEMA list could have on the home owners.

As you are aware, the County provides asphalt paving services for the City via Interlocal Agreement. However, they only perform driving surface asphalt overlays. An overlay is generally referred to as the act of laying a new driving surface atop the existing driving surface. It is common practice throughout the Public Works industry as it is a generally cost effective and provides an improved, smooth driving surface. However, this process in effect adds as much as two or three inches to the driving surface which in cases can have an impact or perceived impact on drainage system performance.

At the conclusion of the meeting the consensus of opinion was that it would be best to not overlay streets with properties on the FEMA repetitive loss list until the drainage impacts could be reviewed and drainage improvements completed, if necessary. These types of improvements are generally comprehensive in nature, identified through a master planning process, and are generally accomplished through large capital projects. The Master Drainage Plan will help to evaluate these areas and develop future drainage improvement projects.

To state it more plainly, the Garden Acres and Mimosa Acres areas identified in the original FY16 street list have multiple FEMA repetitive loss claims and will be re-evaluated for pavement rehabilitation once drainage improvements have been identified and implemented.

When the inter-local agreement between the County and City was approved by City Council on October 29, 2015, it was stated that the County might not be able to overlay all of the requested streets which totaled approximately seven miles. With the removal of the FEMA repetitive loss areas, the remainder of the original seven miles will be addressed. This work totals approximately five miles of overlay and is scheduled to begin in early August. Public Works Crews have been performing sub base repairs in these areas since June in anticipation of this work. The FY16 list includes the following locations:

- Butler Drive
- Carroll Drive
- Melanie
- Olin
- Michael
- Kelly
- Marsha
- Dublin
- Stevens
- Silver
- Westminster
- Hampshire
- Windsor
- Kent
- Westgate
- CR94\*

\*The portion of CR94 within the City Limits was not included in the October 29, 2015 Interlocal Agreement. However, as the county was planning to rehabilitate their adjacent portion of CR94, they offered to include the City's portion in their project as well. Their offer was determined to be a good value and will be brought to City Council for consideration and inclusion in the Interlocal Agreement in August.

Additionally in FY16, Liberty Drive and John Lizer between Pearland Parkway and Shady Bend Drive will be paved by contractor. This work is now out to bid with award scheduled for the second Council Meeting in August.

#### **FY2017 Paving:**

Presently, the proposed FY17 budget for paving rehabilitation stands at \$515,000. The FY17 paving program as shown in the March 2016 Five Year Pavement Rehabilitation Plan includes two subdivisions as well as a few additional streets. The total length of paving in the two subdivisions totals approximately 8 miles. It can be expected that the County will agree to pave less than that, most likely in the 5 mile range as is scheduled to be done in FY16. However, staff will submit the entire FY17 list of streets to the County for consideration. Should the County be able to pave all eight miles, the \$515,000 budget would likely be exceeded by \$100,000 or so. Options in that case would be to:

- (1) Transfer funding from the FY17 sidewalk program to the streets program
- (2) Reduce the number of streets to meet the budget
- (3) Consider a possible midyear budget enhancement.

Should the County elect to overlay only 5 miles for the City, staff will request that the County pave the entire Sleepy Hollow Subdivision, Zapalac Street, and Regal Oaks. Additionally, several streets from the Old Town Site Will be added so that the total paved distance equated to 5 miles. It can be expected that the five miles will cost approximately \$400,000. The remaining \$115,000 will be used to implement a crack and joint sealing program.

### **FY2016 and FY2017 Sidewalk Program**

Presently Brooks Concrete is working in the Green Tea and Huntington Park Subdivisions. The FY16 budget has approximately \$200,000 remaining for sidewalk repair. The FY 17 budget includes approximately \$328,000 for sidewalk work. It is anticipated that the remaining funding in the FY16 budget as well as the FY17 funding will allow Brooks to complete both Green Tea and Huntington Park as well as begin work in the Southdown and Oakbrook Subdivisions. Due to the limited amount of funding and the likelihood that the funding will run out before Southdown and Oakbrook would be complete, it may make more sense to limit Brooks to work in only 1 subdivision.

### **Potential Additional Funding in FY2017**

The following is a plan of action based around additional funding in the amount of \$750,000 to the Streets and Sidewalk Programs. As stated in the Five Year Pavement Rehabilitation Plan, the County strongly prefers to work on residential streets. Therefore, it is necessary for Public Works to contract for asphalt street rehabilitation services each year to address non-residential streets.

Staff recommends a break out of approximately \$600,000 for paving and \$150,000 for sidewalk. This will allow the department to contract for the repaving of either O'Day Road or Hatfield Road. O'Day and Hatfield have similar Pavement Condition Indexes (PCIs) and will be analyzed to determine which would be of greater value to the community when repaved. The analysis will consist of traffic counts, a visual inspection, and an assessment of their current condition relative to the 2013 data from the ROW assessment. The remaining \$150,000 will be used to complete the sidewalk rehabilitation work in the Southdown or Oakbrook Subdivisions.

# Memo

To: Clay Pearson, City Manager

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

CC: Trent Epperson, Assistant City Manager

Eric Wilson, Public Works Director

Date: March 8, 2016

Re: Five Year Pavement Rehabilitation Plan



3/10/16  
To: Mayor and City Council members  
City road rehab outline for next several years outlined here. Clay

The purpose of this memorandum is to identify the locations targeted for pavement rehabilitation through the Public Works operations budget within the next five years and explain the process used to make those determinations.

In 2014, the Public Works Department presented the results of a ROW Assessment to the City Council. The bottom line from that presentation was that it will take an annual investment of approximately \$3.7 million (2014 dollars) to maintain the current condition of the City's street paving infrastructure and an additional \$800,000 (2014 dollars) annually to address sidewalk failures. The objective of a program like this is to make strategic investments in the City's infrastructure so that the maximum useable life of the asset can be realized.

The table below illustrates the progressive budgeting approach that is underway to reach the ultimate reinvestment recommendations relative to street paving and sidewalk.

	2016	2017	2018	2019	2020
Sidewalk Maintenance	537,114	537,000	537,000	800,000	800,000
Street Maintenance	915,512	915,512	2,100,000	2,932,000	3,432,000
	1,452,626	1,452,512	2,637,000	3,732,000	4,232,000

The bigger picture of infrastructure value is explained in the following paragraph taken from the FY17 Budget White Paper on Infrastructure Recapitalization.

Including streets, sidewalks, signage, pavement markings, parks, and drainage in the **General Fund** Civil net asset value totals \$638.7 million. Currently, the annual budget for maintenance and recapitalization provides approximately \$915,000 for streets, \$537,000 for sidewalks, \$217,000 for signs and signals, \$80,000 for pavement markings, \$247,000 for drainage, and \$50,000 for parks. The Rights of Way (ROW) assessment conducted in June 2014 recommended that approximately 1% of the asset value needed on an annual basis to maintain the current system condition. This translates to approximately \$3.7M (in 2014 dollars) for roadway plus an additional \$2.29M for drainage, sidewalks, signs, pavement markings, drainage, and parks. This amount does not include the Enterprise Fund side of the house which will ultimately require an additional allocation of approximately \$2 million annually.

The data collection component of the ROW assessment was performed by Public Works consultant; Infrastructure Management Systems (IMS) of Phoenix Arizona, using a van filled with GPS, GIS and HD video technology to capture the condition of the pavement as well as other ROW assets. The data for each street segment included a pavement condition index (PCI) score which ranged from 0 to 100. Generally the street segments are from one intersection to the next or, stated differently, from block to block. To that end, it is not uncommon for a street, comprised of multiple blocks, to have multiple scores ranging from 30 to 70 for example. The issue with this is that each of the scores represents a different type of repair methodology. For example, a street segment with a score of 70 might only require crack sealing while an adjacent street segment with a score of 40 might require a mill and overlay treatment. Operationally it is impractical and costly to approach street pavement rehabilitation in this manner.

To address this, staff has reviewed the streets segments identified by the system as needing attention and modified the prescribed repair methodologies. For example a street with three segments having PCI ratings of 30 (base repair and thick overlay), 65 (crack sealing) and 48 (mill and thin overlay), will receive a treatment more reflective of the overall condition of the entire three segment street. In this case the all three street segments will receive a mill and thick overlay treatment.

This is a logical approach from a constructability perspective as well as from an aesthetic and drivability perspective. Using the street with three differing street segment ratings as an example; a street that is uniformly improved looks and rides better than a street that is paved on one end, crack sealed in the middle and paved again at the other end. Further, contractors will give better pricing for longer runs of paving work than shorter as it is more cost effective to mobilize at one location and work continuously than to relocate to multiple sites.

In 2015, County and Public Works personnel completed an overlay of Mykawa Road from Orange Street to the northern City limit. Per the inter-local agreement, the City pays for materials, (asphalt, tack coating, subgrade material, etc.) and the county furnishes the equipment and labor. It is estimated that this partnership saved approximately 70% relative what the work may have cost should the City have contracted for this service. Regrettably there is a finite amount of work the County can provide the City, and that amount does not equate to what is recommended by IMS to be done each year.

Further, and as the budget for pavement rehabilitation grows, the IMS system will recommend more and more concrete street work. As you know, the County does not provide concrete street rehabilitation services so the work will need to be competitively bid. You will note in the exhibits that follow that the quantity of programmed street repair work lessens as the years go on. For example, in FY16, 26 streets are programmed for repair. In FY20 only three streets are programmed. This is because the streets the County is currently willing to repair for us will be nearly exhausted. The County's current preference is to work on neighborhood type streets rather than along arterials and collectors. When the work is competitively bid it is significantly more expensive than work performed by the County. Another reason is that as the budget increases, the system recommends more and more work along concrete streets. Full rehabilitation like that which was done in Regency Park Subdivision is not required. However, concrete panel replacement work is recommended. Public Works will begin to transition to this type of contracted repair work in the coming years.

At the October 19, 2015 City Council meeting, Resolution 2015-189 was approved. Resolution 2015-189 requests County assistance through the inter-local agreement to perform pavement

rehabilitation services along 25 streets within five subdivisions. The October 2015 request entailed the rehabilitation of approximately seven miles of roadway. In a February meeting with the County to discuss this work, Public Works staff was informed that the County would be able to address approximately five of the seven requested miles of street. Public Works personnel are scheduled to meet again with the County in the field to inspect and identify which of the 25 streets will be rehabilitated. When this information is finalized, the list, as well as corresponding maps will be provided to the Council via the Thursday packet update process.

The exhibits on the following pages show the targeted locations by year. Streets pictured with an orange tone have lower PCI scores while streets that have a green color have higher PCI scores. The red outline is intended to denote the approximate location of the work. You will note that efforts have been made to consolidate the work into general areas. This was done to limit mobilization costs and to focus on subdivision scale improvements rather than street segment or block by block improvements. The exhibits are numbered and include the general location of the work, the year completion is expected and the party that is anticipated to perform the work.

Exhibits one through five show the streets requested of the County via Resolution 2015-189 in October of 2015. As we do not yet know which of the streets the County will be able to address, all of the requested streets are listed below in exhibits one through five. Naturally some of these streets will be pushed to FY17. You will note that the requested streets are neighborhood streets rather than larger collector type streets. This is because the County expressed a desire to work on streets with less traffic than Mykawa after that project was complete. Further, smaller, narrower streets better suit the type of equipment the County has at its disposal. It is our expectation that the County will work on smaller neighborhood type streets and contractors will address larger collector type streets as the program continues to evolve.

Exhibits six through 19 show the locations of additional work in FY16, John Lizer and Liberty which will be competitively bid, as well as the locations of work proposed in years 2017 through 2020. A larger exhibit showing the locations of all the proposed work follows exhibit 19. The intent of this exhibit is to show the quantity of work that is programmed for the next five years. After the large exhibit are a series of tables which correlate to the map. The tables show the street names and approximate limits of the proposed work. The tables also list the proposed construction method for each location.

The programmed work as outlined in the following exhibits and tables assumes that the funding levels shown on the first page are implemented. The programmed streets are subject to change based on the availability of the County, construction cost fluctuations, the unexpected deterioration of a street asset not identified in this report, etc. This document will be updated annually to reflect the actual budget as well as any changes resulting from the factors listed in the prior sentence.

# FY16 Projected Roadway Repair

Exhibit 1: 2016 Clear Creek Estates Subdivision area (County)



Exhibit 2: 2016 Hickory Place Subdivision area. (County)



Exhibit 3: 2016 Garden Acres Subdivision area. (County)

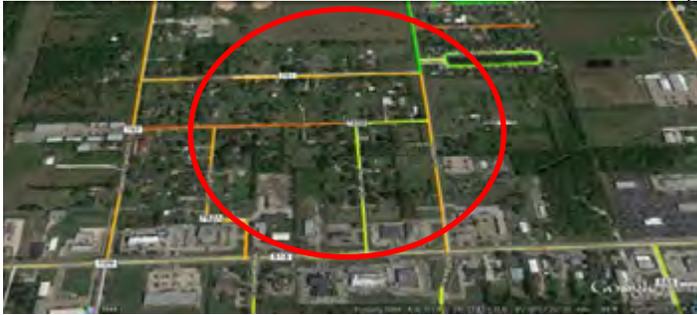


Exhibit 4: 2016 Mimosa Acres Subdivision Area. (County)



FY16 Projected Roadway Repair (Continued)

Exhibit 5: 2016 Westminster Subdivision Area (County)



Exhibit 6: 2016 John Lizer and Liberty Drive (contractor)



### FY17 Projected Roadway Repair

Exhibit 7: 2017 Sleepy Hollow (County & contractor)



Exhibit 8: 2017 Old Townsite (County)

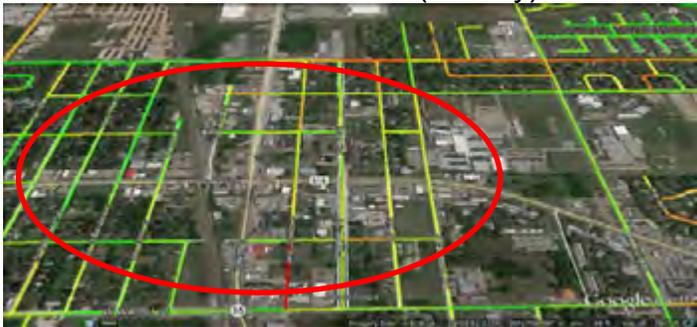
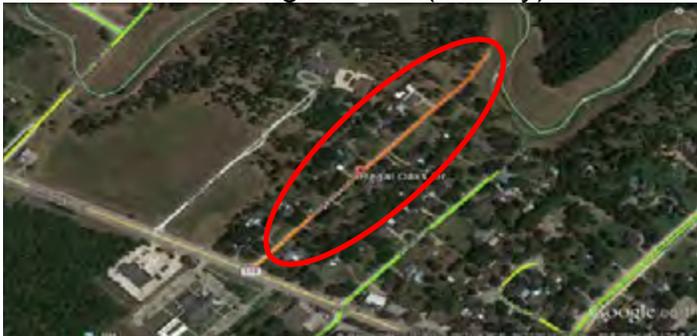


Exhibit 9: 2017 Zapalac and West Gate: (County)



Exhibit 10: 2017 Regal Oaks: (County)



### FY18 Projected Roadway Repair

Exhibit 11: 2018 Hatfield Road (contractor)

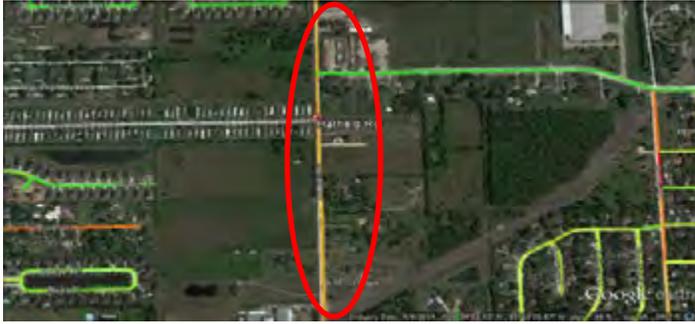
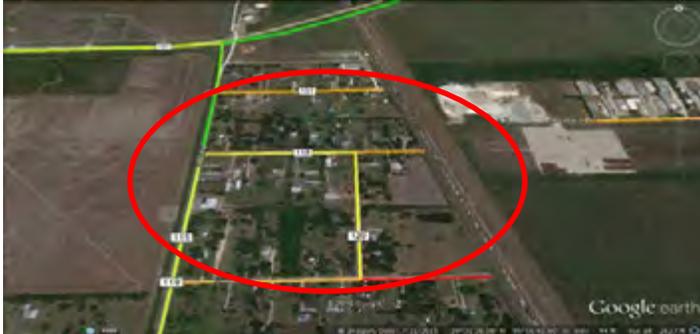


Exhibit 12: 2018 Linwood Subdivision area (County and contractor)



Exhibit 13: 2018 Herbert, Williams, Warren, Keis Streets (County)



### FY19 Projected Roadway Repair

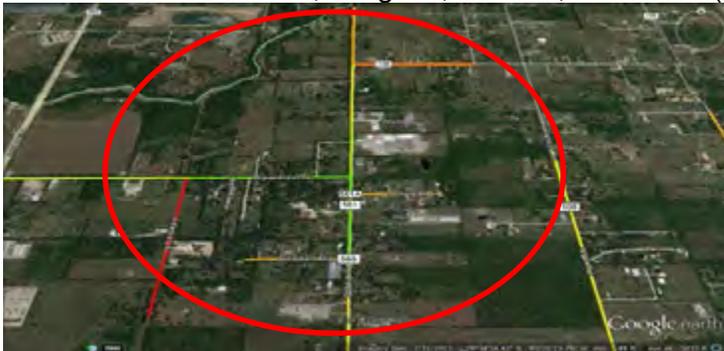
Exhibit 14: 2019 Industrial Drive (contractor)



Exhibit 15: 2019 Heritage Green Subdivision (contractor)



Exhibit 16: 2019 Adamo, Longleaf, Seddon, Brookside (County)



### FY20 Projected Roadway Repair

Exhibit 17: 2020 Woody Road (contractor)

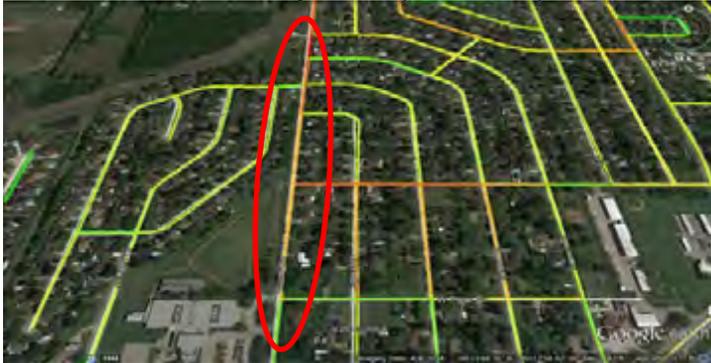


Exhibit 18: 2020 O'Day (contractor)

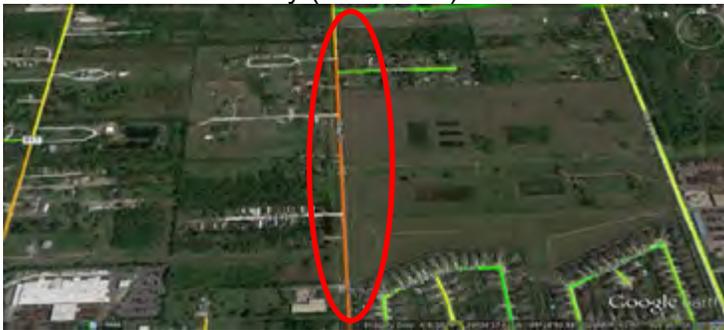
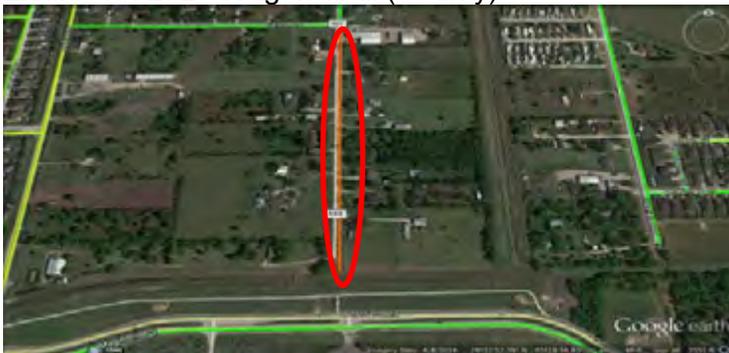
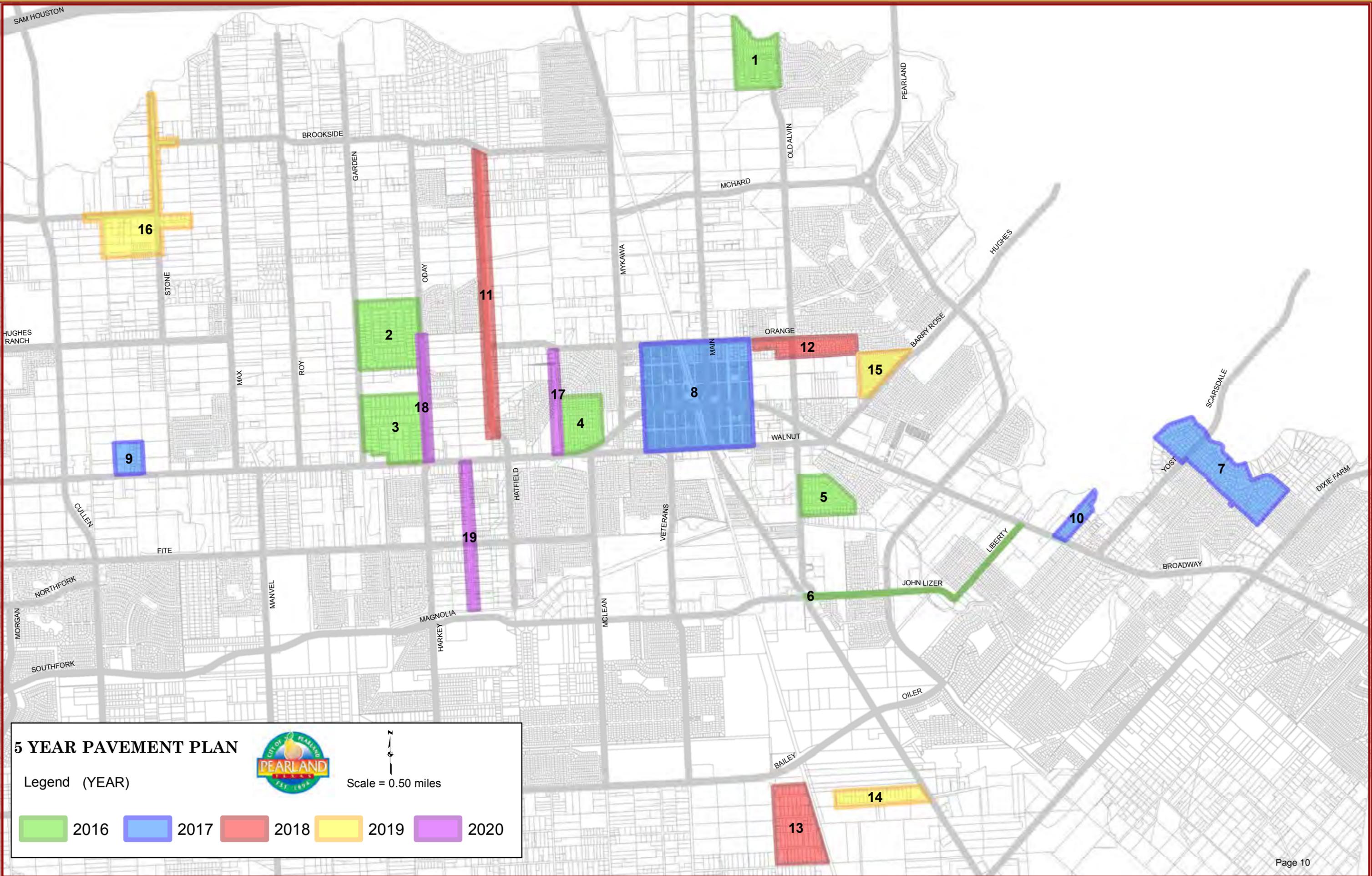


Exhibit 19: 2020 Wagon Trail (County)





**5 YEAR PAVEMENT PLAN**

Legend (YEAR)

- 2016
- 2017
- 2018
- 2019
- 2020



Scale = 0.50 miles

FY16 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Glenda Street	Knapp Road to Robinson	1733	20	Mill and Overlay
Robert Street	Knapp Road to Robinson	1431	20	Mill and Overlay
Nancy Street	Knapp Road to Robinson	1288	20	Mill and Overlay
Bobby Street	Knapp Road to Robinson	1288	20	Mill and Overlay
Robinson	Bobby to Glenda	1271	20	Mill and Overlay
Butler Drive	Garden to Oday	2225	20	Mill and Overlay
Melanie	Kelly to Butler	1660	20	Mill and Overlay

FY16 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Olin	Melanie to O'day	514	20	Mill and Overlay
Michael	Marsha to Butler	1200	20	Mill and Overlay
Kelly	Butler to O'day	3130	20	Overlay
Marsha	Garden to Melanie	1538	20	Thick Overlay
Dublin	O'day to Dead End	869	17	Thin Overlay
Stevens	Kelly to Dead end	220	15	Thin Overlay
Laurie	Garden to O'day	2030	19	Overlay

FY16 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Lazy Bend	Gardenia to FM 518	1441	21	Overlay
Gardenia	Garden to O'day	2030	19	Thick Overlay
Silver	O'day to Dead end	933	21	Overlay
Cherry	S. Pearland Ave / FM 518 to Woody Street	3048	19	Thick Overlay
Lynn	Cherry to Pear	710	20	Overlay
Cunningham	Cherry to Pear	710	20	Overlay
Halbert	Cherry to Pear	710	20	Overlay

FY16 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Westminster	Old Alvin to FM 518	3215	21	Overlay
Hampshire	Old Alvin to Churchill	1770	21	Overlay
Windsor	Old Alvin to Westminster	2610	20	Overlay
Kent	Nottingham to Hampshire	730	20	Thin Overlay
Liberty and John Lizer	Pearland Parkway to Shady Bend Drive	4000	24	Overlay with base repair

FY17 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Taylor Lane	Washington Irving to end Of McGinnis	17	4200	Overlay
Washington Irving	Rip Van Winkle to Crane Street	20	3900	Overlay
Crane Drive	Winding Creek To Washington Irving	24	4700	Overlay
Wood Creek	Washington Irving to Crane	20	1000	Overlay
Sleepy Hollow	Elm Hollow to Yost	22	3800	Overlay
Rip Van Winkle	Washington Irving to end	20	750	Thin Overlay
Tarrytown	Washington Irving to Sleepy Hollow	20	520	Overlay

FY17 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Gun Powder	Washington Irving to Sleepy Hollow	20	520	Overlay
Brom Bones	Washington Irving to Sleepy Hollow	20	520	Overlay
South Galveston	Orange to Walnut	22	3400	Overlay / minor base repair
Park Avenue	Orange to Walnut	22	3400	Overlay / minor base repair
S. Houston Ave.	Orange to Walnut	22	3400	Overlay / minor base repair
Pear	Main to Galveston	21	1400	Overlay
Plum	Main to Old Alvin	25	3400	Overlay / minor base repair

FY17 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
East Jasmine	Grand to Sacramento	24	1000	Overlay
Grand	Orange to Walnut	73	3400	Overlay / minor base repair
Sacramento	Jasmine to Plum	20	1100	Overlay / minor base repair
Zapalac Road	518 to end	22	930	Overlay / minor base repair
West Gate	518 to end	22	1100	Overlay / minor base repair
Regal Oaks	518 to end	22	1600	Overlay / minor base repair

<b>FY18</b> Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Hatfield	518 to City Limit	8750	24	Overlay / minor base repair
Orange	Old Alvin to Schindler	2050	20	Overlay / base repair
Isla	Orange to end	910	20	Overlay / base repair
Cheryl Drive	Orange to end	970	42	Minor panel replacement and joint seal
Yupon Circle	Plum to end	860	26	Minor panel replacement and joint seal
E. Linwood Oaks	Plum to end	860	26	Minor panel replacement and joint seal
Briar Circle	Plum to end	860	26	Minor panel replacement and joint seal

<b>FY18</b> Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Keis Road	Wells to end	1100	18	Overlay
Warren Road	Wells to End	1200	20	Overlay
Williams Street	Warren to Herbert	1000	20	Overlay
Herbert	Wells to End	1300	20	Overlay

FY19 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Industrial Drive	S.H. 35 to East Limit	2800	21	Overlay / base repair
Meadow Green Drive	End to Pilgrims Point	1300	27	Minor panel replacement and joint seal
Pilgrims Point	Meadow Green Drive to Barry Rose	1500	27	Panel replacement and joint seal
Founders Green Circle	Pilgrims Point To end	670	27	Minor panel replacement and joint seal
Heritage Landing Street	Pilgrims Point To Heritage Green Drive	700	27	Minor panel replacement and joint seal
Plymouth Landing Circle	Meadow Green To end	600	27	Minor panel replacement and joint seal
Adamo Lane	Brookside to End	1800	15	Overlay / base repair

FY19 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Seddon Road	Stone Road to end	970	16	Overlay / base repair
Long Leaf	Stone Road to end	900	16	Overlay / base repair
Brookside Road	Stone Road to Sunbrook Dr.	1550	22	Overlay / base repair

FY20 Street / Location	Limits (To – From)	Length (FT)	Width (FT)	Work Description (Major Street Projects Only)
Woody Road	Orange to 518	3600	22	Overlay / base repair
O'day Road	518 to Laurie Street & Butler to north City limit	7200	20	Overlay / base repair
Wagon Trail	518 to end	4700	21	Overlay / base repair

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> Ordinance No. 2000M-150				
<b>DATE SUBMITTED:</b> July 19, 2016	<b>DEPT. OF ORIGIN:</b> Planning				
<b>PREPARED BY:</b> Frankie Legaux	<b>PRESENTOR:</b> Lata Krishnarao				
<b>REVIEWED BY:</b> Lata Krishnarao	<b>REVIEW DATE:</b> August 3, 2016				
<p><b>SUBJECT:</b> Ordinance No. 2000M-150 - An ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property, being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records. <b>(Northeast corner of Broadway and Shauntel Streets, Pearland, TX.)</b> Zone Change Application No. ZONE 16-00009, a request of Kris Szecsy applicant, on behalf of George Gartner, owner; <b>for approval of an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery;</b> on approximately 2.939 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.</p>					
<p><b>ATTACHMENTS:</b> Ordinance No. 2000M-150 and Exhibits (Exhibit A- Legal Description; Exhibit B – Vicinity map; Exhibit C – Legal Ad; Exhibit D – Planning and Zoning Recommendation Letter); Joint Public Hearing Packet (07.18.16); Exhibit E – PD document with site plan</p>					
<p><b>EXPENDITURE REQUIRED:</b> N/A  <b>AMOUNT AVAILABLE:</b> N/A  <b>ACCOUNT NO.:</b> N/A</p>	<p><b>AMOUNT BUDGETED:</b> N/A  <b>PROJECT NO.:</b> N/A</p>				
<p><b>ADDITIONAL APPROPRIATION REQUIRED:</b> N/A  <b>ACCOUNT NO.:</b> N/A  <b>PROJECT NO.:</b> N/A</p>					
<p><b>To be completed by Department:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 25%;">Finance</td> <td style="text-align: center; width: 25%;">Legal</td> <td style="text-align: center; width: 25%;">Ordinance</td> <td style="text-align: center; width: 25%;">Resolution</td> </tr> </table>		Finance	Legal	Ordinance	Resolution
Finance	Legal	Ordinance	Resolution		



**SUMMARY:** In 2014, the Baks Brewing PD was approved for the development of a micro-brewery at 1231 Broadway Street. The applicant is now requesting an amendment to the original PD ordinance to allow concessionaires to sell food inside and/or outside in either trucks, trailers or under a tent. The brewery does not currently provide kitchen food to their customers. The applicant proposes that at any given time there will be a maximum of three concessionaires, open only during the operating hours of the brewery. No other changes to the PD are proposed.

The City of Pearland does not currently allow food trucks on a regular “permanent” basis but allows the activity through a temporary event permit process which is allowed up to four times per calendar year and all four permits in total are not allowed to exceed sixty days. The property currently has an approved temporary event permit that has allowed them to have concessionaires.

The key features of the applicant’s proposed PD amendment are as follows:

1. Limit the number of concessionaires (combination of trucks or tents) to a maximum of three.
2. Concessionaires will not use the site as a commissary.
3. Concessionaires will not be allowed to leave their equipment or stay overnight on the property.
4. The site plan (Exhibit A) indicates three locations for concessionaires which are outside the fire lane.
5. The site plan indicates that a sufficient amount of parking will be provided for the increased activity.
6. Food handlers follow current Pearland standard for obtaining a “Food Handlers Permit”.

**RECOMMEDATION:** Staff recommends approval of the PD amendment with conditions stated below, for the following reasons:

1. A PD amendment to permit concessionaires, subject to any permitting and licensing adopted by the City, on this site will complement the brewery and make this site a destination for residents and tourists, a key objective of the 2015 Comprehensive Plan.
2. This PD amendment to permit concessionaires on this site, with adequate buffers from adjoining residential uses, should not have any adverse impact on the surrounding properties.

Staff recommends the following conditions that need to be addressed prior to the second reading of the ordinance:

1. Remove all references to canopy or tent and clarify the PD is for concessionaires (food trucks or food trailers).
2. The site will be limited to two concessionaires, subject to any applicable permits and licenses required by the City, at any given time. The outside concessionaires must be located on the two spaces located along the East property line. Concessionaires will not be located in front of the building. The site plan needs to be amended to show the two locations.
3. This approval may be reevaluated at any time to address any concerns as needed.
4. The parking of the food trucks would be the two locations shown on the site plan on the east side of the property.
5. Food trucks should not be located in front of the building. The site plan needs to be amended to show this.
6. Add the following definition to the PD document:  
A concessionaire is a person or business who prepares food to sell on-site. A concessionaire may sell food from a truck, trailer, inside the building, or under the awning as shown in Exhibit A "the site plan". No concessionaire will use the site as a commissary. A commissary will be defined as a location that the Pearland Health Officer has deemed to be acceptable to safely prepare food for the transportation to another location off the premises. This location will not act as a commercial kitchen except for the purposes required by the brewery process.
7. Add the following text to the PD document:  
The site will be limited to two concessionaires at any given time regardless of method of delivery. All concessionaires will obtain permits and licenses required by the City and follow all appropriate Pearland Health regulations. No concessionaires will be allowed on site during nonbusiness hours or for their vehicle or trailer to remain on the site over-night. Concessionaires will be allowed to serve customers only during normal brewery hours.
8. A food truck would be the largest concessionaire on site and would take up approximately 200 square feet. Assuming two food trucks would occupy 400 square feet and using the fast food restaurant parking ratio as a guide for calculating parking (1 space per 100 square feet) the addition of two food trucks would generate four additional required spaces. The brewery currently

requires 40 spaces. The addition would bring the total to 44 required spaces. The site currently provides 49 spaces.

This amendment is the result of a lengthy dialogue between the City and the business owner to find common ground to regulate and allow concessionaire activity in the form of food trucks and trailers. Staff finds that an overabundance of outside food concessionaires could detract from the high-quality environment which the City has worked to maintain along Major Corridors if not done on a very limited basis at specific sites in the community.

For instance, in the GB zoning classifications, outside activities are limited to merchandise where the transaction is located in an area adjacent to the structure, or by a special activity limited by time of year (i.e. Christmas tree sales, pumpkin patches, etc.). Food concessionaires in trucks and trailers differ in that the preparation of the food occurs completely inside the vehicle.

Staff wishes, and the Planning and Zoning Commission has supported in the past, to balance the interest of brick and mortar restaurants while expanding the ability for unique locations to serve as points of interest for the City. Staff supports this PD amendment to add an amenity to the brewery use which is a unique destination in our community especially for group events. We do not support generally a parking lot being used as a food court that would just be adding a use to an existing use just to increase traffic at a typical retail, trade, or business. The PD may be reevaluated at any time to address any concerns as needed.

**PUBLIC NOTIFICATION:** A Joint Public Hearing was conducted on July 18, 2016. Staff sent public notices, comment forms and a vicinity map to the applicant, the owner of the property and to property owners within 200 feet of the subject property under consideration for the zone change. Additionally, a legal notice of the public hearing was published in the local newspaper, and a notification sign was placed on the property by the applicant.

No "Public Comment Forms" from property owners within 200 feet regarding this request were returned in favor or opposition to the request. Staff received no phone calls inquiring about the request.

At the Joint Public Hearing meeting, four people spoke, not including the applicant and property owner. All four were against the request stating it is a poor location for this facility expressed their desire for retail, dining, and shopping.

## **PLANNING AND ZONING COMMISSION DISCUSSION:**

P&Z Chairperson Daniel Tunstall read the Zone Change Application No. Zone 2016-00009. P&Z Commissioner David Selsky made the motion to recommend approval. P&Z Commissioner Mary Starr seconded the motion.

The Commission discussed the following items; traffic, placement of trucks, number of trucks, tent placement, and number of day's trucks would be allowed on-site. The Commission also discussed adding a fourth condition to reduce the locations for the food trucks on Exhibit E to the two locations on the east side of the property. The applicant agreed to reduce the number of trucks from three to two and that the location in front of the business would be eliminated.

P&Z Commissioner David Selsky moved to amend the original motion to include the following recommendations in addition to other staff recommendations:

1. Remove all references to canopy or tent and clarify the PD is for food trucks or food trailers.
2. The site will limited to two concessionaires at any given time. The outside concessionaires must be located on the two spaces located along the east property line. Concessionaires will not be located in front of the building. The site plan needs to be amended to show the two locations.
3. This approval may be reevaluated at any time to address any concerns as needed.
4. The parking of the food trucks would be the two locations shown on the site plan on the east side of the property.

P&Z Commissioner Darrell Isenberg seconded the amendment to the original motion. The amendment to the original motion passed 6-0. P&Z Chairperson Daniel Tunstall, P&Z Vice-Chairperson Thomas Duncan, P&Z Commissioners Derrell Isenberg, Ginger McFadden, David Selsky, and Mary Starr voted in favor of the amended motion.

The amended motion passed 6-0. P&Z Chairperson Daniel Tunstall, P&Z Vice-Chairperson Thomas Duncan, P&Z Commissioners Derrell Isenberg, Ginger McFadden, David Selsky, and Mary Starr voted in favor of the amended motion.

## **Ordinance No. 2000M – 150**

An ordinance of the City Council of the City of Pearland, Texas, amending Ordinance No. 2000M, the zoning map of the City of Pearland, Texas, for the purpose of changing the classification of certain property, being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records. **(Northeast corner of Broadway and Shauntel Streets, Pearland, TX.)** Zone Change Application No. ZONE 16-00009, a request of Kris Szecsy applicant, on behalf of George Gartner, owner; **for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery;** on approximately 2.939 acres of land; providing for an amendment of the zoning district map; containing a savings clause, a severability clause, and an effective date and other provisions related to the subject.

**WHEREAS**, Kris Szecsy applicant, on behalf of George Gartner, owner for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land on the following described property; said property being legally described in the legal description attached hereto and made a part hereof for all purposes as Exhibit “A,” and more graphically depicted in the vicinity map attached hereto and made a part hereof for all purposes as Exhibit “B”; and

**WHEREAS**, on the 18<sup>th</sup> day of July 2016, a Joint Public Hearing was held before the Planning and Zoning Commission and the City Council of the City of Pearland, Texas, notice being given by publication in the official newspaper of the City, the affidavit of publication being attached hereto and made a part hereof for all purposes as Exhibit "C," said call and notice being in strict conformity with provisions of Section 1.2.2.2 of Ordinance No. 2000T; and

**WHEREAS**, on the 18<sup>th</sup> day of July 2016, the Planning and Zoning Commission submitted its report and recommendation to the City Council regarding the proposed amendment to the Baks Brewery PD zoning district to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land, said recommendation attached hereto and made a part hereof for all purposes as Exhibit “D”, and more graphically depicted in the site plan attached hereto and made a part hereof for all purposes as Exhibit “E”; and

**WHEREAS**, upon receipt of the report from the Planning and Zoning Commission, City Council considered this application and the recommendation of the Planning and Zoning Commission at regular meetings on the 8<sup>th</sup> day of August 2016 and the 22<sup>nd</sup> day of August 2016; and

**WHEREAS**, the City Council having fully heard the testimony and argument of all interested parties, and having been fully advised in the premises, finds that in the case of the application Kris Szecsy applicant, on behalf of George Gartner, owner; for approval of a an amendment to the Baks Brewery PD zoning district to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land; presented which, in the judgment of the City Council, would justify the approval of said application; now, therefore,

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

**Section I.** The following described property located within the corporate City Limits of the City of Pearland, Texas, and presently being located within the Baks Brewery PD zoning district, is hereby granted an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of two concessionaires from outside vendors during operating hours of the brewery, in accordance with all conditions

and requirements of the current Unified Development Code approved by the City Council and incorporated for all purposes, such property being more particularly described as:

**Legal Description:** Being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records.

**General Location:** Northeast corner of Broadway and Shauntel Streets, Pearland, TX.

**Section II.** The City Council of the City of Pearland finds and determines that the recitations in the preamble hereof are true and that all necessary prerequisites of law have been accomplished and that no valid protest of the proposed change has been made. The City Council further finds and determines that there has been compliance with the mandates of law in the posting and presentation of this matter to the Planning and Zoning Commission for consideration and decision.

**Section III.** The City Council of the City of Pearland finds and determines that the amendment adopted herein promotes the health, safety, and general welfare of the public and is a proper valid exercise of the City's police powers.

**Section IV.** If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional 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 V.** All rights and remedies, which have accrued in the favor of the City under this Ordinance and its amendments thereto, shall be and are preserved for the benefit of the City.

**Section VI.** This Ordinance shall become effective after its passage and approval on second and final reading.

PASSED, APPROVED, and ADOPTED on First Reading this 8<sup>th</sup> day of August, 2016.

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

ATTEST:

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

PASSED, APPROVED, and ADOPTED on Second and Final Reading this 22<sup>nd</sup> day of August, 2016.

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

ATTEST:

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

APPROVED AS TO FORM:

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

**Exhibit A**  
**Legal Description**

Being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records.

**Exhibit B  
Vicinity Map**



**Exhibit C  
Legal Ad**

**NOTICE OF A JOINT PUBLIC HEARING OF  
THE CITY COUNCIL**

**AND**

**THE PLANNING AND ZONING COMMISSION  
OF THE CITY OF PEARLAND, TEXAS**

**ZONE CHANGE APPLICATION NUMBER:  
ZONE 16-00009**

Notice is hereby given that on July 18, 2016, at 6:30 p.m., the City Council and Planning and Zoning Commission of the City of Pearland, in Brazoria, Harris and Fort Bend Counties, Texas, will conduct a joint public hearing in the Council Chambers of City Hall, located at 3519 Liberty Drive, Pearland, Texas, at the request of Kris Szecsy applicant, on behalf of George Gartner, owner; for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of three food trucks and/or on site food sales from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land, to wit:

Being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records.

General Location: Northeast corner of Broadway and Shauntel Streets, Pearland, TX.

At said hearing, all interested parties shall have the right and opportunity to appear and be heard on the subject. For additional information, please contact the Planning Department at 281-652-1765.

Frankie Legaux  
City Planner

**Exhibit D**  
**Planning and Zoning Commission Recommendation Letter**



## Planning & Zoning Commission

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### Recommendation Letter

August 2, 2016

Honorable Mayor and City Council Members  
3519 Liberty Drive  
Pearland, TX 77581

Re: Recommendation on Zoning Change Application No. ZONE 16-00009

Honorable Mayor and City Council Members:

At their regular meeting on July 18, 2016, the Planning and Zoning Commission considered the following:

A request of Kris Szecsy applicant, on behalf of George Gartner, owner; for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of three food trucks and/or on site food sales from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land.

**Legal Description:** Being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records.

**General Location:** Northeast corner of Broadway and Shauntel Streets, Pearland, TX.

P&Z Chairperson Daniel Tunstall read the Zone Change Application No. Zone 2016-00009. P&Z Commissioner David Selsky made the motion to recommend approval. P&Z Commissioner Mary Starr seconded the motion.

The Commission discussed the following items; traffic, placement of trucks, number of trucks, tent placement, and number of day's trucks would be allowed on-site. The Commission also discussed adding a fourth condition to reduce the locations for the food trucks on Exhibit E to the two locations on the east side of the property. The applicant agreed to reduce the number of trucks from three to two and that the location in front of the business would be eliminated.

P&Z Commissioner David Selsky moved to amend the original motion to include the following recommendations in addition to other staff recommendations:

1. Remove all references to canopy or tent and clarify the PD is for food trucks or food trailers.
2. The site will limited to two concessionaires at any given time. The outside concessionaires must be located on the two spaces located along the east property line. Concessionaires will not be located in front of the building. The site plan needs to be amended to show the two locations.
3. This approval may be reevaluated at any time to address any concerns as needed.
4. The parking of the food trucks would be the two locations shown on the site plan on the east side of the property.

P&Z Commissioner Darrell Isenberg seconded the amendment to the original motion. The amendment to the original motion passed 6-0. P&Z Chairperson Daniel Tunstall, P&Z Vice-Chairperson Thomas Duncan, P&Z Commissioners Derrell Isenberg, Ginger McFadden, David Selsky, and Mary Starr voted in favor of the amended motion. The amended motion passed 6-0. P&Z Chairperson Daniel Tunstall, P&Z Vice-Chairperson Thomas Duncan, P&Z Commissioners Derrell Isenberg, Ginger McFadden, David Selsky, and Mary Starr voted in favor of the amended motion.

Sincerely,



Frankie Legaux

City Planner

On behalf of the Planning and Zoning Commission

**Exhibit E**  
**PD Document with Site Plan**

**TO BE REVISED PRIOR TO 2<sup>ND</sup> READING**



**BAKS BREWING MANAGEMENT, INC.  
PLANNED DEVELOPMENT DISTRICT (PD)  
FOR CITY OF PEARLAND**

**Draft**

Revised PD document to be submitted prior to 2nd Reading

# CURRENT PROPERTY DESCRIPTION

## Description of the Subject Property.

Subject property is located at 1231 Broadway Street, in Pearland, Texas. It sits on 2.94 acres of which approximately half is developed and fenced and contains the primary building which is ± 8,753 SF total. This building includes a 2,000 SF showroom, 849 SF Office/s and 5,144 SF warehouse. Within the developed fenced area is an additional 1500 SF wash bay and 400 SF storage building. Besides facing Broadway, Shauntel Street runs adjacent to the property. The back section of the property is undeveloped green area which borders along Mary's Creek.



1.3480 Acres Developed Area  
1.2748 Acres Undeveloped Area  
0.316 Acres Dedicated Street Easement  

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2.9388 Acres Total Tract



## PROPOSED DEVELOPMENT DESCRIPTION

The proposed development will be to convert the use of the building to a working production craft brewery with a public taproom (Think: wine tasting room).

### COMPANY DESCRIPTION

BAKS Brewing Management Inc. is a privately held corporation owned and managed by its founders, Brian Allen and Kris Szecsy. The business of the company is the production of quality, fresh, flavorful beer for the local market. BAKS believes that when looking at local breweries around the Houston area there are very few options for the Southern Houston region. Pearland is not only the town where Brian grew up, but with its growth over the last 10 years, it provides a prime market that can and will support a local brewery.

**BAKS BREWING WILL  
PRODUCE ITS OWN  
NON-ALCOHOLIC ROOT  
BEER**



BAKS Brewing will initially produce five different styles of beer and a non-alcoholic root beer. These styles include: a Belgian Texas Blonde, American Pale Ale, Session India Pale Ale (IPA), Porter and American IPA. These products will be distributed in kegs to licensed retail outlets. The beers of the BAKS Brewing Company will be sold to bars and restaurants in the greater Pearland area with our initial focus being on the communities south of downtown Houston, including Pearland, Friendswood, Clear Lake, League City, Alvin, Webster, Kemah, Dickinson & Galveston.

BAKS Brewing will produce beer with a 20 barrel, stainless steel brewing plant. Production capacity of our 20-barrel plant with five fermenters is approximately 5000 barrels a year (1 barrel equals 31 gallons, which equals two standard 15.5-gallon kegs).

BAKS Brewing will have a tap room where customers may come to view and tour the operation of the brewery. They will also be able to purchase our beers at retail prices for both on-site consumption and beer to go in the form of growler fills (and eventually 6-packs & 22oz. bottles). Promotional merchandise with our name/logo such as pint glasses, t-shirts and growlers will also be sold.

Additionally, BAKS will have a dedicated area within the actual brewery warehouse that will be available for rental and special events, such as corporate meetings, wedding receptions and fund raising events.

BAKS will also provide scheduled tours of the brewery that will give an intimate and hands on experience. These tours will be reserved in advance and will take place with one of the owners or brewers. The tours will allow patrons to see, experience and taste the complete brewing process. They will be able to sample the ingredients (ie. Malt, hops, etc.), that go into making the beer as well as sample the beer at different stages of fermentation. We will be able to help educate them on the actual process of making the beer.



## POTENTIAL IMPROVEMENTS & BENEFITS

### PROPERTY IMPROVEMENTS AND BENEFITS

- Improved landscaping - will not only improve and add additional landscaping where available (currently most green area in and directly surrounding the property is already landscaped) but will add a row of shrubs along back fence to add one more layer of concealment from residential neighborhood
- Improved building façade - will cover the metal exterior with stucco, masonry or stone
- Will include a small rental area inside of the brewery (but separated from any brewing equipment) for event rentals such as birthdays, wedding receptions, corporate functions, etc.)
- New sprinkler system for both warehouse and retail area (tap room)
- Minimal building changes and renovations required to support the brewery - some minimal cosmetic improvements made to the front retail area to convert it to the tap room, installing trench drains are all that is required
- Improved green (outdoor) area behind property by adding seating & picnic nodes
- Will add a trail connecting to the proposed hike & bike trail to the brewery and will provide an area to park bicycles
- Will add park benches to green area between brewery and hike & bike trail

### NEARBY AREA BENEFITS

- Green area behind property will be maintained as a buffer to residential community located on the opposite side of Mary's Creek
- Will add an additional line of shrub coverage (eg. Large wax myrtles) along the outside of the back property fence
- Will support local eating establishments as we do not serve food and patrons will want some place to eat before/after visiting the tap room.
- Will also work with local area Pearland dining establishments to create custom beers based on their style preference
- Heavy equipment and large truck traffic will decrease as we will only have 1 small refrigeration truck stop by for loading/unloading kegs 1-2 times a week

### OVERALL CITY BENEFITS

- Additional tourism and related financial benefit for Pearland (Saint Arnold Brewery is currently a top 10 tourist destination for Houston)
- Hike & Bike Trail destination
- Additional tax dollars
- A destination for local residents seeking entertainment other than just a restaurant
- Pearland will have its own brewery producing and selling craft beer to the greater Houston area

**BAKS PLANS TO SUPPORT PISD BY PROVIDING ITS SPENT GRAIN AT NO COST TO THE SCHOOL'S FAA PROGRAM FOR USE AS LIVESTOCK FEED.**

**BAKS BREWING WILL WORK WITH OTHER LOCAL BUSINESSES SUCH AS PEARLAND COFFEE ROASTERS TO PROVIDE INGREDIENTS FOR SPECIALTY BEERS (EG. COFFEE PORTER)**

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### Land Acreage Description

The attached site survey shows the total property acreage to be 2.9388

### PD Purpose & Intent Statement

The purpose and intent of the PD established is to allow a new use 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law' (which has been identified by the city as the most appropriate) on this property which is currently zoned as General Commercial (GC).

This new use is described as a facility that houses manufacturing, storage, and assembly operations including, but not limited to, beverage plant, fabrication, metal finishing, foundry, ice plant, machine shop, mill, printing plant, publishing and bindery plant, masonry products manufacturing, refinery for nonagricultural products, food products, processing and packaging plant, and precision instruments manufacturing.

This use is not permitted by right in the GC zoning district and thus would require a zone change to operate. Based on this information and guidance from the city's planning/zoning department, the applicant determined the best path forward would be to apply for a Planned Development to operate a small craft brewery.

## POSSIBLE CITIZEN'S CONCERNS

1. Increased traffic into neighborhood located behind property.

There is only 1 access gate onto Shauntel that would allow patrons to drive into the neighborhood. BAKS will post signage on both sides of gate upon exiting that states: 'DO NOT TURN RIGHT NOT A THRU STREET'. This should eliminate the majority, if not all traffic from accidentally turning into the neighborhood. We will also be able to close this gate when not needed to limit any traffic from entering/leaving our property via the Shauntel street entrance.

2. Patrons being able to see, watch or speak to people (employees or children) located at the business and home 2 lots over.

BAKS will install (2) gates approximately 6' high gates blocking all traffic from entering the property on the East side and North side of the building. (See attached site plan for proposed gate locations) This will prohibit any and all traffic from being able to see, watch or speak to any persons on the adjacent property.

Additionally, the outdoor seating area is located adjacent to the building on the opposite side of the business which prevents any chance of anyone seeing or speaking to anyone else outside of the property.

3. Smells

The only smell produced by brewing beer is the smell of boiling grain to produce wort. The smell is not unpleasant and is similar to cooked oatmeal. Additionally, the smell will be contained and disbursed within the warehouse.

### Additional Community Involvement

We will work with other local Pearland businesses to help promote both enterprises. For instance, we have spoken with the owners of Pearland Coffee Roasters about providing roasted coffee beans to be used in speciality beers such as a coffee porter.

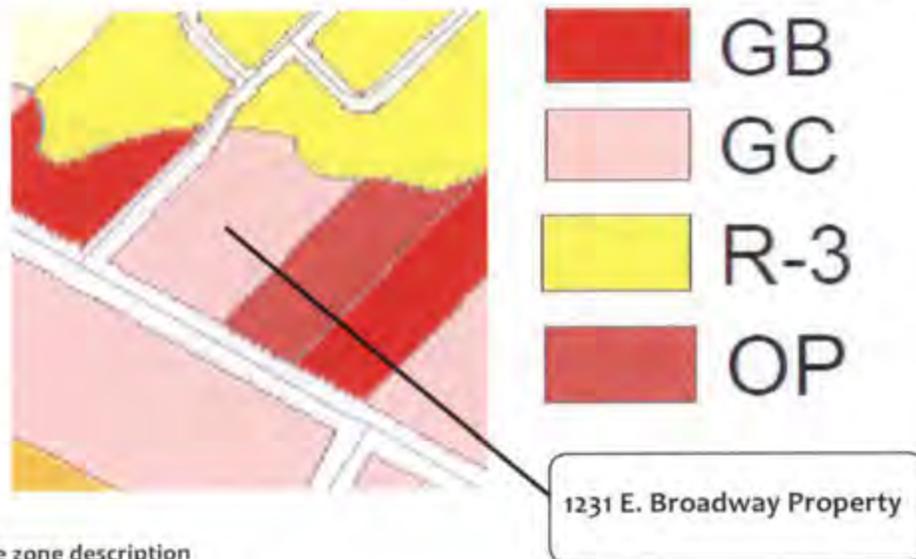
One of the only by-products from brewing is spent grain (the grain we have boiled to produce wort). This makes great livestock feed and generally, breweries work with local farmers to pick-up and use the spent grain. We have spoken with the Agriculture Department of Pearland Independent School District and will work with them (Hunter Morgan) to provide our spent grain at no cost to students to use for their livestock.

Lastly, we plan to hire locally and provide jobs for Pearland. Our first and currently only employee (part time book keeper) is a Pearland resident.

## ZONING & LAND USE

### Existing zoning district and boundary description

The property is currently zoned as a General Commercial District (GC) which is intended to permit a wide variety of businesses characterized by those uses that may require an extensive amount of land for the conduct of business and/or that may require outside storage uses. The front South West property line runs along a major thoroughfare, West Broadway, on which the other side is also zoned 'GC' (and includes a restaurant). The North West property line runs along Shauntel Street, on which the opposite property is zoned as 'General Business Retail District (GB)'. The North East property line runs along Mary's Creek, for which the District on the other side is zoned as a Single-Family Residential-3 (R3). Lastly, the South East property line runs adjacent to a property which is zoned as Office & Professional District (OP).



### Base zone description

The base zone to be overlaid will be GC.

This zone will encompass the entire property which has the same district boundaries as mentioned above, "The front South West property line runs along a major thoroughfare, East Broadway, on which the opposite side property is also zoned 'GC'. The North West property line runs along Shauntel Street, on which the opposite property is zoned as 'General Business Retail District (GB)'. The North East property line runs along Mary's Creek, for which the District on the other side is zoned as a Single-Family Residential-3 (R3). Lastly, the South East property line runs adjacent to a property which is zoned as Office & Professional District (OP)."

Use	Acres	Percentage of Total Acres	Zoning District
Single Family	n/a	n/a	
Multiple Family	n/a	n/a	
General Business/Commercial	1.5	50%	GC w/PD
Parkland to be dedicated to the city	n/a	n/a	
Common Open Spaces/Trails/Recreation	1.44	~49%	GC w/PD
Detention	n/a	n/a	
Thoroughfares/ROW	n/a	n/a	
Internal Streets/Vehicular Circulation	n/a	n/a	
Others	n/a	n/a	

## DESIGN STANDARDS

All zoning standards not expressly set forth for the district in the adopting ordinance shall be as provided in the base zoning district(s), and that any standard in this ordinance that has not been expressly varied in the adopting ordinance shall be applicable to subsequent development permits for land within the PD district.

The following standards will be improved to meet both the 'GC' and 'Corridor Overlay District' UDC requirements:

- **Building Facade** - we will cover the existing metal facade with stucco in a neutral color (from the approved color palate) to match the existing brick. See attachment for rendering.
- **Signage** - Once the building facade has been covered will install sign with our company name that is not more than 15% of surface area. We will also update the existing monument sign which is also within the COD UDC requirement (ie. replace Sunbelt with BAKS)
- **Landscaping** - The current landscaping exceeds the UDC COD requirements, but we will replace all dead and diseased trees and shrubs, as well as lay all new mulch and ensure the installed irrigation system is working correctly.
- **Screening/Fencing** - The entire property (excluding open green area) is fenced with a 6' black rod iron fence which is surrounded by additional landscaping. We will fix and replace any bent or damaged fencing as well as plant additional trees along the back of the property fence for additional screening.
- **Lighting** - All current (3) light poles on the property along with building lighting will be inspected and updated to meet current COD Standards

The following standards **exceed** both the 'GC' and 'Corridor Overlay District' UDC requirements:

- **Green Area** - BAKS Brewing currently provides approximately 49% of its property as green area and we plan for it to remain that way. Almost half of the property is an open green area (outside of the property fence) located at the rear of the property which end long Mary's Creek. BAKS intends to promote the green area in support of the city's proposed hike & bike trail by adding seating and picnic nodes, additional bench seating and a compacted gravel trail connecting the hike & bike trail to the rear of the brewery, where we will locate a (lockable) gate to provide access onto the brewery. We will also install a security camera to monitor traffic and provide an additional level of security
- **Bicycle Parking** - BAKS will have at least (2) separate bicycle parking facilities; one in front and one located at the back of the property where there will be a gate and pathway connecting the brewery to the city's proposed hike & bike trail. BAKS will also support and promote local running and biking organizations.

Parking Table  
Existing Spaces: 16  
Additional Proposed Spaces: 17+  
Total Spaces: 33+

## DESIGN STANDARDS (Cont.)

PD Districts are “intended to encourage flexible and creative planning and property development” and this PD is for an existing property that already meets most of the standards.

We understand that “the Corridors Overlay District (COD) is intended to help the City exercise greater control over the aesthetic, functional and safety characteristics of development along newly constructed major thoroughfares within the City where higher development standards can effectively enhance the City’s image as a desirable place to live, work, and shop.”

Due to the existing layout with existing parking lot, fence, irrigation system and landscaping that exceeds COD Standards, as well as several utility connections (including: AT&T box with 6 surrounding bollards, storm water access, fire hydrant, light pole, water line access and waste water lift station), we are proposing to build the sidewalk within the TxDOT ROW similar to what was done (2) lots down. We will work within the area to provide a 6’ wide side walk and are currently working with Johnson Traffic Engineers for the TxDOT application. (See attachment for graphical presentation).

Additionally, where our sidewalk will end at the east end of property, there is only approximately 1100’ to the end of the city limits.



View of west frontage, looking west



View of far west frontage @ Shauntel Street



View of center frontage looking west



View of smaller eastern frontage looking east towards Friendswood



View of property located (2) lots to the west

## DESIGN STANDARDS DEVIATION TABLE

Standard	GC/COD Requirement	PD Deviation
Parking	One space for each 1.5 employees = 4.5 spaces	We will exceed by providing 33 spaces that meet UDC standards
Sidewalk	6' wide, 6' separation from back of curb with 80% curved alignment	Due to existing conditions sidewalk will be 6' wide and constructed within TxDOT ROW but will not provide 6' separation from curb nor 80% curved alignment
Use	Does Not Allow for 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law'	Allows for 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law'
Landscaping	<ul style="list-style-type: none"> <li>- 15% of gross lot area shall consist of landscaped open areas</li> <li>- Large shade trees (2") caliper for each (10') of frontage = 78" for 386' frontage</li> <li>- Ornamental trees (1") caliper for each (15') of frontage = 26" for 386' frontage</li> </ul>	<ul style="list-style-type: none"> <li>- We will exceed standard with ~50% of area for landscaped open areas</li> <li>- We will exceed standard with 94" tree calipers on 386' of frontage</li> <li>- We will exceed standard with 65" tree calipers on 386' of frontage</li> <li>- Large undeveloped green area in back of property provides an additional 40+ shade trees 20' - 50' in height</li> <li>- Will support future Hike &amp; Bike train along Marys's Creek by connecting to it with a path and providing seating/picnic nodes</li> </ul>
Bicycle Parking	Amount equal to 5% of total parking spaces	We will exceed standard with an amount of 20% of total parking spaces provided for bicycle parking

## SCHEDULE

PD is approved  
Lease is signed

### Month 1

- Brewing equipment is ordered
- Apply for TABC & TTP Licences

### Months 1-3

- 450 SF cold room assembled and attached to back of warehouse
- Trench floor drains are installed in the warehouse
- Sprinkler system installed in warehouse and public area (eg. Tap room)
- Electrical and plumbing provisions are made to support forthcoming brew system
- Showroom is renovated to support the tap room
- Landscaping improvements are made
- Stucco is added to exterior of building
- Sidewalk is constructed in front of property

### Month 4

- Brew system arrives and is installed
- Building inspections approved
- New signage goes up

### Month 5

- Grand Opening... Beer is made and happily served to excited customers!

### Month 6

- Picnic and seating nodes are added to undeveloped green area. A trail and bicycle parking will be added once the city has constructed the Hike & Bike trail along Mary's Creek in order to maximize the location and layout of the trail to best serve the public.



**“BAKS Brewery would be an asset to Pearland in providing group tours and tastings as well as providing a venue for corporate/social events. This can only aid Pearland in its growth of tourism businesses.”**

**Kim Sinistore, Executive Director  
City of Pearland Convention & Visitors Bureau (CVB)**

## INDUSTRY OVERVIEW

### INDUSTRY DESCRIPTION

Today America, and especially Texas, is experiencing a revival of its brewing tradition. Craft breweries are defined by the Brewers Association as small (producing less than 6 million barrels), independent (less than 25% of the craft brewery is owned or controlled by alcoholic beverage industry member that is not a craft brewer) and traditional (all malt flagship or at least 50% of its volume in all malt beers which use adjuncts to enhance rather than lighten flavor). 2,347 craft breweries operated for some or all of 2012, comprised of 1,132 brewpubs, 1,118 microbreweries and 97 regional craft breweries, this is the most in operation since the pre-Prohibition era. Growth of the craft brewing industry in 2012 was 15% by volume and 17% by dollars compared to growth in 2011 of 13% by volume and 15% by dollars.

### INDUSTRY BACKGROUND

#### INTRODUCTION TO CRAFT BREWERIES

Craft breweries are a historic means for satisfying the public's demand for a greater variety of fresh quality beer. In the late nineteenth and early twentieth centuries, the United States supported nearly four thousand (4000) breweries, the majority being independent local and regional operations producing a vast array of Old World beer styles. Without question, Prohibition nearly destroyed this American brewing history and tradition.

#### ADVANTAGES OF CRAFT BREWERIES

One of the advantages of a craft brewery is its ability to supply its product to the consumer when it is at its peak of freshness. Craft breweries are brewing a handcrafted product on a more limited scale where quality is the most important concern. For this reason, using the highest quality traditional ingredients – malted barley, hops, yeast and water – is justified, rather than the chemicals and cheaper adjuncts such as corn and rice which are used by large scale brewers to cut costs. Fresh quality beer produced locally, without chemicals in processing or for preservation, is the key note of the craft beer industry.

The craft brewery has the additional advantage of bringing the beer drinking public into immediate contact with the equipment, people and operation associated with the beer production. A well designed craft brewery with tap room allows the public to witness first-hand the creation of the handcrafted beer they are drinking, feel like they are part of the process, and take pride in their 'local' beer.

**"LIGHT BEER IS CEDING GROUND AS CABERNET-LOVING BABY BOOMERS AND MILLENNIALS WEANED ON EXOTIC COCKTAILS SEEK MORE COMPLEX FLAVORS IN THEIR BREWS."**

**- BLOOMBERG NEWS, MARCH 2012**

## INDUSTRY OUTLOOK *(cont.)*

### LOCAL MARKET ANALYSIS

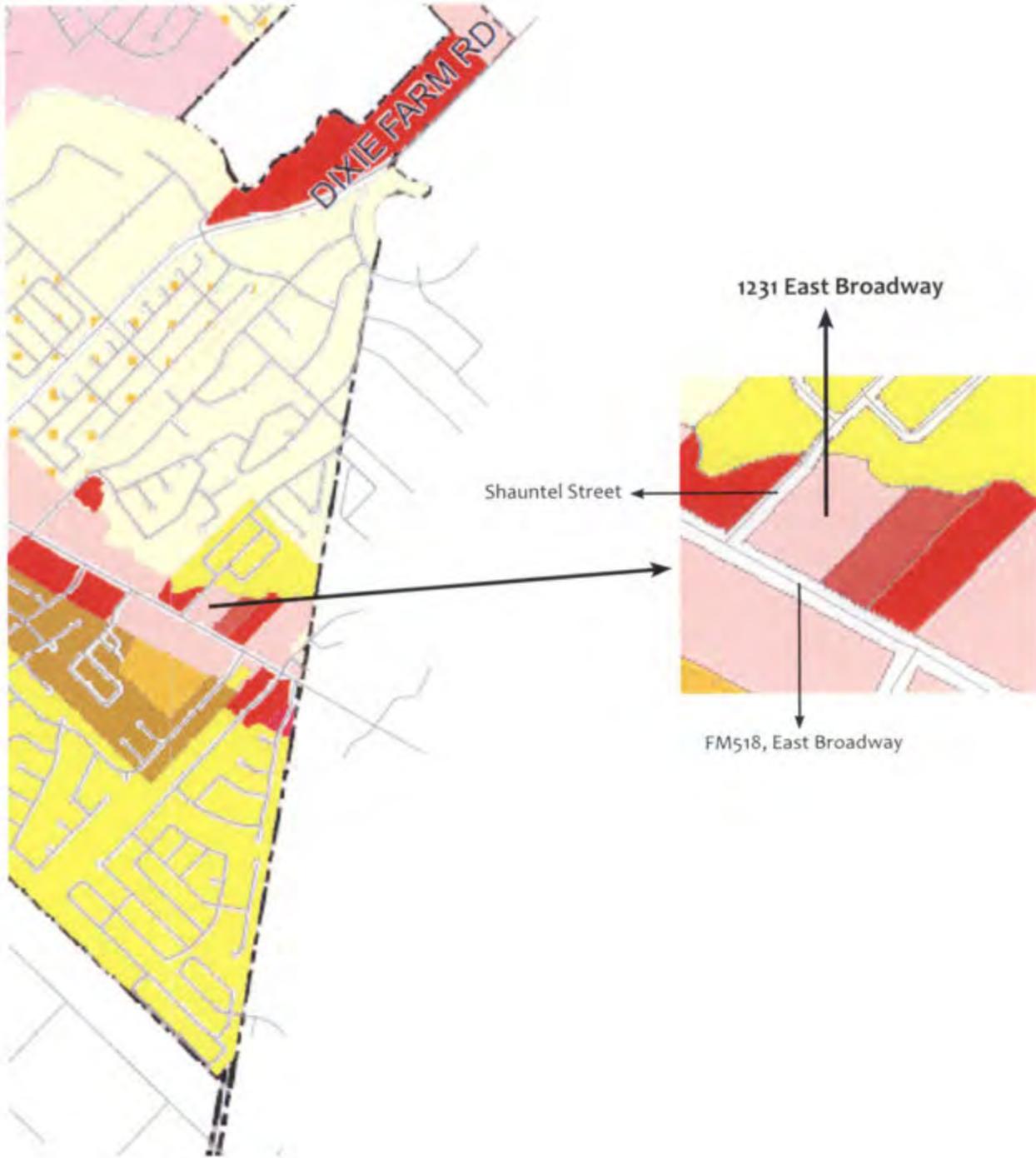
Craft breweries & brewpubs in the greater Houston area.

BREWERY	CITY	BREWERY SIZE	PRODUCTION
Saint Arnold	Houston	120 bbl brew system & 240 bbl fermentors	49,112 bbls in 2012 (Projected 60,000 bbl 2013)
Karbach	Houston	30 bbl brew system & 60 bbl fermenting tanks	30,000 bbls Annually
No Label	Katy	15 bbl brew system & (2) 15 bbl / (1) 30 bbl fermenting tanks & 30 bbl conditioning tank	700 bbls in 2011 1700 bbls in 2012 5000 bbls in 2013
8th Wonder Brewing	Houston	20 bbl	1000 bbls Annually
Buffalo Bayou Brewing	Houston		1000 bbls Annually
Lone Pint	Magnolia	30 bbl	2000 bbls Annually
Galactic Coast	Dickinson	3 bbl Upgrading to 7 bbl	1000 bbls Annually
Southern Star	Beaumont	15 bbl (upgrading to 60 bbl in 2014)	8,000 bbls in 2012 10,000 bbls in 2013
Fort Bend Brewing	Missouri City	30 bbl w/(4) 30 bbl & (2) 60 bbl fermenters & (1) 60 bbl bright tank	3000 bbls Annually
Cycler's Brewing	Montgomery	8 bbl	<500 bbls Annually
Texian Brewing	Richmond	30 bbl brewhouse & 60 bbl hot liquor tank	n/a
Houston Budweiser			12.5 million bbls

**EVEN CEDAR RAPIDS, IOWA, WITH A POPULATION ALMOST EQUAL TO PEARLAND'S, IS HOME TO THREE (3) LOCAL CRAFT BREWERIES!**



# PARCEL MAP







**JOINT PUBLIC HEARING**  
THE CITY COUNCIL CITY AND THE PLANNING AND ZONING COMMISSION OF  
THE CITY OF PEARLAND, TEXAS,  
**MONDAY, JULY 18, 2016, AT 6:30 P.M.**  
COUNCIL CHAMBERS - CITY HALL-3519 LIBERTY DRIVE

**I. CALL TO ORDER**

**II. PURPOSE OF HEARING**

**Zone Change Application No. ZONE 16-00009**

A request of Kris Szecsy applicant, on behalf of George Gartner, owner; for approval of a an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of three food trucks and/or on site food sales from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land.

**Legal Description:** Being a tract of land containing 2.939 acres out of Lots 20, 21 and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County, Texas Plat Records.

**General Location:** Northeast corner of Broadway and Shauntel Streets, Pearland, TX.

**III. APPLICATION INFORMATION AND CASE SUMMARY**

- A. STAFF REPORT
- B. APPLICANT PRESENTATION
- C. STAFF WRAP UP

**IV. PERSONS WISHING TO SPEAK FOR OR AGAINST THE PROPOSED REQUEST**

**V. COUNCIL/PLANNING COMMISSION/STAFF DISCUSSION**

**VI. ADJOURNMENT**

**This site is accessible to disabled individuals. For special assistance, please call Young Lorfing, City Secretary, at 281-652-1655 prior to the meeting so that appropriate arrangements can be made.**



# Staff Report

To: City Council and Planning and Zoning Commission

From: Planning Department

Date: July 7, 2016

Re: Zone Change Application No. ZONE 16-00009

A request of Kris Szecsy applicant, on behalf of George Gartner, owner; for approval of an amendment to the Baks Brewery PD to change the name to Bakfish Brewing Co. PD and to allow a maximum of three food trucks and/or on-site food sales from outside vendors during operating hours of the brewery; on approximately 2.939 acres of land.

General Location: Northeast corner of Broadway and Shauntel Streets, Pearland, TX.

## **Summary of Request**

In 2014, the Baks Brewing PD was approved for the development of a micro-brewery at 1231 Broadway Street. The applicant is now requesting an amendment to the original PD ordinance to allow concessionaires to sell food inside and or outside in either trucks, trailers or under a tent. The brewery does not currently provide kitchen food to their customers. The applicant proposes that at any given time there will be a maximum of three concessionaires, open only during the operating hours of the brewery. No other changes to the PD are proposed.

The City of Pearland does not currently allow food trucks on a regular “permanent” basis but allows the activity through a temporary event permit process which is allowed up to four times per calendar year and all four permits in total are not allowed to exceed sixty days. The property currently has an approved temporary event permit that has allowed them to have concessionaires.

The key features of the applicant’s proposed PD amendment are as follow:

1. Limit the number of concessionaires (combination of trucks or tents) to a maximum of three.
2. Concessionaires will not use the site as a commissary.
3. Concessionaires will not be allowed to leave their equipment or stay overnight on the property.
4. The site plan (Exhibit A) indicates three locations for concessionaires which are outside the fire lane.
5. The site plan indicates that a sufficient amount of parking will be provided for the increased activity.
6. Food handlers follow current Pearland standard for obtaining a “Food Handlers Permit”.

## Recommendation

**Staff recommends approval of the PD amendment with conditions stated below**, for the following reasons:

1. A PD amendment to permit food trucks or trailers and inside food sales on this site will complement the brewery and make this site a destination for residents and tourists, a key objective of the 2015 Comprehensive Plan.
2. This PD amendment to permit food trucks on a single-use site located on a major thoroughfare with adequate buffers from adjoining residential uses, should not have any adverse impact on the surrounding properties.

This amendment is the result of a lengthy dialogue between the City and the business owner to find common ground to regulate and allow concessionaire activity in the form of food trucks and trailers. Staff recommends the following conditions:

1. Remove all references to canopy or tent and clarify the PD is for “food trucks or food trailers”
2. The site will limited to two concessionaires at any given time.
3. This approval may be reevaluated at any time to address any concerns as needed.

Staff finds that an overabundance of outside food concessionaires could detract from the high-quality environment which the City has worked to maintain along Major Corridors if not done on a very limited basis at specific sites in the community.

For instance, in the GB zoning classifications, outside activities are limited to merchandise where the transaction is located in an area adjacent to the structure, or by a special activity limited by time of year (i.e. Christmas tree sales, pumpkin patches, etc.). Food concessionaires in trucks differ in that the preparation of the food occurs completely inside the vehicle.

Staff wishes, and the Planning and Zoning Commission has supported in the past, to balance the interest of brick and mortar restaurants while expanding the ability for unique locations to serve as points of interest for the City. Staff supports this PD amendment to add an amenity to the brewery use which is a unique destination in our community especially for group events. We do not support generally a parking lot being used as a food court that would just be adding a use to an existing use just to increase traffic at a typical retail, trade, or business. The PD may be reevaluated at anytime to address any concerns as needed.

Staff proposes the following text as amendment:

This amendment adds the following definitions and regulations to the Zoning and Land Use section of the current PD.

A concessionaire is person or business who prepares food to sell on-site. A concessionaire may sell food from a truck, trailer, inside the main structure, or under the awning as shown in Exhibit A “the site plan”. No concessionaire will use the site as a commissary. A commissary will be defined as a location that the Pearland Health Officer has deemed to be acceptable to safely prepare food for the transportation to another location off the premises. This location will not act as a commercial kitchen except for the purposes required by the brewery process.

The site will be limited to two concessionaires at any given time regardless of method of delivery. All concessionaires will follow all appropriate Pearland Health regulations and obtain Food Handler’s Permits as required. No concessionaires will be allowed on site during non-business hours or for their vehicle or trailer to remain on the site over-night. Concessionaires will be allowed to serve customers only during normal brewery hours.

A food truck would be the largest concessionaire on site and would take up approximately 200 square feet. Assuming two food trucks would occupy 400 square feet and using the fast food restaurant parking ratio as a guide for calculating parking (1 space per 100 square feet) the addition of two food trucks would generate four additional required spaces. The brewery currently requires 40 spaces. The addition would bring the total to 44 required spaces. The site currently provides 49 spaces.

### **Site History**

The subject property is developed with an approximately 8,753 square foot building, and an approximately 400 square foot accessory building used for storage. The property was annexed into the City of Pearland in June, 1960, and the property was previously occupied by Sunbelt Rentals, a construction equipment and tool rental company. Bakfish Brewing, Co. has been the tenant of the building since the approval of the PD in 2014.

The site is surrounded by a mix of various uses, including Hazeldale Estates to the north, a single family subdivision; and various non-residential uses such as restaurants, a skate center and a strip retail center to the south; undeveloped land directly to the east and a daycare further east; and undeveloped land to the west, restaurants and various other non-residential uses further west. The below table identifies surrounding uses and zoning districts:

	<b>Zoning</b>	<b>Land Use</b>
<b>North</b>	Single Family Residential - 3 (R-3)	Hazeldale Estates Single Family Subdivision
<b>South</b>	General Commercial (GC)	Undeveloped Land, Restaurants, Skate Center
<b>East</b>	General Commercial (GC) Office Professional (OP)	Undeveloped, Daycare
<b>West</b>	General Business (GB)	Undeveloped Land

### **Proposal**

The applicant has proposed the following to be added to the Zoning and Land Use section of the original PD:

“In addition to having GB and GC uses, Food trucks and onsite food sales from concessionaires will be allowed. A food truck is defined as a large vehicle or trailer with the facilities for cooking and selling food. Food trucks will be parked on the property in one of three spots as shown in Exhibit A. The building does have a grease trap, but the food trucks/vendors will not use the building as a commissary. All food trucks/vendors will be required to leave the property at the end of the day.

Concessionaires will be either inside the building or under a 10' x 10' canopy in the designated area shown Exhibit A. A concessionaire for the purpose of this PD is a vendor that has a regular retail location that brings food onsite to prepare and sell. The concessionaire will not use the facility as a commissary.

Food will only be available during operating hours of the brewery (M-Th 3-9; F 3-10, Sa 12-10 and Su 12-9). Food will primarily be available on weekends, but we do wish to have the

flexibility to have events on any given day. For example, with the upcoming Super Bowl in Houston a group may wish to rent the facility on a Wednesday and have a food option for their guest. Another example is a Holiday may fall in the middle of the week where we may wish to have food onsite. Another example (which actually happened) is that a guest has a venue booked at another location that gets flooded out. They need to have the flexibility to get into our location and have a food option in under a week, which is quicker than the standard permitting process.

Any food truck or concessionaire will be required to be permitted to work in Pearland, and will show their Pearland Food Handler's Permit before they are allowed onsite. There will never be more than three food trucks and/or concessionaires onsite at any one time.

The largest Food trucks are around 8 feet by 24 feet long which is 192 square feet and a concessionaire would be half that size. Having three of the large food trucks onsite would equate to having 576 square feet of restaurant (fast food). The brewery is required to have 40 parking spaces (1 per 200 square feet) and having the maximum number of large food trucks (1 per 100 square feet) would add 5.76 parking spots which would bring the required parking to 46 required spaces with maximum food trucks. The brewery currently has 49 parking spaces.”

### **Conformance with the Comprehensive Plan**

The subject property is located within the Retail, Offices and Services Future Land Use Designation, which incorporates neighborhood or convenience shopping centers, or developed or separate uses located on major street intersections, with limited outdoor retail activities, adequate buffers from adjacent single family subdivisions. Appropriate zoning districts include OP, NS, and selected GB uses. The proposed use will generally comply with the Comprehensive Plan, and is similar in nature and compatible to existing uses along Broadway Street. These uses include restaurants with bars, strip retail centers and various other non-residential uses.

### **Conformance with the Thoroughfare Plan**

According to City records, Broadway Street is a Major Thoroughfare to be widened. Major Thoroughfares are defined as having a minimum right-of-way of 120 feet. Broadway Street is in the Corridor Overlay District which allows the City to exercise greater control over aesthetic, functional, and safety characteristics of development along Major Thoroughfares where higher development standards can enhance the City's image as a desirable place to live, work, and shop. Shauntel Street is a local street which requires an ultimate right-of-way of 50 feet. Additional right-of-way will be required along Broadway Street at the time of platting and possibly along Shauntel Street.

### **Conformance with the Unified Development Code**

The property is currently developed as a micro-brewery. While the property is currently zoned as PD, the base zoning is General Commercial (GC) and the development is currently in compliance with the requirements of the PD and the GC zoning district. In addition, a variance was approved by the Zoning Board of Adjustment to allow a reduction of the land area for a non-residential PD.

Food trucks would not be allowed within the City except through a temporary event permit or a PD. The temporary event permit is available to property in the GB or GC zoning districts to enable greater flexibility in commercial activity. This permit is limited to four times a year and a maximum of 60 days. The use of food trucks would specifically be permitted on the subject property through this amendment to the PD. Any regulations approved by this amendment would have to be met.

The lot requirements exceed the lot and setback requirements of the proposed GC zoning district, as indicated in the in the following table.

<b>General Commercial (GC) Area Regulations</b>		
<b>Size of Lot</b>	<b>Required</b>	<b>Proposed</b>
Minimum Lot Size	22,500 sq. ft.	Approximately 128,066 sq. ft.
Minimum Lot Width	150 ft.	Approximately 230 ft.
Minimum Lot Depth	125 ft.	Approximately 500 ft.

### **Platting Status**

The subject property does not have a recognized plat. The property was platted in 1980 as lots 20, 21, and 22 of George W. Jenkins Subdivision. Platting will be required if there was an expansion of 500 square-feet or more in parking or building area. The proposed additional use of food trucks would not trigger the requirement for platting.

### **Availability of Utilities**

The subject property has access to City water and sanitary sewer infrastructure. A 12-inch water line exists along the north side of Broadway Street, and an 8-inch sanitary sewer line runs along the south side of the street.

### **Impact on Existing and Future Development**

The property is currently zoned Baks Brewing Planned Unit Development (PUD) and abuts GB, General Business district to the west across Shauntel Street, the R-3, Single-Family Residential district to the north across Mary's Creek, and the GC, General Commercial district to the east and south across Broadway Street. The Future Land Use Plan indicates the property to be Retail, Offices, and Services. Surrounding uses along Broadway Street include a mix of uses including restaurants, retail strip centers and various other non-residential uses. The site is currently developed and the applicant does not intend to add any new buildings at this time. With the PD restrictions and conditions recommended by staff, there should be no major impact on existing or future developments. Due to the amount of open space (49%) near the rear of the property along the north side, this area will provide a natural buffer between the brewery and the single family subdivision to the north.

### **Additional Comments**

The request has been reviewed by the City's Development Review Committee (DRC), and there were questions as to the expansion of fixed seating area under the awning generating additional impact fees, the permitting of food trucks in Pearland, and if additional fees would be assessed to the property owner or food truck operator.

### **Public Notification**

Staff sent public notices, comment forms and a vicinity map to the applicant, the owner of the property and to property owners within 200 feet of the subject property under consideration for the zone change. Additionally, a legal notice of the public hearing was published in the local newspaper, and a notification sign was placed on the property by the applicant.

**Opposition to or Support of Proposed Request**

Staff has not received any returned notices in opposition to or in support of the proposed change in zoning request.

**Exhibits**

1. Aerial Map
2. Zoning Map
3. Future Land Use Map
4. Notification Map
5. Notification List
6. Applicant Packet



# Exhibit 1

**AERIAL MAP**

**ZONE 16-00009**

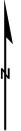
**1231 E Broadway St**

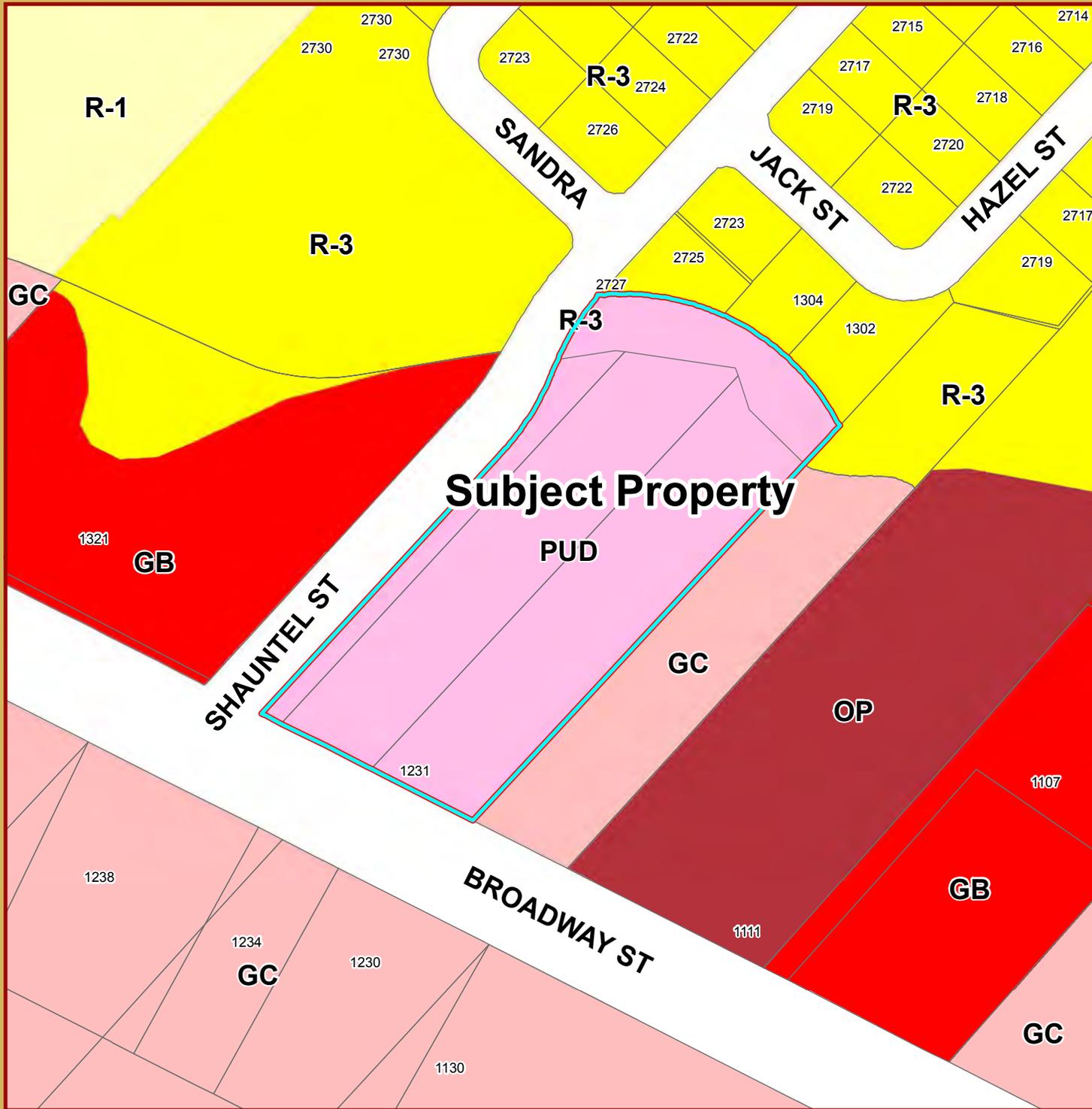


This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

1 inch = 139 feet

JUNE 2016  
PLANNING DEPARTMENT





# Exhibit 2

## ZONING MAP

### ZONE 16-00009

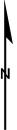
1231 E Broadway St

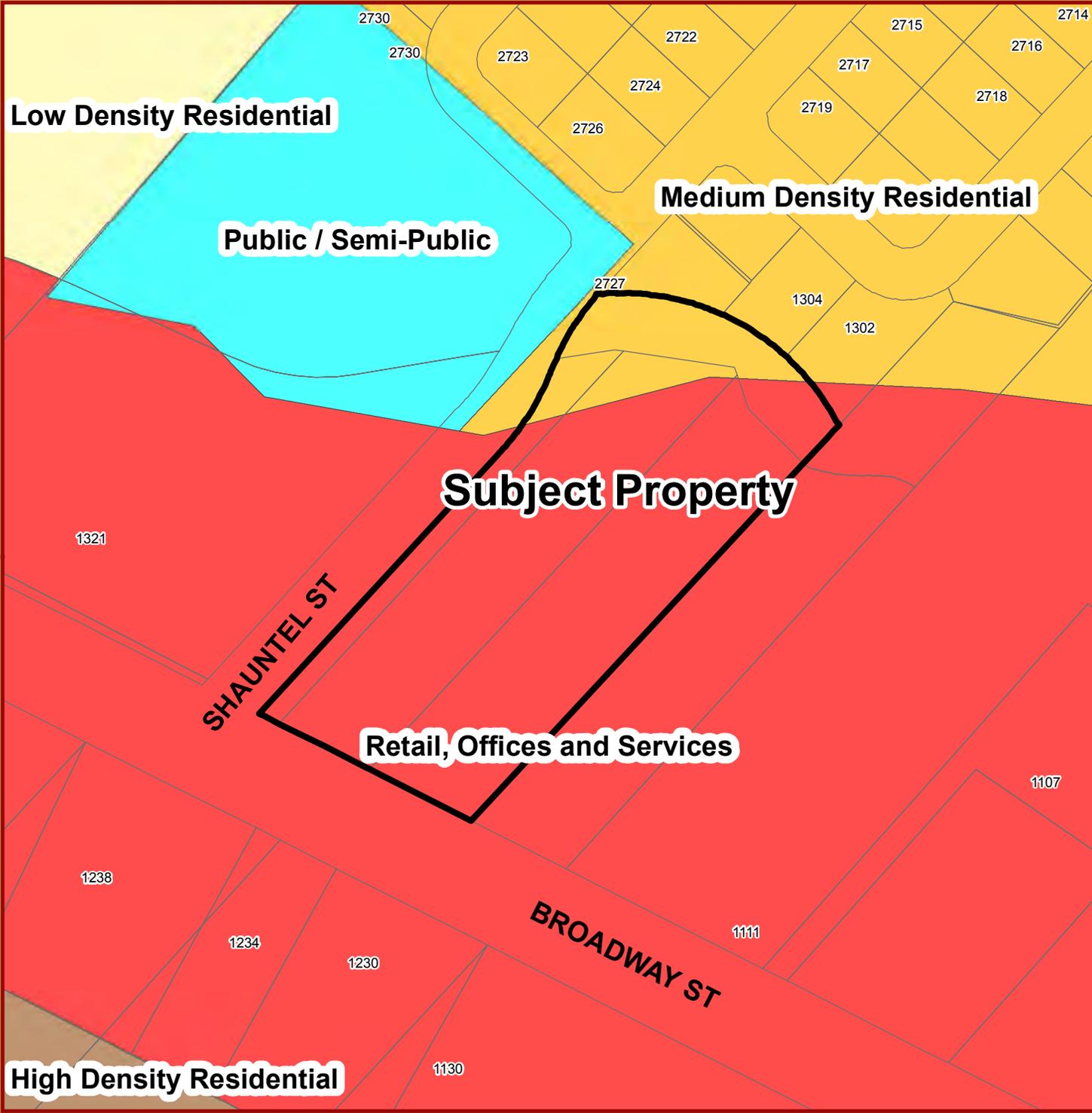


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1 inch = 139 feet

JUNE 2016  
PLANNING DEPARTMENT





# Exhibit 3

**FLUP MAP**

**ZONE 16-00009**

**1231 E Broadway St**

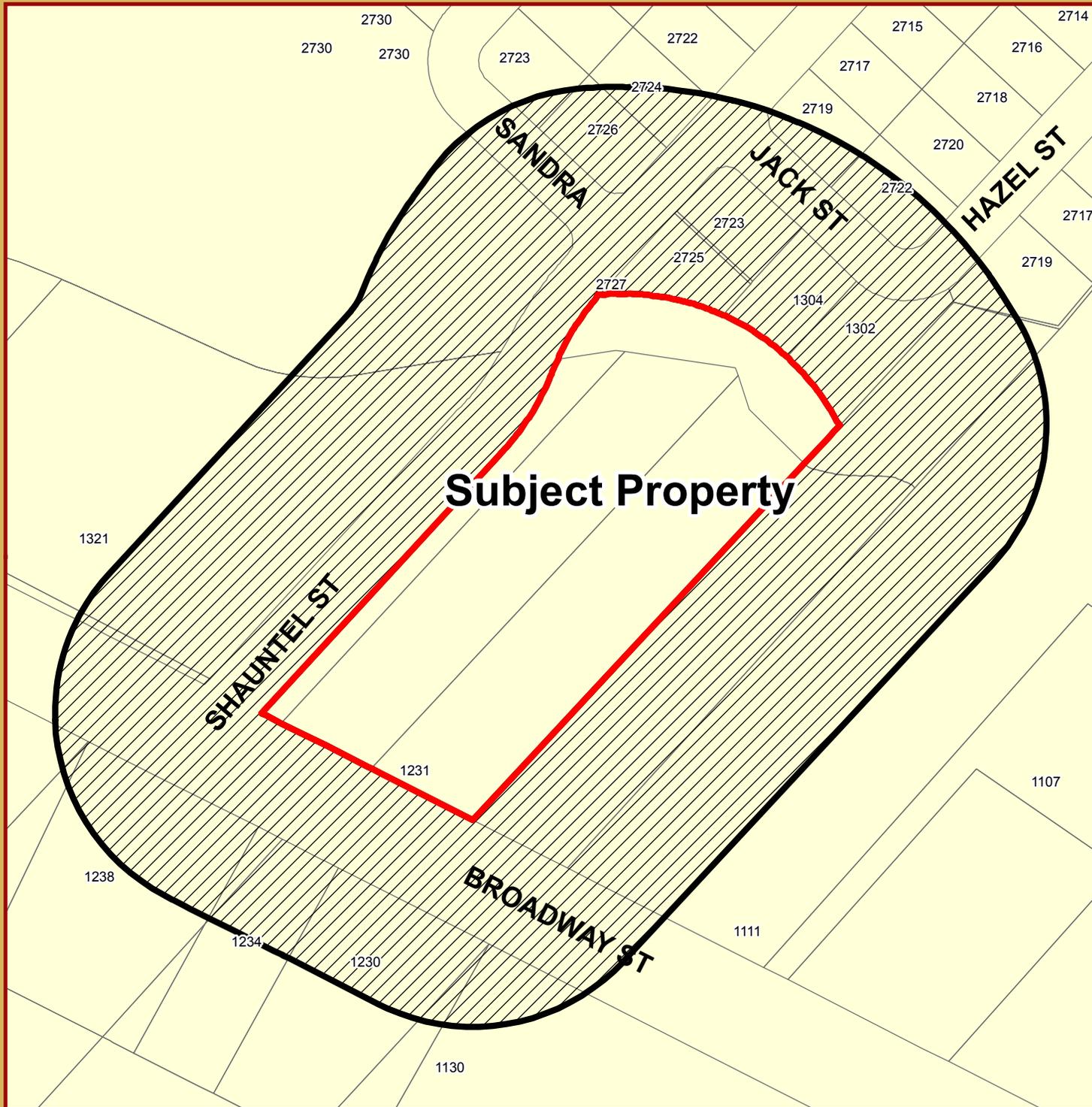


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1 inch = 139 feet

JUNE 2016  
PLANNING DEPARTMENT





# Exhibit 4

## NOTIFICATION MAP

### ZONE 16-00009

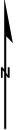
1231 E Broadway St



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1 inch = 139 feet

JUNE 2016  
PLANNING DEPARTMENT



**Exhibit 5**

ZONE 16-00009

<b>PROPERTY_OWNER</b>	<b>ADDRESS</b>	<b>CITY</b>	<b>STATE</b>	<b>ZIP_CODE</b>
ACHOUR BECHIR	2730 LEROY ST	PEARLAND	TX	77581
BEAN JENNIFER H & BRENT D	2722 HAZEL ST	PEARLAND	TX	77581
BELKANP PETER W & LINDA G	2723 SHAUNTEL ST	PEARLAND	TX	77581
BOYKIN DIXIE L	3703 W PINE ORCHARD DR	PEARLAND	TX	77581
BURGE-MAREZ NAOMI DELORA	2726 SHAUNTEL ST	PEARLAND	TX	77581
CLEMMONS LAURIE G	1111 BROADWAY ST	PEARLAND	TX	77581
DOCKSIDE THREADING INC				
EAVES JONATHAN	2719 HAZEL ST	PEARLAND	TX	77581
FLOYDS PEARLAND DEVELOPMENT INC	1300 BROADWAY ST	PEARLAND	TX	77581
<b>GARTNER INTEREST LTD</b>	<b>2433 MAX RD</b>	<b>PEARLAND</b>	<b>TX</b>	<b>77581</b>
HENDERSON CLARENCE J & VERONICA M	2725 SHAUNTEL ST	PEARLAND	TX	77581
HOBBS HELEN MERRITTIA	2722 SHAUNTEL ST	PEARLAND	TX	77581
JRC 1300 LLC	6307 WASHINGTON AVE	HOUSTON	TX	77007
MAULDIN TROY L & LOIS	1302 JACK ST	PEARLAND	TX	77581
MOORE MARTIN R	2404 LONGWOOD DR	PEARLAND	TX	77581
NGUYEN MY	8372 SANDALWOOD CIR	WESTMINSTER	CA	92683
OLALDE FRANCISCO & MELVINETTE	1304 JACK ST	PEARLAND	TX	77581
RIVERA PEREZ RAFAEL A & MARIA D CRISPIN	2723 LEROY ST	PEARLAND	TX	77581
RIVERWALK RETAIL	3100 S GESSNER, SUITE 115	HOUSTON	TX	77063
<b>SZECZY KRIS</b>	<b>1231 E BROADWAY ST</b>	<b>PEARLAND</b>	<b>TX</b>	<b>77581</b>



# City of Pearland Planning Department Universal Application

City of Pearland  
Community Development  
3523 Liberty Drive  
(Community Center)  
Pearland, Texas 77581  
281.652.1765  
281.652.1702 (fax)  
pearlandtx.gov

Please complete each field - incomplete applications will **not** be accepted. All applications, including the checklist, must be submitted in electronic format as a PDF and provided by email, USB / CD. Refer to the schedule on the City's website and/or within the Planning Department for deadlines and anticipated meeting dates for each project type.

### TYPE OF APPLICATION:

- Zoning Change (from) PD (to) PD  
 Cluster Development Plan  
 Planned Development Workshop  
 Plat (list type): \_\_\_\_\_

- ZBA Variance  
 P&Z Variance  
 Special Exception  
 Conditional Use Permit

\*Plat Types include:  
Minor, Amending,  
Preliminary, Final,  
Master, Replat

### PROJECT INFORMATION:

Residential  Commercial  Property Platted  Property Not Platted  
 Project Name: BAKFISH Brewing Co Tax ID: 35-2489657  
 Project Address/Location: 1231 E Broadway  
 Subdivision: \_\_\_\_\_ No. of Lots: \_\_\_\_\_ Total Acres: 2.94  
 Brief Description of Project: Change in allowed uses - Addition of Food Truck as allowed use

When a completed application packet has been accepted and reviewed, additional information may be required by staff as a result of the review, therefore it may be necessary to postpone the proposed project and remove it from the scheduled agenda and place it on a future agenda according to Section 1.2.1.2 of the Unified Development Code.

### PROPERTY OWNER INFORMATION:

Name: George Gartner  
 Address: 2433 Max Rd  
 City: Pearland State: TX Zip: 77581  
 Phone: 281-997-3500  
 Fax: 281-997-3610  
 Email Address: info@gartnercoatings.com

### APPLICANT/AGENT INFORMATION:

Name: Kris Szecsy  
 Address: 1231 E Broadway  
 City: Pearland State: TX Zip: 77581  
 Phone: 281-908-0853  
 Fax: N/A  
 Email Address: kris@bakfishbrewing.com

\*\*Property owner must be the current owner of the property at the time of submittal of the application, and not the party that has the property under contract.  
 As owner and applicant, I hereby request approval of the above described request as provided for by the Unified Development Code of the City of Pearland.

\*\*Owner's Signature: \_\_\_\_\_ Date: 5/31/16

Agent's/  
 Applicant's Signature: \_\_\_\_\_ Date: 5/27/16

### OFFICE USE ONLY:

FEES PAID:	DATE PAID:	RECEIVED BY:	RECEIPT NUMBER:
Fees will be accepted by phone or in person. Please contact 281.652.1765 for instructions.			APPLICATION NUMBER:



**BAKS Brewing Management, LP.  
(Dba BAKFISH Brewing Co)  
Planned Development (PD)  
for City of Pearland**

## Summary

The Following PD is an addendum to the original PD (Ordinance No. 2000M-118) that was Approved on the 29<sup>th</sup> of September 2014. The PD is identical in wording with the exception of the following passage which has been added to the Zoning and Land Use section under the subsection Base Zone Description.

“In addition to having GB and GC uses, Food trucks and onsite food sales from outside vendors will be allowed. Food trucks will be parked on the property in one of 3 spots as shown in exhibit A. Food vendors will be either inside the building or under a 10 x 10 canopy in the designated area shown exhibit A. Food will only be available during operating hours of the brewery (M-Th 3-9; F 3-10, Sa 12-10 and Su 12-9). Any outside food vendor will be required to be permitted to work in Pearland, and will show their credentials before they are allowed onsite. There will never be more than 3 food trucks and/or food vendors onsite at any one time.”

Exhibit A may be found at the end of this document.

The Industry Overview section and a few of the pictures were removed from this version as well.

The end goal is to get the city to allow food trucks on our property to help allow our customers to be responsible and have some food if they feel that they may have had too much to drink, or give another non-alcoholic beverage option.

## Description of the Subject Property

Subject property is located at 1231 Broadway Street, in Pearland, Texas. It sits on 2.94 acres of which approximately half is developed and fenced and contains the primary building which is  $\pm$  8,753 SF total. This building includes a 2,000 SF showroom, 849 SF Office/s and 5,144 SF warehouse. Within the developed fenced area is an additional 1500 SF wash bay and 400 SF storage building. Besides facing Broadway, Shauntel Street runs adjacent to the property. The back section of the property is undeveloped green area which borders along Mary's Creek.



## **PROPOSED DEVELOPMENT DESCRIPTION**

The proposed development will be to convert the use of the building to a working production craft brewery with a public taproom (Think: wine tasting room).

## **COMPANY DESCRIPTION**

BAKS Brewing Management Inc. is a privately held corporation owned and managed by its founders, Brian Allen and Kris Szecsy. The business of the company is the production of quality, fresh, flavorful beer for the local market. BAKS believes that when looking at local breweries around the Houston area there are very few options for the Southern Houston region. Pearland is not only the town where Brian grew up, but with its growth over the last 10 years, it provides a prime market that can and will support a local brewery.

BAKS Brewing will initially produce five different styles of beer and a non-alcoholic root beer. These styles include: a Belgian Texas Blonde, American Pale Ale, Session India Pale Ale (IPA), Porter and American IPA. These products will be distributed in kegs to licensed retail outlets. The beers of the BAKS Brewing Company will be sold to bars and restaurants in the greater Pearland area with our initial focus being on the communities south of downtown Houston, including Pearland, Friendswood, Clear Lake, League City, Alvin, Webster, Kemah, Dickinson & Galveston.

BAKS Brewing will produce beer with a 20 barrel, stainless steel brewing plant. Production capacity of our 20-barrel plant with five fermenters is approximately 5000 barrels a year (1 barrel equals 31 gallons, which equals two standard 15.5-gallon kegs).

BAKS Brewing will have a tap room where customers may come to view and tour the operation of the brewery. They will also be able to purchase our beers at retail prices for both on-site consumption and beer to go in the form of growler fills (and eventually 6-packs & 22oz. bottles). Promotional merchandise with our name/logo such as pint glasses, t-shirts and growlers will also be sold.

Additionally, BAKS will have a dedicated area within the actual brewery warehouse that will be available for rental and special events, such as corporate meetings, wedding receptions and fund raising events.

BAKS will also provide scheduled tours of the brewery that will give an intimate and hands on experience. These tours will be reserved in advance and will take place with one of the owners or brewers. The tours will allow patrons to see, experience and taste the complete brewing process. They will be able to sample the ingredients (ie. Malt, hops, etc.), that go into making the beer as well as sample the beer at different stages of fermentation. We will be able to help educate them on the actual process of making the beer.

# **POTENTIAL IMPROVEMENTS & BENEFITS**

## **PROPERTY IMPROVEMENTS AND BENEFITS**

- Improved landscaping - will not only improve and add additional landscaping where available (currently most green area in and directly surrounding the property is already landscaped) but will add a row of shrubs along back fence to add one more layer of concealment from residential neighborhood
- Improved building façade - will cover the metal exterior with stucco, masonry or stone
- Will include a small rental area inside of the brewery (but separated from any brewing equipment) for event rentals such as birthdays, wedding receptions, corporate functions, etc.)
- New sprinkler system for both warehouse and retail area (tap room)
- Minimal building changes and renovations required to support the brewery - some minimal cosmetic improvements made to the front retail area to convert it to the tap room, installing trench drains are all that is required
- Improved green (outdoor) area behind property by adding seating & picnic nodes
- Will add a trail connecting to the proposed hike & bike trail to the brewery and will provide an area to park bicycles
- Will add park benches to green area between brewery and hike & bike trail

## **NEARBY AREA BENEFITS**

- Green area behind property will be maintained as a buffer to residential community located on the opposite side of Mary's Creek
- Will add an additional line of shrub coverage (eg. Large wax myrtles) along the outside of the back property fence
- Will support local eating establishments as we do not serve food and patrons will want some place to eat before/after visiting the tap room.
- Will also work with local area Pearland dining establishments to create custom beers based on their style preference
- Heavy equipment and large truck traffic will decrease as we will only have 1 small refrigeration truck stop by for loading/unloading kegs 1-2 times a week

## **OVERALL CITY BENEFITS**

- Additional tourism and related financial benefit for Pearland (Saint Arnold Brewery is currently a top 10 tourist destination for Houston)
- Hike & Bike Trail destination
- Additional tax dollars
- A destination for local residents seeking entertainment other than just a restaurant
- Pearland will have its own brewery producing and selling craft beer to the greater Houston area

## **Land Acreage Description**

The attached site survey shows the total property acreage to be 2.9388

## **PD Purpose & Intent Statement**

The purpose and intent of the PD established is to allow a new use 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law' (which has been identified by the city as the most appropriate) on this property which is currently zoned as General Commercial (GC).

This new use is described as a facility that houses manufacturing, storage, and assembly operations including, but not limited to, beverage plant, fabrication, metal finishing, foundry, ice plant, machine shop, mill, printing plant, publishing and bindery plant, masonry products manufacturing, refinery for nonagricultural products, food products, processing and packaging plant, and precision instruments manufacturing.

This use is not permitted by right in the GC zoning district and thus would require a zone change to operate. Based on this information and guidance from the city's planning/zoning department, the applicant determined the best path forward would be to apply for a Planned Development to operate a small craft brewery.

## **POSSIBLE CITIZEN'S CONCERNS**

- Increased traffic into neighborhood located behind property.

There is only one access gate onto Shauntel that would allow patrons to drive into the neighborhood. BAKS will post signage on both sides of the gate upon exiting that states: "DO NOT TURN RIGHT NOT A THRU STREET". This should eliminate the majority, if not all traffic from accidentally turning into the neighborhood. We will also close this gate when not needed to limit any traffic from entering/leaving our property via the Shauntel street entrance.

- Patrons being able to see, watch or speak to people (employees or children) located at the business and home two lots over BAKS will install (2) gates approximately 6' high blocking all traffic from entering the property on the east side and north side of the building. (see attached site plan for proposed gate locations) This will prohibit any and all traffic from being able to see, watch or speak to anyone else outside the property.

Additionally, the outdoor seating area is located adjacent to the building on the opposite side of the business which prevents any chance of anyone seeing or speaking to anyone else outside the property.

- Smells

The only smell produced by brewing beer is the smell of boiling grain to produce wort. The smell is not unpleasant and is similar to cooked oatmeal. Additionally, the smell will be contained and dispersed within the warehouse.

### **Additional Community Involvement**

We will work with other local Pearland businesses to help promote both enterprises. For instance, we have spoken with the owners of Pearland Coffee Roasters about providing roasted coffee beans to be used in specialty beers such as a coffee porter.

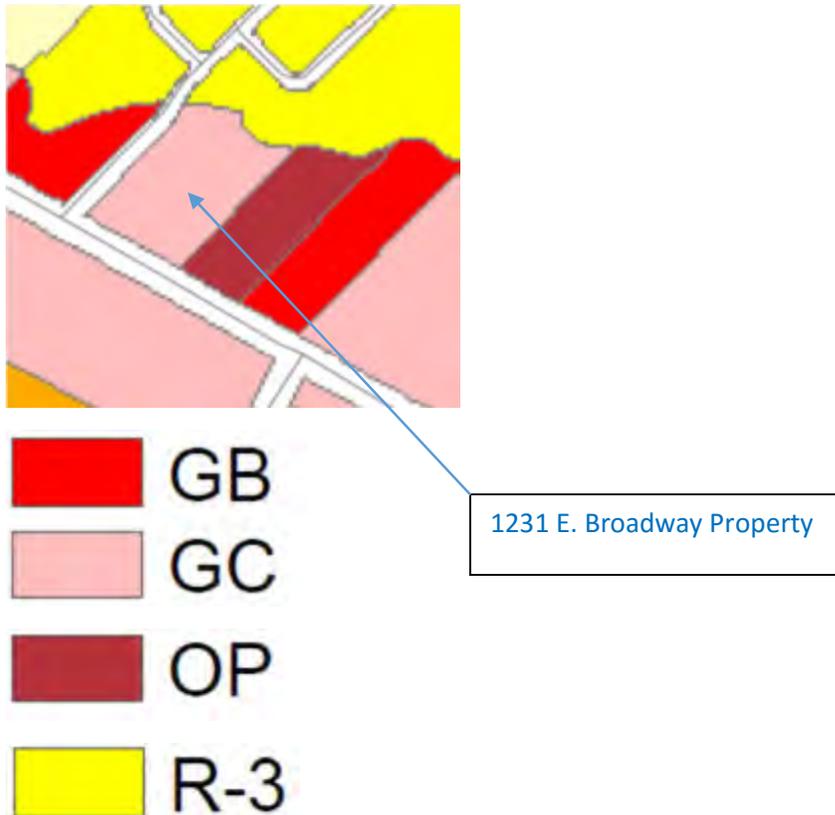
One of the only byproducts from brewing is spent grain (the grain that we have boiled to produce wort). This makes great livestock feed and generally, breweries work with local farmers to pick up and use the spent grain. We have spoken with the Agriculture Department of the Pearland Independent School District and will work with them (Hunter Morgan) to provide our spent grain at no cost to students to use for their livestock.

Lastly, we plan to hire locally and provide jobs for Pearland. Our first and currently only employee (part-time bookkeeper) is a Pearland resident.

# ZONING & LAND USE

## Existing zoning district and boundary description

The property is currently zoned as a General Commercial District (GC) which is intended to permit a wide variety of businesses characterized by those uses that may require an extensive amount of land for the conduct of business and/or that may require outside storage uses. The front South West property line runs along a major thoroughfare, West Broadway, on which the other side is also zoned 'GC' (and includes a restaurant). The North West property line runs along Shauntel Street, on which the opposite property is zoned as 'General Business Retail District (GB). The North East property line runs along Mary's Creek, for which the District on the other side is zoned as a Single-Family Residential-3 (R3). Lastly, the South East property line runs adjacent to a property which is zoned as Office & Professional District (OP).



## Base zone description

The base zone to be overlaid will be GC.

This zone will encompass the entire property which has the same district boundaries as mentioned above, “The front South West property line runs along a major thoroughfare, East Broadway, on which the opposite side property is also zoned ‘GC’. The North West property line runs along Shauntel Street, on which the opposite property is zoned as ‘General Business Retail District (GB). The North East property line runs along Mary’s Creek, for which the District on the other side is zoned as a Single-Family Residential-3 (R3). Lastly, the South East property line runs adjacent to a property which is zoned as Office & Professional District (OP).”

In addition to having GB and GC uses, Food trucks and onsite food sales from outside vendors will be allowed. Food trucks will be parked on the property in one of 3 spots as shown in exhibit A. Food vendors will be either inside the building or under a 10 x 10 canopy in the designated area shown exhibit A. Food will only be available during operating hours of the brewery (M-Th 3-9; F 3-10, Sa 12-10 and Su 12-9). Any outside food vendor will be required to be permitted to work in Pearland, and will show their credentials before they are allowed onsite. There will never be more than 3 food trucks and/or food vendors onsite at any one time.

**Use Acres Percentage of Total Acres Zoning District**

Use	Acres	Percentage of Total Acres	Zoning District
Single Family	n/a	n/a	
Multiple Family	n/a	n/a	
General Business/Commercial	1.5	50	GC w/PD
Parkland to be dedicated to the city	n/a	n/a	
Common Open Spaces/Trails/Recreation	1.44	49	GC w/PD
Detention	n/a	n/a	
Thoroughfares/ROW	n/a	n/a	
Internal Streets/Vehicular Circulation	n/a	n/a	
Other	n/a	n/a	

## DESIGN STANDARDS

All zoning standards not expressly set forth for the district in the adopting ordinance shall be as provided in the base zoning district(s), and that any standard in this ordinance that has not been expressly varied in the adopting ordinance shall be applicable to subsequent development permits for land within the PD district. The following standards will be improved to meet both the ‘GC’ and ‘Corridor Overlay District’ UDC requirements:

- **Building Facade** - we will cover the existing metal facade with stucco in a neutral color (from the approved color palate) to match the existing brick. See attachment for rendering.
- **Signage** - Once the building facade has been covered will install sign with our company name that is not more than 15% of surface area. We will also update the existing monument sign which is also within the COD UDC requirement (ie. replace Sunbelt with BAKS)
- **Landscaping** - The current landscaping exceeds the UDC COD requirements, but we will replace all dead and diseased trees and shrubs, as well as lay all new mulch and ensure the installed irrigation system is working correctly.
- **Screening/Fencing** - The entire property (excluding open green area) is fenced with a 6’ black rod iron fence which is surrounded by additional landscaping. We will fix and replace any bent or damaged fencing as well as plant additional trees along the back of the property fence for additional screening.
- **Lighting** - All current (3) light poles on the property along with building lighting will be inspected and updated to meet current COD Standards

The following standards **exceed** both the ‘GC’ and ‘Corridor Overlay District’ UDC requirements:

- **Green Area** - BAKS Brewing currently provides approximately 49% of its property as green area and we plan for it to remain that way. Almost half of the property is an open green area (outside of the property fence) located at the rear of the property which end long Mary’s Creek. BAKS intends to promote the green area in support of the city’s proposed hike & bike trail by adding seating and picnic nodes, additional bench seating and a compacted gravel trail connecting the hike & bike trail to the rear of the brewery, where we will locate a (lockable) gate to provide access onto the brewery. We will also install a security camera to monitor traffic and provide an additional level of security
- **Bicycle Parking** - BAKS will have at least (2) separate bicycle parking facilities; one in front and one located at the back of the property where there will be a gate and pathway connecting the brewery to the city’s proposed hike & bike trail. BAKS will also support and promote local running and biking

PD Districts are “intended to encourage flexible and creative planning and property development” and this PD is for an existing property that already meets most of the standards. We understand that “the Corridors Overlay District (COD) is intended to help the City exercise greater control over the aesthetic, functional and safety characteristics of development along newly constructed major thoroughfares within the City where higher development standards can effectively enhance the City’s image as a desirable place to live, work, and shop.”

Due to the existing layout with existing parking lot, fence, irrigation system and landscaping that exceeds COD Standards, as well as several utility connections (including: AT&T box with 6 surrounding bollards, storm water access, fire hydrant, light pole, water line access and waste water lift station), we are proposing to build the sidewalk within the TxDOT ROW similar to what was done (2) lots down. We will work within the area to provide a 6' wide side walk and are currently working with Johnson Traffic Engineers for the TxDOT application. (See attachment for graphical presentation).

Additionally, where our sidewalk will end at the east end of property, there is only approximately 1100' to the end of the city limits.

Standard	GC/COD Requirement	PD Deviation
parking spaces	One space for each 1.5 employees = 4.5 spaces	We will exceed by providing 33 spaces that meet UDC standards
Sidewalk	6' wide, 6' separation from back of curb with 80% curved alignment	Due to existing conditions sidewalk will be 6' wide and constructed within TxDOT ROW but will not provide 6' separation from curb nor 80% curved alignment
Use	Does Not Allow for 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law'	Allows for 'Manufacturing, Industrial Storage or Assembly Process Not Prohibited by Law'
Landscaping	<ul style="list-style-type: none"> <li>- 15% of gross lot area shall consist of landscaped open areas</li> <li>- Large shade trees (2") caliper for each (10') of frontage = 78" for 386' frontage</li> <li>- Ornamental trees (1") caliper for each (15') of frontage = 26" for 386' frontage</li> </ul>	<p>We will exceed standard with ~50% of area for landscaped open areas</p> <p>We will exceed standard with 94" tree calipers on 386' of frontage</p> <p>We will exceed standard with 65" tree calipers on 386' of frontage</p> <p>Large undeveloped green area in back of property provides an additional 40+ shade trees 20' - 50' in height</p> <p>Will support future Hike &amp; Bike trail along Mary's Creek by connecting to it with a path and providing seating/picnic nodes</p>
Bicycle Parking	Amount equal to 5% of total parking spaces	We will exceed standard with an amount of 20% of total parking spaces provided for bicycle parking

# SCHEDULE

PD is approved  
Lease is signed

## Month 1

- Brewing equipment is ordered
- Apply for TABC & TTP Licenses

## Months 1-3

- 450 SF cold room assembled and attached to back of warehouse
- Trench floor drains are installed in the warehouse
- Sprinkler system installed in warehouse and public area (Tap room)
- Electrical and plumbing provisions are made to support forthcoming brew system
- Showroom is renovated to support the tap room
- Landscaping improvements are made
- Stucco is added to exterior of building
- Sidewalk is constructed in front of property

## Month 4

- Brew system arrives and is installed
- Building inspections approved
- New signage goes up

## Month 5

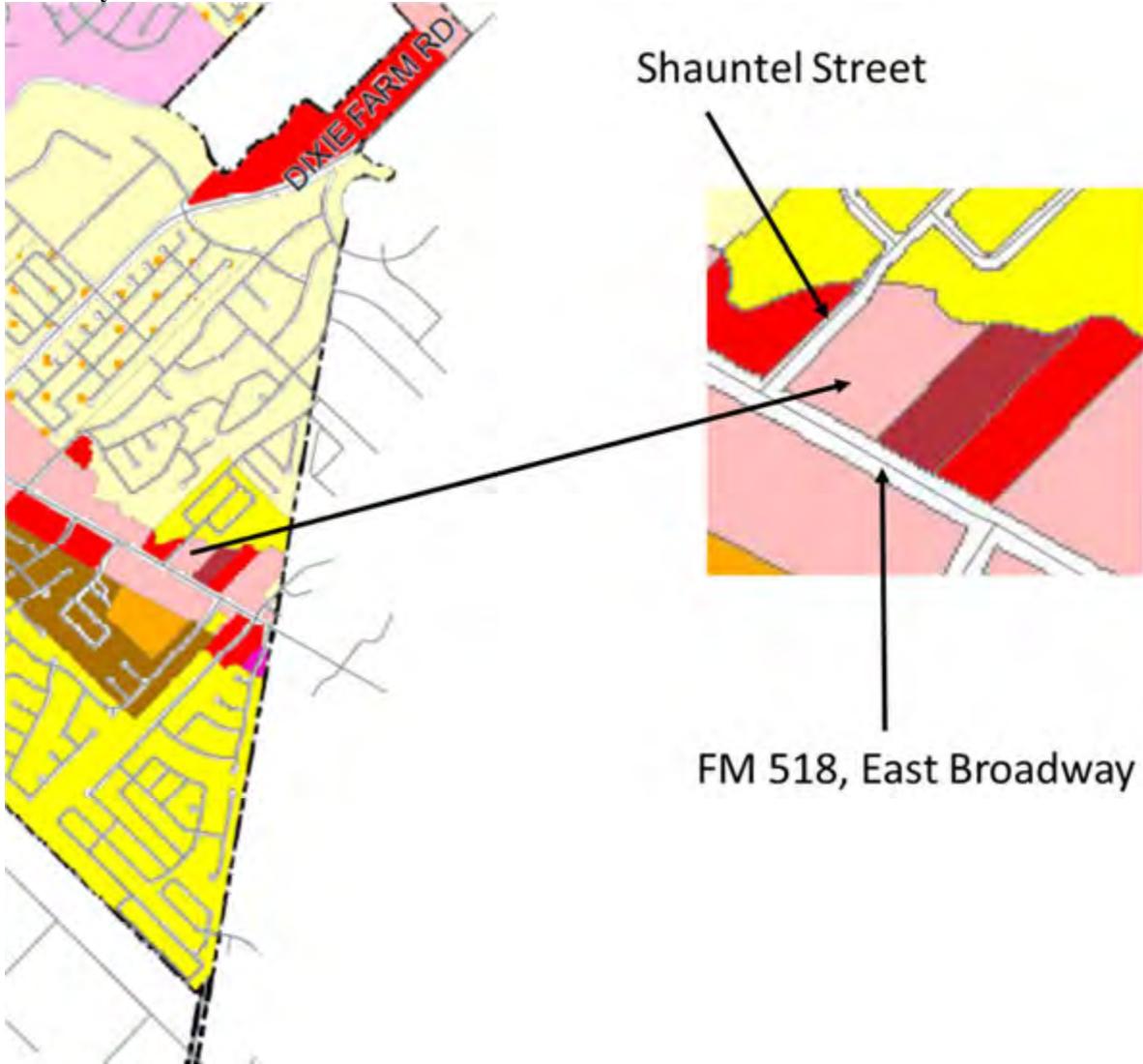
- Grand Opening.... Beer is made and happily served to excited customers!

## Month 6

- Picnic and seating nodes are added to undeveloped green area. A trail and bicycle parking will be added once the city has constructed the Hike & Bike trail along Mary's Creek in order to maximize the location and layout of the trail to best serve the public.

**PARCEL MAP**

1231 E Broadway



LINE	BEARING	DISTANCE
L1	S 87°19'43" E	120.73'
L2	S 70°15'36" E	68.59'
L3	S 47°57'43" E	59.88'
L4	S 38°23'24" E	39.33'
L5	S 58°32'30" E	7.89'

Exhibit A



BEING a 2.939 acre tract out of Part of Lot 20, Lot 21 and Lot 22, of Block 3 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County Plat Records, and being more particularly described by metes and bounds as follows:

BEGINNING at the Southeast corner of a tract conveyed to Hazeldale Construction, in Volume (84)10, Page 459, Brazoria County Official Records, said point being on the North line of Broadway, a 100 foot right-of-way, also-known-as Farm to Market 518, said point being marked by a found "X";

THENCE North 45°35'04" East, a distance of 448.85 feet, to the the centerline of Mary's Creek and a found "X";

THENCE with the center line of Mary's Creek as follows:

- South 87°19'43" East, a distance of 120.73 feet;
- South 70°15'36" East, a distance of 68.59 feet;
- South 47°57'43" East, a distance of 59.88 feet;
- South 38°23'24" East, a distance of 39.33 feet;

South 58°32'30" East, a distance of 7.89 feet to the West line of a tract conveyed to Bruce Bristol in Volume 1010, Page 162 of the Brazoria County Deed Records;

THENCE South 45°35'04" West, following the West line of said Bruce tract, a distance of 492.73 feet, to the North line of said Broadway, and a found 1/2 inch rod;

THENCE North 59°36'42" West, following the said North line of Broadway, a distance of 265.98 feet to the point of beginning, and containing 2.939 acres (128,016 square feet) more or less.

49 Parking Stall  
1 Handicapped Stall

☆ Light Pole	▬ Grade Inlet
⊙ Flag Pole	⊙ Fire Hydrant
⊙ Drainage Manhole	⊙ Water Valve
⊙ Telephone Box	⊙ Tree
⊙ Electrical Box	⊙ Bush
⊙ Power Pole	⊙ Handi Cap Stall
— Dashed — Over Head Utility Lines	

Survey of a 2.939 acre tract out of Lots 20, 21, and 22 of the George W. Jenkins Subdivision, in Brazoria County, Texas, according to the map or plat thereof recorded in Volume 2, Page 20, of the Brazoria County Plat Records, and being more particularly described by metes and bounds hereon.

I hereby certify that on the below date, the herein described property, together with improvements located thereon, was surveyed on the ground and under my direction, and that this map, together with dimensions as shown hereon, accurately represents the facts as found on the ground this date.

*Stephen C. Blaskey*  
Stephen C. Blaskey  
Registered Professional  
Land Surveyor No. 5856



SURVEY DATE: JULY 1, 2016  
FILE No.: BAKS  
DRAFTING: bah  
JOB No.: 16-BAKS



8017 HARBORSIDE DRIVE  
P.O. BOX 16142 (mailing)  
GALVESTON, TX 77552  
ph (409) 740-1617  
Registration Number: 10193855  
www.hightidelandsurveying.com

NOTES:  
1) This property does lie within the 100 Year Flood Plain as established by the Federal Emergency Management Agency.  
2) This property is subject to any restrictions of record and may be subject to setbacks from power lines as established by OSHA (call your power company).  
3) Bearings based on Monumentation of Center line of Shaunteil Street, being a found "X" at the North Line of Broadway, and a found "X" at the center line of Mary's Creek.  
4) Surveyed without benefit of a Title Report.

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

<b>AGENDA OF:</b>	August 8, 2016	<b>ITEM NO.:</b>	Resolution No. R2016-141												
<b>DATE SUBMITTED:</b>	July 29, 2016	<b>DEPT. OF ORIGIN:</b>	Finance												
<b>PREPARED BY:</b>	Cynthia Pearson	<b>PRESENTOR:</b>	Cynthia Pearson												
<b>REVIEWED BY:</b>	Matt Buchanan	<b>REVIEW DATE:</b>	July 29, 2016												
<b>SUBJECT:</b> Resolution No. R2016-141 - A Resolution of the City of Pearland, Texas, authorizing the issuance of the Pearland Economic Development Corporation Sales Tax Revenue Refunding Bonds, Series 2016; authorizing a Sales Tax Remittance Agreement; authorizing a continuing disclosure undertaking in connection with such bonds; and making various findings and provisions related to the subjects.															
<b>EXHIBITS:</b> Resolution NO. R2016-141 June 30 BOSC Board Presentation Term Sheet Refunding Presentation (to be handed out at meeting) – BOSC, Inc.															
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"><b>EXPENDITURE REQUIRED:</b></td> <td style="width: 50%;"><b>AMOUNT BUDGETED:</b></td> </tr> <tr> <td><b>AMOUNT AVAILABLE:</b></td> <td><b>PROJECT NO.:</b></td> </tr> <tr> <td><b>ACCOUNT NO.:</b></td> <td></td> </tr> <tr> <td colspan="2" style="padding-top: 10px;"><b>ADDITIONAL APPROPRIATION REQUIRED:</b></td> </tr> <tr> <td><b>ACCOUNT NO.:</b></td> <td></td> </tr> <tr> <td><b>PROJECT NO.:</b></td> <td></td> </tr> </table>				<b>EXPENDITURE REQUIRED:</b>	<b>AMOUNT BUDGETED:</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>	
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<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>															
<input checked="" type="checkbox"/> Finance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Resolution												

## **EXECUTIVE SUMMARY**

### **BACKGROUND**

On June 20, 2016, BOSC, Inc., Financial Advisor for the City and Pearland Economic Development Corporation, informed the City of an opportunity to refund a portion of the PEDC's existing Sales Tax Revenue Bonds due to the historical low interest rate environment. The EDC may "current refund" a portion of its Series 2005 and Series 2006 Sales Tax Revenue Bonds at a lower interest rate and achieve interest cost savings. Staff and our Financial Advisor discussed the refunding with Board at their June 30<sup>th</sup> meeting where they authorized BOSC to proceed with receiving private placement bids.

The estimated amount of principal to be refunded totals \$14,545,000; with interest rates ranging from 4.0% to 5.00%. This refunding will exceed the minimum 3% net present value savings targeted for refunding's in the City's Financial Management Policy Statements. (The actual bonds to be refunded and actual interest rate and savings will be determined on Monday, August 8, 2016).

This refunding will not restructure or extend the existing debt. The proposed refunding is very similar to refinancing your home. The savings generated by refinancing your home is based on the spread of the old interest rate versus the new interest rate. The refunding or refinancing of the City's existing debt is no different.

PEDC Board of Directors will have a special meeting on August 8 at 5:30 pm at City Hall to consider the bids and term sheets. If the Board approves a bid City Council will need to also approve to move forward with the refunding.

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

The first debt service payment on the new refunded bonds will be due in fiscal year 2017 with the first annual savings to also begin in fiscal year 2017. The City and Corporation's financial advisor, John Robuck with BOSC, Inc. will review the details with City Council

### **RECOMMENDED ACTION**

Consideration And Possible Approval Of A Resolution Of The City Of Pearland, Texas Approving The Resolution Authorizing The Issuance Of The Pearland Economic Development Corporation Sales Tax Revenue Refunding Bonds, Series 2016; Authorizing A Sales Tax Remittance Agreement; Authorizing A Continuing Disclosure Undertaking In Connection With Such Bonds; And Making Various Findings And Provisions Related To Such Subjects.

**RESOLUTION NO. R2016-141**

**A Resolution of the City of Pearland, Texas, authorizing the issuance of the Pearland Economic Development Corporation Sales Tax Revenue Refunding Bonds, Series 2016; authorizing a Sales Tax Remittance Agreement; authorizing a continuing disclosure undertaking in connection with such bonds; and making various findings and provisions related to the subjects.**

WHEREAS, on January 21, 1995, the voters of the City of Pearland, Texas (the "City") approved the levy of a one-half of one percent sales and use tax (the "Sales Tax") to be used for the benefit of the Pearland Economic Development Corporation (the "Corporation"), including, among other things, for paying the costs of acquisition and construction of streets and roads and drainage and related improvements which promote or develop new or expanded business enterprises; and

WHEREAS, the City, by Resolution No. R95-36 duly adopted on May 22, 1995, authorized the creation of the Corporation to act on behalf of the City by receiving and expending revenues from the Sales Tax for various projects which promote or develop new or expanded business enterprises; and

WHEREAS, on June 26, 1995, the Corporation was duly created, incorporated, chartered and organized pursuant to Article 5190.6, Texas Revised Civil Statutes (the "Act"); and

WHEREAS, the Corporation has previously issued its Sales Tax Revenue and Refunding Bonds, Series 2005 and Sales Tax Revenue Bonds, Series 2006 (together, the "Refunded Bonds") and desires to refund the Refunded Bonds in order to realize gross and net present value savings; and

WHEREAS, the refunding of the Refunded Bonds will result in a gross savings of \$\_\_\_\_\_and a net present value savings of \$\_\_\_\_\_, and that such benefits are sufficient consideration for the refunding of the Refunded Bonds, and that such refunding is in the best interests of the Corporation and the City; and

WHEREAS, in connection with the issuance of the Bonds, the City has agreed, on behalf of the City and the Corporation, to provide certain financial information and operating data annually in accordance with the Rule (as defined herein); and

WHEREAS, the City and the Corporation desire to enter into a certain Sales Tax Remittance Agreement (the "Sales Tax Remittance Agreement").

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PEARLAND, TEXAS, as follows:

1. Findings and Determinations. It is hereby officially found and determined that all of the facts recited in the preamble hereto are true and correct and the preamble is incorporated into and made a part of this Resolution.

2. Authorization of Sales Tax Remittance Agreement. The Sales Tax Remittance Agreement, substantially in the form attached hereto as Exhibit A, are hereby approved. The City Council, by a majority vote of its members, at a regular meeting, hereby approves the form, terms and provisions of the Sales Tax Remittance Agreement between the City and the Corporation and authorizes the execution and delivery of the Sales Tax Remittance Agreement.

3. Tax Levy and Pledge. The City has covenanted and agreed in the Sales Tax Remittance Agreement and hereby authorizes the appropriate City officials to take all steps necessary and authorized under the Act and other applicable laws to continuously levy and collect the Sales Tax at the rate of ½% so long as any of the Bonds and any Additional Bonds (as defined in the Sales Tax Remittance Agreement) are outstanding in the manner and to the maximum extent permitted by applicable law. The City hereby agrees that it will not cause a reduction, abatement, or exemption in the Sales Tax, or in the rate in which it is authorized to be collected. The City also agrees that any repeal of the right and power to levy the Sales Tax will not be effective until all the Bonds and any Additional Bonds have been paid in full or until they are legally defeased in accordance with the Resolutions authorizing their issuance. The City hereby agrees to pay to the Corporation, by a direct deposit into the Corporation's Sales Tax Revenue Fund, 100% of the revenues collected from the annual levy and assessment of the Sales Tax, less any amounts due to the Comptroller of Public Accounts of the State of Texas for collection costs and other charges, for the term of the Sales Tax Remittance Agreement.

4. Approval of Bond Resolution. The City hereby ratifies the Resolution authorizing the issuance of the Corporation's Sales Tax Revenue Refunding Bonds, Series 2016, in the aggregate principal amount of [\$14,625,000] (the "Bond Resolution"), substantially in the form attached hereto as Exhibit "B," and hereby approves said Bond Resolution and the issuance of the bonds described therein.

5. Continuing Disclosure Undertaking.

(a) The City shall provide annually to the Municipal Securities Rulemaking Board (the "MSRB"), within six months after the end of each fiscal year ending in or after 2016, financial information and operating data with respect to the City. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so provided, then the City shall provide unaudited financial statements for the applicable fiscal year by the required time, and audited financial statements when and if audited financial statements become available.

If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to documents (i) available to the public on the MSRB's internet web site or (ii) filed with the SEC.

(b) The City shall notify the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of holders of the Bonds, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of trustee, if material.

Additionally, the City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 4 (a) above by the time required by such Section.

The City shall also notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with this Section by the time required by this Section.

(c) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by this Section of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Section are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of principal payment of the City, but only if either

(a) the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City

(such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(d) As used in this Section, the following terms have the meanings ascribed to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

6. Further Actions. The Mayor, City Secretary and the other officials of the City are hereby authorized, jointly and severally, to execute and deliver such certificates, documents, or papers necessary and advisable, and to take such actions as are necessary to carry out the intent and purposes of this Resolution.

7. Severability. If any word, phrase, clause, sentence, paragraph, section or other part of this Resolution, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Resolution and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Resolution to any other persons or circumstances shall not be affected thereby.

8. Effective Date. This Resolution shall be in full force and effect from and upon adoption.

9. Repealer. All orders, Resolutions and Resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,

A.D., 2016.

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TOM REID  
MAYOR

ATTEST:

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YOUNG LORFING, TRMC  
CITY SECRETARY

APPROVED AS TO FORM:

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DARRIN M. COKER  
CITY ATTORNEY

**EXHIBIT A**  
**SALES TAX REMITTANCE AGREEMENT**

**EXHIBIT B**  
**BOND RESOLUTION**



# Pearland Economic Development Corporation

## Overview of Refunding Opportunity

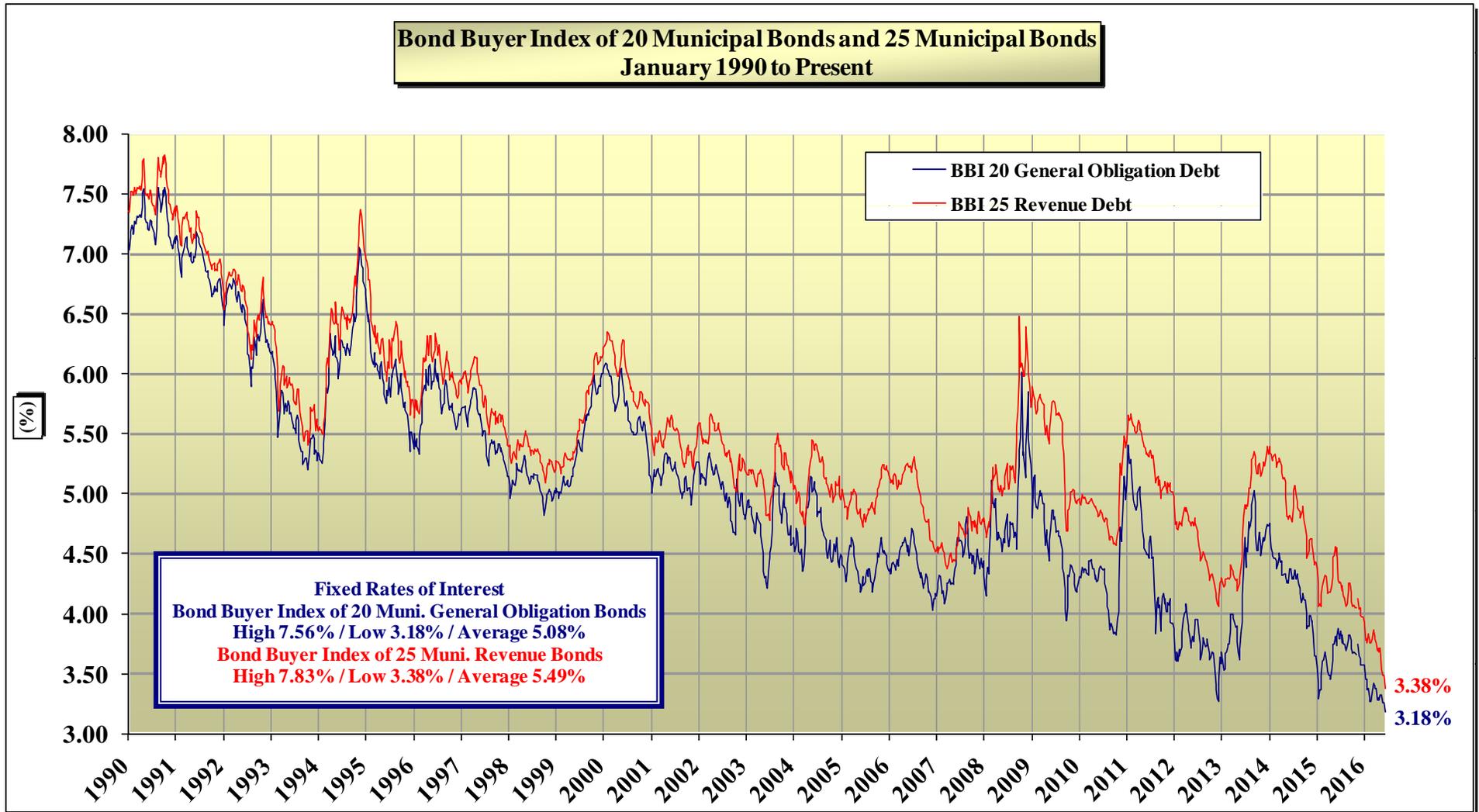
**\$14,625,000\* Sales Tax Revenue Refunding Bonds, Series 2016**

**Thursday, June 30, 2016**

\* Preliminary, subject to change.

Broker/Dealer Services and Securities offered by BOSC, Inc., an SEC registered investment adviser, a registered broker/dealer, member FINRA/SIPC. SEC registration does not imply a certain level of skill or training. Insurance offered by BOSC Agency, Inc., an affiliated agency. Investments and insurance are not insured by FDIC, are not deposits or other obligations of, and are not guaranteed by, any bank or bank affiliate. Investments are subject to risks, including possible loss of principal amount invested.

## Current Market Conditions



The BBI 20 is published every Thursday. The rate consists of general obligation bonds maturing in 20 years with an average rating equivalent to Moody's "Aa2" and S&P's "AA." The BBI 25 is also published every Thursday. The rate consists of revenue bonds maturing in 30 years with an average rating equivalent to Moody's "A1" and S&P's "A+".



# Pearland Economic Development Corporation

The Corporation has an opportunity to refund a portion of its outstanding Sales Tax Revenue Bonds at a lower interest rate and receive interest cost savings.

## Bonds to be Refunded:

Series	Maturity Date	Principal Amount *	Call Date/Price	Interest Rate	Refunding Yield (a)	Savings (b)
Sales Tax Revenue and Refunding Bonds, Series 2005	9/1/2017	\$505,000	9/06/2016 @ 100	5.000%	1.17%	\$15,385
	9/1/2018	530,000	9/06/2016 @ 100	5.000%	1.29%	39,307
	9/1/2019	555,000	9/06/2016 @ 100	4.000%	1.42%	43,143
	9/1/2020	575,000	9/06/2016 @ 100	4.000%	1.57%	57,894
	9/1/2021	600,000	9/06/2016 @ 100	4.100%	1.72%	75,173
	9/1/2022	625,000	9/06/2016 @ 100	4.100%	1.87%	88,055
	9/1/2023	650,000	9/06/2016 @ 100	4.125%	2.03%	99,771
	9/1/2024	675,000	9/06/2016 @ 100	4.200%	2.14%	115,955
	9/1/2025	705,000	9/06/2016 @ 100	4.250%	2.24%	131,917
	9/1/2026	735,000	9/06/2016 @ 100	4.250%	2.34%	143,456
Sales Tax Revenue Bonds, Series 2006	9/1/2017	255,000	9/06/2016 @ 100	4.250%	1.17%	5,462
	9/1/2018	265,000	9/06/2016 @ 100	4.375%	1.29%	15,652
	9/1/2019	280,000	9/06/2016 @ 100	4.375%	1.42%	25,550
	9/1/2020	300,000	9/06/2016 @ 100	4.500%	1.57%	37,350
	9/1/2021	310,000	9/06/2016 @ 100	4.500%	1.72%	46,142
	9/1/2022	325,000	9/06/2016 @ 100	5.000%	1.87%	66,201
	9/1/2023	345,000	9/06/2016 @ 100	5.000%	2.03%	77,178
	9/1/2024	365,000	9/06/2016 @ 100	5.000%	2.14%	89,106
	9/1/2025	385,000	9/06/2016 @ 100	5.000%	2.24%	100,987
	9/1/2026	405,000	9/06/2016 @ 100	5.000%	2.34%	112,359
	9/1/2027	1,190,000	9/06/2016 @ 100	5.000%	2.45%	313,860
	9/1/2028	1,255,000	9/06/2016 @ 100	4.750%	2.50%	283,999
	9/1/2029	1,320,000	9/06/2016 @ 100	4.750%	2.56%	286,611
9/1/2030	1,390,000	9/06/2016 @ 100	4.750%	2.62%	289,259	
<b>Totals:</b>		<b><u>\$14,545,000</u></b>				<b><u>\$2,559,771</u></b>

\* Preliminary, subject to change.

(a) Interest estimated at current market rates.

(b) Includes estimated transaction costs.



# Pearland Economic Development Corporation

## Estimated Debt Service Requirements – Sales Tax Revenue Bonds

Fiscal Year Ending (9/30)	Current Total Debt Service	Less: Debt Service on the Refunded Bonds*	Plus: The Series 2016 Refunding Bonds		Total Debt Service	Estimated Savings (b)
			Principal*	Interest (a)		
2016	\$1,418,956				\$1,418,956	\$375
2017	1,424,756	1,424,756	\$900,000	\$343,174	1,243,174	181,582
2018	1,423,669	1,423,669	915,000	326,583	1,241,583	182,085
2019	1,425,575	1,425,575	935,000	306,911	1,241,911	183,664
2020	1,431,125	1,431,125	960,000	286,808	1,246,808	184,317
2021	1,429,625	1,429,625	980,000	266,168	1,246,168	183,457
2022	1,431,075	1,431,075	1,005,000	245,098	1,250,098	180,977
2023	1,434,200	1,434,200	1,030,000	223,491	1,253,491	180,709
2024	1,435,138	1,435,138	1,050,000	201,346	1,251,346	183,792
2025	1,438,538	1,438,538	1,075,000	178,771	1,253,771	184,767
2026	1,439,325	1,439,325	1,100,000	155,658	1,255,658	183,667
2027	1,437,838	1,437,838	1,125,000	132,008	1,257,008	180,829
2028	1,443,338	1,443,338	1,150,000	107,821	1,257,821	185,517
2029	1,448,725	1,448,725	1,185,000	83,096	1,268,096	180,629
2030	1,456,025	1,456,025	1,215,000	57,618	1,272,618	183,407
<b>Totals</b>	<b>\$21,517,906</b>	<b>\$20,098,950</b>	<b>\$14,625,000</b>	<b>\$2,914,554</b>	<b>\$18,958,510</b>	<b>\$2,559,771</b>

\* Preliminary, subject to change.

(a) Interest estimated at current market rates.

(b) Includes estimated transaction costs and any necessary debt service fund transfers.



# Pearland Economic Development Corporation

## Tentative Schedule of Events

## \$14,625,000\* Sales Tax Revenue Refunding Bonds, Taxable Series 2016

June - 2016						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

July - 2016						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

August - 2016						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

September - 2016						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

<u>Date</u>	<u>Action</u>	<u>Role</u>
Thursday, June 30 <sup>th</sup>	PEDC Board Meeting to Discuss Plan of Finance and Schedule of Events	BOSC, AK, PEDC
Monday, July 11 <sup>th</sup>	Prepare Private Placement Bid Form / Term Sheet	BOSC, AK
Monday, July 18 <sup>th</sup>	Distribute Private Placement Bid Form / Term Sheet	BOSC
Friday, August 5 <sup>th</sup>	Private Placement Bids Due	BOSC, AK, Bank
Monday, August 8 <sup>th</sup>	PEDC Special Board Meeting to Approve Bond Sale (Bond Pricing)	BOSC, AK, PEDC, Bank City
	City of Pearland Council Meeting to Approve Bond Sale	
Thursday, September 8 <sup>th</sup>	Bond Closing	BOSC, AK, PEDC, Bank

### PARTICIPANTS

- PEDC – Pearland Economic Development Corporation
- BOSC – BOSC, Inc.
- AK – Andrews Kurth LLP
- Bank – Purchaser
- City – City of Pearland

\* Preliminary, subject to change.

# TERM SHEET

The following is intended to provide limited introductory information concerning the transaction and does not purport to be comprehensive. This information is qualified in its entirety by reference to the complete legal documents and should be read together therewith.

**\$14,640,000\***

## **PEARLAND ECONOMIC DEVELOPMENT CORPORATION**

### **SALES TAX REVENUE REFUNDING BONDS, SERIES 2016**

#### **FINANCING OVERVIEW:**

The Pearland Economic Development Corporation (the “Corporation”) is contemplating the issuance of \$14,640,000\* in Sales Tax Revenue Refunding Bonds, Series 2016 (the “Bonds”). The Corporation will be privately placing the Bonds with an institution in a fixed rate mode.

The Bonds will not be designated as “Qualified Tax-Exempt Obligations” for financial institutions. The Bonds are offered as term bonds or as serial bonds or any combination thereof. Interest will be payable on March 1, 2017, and each September 1 and March 1 thereafter until maturity. The Bonds maturing on September 1, 2027 and thereafter, are subject to redemption on September 1, 2026 or any date thereafter, at the option of the Corporation, at the par value thereof plus accrued interest from the most recent interest payment date to the date of redemption.

**Intent to bid** should be provided to the Corporation’s Financial Advisor, BOSCO, Inc., on or before Friday, July 29, 2016 (John Robuck by email [jrobuck@boscoinc.com](mailto:jrobuck@boscoinc.com)) by 1 PM CDT.

**Actual bids** will need to be submitted on or before Friday, August 5, 2016 (John Robuck by email [jrobuck@boscoinc.com](mailto:jrobuck@boscoinc.com)) by 10 AM CDT. The winning bidder will be notified by 11 AM CDT pending the Board’s final approval of a Resolution authorizing the issuance of the Bonds (the “Resolution”) at its Board Meeting on Monday, August 8, 2016.

The Corporation will pay a Bank Counsel fee on behalf of the winning bidder in an amount not to exceed \$3,500. The Corporation reserves the right to reject any and all bids and to waive any irregularities (except for irregularities associated with the timeliness of any bid submission). The Corporation may reject bids based upon conditions included in a bid. Any additional questions should be directed to the Financial Advisor.

The sale of the Bonds will be awarded to the bidder which provides the lowest True Interest Cost based on lowest interest cost and cost for paying agent/registrar services and any other fee or charge.

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\* Preliminary, subject to change.

**NEW OBLIGATION OF THE  
PEARLAND ECONOMIC  
DEVELOPMENT  
CORPORATION TO RECEIVE  
INFORMATION FROM  
WINNING BIDDER:**

Effective January 1, 2016, pursuant to Texas Government Code Section 2252.908 (the “Interested Party Disclosure Act”), the Pearland Economic Development Corporation (the “Corporation”) may not award its Sales Tax Revenue Refunding Bonds, Series 2016 (the “Bonds”) to a bidder unless the winning bidder submits a Certificate of Interested Parties Form 1295 (the “Disclosure Form”) to the Corporation as prescribed by the Texas Ethics Commission (“TEC”).

In the event that the bidder’s bid for the Bonds conforms to the specifications provided by the Corporation and is the best bid received, the Corporation, acting through its financial advisor, will promptly notify the bidder. The apparent winning bidder must have submitted a completed Disclosure Form, as described below, **not later than two (2) hours** after the deadline for the submission of bids in order for the Corporation to complete the formal award. If the apparent winning bidder fails to file the Disclosure Form within the time period described in the previous sentence, the Corporation reserves the right to notify the apparent winning bidder that their bid has been rejected and award the sale to the next highest rated bidder.

**PROCESS FOR COMPLETING  
THE DISCLOSURE FORM:**

For purposes of completing the Disclosure Form, reference is made to the following information needed to complete it: (a) item 2 – name of governmental entity – **“Pearland Economic Development Corporation”** and (b) item 3 – the identification number and description of the goods or services assigned to this contract by the Corporation: Identification Number: **“Series 2016 – Purchase Agmt.”**; Description: **“Purchase of Bonds.”**

If the winning bidder will also serve as Paying Agent/Registrar for the Bonds, the winning bidder will need to submit a separate Disclosure Form in connection with the Paying Agent/Registrar Agreement. For purposes of completing the Paying Agent/Registrar Disclosure Form, reference is made to the following information needed to complete it: (a) item 2 – name of governmental entity: **“Pearland Economic Development Corporation”** and (b) item 3 – the identification number and description of the goods or services assigned to this contract by the Corporation: Identification Number: **“Series 2016 – PAR”**; Description: **“Paying Agent/Registrar Services”**

The Interested Party Disclosure Act and the rules adopted by the TEC with respect thereto (the “Disclosure Rules”) require a business entity contracting with the Corporation to (i) complete the Disclosure Form electronically at [https://www.ethics.state.tx.us/whatsnew/elf\\_info\\_form1295.htm](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) and (ii) print, have notarized, sign and deliver, in physical form, the Disclosure Form and certification of filing that is generated by the TEC’s “electronic portal” to the Corporation. **Following the electronic filing with the TEC, the winning bidder must submit an electronic copy of their completed Disclosure Form and certification of filing to Matt Buchanan, President for the Corporation at: [mbuchanan@pearlandedc.com](mailto:mbuchanan@pearlandedc.com) with a copy to John Robuck, Financial Advisor to the Corporation at [jrobuck@boscinc.com](mailto:jrobuck@boscinc.com).** Originals of the completed Disclosure Form and the certification of filing must be physically delivered to the Corporation within two business days of the award to the following address:

Matt Buchanan  
President  
Pearland Economic Development Corporation  
1200 Pearland Parkway, Suite 200  
Pearland, TX 77581

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\* Preliminary, subject to change.

**PREPARATIONS FOR COMPLETION, AND THE SIGNIFICANCE OF, THE REPORTED INFORMATION:**

In accordance with the Interested Party Disclosure Act, the information reported on the Disclosure Form **MUST BE ACKNOWLEDGED BY AND SUBMITTED UNDER A NOTARY STAMP**. No exceptions may be made to that requirement. Time will be of the essence in submitting the Disclosure Form to the Corporation, and no award will be made by the Corporation of the Bonds until a completed Disclosure Form is received. The Corporation reserves the right to reject any bid that is not accompanied by a completed Disclosure Form, as and within the time period described herein. Neither the Corporation nor its consultants have the ability to verify the information included in a Disclosure Form, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the Disclosure Form. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the Corporation that its bid is the conditional winning bid.

**MATURITY SCHEDULE:**

Redemption Date	Principal Amount <sup>*(1)</sup>	Redemption Date	Principal Amount <sup>*(1)</sup>
9-01-2017	\$ 905,000	9-01-2024	\$ 1,050,000
9-01-2018	915,000	9-01-2025	1,080,000
9-01-2019	935,000	9-01-2026	1,100,000
9-01-2020	960,000	9-01-2027 <sup>(2)</sup>	1,125,000
9-01-2021	980,000	9-01-2028 <sup>(2)</sup>	1,155,000
9-01-2022	1,005,000	9-01-2029 <sup>(2)</sup>	1,185,000
9-01-2023	1,030,000	9-01-2030 <sup>(2)</sup>	1,215,000

- <sup>(1)</sup> The Bidder may elect to create one or more Term Bonds comprised of the above described maturities subject to mandatory sinking fund redemption in each year in accordance with the maturity schedule provided above.
- <sup>(2)</sup> Subject to redemption on September 1, 2026 or any date thereafter at the option of the Corporation, at par value thereof plus accrued interest from the most recent interest payment date to the date of redemption.

Average Life: 7.856 years\*

**CLOSING DATE:**

Thursday, September 8, 2016\*

**SECURITY:**

The Bonds, when issued, will constitute special limited obligations of the Corporation and will be payable solely from, and secured by a lien on and pledge of, the pledged revenues, and are not payable from nor secured by any other revenues, property or income of the Corporation. The Bonds do not constitute a debt or obligation of the State of Texas or any political subdivision, corporation, or agency thereof, or of the City of Pearland, Texas or the counties of Harris or Brazoria, and the holders thereof shall never have the right to demand payment of any funds raised or to be raised by ad valorem taxation. The Corporation has never defaulted on payments of principal or interest.

**PROCEEDS:**

Proceeds from the sale of the Bonds will be used for the refunding of certain outstanding obligations (the "Refunded Obligations") of the Corporation. The proceeds will also be used to pay the costs of issuance of the Bonds, including the Financial Advisor's fee and Bond Counsel's fee, all of which are contingent upon the sale of the Bonds, as well as other administrative costs incurred.

\* Preliminary, subject to change.

**THE CORPORATION:** The Pearland Economic Development Corporation is a non-profit corporation created by the City of Pearland, Texas (the “City”) pursuant to Section 4B of Article 5190.6, Texas Revised Civil Statutes, as amended (the “Act”) to promote economic development within the City and the vicinity thereof.

**FINANCIAL ADVISOR:** **BOSC, Inc. – Houston, Texas**  
John Robuck 713-289-5897 or [jrobuck@boscinc.com](mailto:jrobuck@boscinc.com)

**BOND COUNSEL:** **Andrews Kurth LLP – Houston, Texas**  
Rick Witte 713-220-3944 or [rickwitte@andrewskurth.com](mailto:rickwitte@andrewskurth.com)  
Tanya Fischer 713-220-3915 or [tanyafischer@andrewskurth.com](mailto:tanyafischer@andrewskurth.com)  
Nikki Hill 713-220-4496 or [nikkihill@andrewskurth.com](mailto:nikkihill@andrewskurth.com)

**PAYING AGENT:** It is anticipated that the Purchaser will also act as Paying Agent/Registrar on the Bonds. Please list any charges for this service. The Bonds will not be qualified for DTC.

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

<b>AGENDA OF:</b>	August 8, 2016	<b>ITEM NO.:</b>	Resolution No. R2016-138
<b>DATE SUBMITTED:</b>	July 25, 2016	<b>DEPT. OF ORIGIN:</b>	Finance
<b>PREPARED BY:</b>	Joel Hardy	<b>PRESENTOR:</b>	Joel Hardy
<b>REVIEWED BY:</b>	Cynthia Pearson/JRB	<b>REVIEW DATE:</b>	August 1, 2016
<b>SUBJECT: RESOLUTION R2016-</b> – A Resolution of the City Council of Pearland, Texas, approving the City’s 10 <sup>th</sup> Annual Action Plan, for submission to the U.S. Department of Housing and Urban Development Community Development Block Grant Program - Program Year 2016, Fiscal Year 2017.			
<b>EXHIBITS: Resolution NO. R2016-138</b> A. Program Year 2016 (FY '17) CDBG Annual Action Plan – City of Pearland			
<b>FUNDING:</b>			
<input type="checkbox"/> Bonds To Be Sold <input checked="" type="checkbox"/> Grant <input type="checkbox"/> Bonds- Sold <input type="checkbox"/> Developer/Other <input type="checkbox"/> Cash <input type="checkbox"/> L/P – Sold <input type="checkbox"/> L/P – To Be Sold			
<b>EXPENDITURE REQUIRED:</b> N/A		<b>AMOUNT BUDGETED:</b> \$325,431 FY2017	
<b>AMOUNT AVAILABLE:</b> \$325,431 FY2017		<b>PROJECT NO.:</b>	
<b>ACCOUNT NO.:</b> Fund 351			
<b>ADDITIONAL APPROPRIATION REQUIRED:</b> No			
<b>ACCOUNT NO.:</b>			
<b>PROJECT NO.:</b>			
<b>To be completed by Department:</b>			
<input type="checkbox"/> Finance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution			

**EXECUTIVE SUMMARY**

**BACKGROUND**

The City has been allocated \$325,431 from U.S. Department of Housing & Urban Development (HUD) – Community Planning and Development (CPD) for the Community Development Block Grant (CDBG) program for FY 2016-2017; CPD Program Year 2016. This is \$6,346 more than the current year’s allocation amount of \$319,085. CDBG funding allocation amounts are formula-based and determining factors include population, income levels, and other demographics.

In March of this year, Pearland received its allocation notice from HUD, announcing the intention to disperse grant funding in the amount of \$325,431 for distribution to eligible activities designed to serve low-moderate income residents of the City. In April, the City began hosting public hearings and information sessions for the purpose of educating citizens and public service organizations about the CDBG program, its funding allocation for the year from HUD, and the availability of grants to subrecipient agencies that would be made available soon thereafter. In May, the application was released and local non-profit charitable organizations were eligible to apply for 15% of the City's total CDBG allocation. Based on the \$325,431 allocation for FY 2017, \$48,814 would be available for public services activities and no cap would be placed on requests to improve the facilities serving low-moderate income Pearland residents.

Staff presented recommendations for the use of HUD funding in fiscal year 2017, and also provided citizens with an opportunity to be involved in the CDBG program by participating in a docketed public hearing at Council's Regular Meeting of July 11, 2016. In both sessions, staff presented Council and the public with the following proposed uses of the block grant funding for FY 2017, and the attached Annual Action Plan contains the required program elements to secure HUD's allocation of grant funding to the City.

The FY 2017 Annual Action Plan for HUD CDBG Program Year 2016 includes the following:

*Public Service Funding (15% cap)*

The City's CDBG Action Plan for FY '17 includes a "Meals on Wheels" program, counseling services for low-moderate income Pearland residents, emergency utility and rent assistance, and a youth health/fitness initiative offered by a new local agency that provides similar services for police/fire public safety officers and military veterans. These items conclude the requests for the Public Services category of CDBG funding, subject to the 15% allocation cap (15% of the \$325,431 annual allocation, which is \$48,814). The table below highlights the specific agencies and programs CDBG funding will support.

<b>Agency</b>	<b>Program</b>	<b>Funding Recommendation</b>
AcTionS, Inc.	"Meals on Wheels"	\$11,205
Counseling Connections	Counseling Services	\$9,997
Pearland Neighborhood Center	Emergency Assistance	\$15,612
Helping Emergency Response Officers and Students (HEROS)	Youth health/wellness and fitness	\$12,000
<b>Total Public Services</b>		<b>\$48,814</b>

*Proposed Use of Local Infrastructure Improvements Funding (no cap)*

Forgotten Angels Foundation will match CDBG funds to construct an onsite vocational training facility for higher-functioning mentally-disabled adults. A total of \$118,150 will be allocated to this agency to build a 4,000 square foot metal structure on a concrete slab, for the purpose of housing the training and skill-building activities aimed at improving several

aspects of the lives of those served by the agency – employability, independence, and improving their overall quality of life experiences.

A total of \$93,381 will be used to support the personnel costs for CDBG code enforcement and single-family housing rehabilitation program activities in Pearland, as follows:

Code Enforcement:

- \$30,000 for Code Enforcement personnel costs.

Single Family Housing Rehab

- \$10,381 for PY 2016 Single-Family Housing Rehabilitation Program personnel costs.
- \$53,000 for PY 2016 Single-Family Housing Rehabilitation Program housing repair costs (anticipation is that some funds allocated from the PY 2015 budget for housing repair will carry over into PY 2016, adding to this amount).

The table below outlines the use of HUD funds intended to improve local housing stock and public service facilities.

Agency	Program	Funding Recommendation
Forgotten Angels Foundation	Facility Improvements	\$118,150
City of Pearland	Code Enforcement and Housing Repair	\$93,381
<b>Total Public Services</b>		<b>\$211,531</b>

*Proposed use of Program Administration Funding (20% cap)*

This HUD CDBG Action Plan will allow the City continue to budget for the use of the 20% allowable portion of the allocation amount for program administration (\$65,086).

**SCOPE OF CONTRACT/AGREEMENT**

The CDBG PY 2016 contract between the City and HUD will be for one year beginning October 1, 2016 and ending September 30, 2017, and will only restrict the use of program administration and public services funds for that period of performance. Infrastructure/improvement monies unspent for code enforcement and single family housing rehab activities, as well as those associated with the Forgotten Angels Foundation facility improvements, may be carried over and used in following years as such projects may take longer to complete.

Citizen involvement is a required component of the CDBG planning process, and two 30-day public comment periods have been completed for the purpose of giving citizens an opportunity to provide their input. The comments provided at the public hearings and those received during these two periods (April 2016 and July 2016) will be included as attachments to the Annual Action Plan when submitted to HUD.

**BID AND AWARD**

The award/allocation from HUD will be \$325,431 for PY 2016 and will be issued to the City upon the successful completion, and subsequent HUD approval, of the City’s 10<sup>th</sup> Annual

Action Plan. This plan is attached and includes overall objectives for administrative, public services and infrastructure activities, as well as our efforts to continue affirmatively furthering fair housing. The plans are due to HUD on August 15, 2016 and are on the proper course and timeline for completion, Council approval, and submission to HUD.

### **POLICY/GOAL CONSIDERATION**

The contents of the City's PY 2016 – FY 2017 HUD CDBG Action Plan helps the City to meet Strategic Council Priorities – Healthy Economy and Safe Community

Also, HUD National Objectives to serve low-moderate income communities and reduce poverty are met by completing these projects. The City's citizens benefit by having improved public services, infrastructure, and efforts that affirmatively further fair housing.

### **SCHEDULE**

The remaining activities that will follow Council review and consideration of the City's 10<sup>th</sup> Annual Action Plan, if approved, will take place as follows.

#### **August**

- August 15<sup>th</sup>: Submission Package of COP PY '16 (FY '17) Action Plan to HUD
- August 16<sup>th</sup> – September 30<sup>th</sup>: HUD Action Plan Review

#### **October**

- October 1<sup>st</sup> – 31<sup>st</sup>: Receipt and execution of HUD-Administered Grant Agreement with the City

### **OTHER**

The PY 2016 – FY 2017 HUD CDBG Allocation Year marks the City's 10<sup>th</sup> Anniversary as an Entitlement Jurisdiction.

### **RECOMMENDED ACTION**

A Resolution of the City Council of Pearland, Texas, approving the City's 10<sup>th</sup> Annual Action Plan, for submission to the U.S. Department of Housing and Urban Development Community Development Block Grant Program - Program Year 2016, Fiscal Year 2017.

**RESOLUTION NO. R2016-138**

**A Resolution of the City Council of the City of Pearland, Texas, approving the U. S. Department of Housing and Urban Development Community Development Block Grant Program year 2016/fiscal year 2017 Annual Action Plan.**

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

**Section 1.** That certain Community Development Block Grant Program 10<sup>th</sup> Annual Action Plan, attached hereto as Exhibit "A", is hereby authorized and approved.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_, A.D.,  
2016.

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

ATTEST:

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

APPROVED AS TO FORM:

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



# Pearland Texas Tenth Program Year Action Plan

The CPMP Tenth Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations.

## Narrative Responses

### GENERAL

#### Executive Summary

The City of Pearland will enter its 10<sup>th</sup> year as a HUD Entitlement Jurisdiction with the implementation of Program Year 2016 activities. Life-to-date, the City has been allocated a total of \$2,742,987 in regular and Recovery Act CDBG funding prior to Program Year 2016, has spent \$2,092,588 as of the time of submission of this Action Plan, and has been notified by HUD of its Program Year 2016 Annual CDBG Allocation of \$325,431.

The City has completed the process of developing its Annual Action Plan per 24 CFR 91.220 of Subpart C: Local Governments; Contents of Consolidated Plans. Pearland officials have identified, considered and approved eight (8) activities, in addition to program administration, for funding in PY 2017.

The activities being funded with the Pearland PY 2016 CDBG allocation from HUD will meet HUD National Objectives by providing eligible residents within the Entitlement Jurisdiction mental health services, a handicapped facility, youth services, access to emergency subsistence resources, and senior services; in addition to the ongoing code enforcement and housing repair/rehabilitation program activities that were initiated in Program Year 2014.

The City's plan allocates \$48,814 (15%) of the \$325,431 for Public Services activities; \$65,086 (20%) to the City and professional services providers for program administration (CDBG Matrix Code 21); and, the remaining \$211,531 (65%) for infrastructure, code compliance and housing rehabilitation activities. A total of \$118,150 (56%) of the \$211,531 budgeted for infrastructure will go towards the construction of a vocational training facility at a local public service agency.

The City anticipates spending 43.69% of its allocation in the CDBG Target Area, with no less than 71% of the PY '16 CDBG funds benefiting low-moderate income residents. Considering the technical assistance provided by City CDBG program administration staff, as well as the work performed to conduct Fair Housing Activities, some portions of the 20% expenditures for program administration will additionally benefit low-moderate income communities. Table 1 below highlights the PY 2016 allocation amounts and activities.

**Community Development Block Grant Projected Use of PY 2016 Funds**

CDBG Project Code	Projects	Proposed Units of Service		PY 2016 Recommended Allocation
		People	Housing	
14H	Single Family Housing Rehabilitation/Repair	N/A	8	\$ 53,000
14A	Single Family Housing Rehab Program Coordination	N/A	8	\$ 10,381
03B	Forgotten Angels Vocational Training Facility	50	N/A	\$ 118,150
15	Code Enforcement	N/A	100	\$ 30,000
<b>Subtotal</b>				<b>\$ 211,531</b>
<hr/>				
05Q	Pearland Neighborhood Center's Emergency Assistance	48	N/A	\$ 15,612
05A	ActionS, Inc. "Meals on Wheels" for Seniors	225	N/A	\$ 11,205
05D	HEROS Youth Health & Wellness	30	N/A	\$ 12,000
05O	Counseling Connections Mental Health Services	16	N/A	\$ 9,997
<b>Subtotal</b>				<b>\$ 48,814</b>
21	General administration, contract consultants, in-house staff & regulatory compliance expenditures.	N/A	N/A	\$ 65,086
<b>Subtotal</b>				<b>\$ 65,086</b>
<b>Total PY 2016 Related CDBG Expenditures</b>				<b>\$ 325,431</b>

Below is a list of percentages allocated for each program category:

**Percent of Allocation for Each Category**

Category	Maximum Allowed	Actual
Public Services	15%	15%
Infrastructure/Public Facilities	N/A	65%
Administration	20%	20%

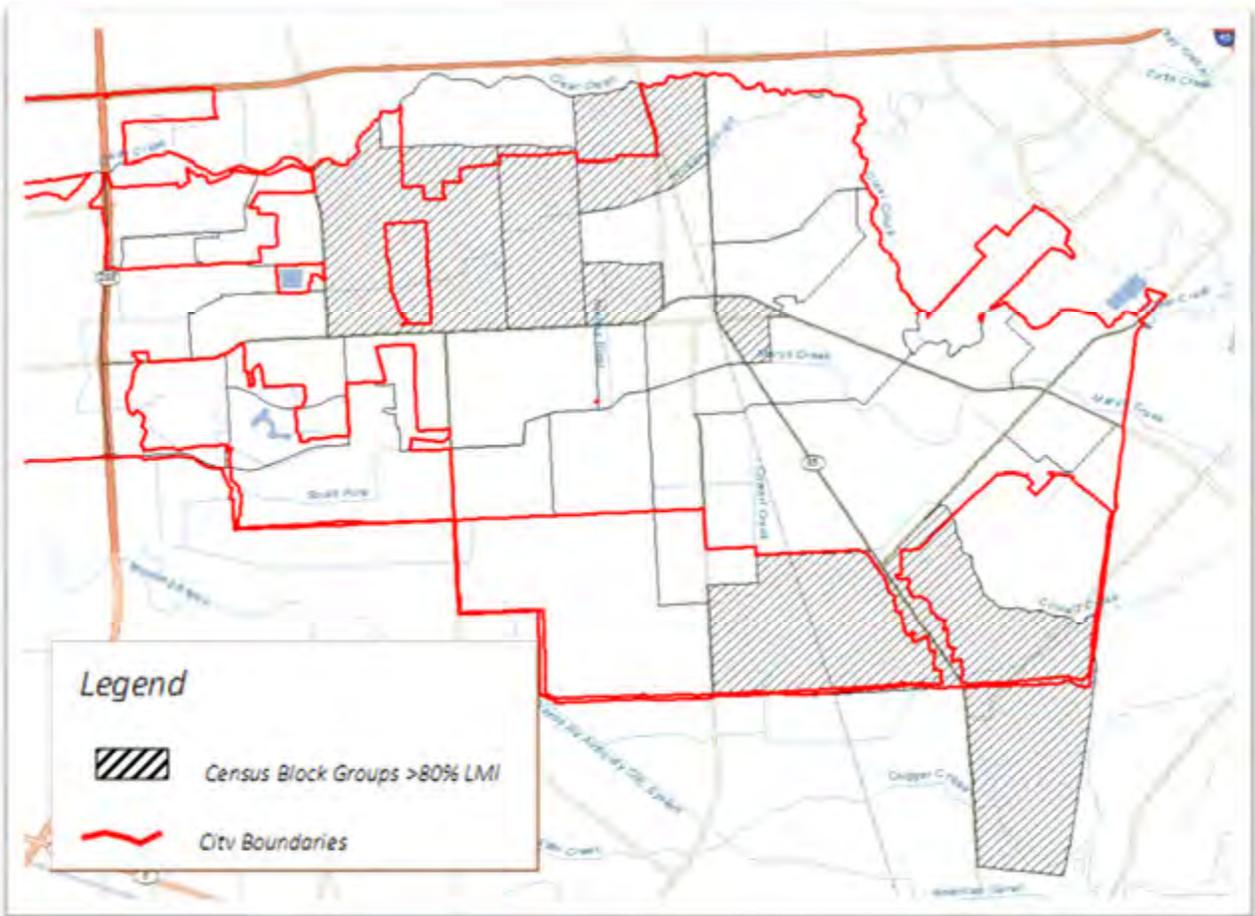
This Annual Action Plan outlines the citizen involvement in the planning process, the need for the services, facility improvements and infrastructure installations to be accomplished and the proposed outcomes for each project. All projects are within the priorities of the City's 2<sup>nd</sup> 5-Year Consolidated Plan, adopted by Pearland City Council in PY 2012 and presently in use by the City. The City of Pearland has utilized past funds for assisting nonprofit agencies in improving facilities of local public service agencies, providing emergency assistance, employment training and education to the low-to-moderate income, and improving pedestrian safety through sidewalks. During the past 20 months, the City has funded a number of infrastructure, public facility and public service projects.

## General Questions

- Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

The City of Pearland is located primarily in Brazoria County, Texas with a portion of its western edge in Fort Bend County, Texas and a portion of its northwest and northeast edges in Harris County, Texas. All three counties are CDBG Entitlement Jurisdictions and HOME Participating Jurisdictions. It also abuts Galveston County, which is not an Entitlement Jurisdiction. The map below illustrates the location of the City, its corporate limits and the location of its low-to moderate-income residents.

**City of Pearland and 2016 CDBG Target Areas**



Most entitlement jurisdictions throughout the United States are required to have a concentration of low-mod population of more than 51 percent for target areas. However, the City of Pearland is an exception and its accepted minimum has been set at 40.93 percent.

Thus, the map above illustrates the areas with 40.93 percent or more low- to moderate-income persons, as defined by HUD.

According to the U.S. Bureau of the Census, the 2010 population of the City of Pearland was 91,252, up 142% from 37,640 in 2000. Some growth has been due to annexation, but the majority of the population increase can be attributed to build out of and new subdivisions within the City Limits. Based on the data provided by the U.S. Department of Housing and Urban Development, per the 2010 U.S. decennial census, the eligible Census Tract Block Group populations comprise 17,840 of the Pearland population, with 9,860 (56.33%) being low-moderate income. However, because one of these is located in an area that is not the primary County the jurisdiction is located, the City does not consider that section of town part of its CDBG Target Area. Therefore, the focus of our efforts will involve the locations primarily in Brazoria County, comprised of 15,890 people, 8,545 of which (53.78%) are low-moderate income.

- **Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.**

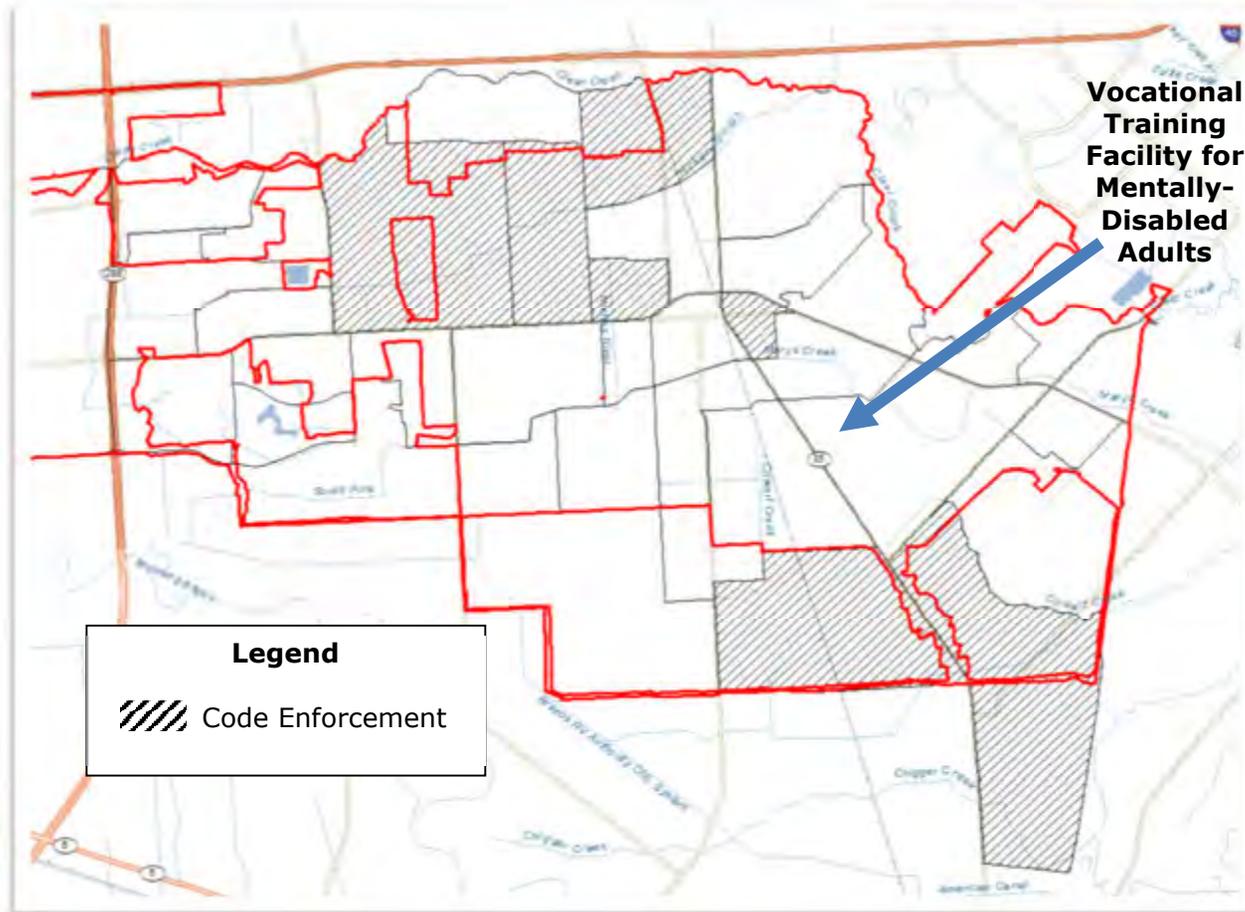
All **area-based projects** are located within established CDBG Target Areas with at least 40.93% low-moderate-income households. The primary basis for allocating investments being the City's 2<sup>nd</sup> 5-Year Consolidated Plan, other supportive activities produce specific priorities each year towards meeting longer term goals and objectives. These include observational research by local code enforcement support groups such as the Eyes of Pearland and the Citizen Patrol, the City's Capital Improvement Program (CIP), the Pearland Citizen Survey, Subrecipient funding applications, and demographic indications of the need for specific investments. Therefore, in addition to Fair Housing activities, the City will plan for the implementation of four projects that serve low-moderate income residents of the City of Pearland. The City proposes to use Community Development Block Grant funds from HUD for:

- Continuation of its Code Enforcement in Low-Moderate Income Target Areas;
- Continuation of its single-family housing rehabilitation program for low-moderate income Pearland residential homeowners that occupy such residences;
- Continuation of a program to provide short-term emergency financial assistance to eligible, local, low-moderate income residents that are facing evictions, utility shut-offs, or even prescription medicines for the elderly or mentally-disabled adults;
- Mental health services to low-moderate income residents;
- Senior services programs that provide basic meals to transportation or mobility challenged elderly residents;
- Youth services that improve local health and wellness levels among children; and
- Vocational training facility development to promote opportunities for high-functioning mentally-disabled adults in Pearland.

#### *Code Enforcement (CDBG Eligibility Matrix Code 15)*

Code Enforcement is an eligible expense under 24 CFR 570.202(c), and will be used to remediate the beginning signs of slum and blight. Evidence-based programs demonstrate the effectiveness of removing code violations through enforcement preserve the existing sustainable living conditions and prevent impediments. A Code Enforcement Officer will continue to be deployed to low-moderate income areas of town (CDBG Target Area) to identify code violations, improve education and awareness of local standards, cite violators of local ordinances, and encourage violators to self-remediate code infractions to avoid citations.

**Location of PY 2016 Code Enforcement Activities and Local Facility Improvements**



**Area Benefit Activities by 2010 Census Tract Block Group**

<b>Project</b>	<b>Census Tract</b>	<b>Block Group</b>	<b>Total Population</b>	<b>Low-Mod Income Population</b>	<b>% Low-Mod Income</b>
Code Enforcement	660200	1	550	245	44.55%
	660300	1	745	505	67.79%
	660500	2	1,045	565	54.07%
	660500	4	1,505	655	43.52%
	660500	5	1,965	810	41.22%
	660500	6	2,665	1,250	46.90%
	660702	3	1,085	590	54.38%
	660900	1	1,585	1,105	69.72%
	660900	3	1,500	950	63.33%
	660900	4	1,315	1,080	82.13%
	661900	1	1,930	790	40.93%
<b>Totals</b>			<b>15,890</b>	<b>8,545</b>	<b>53.78%</b>

- Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

Limited Clientele (LMC) and Low-Moderate Income Housing (LMH) strategies will be used to address obstacles to meeting underserved needs. The City will continue serving citizens with emergency subsistence payments and handicapped facility improvements, but has also added new activities designed to meet underserved needs in the community.

1. *Single Family Owner-Occupied Home Rehabilitation (CDBG Eligibility Matrix Code 14A)*

Alongside Code Enforcement activities, an additional **\$10,381 in PY 2016 CDBG funding will be used to continue the staffing of an existing Single Family Owner-Occupied Housing Rehab/Repair program.** Code Enforcement and home repair/rehab activities will continue to work hand-in-hand. This will help the City address local violations of residential building codes and the emergence of dilapidation or blighted conditions. No funds will be delivered directly to homeowners, and only those that qualify based on an intensive review of their socioeconomic status will be approved for participation in the program.

Income-limited, qualified Pearland residents that own and occupy their homes can become eligible for forgivable loans or grants through the City’s CDBG Program, for the express purpose of having a properly solicited and contracted entity perform repair and/or rehabilitation of their home. City staff and administration will continue to use HUD funds originally allocated in PY 2014 to conduct actual repair/rehab activities, with unspent funds from PY 2015 and the PY 2016 allocations being used to continue program delivery activities via staff.

2. *Subsistence Payments (CDBG Eligibility Matrix Code 05Q)*

The City is proposing to utilize 31.98% of its allowable \$48,814 on social service program activities designed to assist local low-income residents in avoiding evictions, utility shut-offs, and limited access to expensive and necessary prescription medication. One agency has qualified for providing such services, and based on their request, history of capacity incurring expenditures for reimbursement, and ability to effectively meet local and federal requirements, the **Pearland Neighborhood Center will receive \$15,612 of these funds.**

3. *Senior Services*

A “meals on wheels” program will provide eligible, local, elderly residents that are sick, “shut in,” or face mobility and transportation challenges with meal delivery services. **The program will be operated by ActionS, Incorporated, which will receive \$11,205 of the City’s Public Service CDBG Program allocation.**

4. *Youth Services*

A local effort to improve health and wellness among youth will do so by increasing assistive resources that promote exercise and physical activity in low-moderate income Pearland children. **Helping Emergency Response Officers and Students (HEROS) will receive \$12,000 to enroll eligible youth in exercise classes and health improvement activities in Pearland.**

## 5. Mental Health Services

Counseling for low-moderate income individuals and families is important for our community, as those without employment or income that is supportive of mental health services often face the challenge of going through life without help. **Counseling Connections will provide such services to eligible Pearland residents, and will be allocated \$9,997 for that purpose.**

## 6. Handicapped Facilities

The mentally-disabled adults in Pearland include a population that are high-functioning and capable of employment and vocationally-rewarding activities. Most desire to be a functioning part of society, and all are an important part of our community. **Therefore, the City will allocate \$118,150 towards the construction of a 4,000 square foot metal building to be used to house vocational training activities for those served by the Forgotten Angels Foundation.**

- **Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.**

It is anticipated that federal funds allocated to the City from the U.S. Department of Housing and Urban Development's Community Development Block Grant program will provide the majority of resources aimed at addressing the needs identified in this Annual Action Plan. Local resources will include time and effort from staff, management, elected officials, and volunteers that participate in the decision-making and citizen involvement aspects of the City's CDBG program activities. Staff representatives from Finance, Fire, Capital Projects, Community Development, and other departments will participate in the delivery of local standards for completing infrastructure improvements and housing activities.

## Managing the Process

### 1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

The City of Pearland is the lead agency for the CDBG program. The City's Finance Department will continue to oversee the planning and implementation of all CDBG-funded projects. Community development projects, such as parks acquisition/ enhancement, infrastructure and facility improvements, will be managed in-house by the appropriate City department. Public service projects will be managed by nonprofit subrecipient agencies under contract with the City. All projects will be monitored by the Finance Department, which will provide direct administration of all CDBG funding/financing.

Two activities will be conducted to provide oversight and management of the process: General Program Administration (21A) and Single Family Housing Program Administration (14A). The

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General Program Administration activities will produce the management and oversight for the overall CDBG program, while the administrative activities designed to coordinate housing repairs will take place under the Housing Program Administration activity.

## **2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.**

For PY 2016 the City used the 2<sup>nd</sup> Consolidated Plan's needs and priorities to set its current year focus. Since these are very similar to those outlined in the 1<sup>st</sup> Consolidated Plan, the activity focus is also similar. The Finance Department's CDBG Grants Coordinator met with staff from other City departments to determine priority projects for the PY 2016 funding cycle. Each project falls within the priorities set forth in the 5-Year Consolidated Plan and addresses the needs of the CDBG Target Areas and low- to moderate-income residents. A budget for the projects was developed and presented to the City Manager along with the scope of each project.

In addition, the City sent emails to public service and housing agencies in the area, as well as posting information about the application process on the City's website and various social media, explaining the CDBG program and inviting them to apply for subrecipient funds and providing a copy of the grant application. Also included was an invitation to the first public hearing and pre-application workshop. The public hearing focused on the CDBG process and asked the attendees for their determination of priority needs in the areas of housing, special needs populations (including homeless), public services and community development. The pre-application workshop, which immediately followed the public hearing, included a round-table discussion with attending agencies and answers to questions regarding project scope, beneficiaries and funding availability. The agreed-upon infrastructure/improvement and public service projects were then presented to City Council for approval prior to the release of the Annual Action Plan.

In May of 2015, City CDBG staff presented at a local community forum held at the Pearland Neighborhood Center, for the purpose of informing all area non-profit agencies about the funding opportunities for eligible, charitable organizations, and the local efforts in place to meet HUD National Objectives.

A second, docketed public hearing was held during the 30-day public comment period for the Action Plan, giving attendees the opportunity to comment on the priorities developed and the proposed allocation of funds. Both public hearings included a section on the Fair Housing Act and fair housing issues. Both public hearings were advertised in the first section of the general circulation newspaper for Pearland. A copy of each ad is included in the attachments.

A second City Council meeting included the Annual Action Plan's proposed projects for approval. The City Council agenda is posted for public review before each meeting and there is a time for citizen comments at each meeting. At that time residents were afforded the opportunity to speak at both of the City Council meetings regarding the proposed funding allocations and Annual Action Plan.

## **3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.**

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Code Enforcement and housing rehabilitation activities will enhance coordination between local social service agencies, neighborhood organizations, and the City.

## Citizen Participation

### 1. Provide a summary of the citizen participation process.

The Citizen Participation process will continue to be an on-going element of the CDBG program. Each year, the City makes a concerted effort to involve the residents in all of its planning activities. In preparation for PY 2016, the City hosted two public hearings and a pre-application workshop for public service providers. Both public hearings and the workshop were advertised in the front section of the general circulation newspaper and posted on the City's website.

The two public hearings were conducted at or after 6:00 PM, one on April 20, 2016 and the second on July 11, 2016, to allow participation by residents that work during the day. The public hearings included an overview of the CDBG process with time given to receive the comments of every attendee regarding housing, special population, community development and fair housing issues in Pearland. There was an opportunity for discussion on better ways to collaborate and reach more residents with services and opportunities to become involved in CDBG planning.

The first public hearing was in conjunction with the pre-application workshop for potential subrecipients. The second public hearing was conducted in a docketed presentation before the public at a Regular Meeting of the Pearland City Council. A copy of the notices and the Power Point presentations are included in the attachments.

In addition to the public hearings, the City staff presented the funding recommendations, Con-Plan priorities, and later the Action Plan, to City Council for review, comment and approval. The City Council agenda is available to the public and anyone wishing to speak on a topic is welcome. This afforded two more opportunities for residents and service providers to speak publicly about the needs in Pearland. The Action Plan was scheduled for approval by City Council on August 8, 2016.

The City has attended various meetings of public service agencies and provided information and contacts for them to share with their staff, volunteers and program participants regarding the CDBG program. The City is committed to working with public service agencies in identifying needs, priorities, funding opportunities and opportunities to collaborate. One of the most effective avenues to involving residents in the planning process is through the agencies that directly serve them.

Pearland will continue to encourage citizen participation, with particular emphasis on participation by persons of very-low, low, and moderate income and those who are residents of target areas in which funds are allocated or proposed to be allocated.

### 2. Provide a summary of citizen comments or views on the plan.

Citizen comments were mainly provided at the 2<sup>nd</sup> Docketed Public Hearing on July 11, 2016, and were summarily in support of the City's plan to diversify the Subrecipients providing Public Services. A strong sense of consensus from the community and elected officials was in place for this 10<sup>th</sup> Annual Action Plan and its contents.

### **3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.**

The City of Pearland has been involved in the public participation process and has relied on the social service agencies to assist in outreach to the community, particularly minorities, non-English speakers, elderly and persons with disabilities. The social service agencies were asked to provide to their program participants information about CDBG and contact information and notices of public hearings.

### **4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.**

**\*Please note that Citizen Comments and Responses may be included as additional files within the CPMPTool.**

The City's policy is to accept all comments and consider them in developing the Annual Action Plan or other CDBG plans and activities.

## **Institutional Structure**

### **1. Describe actions that will take place during the next year to develop institutional structure.**

The City of Pearland manages the CDBG program through the Finance Department and its Grants Coordinator. By assigning a centralized person to investigate, apply for and manage grants for the City, the Finance Department has been able to increase efficiency and use multiple funding streams to create a more comprehensive approach to serving the low- to moderate-income in Pearland. To ensure that the HUD regulations were followed and that the program ran smoothly, the City contracted with a consultant who has more than a decade of CDBG experience.

The consultant worked closely with the city staff and has now stepped back for the Grants Coordinator to take a more comprehensive role in managing the program. During PY 2014, the Grants Coordinator will continue to attend HUD-sponsored workshops and trainings, to work closely with the City's HUD representative and to provide technical assistance to other City staff members and subrecipients.

## **Monitoring**

### **1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.**

The City of Pearland's monitoring strategy is designed to assist staff in fulfilling its regulatory obligation in monitoring subrecipients, including City departments, as well as assist subrecipients in best serving their consumers. The primary purpose for this monitoring strategy is to ensure proper program performance, financial performance and regulatory compliance in accordance with HUD Regulations. The secondary purpose is to ensure that

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the funded agencies are providing the best and most cost effective services possible and that they are positioned to access additional funding from non-HUD sources.

Staff monitors to ensure that each subrecipient is adhering to its approved scope of service, budget and schedule of service. Lags in spending or in submission of reimbursement requests result in additional monitoring actions or staff support provided to subrecipients in the form of technical assistance. Each subrecipient and City department must also abide by the regulatory guidelines set forth by HUD in providing benefits to low-moderate income persons and/or eliminating a slum or blighted condition.

The monitoring process is an on-going one of planning, implementation, communication and follow-up. Under normal circumstances, on-site monitoring is conducted semi-annually. However, if the activity or program is considered to have a high-risk of non-compliance, a more frequent monitoring schedule is developed. High risk programs include housing rehabilitation, economic development programs undertaken by any subrecipient for the first time, and programs undertaken by an agency or department with a history of staff turnovers, reporting problems, or monitoring findings.

Additionally, all subrecipients must submit reimbursement requests at least quarterly, though are encouraged to submit monthly. These packets include information regarding clients served, agency organization, Board meetings, agency activities as well as actual financial requests. The packets are reviewed by the staff member in charge of CDBG and the Director of Finance before any reimbursements are made.

Monitoring provides a basis for assessing a program's operations and identifying problems. Another goal of monitoring is to obtain ongoing data for use in determining program achievement and success. Evaluations summarize monitoring findings and program goals, and measure progress toward those goals during the provision of services.

Clear record keeping requirements for programs are essential for grant accountability. Responsibility for maintaining many of the records is assigned to the subrecipients. This includes responsibility for documenting activities with special requirements, such as necessary determinations, income certifications or written agreements with beneficiaries, where applicable.

The monitor(s) make site visits to the activities or projects of each subrecipient. The monitoring process consists of the monitors examining time records, randomly selecting client files, financial records, Federally-funded equipment and machinery.

At the beginning of each Program Year, the staff meets with each subrecipient to provide reporting forms, discuss expectations and enter into a 12-month contract for services. A pre-monitoring contact is made with the designated person(s) of the subrecipient agency to discuss the overall expectations, information to be viewed and site visits. This also allows staff an opportunity to discuss solutions to possible problems that may have occurred from past experiences with a particular subrecipient.

The procedure for conducting the monitoring consists of the following:

1. Prior to the actual award contracts, the staff holds one-on-one workshops for all subrecipients. At that time monitoring procedures, reporting procedures and expectations are discussed and reporting forms provided in hard-copy and electronic formats.

2. Mid-year, each subrecipient is notified of a date, time and place for a monitoring visit and the information to be viewed and discussed.
3. A conference is held with a Board Member or Executive Director and their designated staff members who are working with the activity being funded.
4. The actual monitoring visit is conducted by completing the monitoring interview form, and viewing documentation. If applicable, had there been housing rehabilitation completed, the monitors would have visited each house receiving HUD-funded repair.
5. Monitoring visits conclude with monitor(s) advising the subrecipient of any deficiencies.
6. Within 10 business days, the City provides the subrecipient agency with written notice via mail or email of the results of the monitoring and corrective measures, if any, to be taken. Any agency with deficiencies is given 30 days to make the necessary changes and document the corrections.
7. Prior to the approval of any payments, the staff reviews all reimbursement requests and back-up documentation for accuracy, eligibility of activities/clientele and proper supporting information. Any errors or deficiencies are reported to the subrecipient and the documentation corrected and resubmitted.

Subrecipients are required to submit the following forms before reimbursements can be made:

- Monthly Beneficiary, Progress and Expenditure Reports provide quarterly information and are due to the City no later than the 10<sup>th</sup> day of the month following each quarter.
- Any subrecipient that expends \$500,000 or more in federal funds in one (1) year must have an independent audit performed which complies with the OMB Circular A-133 Single Audit Act. This does not impact any of Pearland's subrecipients at this time, but the City reviews each subrecipient's budget at the time of annual application to ensure that A-133 does not apply or to require the single audit if it does apply.

## Lead-based Paint

- 1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.**

The City of Pearland is now proposing housing rehabilitation projects that could lead to the evaluation or reduction of the number of housing units containing lead-based paint hazards. The City will provide information on lead poisoning to all social service agencies. The City will encourage the agencies to use the information to educate their clients and program participants. Any and all rehabilitation activities will include the proper measures to remediate violations of laws addressing the hazards presented by lead-based paint.

## HOUSING

## Specific Housing Objectives

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

### 1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.

A major priority for the City during PY 2014 was to implement code enforcement and single family home rehabilitation programs for CDBG funded in PY 2014. As the City has grown and more new homes have become available, small numbers of older homes have become neglected.

The City charged itself with enforcing more code violations in low-moderate income target areas and encouraging low-moderate income homeowners to bring dilapidated residential and commercial properties into compliance with local code, all beginning in PY 2014. The City will continue Code Enforcement and Single Family Housing Rehab activities in PY 2016.

### 2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

The City of Pearland is within the Brazoria County Housing Authority jurisdiction and the City will refer City residents to BCHA to apply for Section 8 vouchers. Additionally, because the City is no longer under the jurisdiction of the County's HOME program, community stakeholders have encouraged a local housing nonprofit to become a State of Texas CHDO to expand its inventory of housing for the disabled.

## Needs of Public Housing

### 1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.

There is no public housing in Pearland and the only Public Housing Authority that serves the Pearland area, is the Brazoria County Housing Authority, which provides Section 8 Housing Choice Vouchers only. As part of the administrative process, the City will continue to refer citizens to Brazoria County Housing Authority to ensure access by Pearland residents to the Section 8 program. Currently, only one apartment complex accepts Section 8 vouchers and the City will continue to assist BCHA in educating other apartment managers about the program and encourage them to accept the housing choice vouchers.

### 2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

***Not Applicable – Brazoria County Housing Authority is not troubled***

**Barriers to Affordable Housing**

**1. Describe the actions that will take place during the next year to remove barriers to affordable housing.**

**Fair Housing Choice:** The Census Bureau and HUD collaborate each decade to provide a set of Comprehensive Housing Affordability Strategy (CHAS) tables detailing the number of units with one or more housing problems. Housing problems are defined in the CHAS as overcrowding, without complete kitchen or plumbing, and/or housing cost burden. The CHAS data are available for housing problems for the disabled and minorities for Pearland. Approximately 40 percent of all physically disabled renters are living in housing with housing problems. Just over half (52.4%) of the African American renters and 35.9 percent of the Hispanic renters had housing problems in 2000. The CHAS data for disabled and minority do not differentiate between cost burdens and structural problems, however, based on the age of the housing stock and the small number of units overall lacking some plumbing or kitchen facilities, it can be assumed that the vast majority of the housing problems are cost burdens and/or overcrowding.

Considerably fewer elderly homeowners (18.2%) than elderly renters had housing problems. Likewise, 30.5 percent of African American homeowners and 26 percent of Hispanic homeowners had housing problems, compared with 52.4 percent and 35.9 percent respectively for renters. While 40.4 percent of physically disabled renters had housing problems, 23.5 percent of owners had similar problems.

**Housing Problems by Elderly, Ethnicity and Disability\***

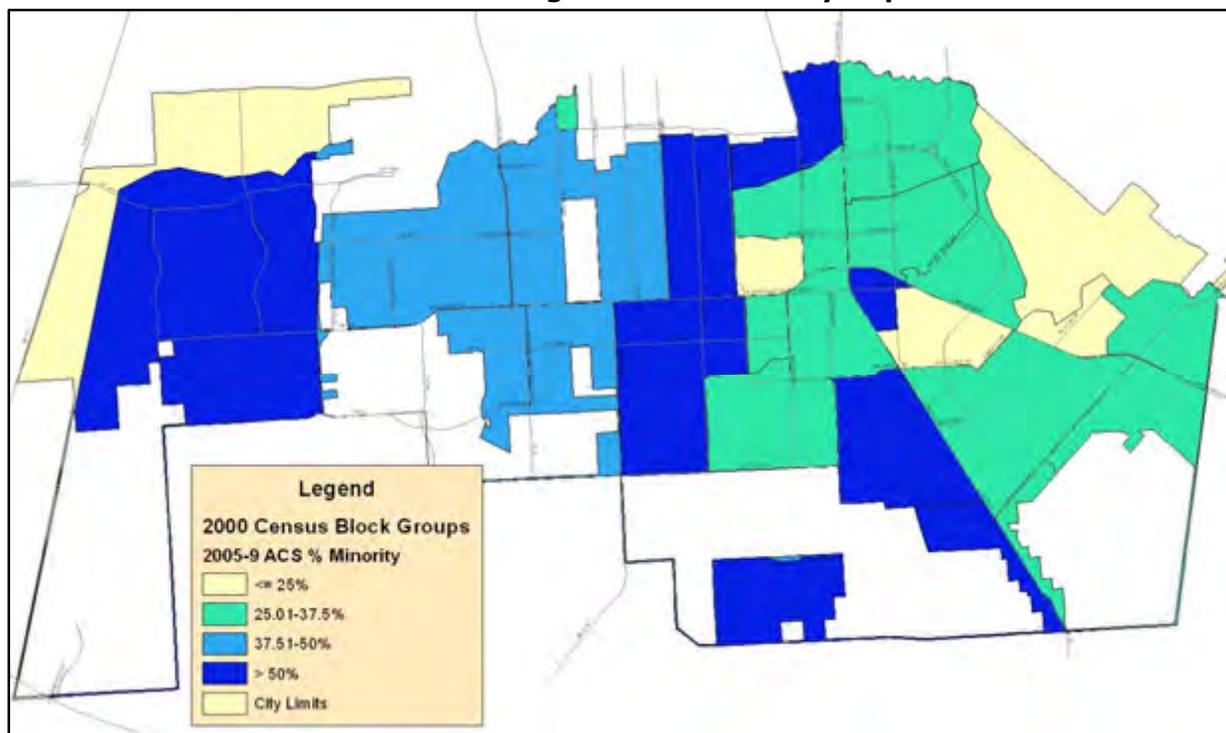
Total Households		All HHs	Disabled	African American	Hispanic
Elderly Renters		248	149	0	40
Other Renters		2,409	235	105	403
Elderly Owners		1,807	596	15	68
Other Owners		8,684	779	494	1,025
Total		13,148	1,759	614	1,536
% With Housing Problems	Elderly Renters	46.0	33.6	0.0	50.0
	Other Renters	35.7	44.7	52.4	34.5
	Elderly Owners	18.2	23.3	100.0	5.9
	Other Owners	17.3	23.6	30.5	27.3
	Total	21.3	27.2	34.2	28.8

\*Summarized from CHAS tables for Elderly, Disabled and by Ethnicity

African Americans and physically disabled had a minor, yet duly notable, disproportionate share of housing with problems – either cost burdens, overcrowding, structural issues or any combination of these problems. Hispanic homeowners also had a disproportionate share of housing with problems. It should be noted, however, that the disproportion in percentages with housing problems is a factor of the low number of total units in those categories.

*Areas of Minority Concentration and Programs Addressing the Needs of Protected Classes:* The map below shows the percent minority population by block group from the 2005-2009 American Community Survey of the Census Bureau.

**2005-2009 Average Percent Minority Population**



*Utilization of CDBG funds for Fair Housing Activities:* The City will utilize CDBG administration funds for Fair Housing activities through educational materials related to Fair Housing that are discussed at the public hearings held in connection with the CDBG program. In 2012, the City submitted a new Consolidated Plan and Analysis of Impediments to Fair Housing Choice/Fair Housing Plan and both documents contain as much public input as possible, including surveys of resident and stakeholders/advocates in the services, housing choice and policies regarding all protected classes.

In PY 2016, the City will provide the public with information and awareness materials designed to affirmatively further fair housing in Pearland. All materials will be posted on the City's website upon Council approval. Information about fair housing choice will also be posted on the City's website and during Fair Housing Month, and will also be disseminated to citizens via the City's municipal access channel. The City will make HUD's brochure and complaint form available upon request. The public library and each of the subrecipients' offices are other locations that complaint forms are made available to citizens.

*Activities relating to affirmatively furthering fair housing:* The City submitted its Analysis of Impediments to Fair Housing to HUD in November of 2012 and is committed to Affirmatively Furthering Fair Housing with 5% of its Program Planning and Administration funds being devoted to Fair Housing Activities. Staff will dedicate this percentage of time towards the development of educational information documenting Fair Housing laws that will be distributed via the City's website and investigate the need to enhance or improve the City's capacity for responding to complaints about Fair Housing matters.

The City presents the Action Plan and other HUD-required evaluation and outcome measurement reports, including but not limited to the CAPER, Consolidated Plan, and Environmental Review Record, in English. However, public notices and other advertisements relative to the Citizen Participation Plan (CPP) are produced to serve non-English speaking populations and the City announces its preparedness to provide translation services upon request if Spanish, Asian, Indian or disabled language barriers require such efforts. Visually-impaired citizens of the jurisdiction may request that staff read the document(s) to them, or an audio-recording of these documents can be provided. The City will work towards achieving the following strategies to address public and private impediments to fair housing as identified in its Analysis of Impediments to Fair Housing. Others unaddressed in this Action Plan will be addressed in following years.

#### **Local Codes, Ordinances and Policies; Public Facilities/Infrastructure; and Housing**

- During 2016, Pearland will continue to determine the benefits of developing a Fair Housing local ordinance, based on its review ordinances of other Texas cities in PY 2014.
- The City of Pearland will continue to work with Brazoria County and Houston-Galveston Area Council in the development of a regional transportation plan.
- The City of Pearland will continue to provide infrastructure and facility improvements and upgrades to CDBG Target Areas, which are those neighborhoods of lowest income; some of which may have high concentrations or protected classes.
- The City of Pearland will work with Brazoria Housing Authority and Pearland landlords to make referrals to the Brazoria Housing Authority for any resident wishing Section 8 and any landlord wishing to accept Section 8 vouchers.
- The City of Pearland will participate in the development process of private subsidized units for the elderly and disabled, and will certify those which are consistent with the Consolidated Plan, zoning ordinance and building codes.
- In the event that any complaints involving deed restrictions come to the City's attention, the Fair Housing Officer will assist the complainant in completing HUD's Fair Housing Complaint form and will refer the complainant to the Houston Field Office of HUD.

#### **HOME/ American Dream Down payment Initiative (ADDI)**

- 1. Describe other forms of investment not described in § 92.205(b).**

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2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
  3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
    - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
    - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
    - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
    - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
    - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
    - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
  4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
    - a. Describe the planned use of the ADDI funds.
    - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
    - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

***Not Applicable – City of Pearland is not a HOME Participating Jurisdiction***

# HOMELESS

## Specific Homeless Prevention Elements

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. **Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.**

The City of Pearland is not an ESG Participating Jurisdiction and no agency in Pearland is receiving State of Texas ESG funds. The City is within the service area of the Gulf Coast Homeless Coalition but no homeless agencies serving Pearland are funded through Supportive Housing, Shelter Plus Care or SRO Moderate Rehabilitation. The City of Pearland has no shelter or transitional living beds.

In May 2011, the Gulf Coast Homeless Coalition voted to discontinue its Continuum of Care process so that its counties – Galveston, Brazoria, Liberty and Chambers would come under the "Balance of State" program for the Continuum of Care. This will allow non-funded agencies to apply for new Continuum of Care dollars through the Texas Homeless Network. The City of Pearland assisted Pearland nonprofits, particularly Forgotten Angels and Petra, with any local data or statistics required to submit their application to Texas Homeless Network for inclusion in the PY 2011 Continuum of Care application.

There are 64 shelter beds in Brazoria County, with only 16 in the northern half of the county near Pearland, all for female victims of domestic violence and their children. The Salvation Army in Freeport, approximately 50 miles from Pearland, is the only shelter within Brazoria County for men. There are only 5 transitional living beds in Brazoria County. Funding for these projects come from a variety of non-HUD sources. It can be expected that approximately 4 of these northern Brazoria County beds will continue to serve Pearland residents, providing a total of \$8,000 a month or \$96,000 a year in homeless services to the residents of Pearland.

Gulf Coast Center, the area's MHMR agency does receive McKinney-Vento funds for permanent housing for the chronically mentally ill homeless but neither project is located in or near Pearland. The Gulf Coast Center has 15 permanent supportive housing beds through the Continuum of Care funding process and Pearland residents are eligible for the program. However, it is anticipated that no Pearland resident will enroll in the program. While the Gulf Coast Center serves Galveston and Brazoria Counties, it focuses its housing and resources on the City of Galveston.

Forgotten Angels provides nine single family group homes for adults with mental disabilities to prevent them from becoming homeless. Each home houses three to six individuals and is supported through a variety of private funding sources. The agency is investigating the potential of accessing other state and federal funds to construct a multi-family supportive housing project for this clientele as well as to construct a transitional living center for

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adjudicated youth and those aging out of the foster care system. The development of these two projects will involve several years and several sources of funding.

The Pearland Neighborhood Center provides approximately \$200 per household to 250 Pearland households each year for emergency assistance in an attempt to help prevent homelessness. This translates into \$50,000 per year in homeless prevention. For PY 2014, 40% of this effort will be funded with CDBG dollars that are administered through the grantee.

**2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.**

The City of Pearland receives no McKinney-Vento Homeless Assistance Act funds and no CDBG funds are allocated during this year for services directly to the homeless. However, the City is providing \$15,612 00 in CDBG funds to Pearland Neighborhood Center for emergency rental, utility and prescription assistance that is a form of homeless prevention. Pearland Neighborhood Center, through other sources, will be providing an estimated \$50,000 in additional emergency assistance for homeless prevention to residents of Pearland. This includes “food pantry” services that provide canned goods and other food items to low-income families and the homeless. In addition, the City will provide ActionS, Incorporated with \$11,205 for meal delivery services to eligible, elderly low-income residents of Pearland.

**3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it has taken over the years aimed at eliminating chronic homelessness by 2013. Again, please identify barriers to achieving this.**

According to the Gulf Coast Homeless Coalition, there have been no identified chronically homeless in the City of Pearland. However, the City is committed to assisting housing and service providers in addressing the issue should individuals be identified. One of the causes of chronic homelessness is disability and the City of Pearland is providing CDBG funding to Forgotten Angels, Inc., an agency that provides group homes for mentally and physically disabled adults. By providing permanent supportive housing in a group home environment, Forgotten Angels helps in preventing chronic homelessness. Their nine homes provide supportive housing for approximately 36 disabled adults. The agency has a day center for its residents and non-resident disabled. The City has used CDBG funds to provide transportation to supportive services, medical appointments and other necessary appointments to those living in three of the group homes. In PY 2013, the City funded the completion of a 1,000 square foot expansion of the Day Habitation Center which provides supportive services to all of Forgotten Angels’ residents. In the past, the City has funded improvements to a bathroom, including an adult changing table; and the installation water and sewer lines to connect to existing City lines.

The City receives no ESG funds and no Pearland agency receives ESG, SHP, S+C or SRO Mod Rehab funding from the State of Texas or through the Continuum of Care. Without being an ESG Participating Jurisdiction and without a local homeless coalition responsive to the City’s needs, the City and its agencies have no real access to any McKinney-Vento funding and without being a HOME Participating Jurisdiction or a local Housing Authority, the City has no access to providing subsidies or other options to make housing affordable to the homeless.

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**4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.**

During PY 2016, the City will fund Pearland Neighborhood Center to provide emergency assistance to those in danger of homelessness. This short-term assistance will pay past-due rent for those facing eviction, utilities for those facing utility cut-offs, medications for those who must choose between paying for housing or prescription drugs. This will help to prevent homelessness, at least on a short-term basis.

Dilapidated housing conditions are growing, as growth in the amount of aging infrastructure and older homes occurs. The City's efforts to remediate the effects of neglect that stem from limited or non-existent financial capacity of older or low-moderate income homeowners will create more sustainable housing conditions, preventing the potential for homelessness that dilapidating housing conditions often result in. The goal of the City's program will be to remove unlivable, unsafe, and unhealthy housing conditions for those in Pearland that cannot afford to do so themselves.

In addition, repairs of eligible single family homes for low-moderate income owner-occupants, as well as code enforcement activities, will prevent and mitigate health and safety problems in structures that pose a threat to the "roof over the heads" of low-moderate income families in Pearland.

**5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.**

The City of Pearland does not receive ESG, SHP, S+C or Section 8 SRO funds and does not have a discharge coordination policy. However, the City falls within the jurisdiction of the Gulf Coast Homeless Coalition which does have a discharge coordination policy as outlined in the Exhibit 1 of their annual CofC application and in the City's 5-Year Consolidated Plan. However, none of the CofC funds are expended in Pearland.

With the Continuum of Care process moving to Balance of State from the Gulf Coast Homeless Coalition, the City of Pearland will work with Texas Homeless Network to ensure that Pearland is included in the community-wide Discharge Coordination Policy. A Pearland agency, Petra, is working with the Darrington Unit of the Texas Department of Criminal Justice, located in Brazoria County. One aspect of the agency's efforts will be the provision of housing and supportive services for offenders exiting the Darrington Unit and remaining in the Pearland/Brazoria area.

**Emergency Shelter Grants (ESG)**

**(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.**

***Not Applicable***

# COMMUNITY DEVELOPMENT

## Community Development

*\*Please also refer to the Community Development Table in the Needs.xls workbook.*

- 1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.**

Through public participation, meeting with service providers and reviewing Census and other data, the City has determined which eligible services have a high, medium or low priority. The table below, extracted from the CPMP Needs table from the PY 2012-2016 Consolidated Plan, lists the activities and their priorities. Not all of the services, including those with a high priority, will be funded using CDBG dollars, but the City is committed to funding as many eligible projects that apply through the competitive grant process as possible. As more public service agencies build capacity, more services may be funded through CDBG.

The table below outlines the public service programs eligible under CDBG, the ones the City intends to fund during the next five years and the ones that the City will fund in PY 2016.

### Non-Housing Public Service Priorities

03F Parks, Recreational Facilities 570.201(c)	H
05A Senior Services 570.201(e)	H
05B Handicapped Services 570.201(e)	H
05D Youth Services 570.201(e)	H
05E Transportation Services 570.201(e)	H
05G Battered and Abused Spouses 570.201(e)	H
05H Employment Training 570.201(e)	H
05N Abused and Neglected Children 570.201(e)	H
05Q Subsistence Payments 570.204	H
05 Public Services (General) 570.201(e)	M
05F Substance Abuse Services 570.201(e)	M
05I Crime Awareness 570.201(e)	M
05J Fair Housing Activities (if CDBG, then subject to 570.201(e))	M
05L Child Care Services 570.201(e)	M
05M Health Services 570.201(e)	M
05O Mental Health Services 570.201(e)	M
05R Homeownership Assistance (not direct) 570.204	M
05S Rental Housing Subsidies (if HOME, not part of 5% 570.204	M
05T Security Deposits (if HOME, not part of 5% Admin c	M
05C Legal Services 570.201(E)	L
05K Tenant/Landlord Counseling 570.201(e)	L
05P Screening for Lead-Based Paint/Lead Hazards Poison 570.201(e)	L

*Note: those items in dark green are being funded this year (as per table below).*

The table below outlines the priorities for capital projects and administrative tasks under the Non-Housing Community Development determination. As with the previous table, the dark green rows are the areas to be funded with PY 2016 CDBG funds.

### High and Medium Priority Capital & Administrative Projects

03A Senior Centers 570.201(c)	H
03F Parks, Recreational Facilities 570.201(c)	H
03I Flood Drain Improvements 570.201(c)	H
03K Street Improvements 570.201(c)	H
03L Sidewalks 570.201(c)	H
19C CDBG Non-profit Organization Capacity Building	H
21A General CDBG Administration	H
21D Fair Housing Activities	H
03 Public Facilities and Improvements (General) 570.201(c)	M
03B Handicapped Centers 570.201(c)	M
03D Youth Centers 570.201(c)	M
03E Neighborhood Facilities 570.201(c)	M
03J Water/Sewer Improvements 570.201(c)	M
03M Child Care Centers 570.201(c)	M
03O Fire Stations/Equipment 570.201(c)	M
04 Clearance and Demolition 570.201(d)	M
06 Interim Assistance 570.201(f)	M
10 Removal of Architectural Barriers 570.201(k)	M
12 Construction of Housing 570.201(m)	M
13 Direct Homeownership Assistance 570.201(n)	M
14A Rehab; Single-Unit Residential 570.202	M
14I Lead-Based/Lead Hazard Test/Abate 570.202	M
15 Code Enforcement 570.202(c)	M
17B CI Infrastructure Development 570.203(a)	M
19D CDBG Assistance to Institutes of Higher Education	M

**2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.**

**\*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.**

The long-term and short-term objectives for the City of Pearland include objectives to be funded by CDBG and those to be carried out through other funding mechanisms, such as the City's General Fund and various regional nonprofits and foundations. The City's primary objectives are:

- Increase education to qualify for jobs
- Enhance infrastructure (drainage, sidewalks, streets, park space) to enhance suitable living environment
- Provide services to disabled, homeless, elderly and low-income residents
- Provide an environment to support the availability of affordable and fair housing.

During PY 2016, the City will be funding projects that improve infrastructure, and provide supportive services (job training, emergency assistance).

## **Antipoverty Strategy**

**1. Describe the actions that will take place during the next year to reduce the number of poverty level families.**

The City of Pearland's anti-poverty strategy is not only aimed at lifting existing residents out of poverty but also preventing others from falling into poverty. Poverty is a two-edged sword – lack of income and high costs of living. Therefore, the 5-year strategy is aimed at helping residents increase their incomes and reduce their costs of living. During PY 2016, the strategies will be:

**Living Costs:** The City of Pearland will fund Pearland Neighborhood Center to provide emergency assistance and homeless prevention activities in Pearland through their emergency rental, utility and prescription assistance program.

In addition, the City will assist with the repair and rehabilitation of local housing owned and occupied by low-moderate income residents in Pearland, upon eligibility review and approval of the applicants. Elderly and sick/shut-in will receive "meals on wheels."

**Other:** The City of Pearland is committed to referring citizens to Brazoria County Housing Authority for its Section 8 Housing Choice Voucher Program. By educating Pearland residents and apartment complexes about the program, more Pearland citizens will be able to take advantage of Section 8 without having to relocate to other areas of the county.

## NON-HOMELESS SPECIAL NEEDS HOUSING

### Non-homeless Special Needs (91.220 (c) and (e))

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

**1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.**

The City is not in a financial position, given the limited CDBG funds, to support housing options for any of the special needs populations. However, it places a high priority on both housing and supportive services to these populations.

**2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.**

The City will continue to conduct facility reviews of its CDBG subrecipients for compliance with ADA and Section 504 of the Rehabilitation Act. Agencies are committed to improving their facilities in ways that increase accessibility to their programs and services.

### Housing Opportunities for People with AIDS

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

- 1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.**
- 2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.**
- 3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.**
- 4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.**

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5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.
  6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
  7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
  8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
  9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

***Not Applicable – City of Pearland receives no HOPWA funding***

### **Specific HOPWA Objectives**

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

***Not Applicable – City of Pearland receives no HOPWA funding***

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## Other Narrative

**Include any Action Plan information that was not covered by a narrative in any other section.**

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> R-2016-136
<b>DATE SUBMITTED:</b> July 25, 2016	<b>DEPT. OF ORIGIN:</b> Engineering & Capital Projects
<b>PREPARED BY:</b> Jaime Dino & Cara Davis	<b>PRESENTOR:</b> Sue Polka, P.E.
<b>REVIEWED BY:</b> Trent Epperson	<b>REVIEW DATE:</b> August 3, 2016
<b>SUBJECT:</b> Resolution No. R2016-136 - A Resolution of the City Council of the City of Pearland, Texas, awarding a bid for the construction of the Industrial Drive at SH 35 Realignment and Intersection Improvements Project to Excel Paving & Construction Company, in the amount of \$745,192.00.	
<b>EXHIBITS:</b> R-2016- 136, Exhibit A – Location Map, B – Engineer’s Recommendation Letter and Bid Tab	
<b>FUNDING:</b> <input type="checkbox"/> Grant <input type="checkbox"/> Developer/Other <input type="checkbox"/> Cash <input type="checkbox"/> Bonds To Be Sold <input checked="" type="checkbox"/> Bonds- Sold <input type="checkbox"/> L/P – Sold <input type="checkbox"/> L/P – To Be Sold	
<b>EXPENDITURE REQUIRED:</b> \$745,192.00 <b>AMOUNT BUDGETED:</b> \$1,190,000.00 <b>AMOUNT AVAILABLE:</b> \$1,088,576.25 <b>PROJECT NO.:</b> TR1502 <b>ACCOUNT NO.:</b> 501-300-345.5600.040 <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 checked="" type="checkbox"/> Finance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution	

**EXECUTIVE SUMMARY**

**BACKGROUND**

Industrial Drive is an east-west corridor near the southern limits of Pearland that crosses SH 35. The purpose of the project is to eliminate the 110’ offset and align the east and west intersections at SH35. Additionally, the project will add left turn bays on Industrial Drive to provide for truck traffic turning movements. The approximate project limits are from 640’ west of SH 35 to 415’ east of SH 35.

Several years ago the City requested TxDOT add a center turn lane on SH35 for north and southbound traffic turning onto Industrial Drive. TxDOT secured safety funds to add the turn lane but required the City to eliminate the off-set before they would add the turn lane. In

addition to the turn lane, TxDOT has agreed to perform a traffic signal warrant study for the intersection upon completion of the realignment.

In April 2015, Council awarded a contract to Cobb-Fendley & Associates, Inc. for the design of the roadway realignment. Their scope of services included survey, design phase, bid phase and construction phase services.

### **SCOPE OF CONTRACT/AGREEMENT**

The project includes the elimination of the intersection offset by realigning West Industrial Drive at SH 35 to match the alignment of East Industrial Drive. Work will include removing existing pavement, constructing new asphalt pavement, regrading existing ditches, constructing proposed ditches, installing concrete pipe and box culverts with safety end treatments, adjusting sanitary sewer manholes and water valves, relocating an existing water line, installing new fire hydrants, constructing concrete driveway tie-ins, signage, and pavement marking installation. The contractor must maintain access to businesses and the Phillips 66 transfer station at all times.

### **BID AND AWARD**

The project was advertised on June 23<sup>rd</sup> and June 30<sup>th</sup> of 2016. A pre-bid meeting was held on July 07, 2016 which was attended by eight general contractors. Bids were opened on July 14, 2016, via the E-Bid system. One bid was received for the project from Excel Paving & Construction Company in the amount of \$745,192.00. The submitted bid was approximately 2.8% above the Engineer's estimated construction cost of \$724,983.27.

Excel Paving & Construction has been in business just over a year. However, their parent company, Gulf Coast Limestone, has been in business since 1962. They have been involved in various roadway, driveway, parking lot and trail projects in the region including the trail at John Hargrove Environmental Complex for Pearland. The design consultant, Cobb, Fendley & Associates, Inc., completed a reference check and found no performance or financial issues either pending or historically. See Exhibit B, Engineer's Recommendation Letter.

### **SCHEDULE**

Successful award of the construction contract is planned to be followed by a pre-construction conference to be held the week of September 5, 2016 at which time the Notice to Proceed (NTP) will be issued. Barring weather delays, substantial completion for the work will be 270 days from NTP with final completion 300 days from NTP.

### **POLICY/GOAL CONSIDERATION**

**Strategic Priorities: Safe Community, Fiscally Responsible, Healthy Economy and Sustainable Infrastructure.** Industrial Road provides access to one of Pearland's industrial centers. Realignment of the roadway will provide for safer ingress/egress for these employees and their patron's as well as the traveling public on SH 35.

**CURRENT AND FUTURE CIP FUNDING /FINANCIAL IMPACTS/DEBT SERVICE**

Future construction funds listed below are for material testing and construction management/inspections.

Prior Expenditures						
PER						-
Land/ROW						-
Design/Survey	101,424					101,424
Construction						-
FF&E						-
<b>Current Request</b>						-
<b>Construction</b>	<b>745,192</b>					<b>745,192</b>
Future Expenditures						
PER						-
Land/ROW						-
Design/Survey						-
Construction	343,384					343,384
FF&E						-
<b>Total Expenditures</b>	<b>\$ 1,190,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,190,000</b>
<b>Remaining Balance</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

Debt Sold	119,000	119,000	119,000	119,000	119,000	
Debt to Be Sold						
<b>Annual Debt Service</b>	<b>119,000</b>	<b>119,000</b>	<b>119,000</b>	<b>119,000</b>	<b>119,000</b>	

**O&M IMPACT INFORMATION**

Year	2016	2017	2018	2019	2020
Operation and Maintenance Costs	\$ -	\$ 1,563	\$ 3,126	\$ 3,126	\$ 3,126

**RECOMMENDED ACTION**

Consideration and approval of a resolution approving a construction contract with Excel Paving & Construction Company for the Industrial Drive at SH 35 Realignment and Intersection Improvements Project in the amount of \$745,192.00 and authorizing the City Manager to execute the agreement.

**RESOLUTION NO. R2016-136**

**A Resolution of the City Council of the City of Pearland, Texas, awarding a bid for the construction of the Industrial Drive at SH 35 Realignment and Intersection Improvements Project to Excel Paving & Construction Company, in the amount of \$745,192.00.**

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

**Section 1.** That competitive bids for the construction of the Industrial Drive at SH 35 Realignment and Intersection Improvements Project have been reviewed and tabulated.

**Section 2.** That the City Council hereby awards the bid to Excel Paving & Construction Company, in the amount of \$745,192.00.

**Section 3.** The City Manager or his designee is hereby authorized to execute a contract for the construction of the Industrial Drive at SH 35 Realignment and Intersection Improvements Project.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2016.

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

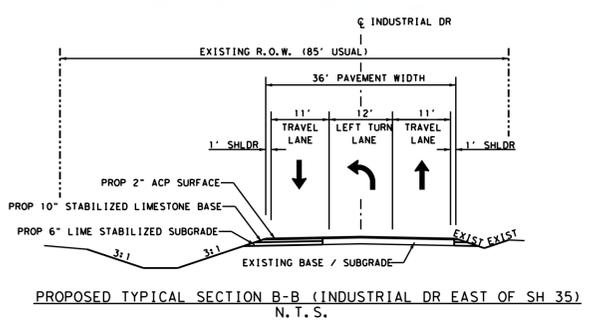
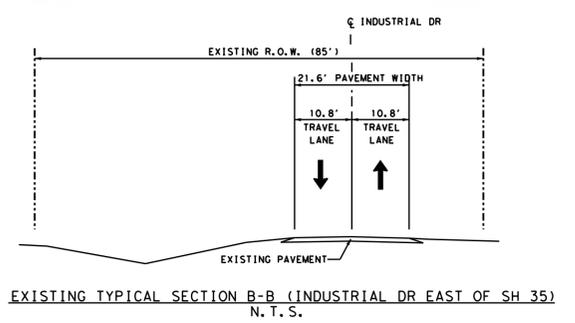
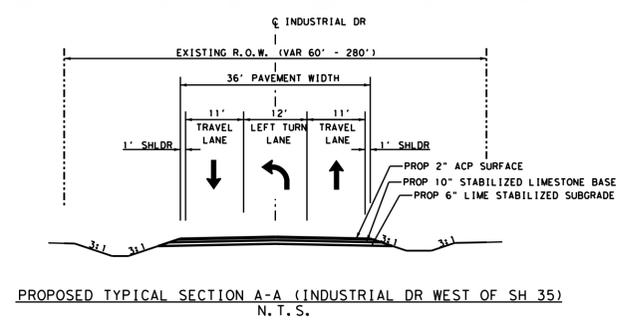
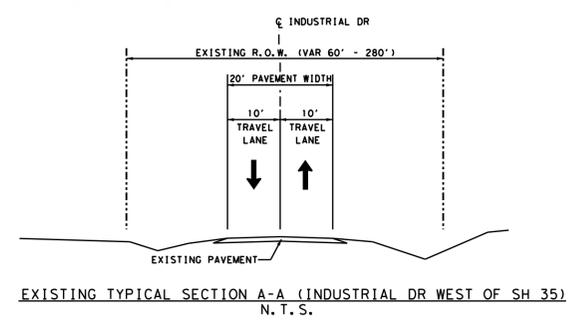
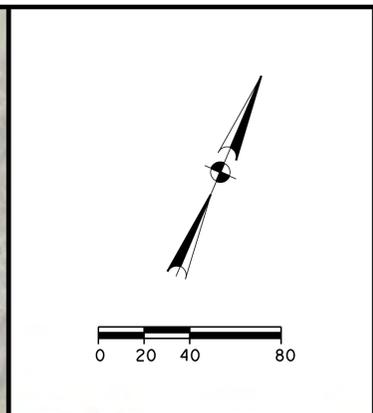
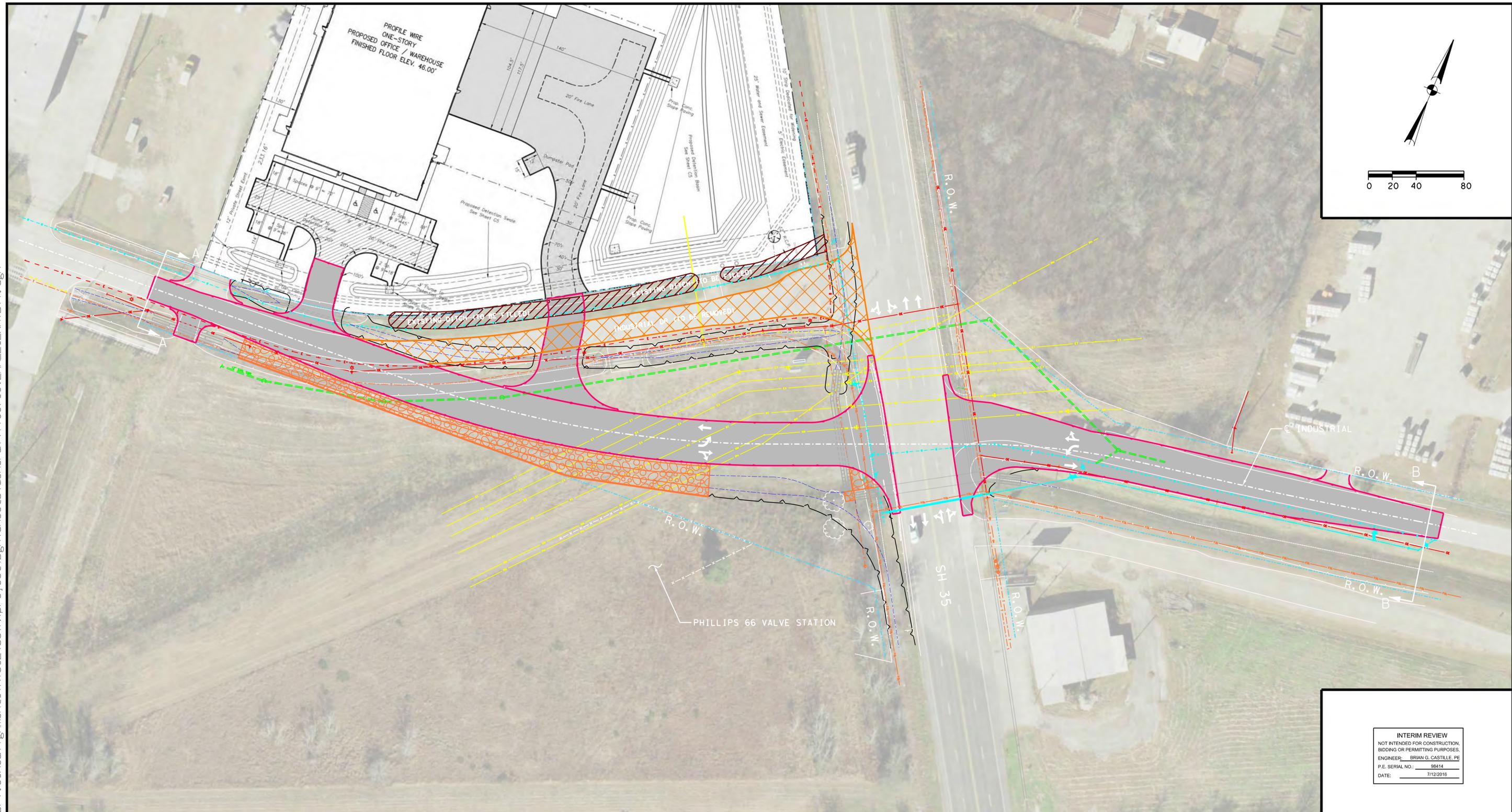
ATTEST:

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

APPROVED AS TO FORM:

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

7/12/2016 8:47:25 AM D:\cfa\2015\11007\_Industrial\_Drive\_Realignm...\_TR1502\USTN\project\Dgn\Sheets\General\11007\_OVERALL\_EXHIBIT.dgn



INTERIM REVIEW  
 NOT INTENDED FOR CONSTRUCTION,  
 BIDDING OR PERMITTING PURPOSES.  
 ENGINEER: BRIAN G. CASTILLE, PE  
 P.E. SERIAL NO.: 98414  
 DATE: 7/12/2016

**CobbFendley**  
 Texas Registration No. 274  
 1500 Country Plaza Plaza, Suite 310  
 Pearland, Texas 77584  
 713.462.3242 | fax 713.462.3202 | www.cobbhendley.com



City of Pearland, Texas

Industrial Drive Realignment Project

PROJECT EXHIBIT



July 19, 2016

Mr. Jaime Dino  
City of Pearland  
3519 Liberty Dr  
Pearland, TX 77581

Re: Industrial Dr at SH 35 Realignment and Intersection Improvements

Dear Mr. Dino:

The Industrial Dr at SH 35 Realignment and Intersection Improvements project was first advertised on June 23, 2016 and a mandatory pre-bid meeting was held on July 7, 2016. The bid opening was on July 14, 2016.

One bid was submitted by Excel Paving & Construction. There were no other bids submitted. Their bid was in the amount of \$745,192.01.

The construction estimate generated by Cobb, Fendley & Associates, Inc. was in the amount of \$724,983.27.

The bid submitted by Excel Paving & Construction was approximately 2.8% higher than the construction estimate.

Excel Paving & Construction provided three references and all three were contacted by Cobb, Fendley & Associates, Inc. All three references recommended Excel Paving & Construction and gave great reviews. If given the opportunity in the future, all three would hire them again.

Excel Paving & Construction was also contacted directly to get a background of the company and how their project team is structured. They have been in business a little over a year. However, their parent company (Gulf Coast Limestone) has been in business since 1962. They have been involved in various roadway, driveway, parking lot and trail projects in the region.

For their project team, they will handle about 80% of the work as the prime contractor and 20% of the work will be handled by subcontractors.

Based on information provided, there are not any foreseen issues with Excel Paving & Construction performing the work on this project.

We look forward to seeing this project move to construction.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Castille", with a long horizontal flourish extending to the right.

Brian Castille, P.E.  
Cobb, Fendley & Associates, Inc.  
TBPE Firm Registration No. 274

**Bid No.** 0616-43 Addendum 1

**Title** Industrial Drive at SH 35 Realignment & Intersection Improvements

Specification Responses

Excel Paving &  
Construction

Engineer's  
Estimate

<b>Line</b>	<b>Description</b>	<b>UOM</b>	<b>QTY</b>	<b>Unit</b>	<b>Extended</b>	<b>Unit</b>	<b>Extended</b>
1	Site Preparation & Earthwork						
1.1	MOBILIZATION (3%)	LS	1	\$22,356.00	\$22,356.00	\$21,116.02	\$21,116.02
1.2	RELOCATE MULTI-MAILBOX ASSEMBLY	EA	1	\$2,000.00	\$2,000.00	\$1,000.00	\$1,000.00
1.3	RELOCATE SM RD SN SUP&AM(SIGN ONLY)	EA	4	\$500.00	\$2,000.00	\$250.00	\$1,000.00
1.4	REMOVE & DISPOSE OF WATER LINE	LF	382	\$9.16	\$3,499.12	\$10.00	\$3,820.00
1.5	REMOVING STAB BASE AND ASPH PAV (2" - 7")	SY	2298	\$14.51	\$33,343.98	\$13.00	\$29,874.00
1.6	MILLING ASPHALT SURFACE AND BASE	SY	464	\$10.78	\$5,001.92	\$7.50	\$3,480.00
1.7	REMOVE & DISPOSE OF OLD STRUCTURES (INLETS, HEADWALLS, INTERCEPTORS)	EA	1	\$25,000.00	\$25,000.00	\$2,000.00	\$2,000.00
1.8	REMOVE & DISPOSE OF TRAFFIC SIGNS, MAIL BOXES & ROADWAY SIGNS	EA	2	\$1,000.00	\$2,000.00	\$250.00	\$500.00
1.9	REMOVE & DISPOSE OF 18" REINFORCED CONCRETE PIPE	LF	83	\$90.36	\$7,499.88	\$10.00	\$830.00
1.10	REMOVE & DISPOSE OF 30" REINFORCED CONCRETE PIPE	LF	185	\$54.05	\$9,999.25	\$10.00	\$1,850.00
1.11	REMOVE & DISPOSE OF 30" PVC	LF	185	\$27.03	\$5,000.55	\$10.00	\$1,850.00
1.12	REMOVE & DISPOSE OF FIRE HYDRANTS	EA	3	\$1,666.67	\$5,000.01	\$1,800.00	\$5,400.00
1.13	REMOVE & DISPOSE OF METAL BEAM GUARD FENCE	LF	150	\$33.33	\$4,999.50	\$2.00	\$300.00
1.14	REMOVE & DISPOSE OF SET	EA	4	\$1,250.00	\$5,000.00	\$450.00	\$1,800.00
1.15	EXCAVATION AND BACKFILL FOR ROADWAYS	CY	1250	\$26.88	\$33,600.00	\$15.00	\$18,750.00
1.16	EXCAVATION AND BACKFILL FOR STRUCTURES	CY	36	\$97.22	\$3,499.92	\$15.00	\$540.00
1.17	EXCAVATION AND BACKFILL FOR UTILITIES	CY	90	\$38.89	\$3,500.10	\$15.00	\$1,350.00
1.18	ELIM EXT PAV MRK & MRKS (4")	LF	578	\$4.33	\$2,502.74	\$1.00	\$578.00
2	Paving						
2.1	TERMINAL ANCHOR SECTION	EA	2	\$2,000.00	\$4,000.00	\$1,200.00	\$2,400.00
2.2	MTL BM GD FEN (LONG SPAN SYSTEM)	LF	497	\$32.19	\$15,998.43	\$30.00	\$14,910.00
2.3	DRIVEWAYS	SY	235	\$42.55	\$9,999.25	\$20.00	\$4,700.00
2.4	LIME TRT (SUBGRADE) (6")	SY	4600	\$4.13	\$18,998.00	\$5.00	\$23,000.00
2.5	HYDRATED LIME SLURRY (8% BY DRY WEIGHT)	TON	83	\$200.00	\$16,600.00	\$200.00	\$16,600.00
2.6	CRUSHED LIMESTONE (10")	SY	4217	\$29.68	\$125,160.56	\$24.00	\$101,208.00
2.7	HOT MIX-HOT LAID ASPHALTIC CONCRETE (2") (SURFACE COURSE) INCLUDING DRIVEWAYS	SY	5044	\$16.68	\$84,133.92	\$26.00	\$131,144.00
2.8	CRUSHED LIMESTONE (6")	SY	782	\$32.88	\$25,712.16	\$18.00	\$14,076.00
2.9	HYDROMULCH SEEDING	AC	1	\$6,000.00	\$6,000.00	\$1,500.00	\$1,500.00
2.10	SLOPE PAVING (6")	SY	875	\$60.48	\$52,920.00	\$50.00	\$43,750.00
3	Drainage						
3.1	TRENCH SAFETY	LF	355	\$8.45	\$2,999.75	\$1.00	\$355.00
3.2	PRECAST SET (TYPE I) (S= 8 FT) (HW= 2 FT) (6:1) (C )	EA	2	\$2,500.00	\$5,000.00	\$12,000.00	\$24,000.00
3.3	PRECAST SET (TYPE II) (18?) (RCP) (6:1) (P )	EA	4	\$2,000.00	\$8,000.00	\$1,500.00	\$6,000.00
3.4	PRECAST SET (TYPE II) (30?) (RCP) (6:1) (P )	EA	10	\$1,500.00	\$15,000.00	\$2,250.00	\$22,500.00
3.5	REINFORCED CONCRETE PIPE, C76, CLASS III, RUBBER GASKET (18")	LF	85	\$84.71	\$7,200.35	\$60.00	\$5,100.00
3.6	REINFORCED CONCRETE PIPE, C76, CLASS III, RUBBER GASKET (30")	LF	244	\$90.00	\$21,960.00	\$100.00	\$24,400.00
3.7	CONC BOX CULV (8 FT X 2 FT) CAST IN PLACE	LF	26	\$161.54	\$4,200.04	\$700.00	\$18,200.00

Specification Responses

Excel Paving &  
Construction

Engineer's  
Estimate

Line	Description	UOM	QTY	Unit	Extended	Unit	Extended
4	Traffic Signs and Pavement Markings						
4.1	IN SM RD SN SUP&AM TY10BWG(1)SA(P)	EA	2	\$1,000.00	\$2,000.00	\$500.00	\$1,000.00
4.2	REFL PAV MRK TY I (W) 4" (SLD) (100MIL)	LF	2251	\$0.89	\$2,003.39	\$0.55	\$1,238.05
4.3	REFL PAV MRK TY I (W) 8" (SLD) (100MIL)	LF	480	\$3.13	\$1,502.40	\$1.10	\$528.00
4.4	REFL PAV MRK TY I (W) 24" (SLD) (100MIL)	LF	67	\$29.85	\$1,999.95	\$6.00	\$402.00
4.5	REFL PAV MRK TY I (Y) 4" (SLD) (100MIL)	LF	2518	\$0.79	\$1,989.22	\$0.55	\$1,384.90
4.6	PAV SURF PREP FOR MRK (4")	LF	4142	\$0.85	\$3,520.70	\$0.15	\$621.30
4.7	PAV SURF PREP FOR MRK (8")	LF	480	\$4.17	\$2,001.60	\$0.20	\$96.00
4.8	PAV SURF PREP FOR MRK (24")	LF	67	\$29.85	\$1,999.95	\$1.00	\$67.00
5	Traffic Control Facilities						
5.1	IMPLEMENT TRAFFIC CONTROL PLAN	LS	1	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00
5.2	FLAGGERS	LS	1	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
6	Stormwater Pollution Prevention Plan						
6.1	CONSTRUCTION ENTRANCE INSTALL & REMOVE	SY	110	\$54.55	\$6,000.50	\$30.00	\$3,300.00
6.2	TEMPORARY SEDIMENT CONTROL FENCE	LF	2675	\$2.24	\$5,992.00	\$3.00	\$8,025.00
6.3	ROCK FILTER DAM	LF	78	\$102.56	\$7,999.68	\$30.00	\$2,340.00
7	Water and Sanitary						
7.1	TRENCH SAFETY	LF	405	\$19.75	\$7,998.75	\$1.00	\$405.00
7.2	WET CONNECTION (10")	EA	1	\$5,000.00	\$5,000.00	\$1,250.00	\$1,250.00
7.3	WET CONNECTION (12")	EA	1	\$5,000.00	\$5,000.00	\$1,500.00	\$1,500.00
7.4	CUT, PLUG, AND ABANDON WATER LINE (10")	EA	1	\$3,000.00	\$3,000.00	\$1,000.00	\$1,000.00
7.5	6" PVC FIRE HYDRANT LEAD (OPEN CUT)	LF	19	\$210.53	\$4,000.07	\$65.00	\$1,235.00
7.6	10" PVC WATER LINE (OPEN CUT)	LF	26	\$134.61	\$3,499.86	\$85.00	\$2,210.00
7.7	12" PVC WATER LINE (OPEN CUT)	LF	360	\$16.67	\$6,001.20	\$100.00	\$36,000.00
7.8	12" PVC WATER LINE W/ 20" STEEL CASING (BORE)	LF	90	\$166.67	\$15,000.30	\$200.00	\$18,000.00
7.9	FIRE HYDRANT ASSEMBLY, ALL DEPTHS, INCLUDING 6" GATE VALVE BOX	EA	3	\$1,666.67	\$5,000.01	\$5,000.00	\$15,000.00
7.10	ADJUSTING MANHOLES (SANITARY) AND VALVE BOXES	LS	1	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
8	Lighting						
8.1	CONDT (PVC) (SCHD 80) (2") (LIGHTING)	LF	700	\$15.71	\$10,997.00	\$8.00	\$5,600.00
8.2	INSTALL CENTERPOINT STREET LIGHT PULLBOX	LS	1	\$3,000.00	\$3,000.00	\$2,000.00	\$2,000.00

Total

\$745,192.01

\$693,083.27

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

<b>AGENDA OF:</b> August 8, 2016	<b>ITEM NO.:</b> R2016-144
<b>DATE SUBMITTED:</b> July 29, 2016	<b>DEPT. OF ORIGIN:</b> Eng. & Capital Projects
<b>PREPARED BY:</b> Andrea Brinkley	<b>PRESENTOR:</b> Sue Polka, P.E.
<b>REVIEWED BY:</b> Trent Epperson	<b>REVIEW DATE:</b> August 3, 2016
<b>SUBJECT:</b> Resolution No. R2016-144 - A Resolution of the City Council of the City of Pearland, Texas, approving a revised funding assistance application to the Texas Water Development Board, Drinking Water State Revolving Fund (DWSRF) program; for the preliminary design, pilot testing, final design, and first phase (10 MGD) construction of a Surface Water Treatment Plant and associated water conveyance infrastructure and a water meter change out/replacement program in the amount of \$159.5 million.	
<b>EXHIBITS:</b> R-2016-144, Exhibit A – Surface Water Plant Location & Water Transmission Line Maps; B - Resolution forms for Texas Water Development Board Drinking Water State Revolving Fund (DWSRF) Funding assistance; C Comparison of Loans Proforma; D – 2016-2020 CIP Sheets for the Water Meter Changeout Project	
<b>FUNDING:</b>	
<input checked="" type="checkbox"/> Bonds To Be Sold	<input type="checkbox"/> Grant <input type="checkbox"/> Developer/Other <input type="checkbox"/> Cash <input type="checkbox"/> Bonds- Sold <input type="checkbox"/> L/P – Sold <input type="checkbox"/> L/P – To Be Sold
<b>EXPENDITURE REQUIRED: NA</b>	<b>AMOUNT BUDGETED:</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>	
<input checked="" type="checkbox"/> Finance	<input checked="" type="checkbox"/> Legal                      Ordinance <input checked="" type="checkbox"/> Resolution

**EXECUTIVE SUMMARY**

**BACKGROUND**

The Texas Water Development Board (TWDB) Drinking Water State Revolving Fund (DWSRF), authorized by the Safe Drinking Water Act, provides low-cost financial assistance for planning, design, and construction of water infrastructure. The DWSRF loan program is administered for the U.S. Environmental Protection Agency (EPA), and

the State of Texas by the TWDB. The program provides long-term fixed-rate loans at below market interest rates. The range of repayment terms for a DWSRF loan is 20 - 30 years.

The City submitted the Surface Water Plant project for initial funding consideration to the State Water Implementation Fund for Texas (SWIFT) program and the DWSRF program earlier this year. Similar to the TWDB funding assistance for the Reflection Bay Water Reclamation Facility project, the interest rates quoted by the TWDB DWSRF program are below the bond market rates. The Finance Department and the City's Financial Advisor have reviewed the possible savings compared to standard bonds and support the use of the DWSRF funding method based on potential cost savings over the term of the loan.

Upon review of the City's initial applications and water loss waiver requests, the TWDB staff indicated that the City's water loss exceeded what could be supported by the SWIFT loan program, and the SWIFT program did not allow revisions to the project scope. Staff discussed options with TWDB staff, including the City's Fiscal Year 2017 CIP project for Water Meter Changeout (WA1702) as a way to address the water loss, and explored adding the project to the City's application for funding. TWDB staff reviewed the project and agreed that once implemented, the Water Meter Changeout and replacement program will mitigate the water loss issue, meeting their requirements for the DWSRF funds. TWDB staff has agreed to amend the DWSRF funding amount and increase the request up to ten percent (10%) from the initial application, and are anticipating an amended funding request to include the Water Meter Changeout project. The loan and interest rates will be finalized via a bond ordinance and brought to Council for consideration and approval at the time of closing.

The Water Meter Changeout project will replace approximately 36,500 water meters and the drive-by reading system with a wireless remote read system and an enhanced Customer Portal Technology. Approximately, two-thirds of the existing meters have exceeded their expected life and due to reduced accuracy are contributing to our water loss volume. The new meters are solid state and therefore more accurate over the life of the meters and measure smaller flow volumes, ensuring more water use is recorded by the system. Originally, the Water Meter Changeout project was to be funded by a 10-year lease purchase. By including in the TWDB-DWSRF loan, the City's borrowing cost will be much lower.

## **SCOPE OF CONTRACT/AGREEMENT**

The DWSRF funding assistance request will include the funding for preliminary design, pilot testing, final design, and construction of the first phase (10 MGD) Surface Water Treatment plant and associated water conveyance infrastructure. The current estimate of all costs for a facility of this type and size and transmission infrastructure is \$145 million. The addition of the water meter replacement program is currently programmed in the FY 2017 CIP at a cost of \$11 million, an additional \$3.5 million would be included for loan origination fees and contingency for unknown program costs. Staff's recommendation is to request a single funding application revision and increase the request by the maximum allowable ten percent (10%), to include \$14.5 million for the water meter change out project. The total revised loan amount for all projects will be \$159.5 million.

The loan requirements include a loan origination fee, the adoption of a Water Conservation and Drought Contingency Plans (which are in place), the preparation of an Environmental Assessment and construction requirements such as Davis-Bacon wage rates, and compliance with the EPA's Disadvantaged Business program, American Iron and Steel provisions that are not required for the City's normal bond funding. There will be similar administrative complexities that the City is already engaged in with other state and federally funded projects.

The DWSRF program allows full funding of the loan, or a multi-year funding with a full commitment to the total cost of the loan. The multi-year funding option allows the borrower to close on portions of the loan annually up to the total amount of the commitment. This program does not allow deferral of any portion of the loan.

### **BID AND AWARD**

N/A

### **SCHEDULE**

The DWSRF preliminary application was submitted in May 2016, received favorable consideration, and staff will submit a full application by August 15, 2016. The TWDB Board would then request a City commitment in November 2016, followed by a loan closing process in late November – December 2016 for the current funding cycle. There is an option to delay closing for one year. Staff anticipates that the City would close on the whole loan amount and structure the bond series as would be required for the different phases of the projects.

### **POLICY/GOAL CONSIDERATION**

The Surface Water Plant project was included in the 2016 – 2020 Fiscal Year Capital Improvement plan. The Council Strategic Priorities of **Sustainable Infrastructure and Safe Community** are met by ensuring the City's drinking water capacity is expanded and meeting mandated requirements, and by taking advantage of the TWDB low interest rate DWSRF loan program, the City is being **Fiscally Responsible**.

### **RECOMMENDED ACTION**

Staff recommends that Council approve a resolution authorizing the submittal of a **revised** funding assistance application to the Texas Water Development Board Drinking Water State Revolving Fund (DWSRF) for the costs associated with the preliminary design, pilot testing, final design, and construction of the first phase (10 MGD) Surface Water Treatment plant, associated water conveyance infrastructure and a water meter change out/replacement program in the amount of \$159.5 million and authorize the City Manager to sign and submit the resolution and required forms.

**RESOLUTION NO. R2016-144**

**A Resolution of the City Council of the City of Pearland, Texas, approving a revised funding assistance application to the Texas Water Development Board, Drinking Water State Revolving Fund (DWSRF) program; for the preliminary design, pilot testing, final design, and first phase (10 MGD) construction of a Surface Water Treatment Plant and associated water conveyance infrastructure and a water meter change out/replacement program in the amount of \$159.5 million.**

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

**Section 1.** That the City Council hereby approves revised funding assistance application for Texas Water Development Board, Drinking Water State Revolving Fund (DWSRF) program; for the preliminary design, pilot testing, final design, and first phase construction of a Surface Water Treatment Plant and associated water conveyance infrastructure and a water meter change out/replacement program in the amount of \$159.5 million, a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes.

PASSED, APPROVED and ADOPTED this the \_\_\_\_\_ day of \_\_\_\_\_,  
A.D., 2016.

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

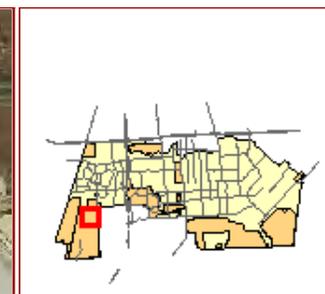
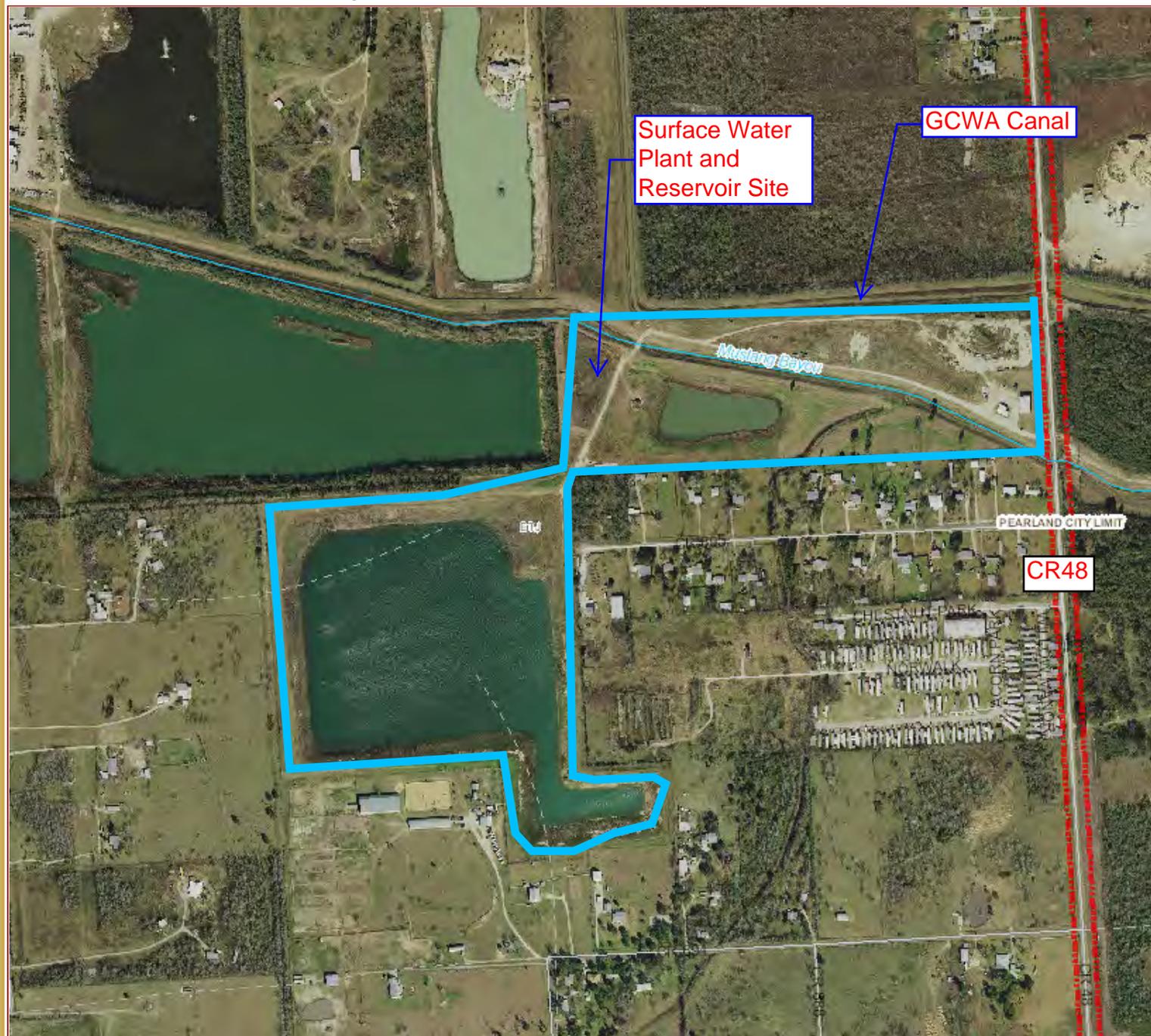
ATTEST:

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

APPROVED AS TO FORM:

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

### Surface Water Plant Location Map

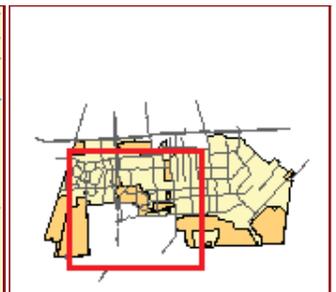
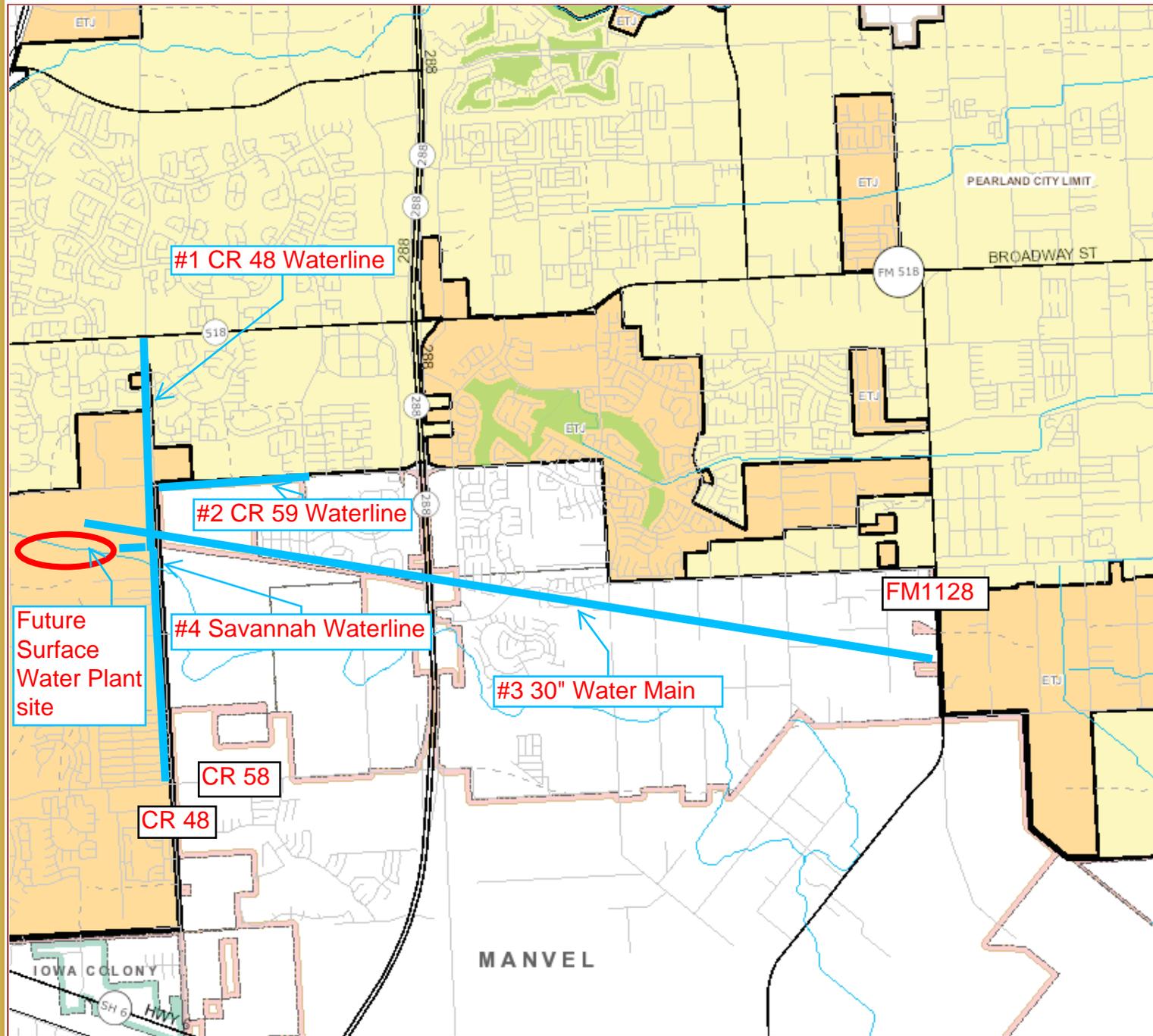


This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Scale 1:8,033  
1 in = 669 ft  
May 04, 2016



# Surface Water Plant Transmission Lines



- #1 - CR 48 Waterline (Surface Water Plant to Broadway)
- #2 - CR 59 Waterline (CR 48 to Kirby Dr)
- #3 - 30" Water Main (Surface Water Plant to FM 1128 along American Canal)
- #4 - Savannah Waterline (Surface Water Plant to CR 58)



This product is for informational 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.

Scale 1:57,540  
 1 in = 4,795 ft  
 May 03, 2016



**Application Filing and Authorized Representative Resolution (WRD-201a)**

A RESOLUTION by the \_\_\_\_\_ City Council \_\_\_\_\_ of the City of Pearland, Texas \_\_\_\_\_ requesting financial assistance from the Texas Water Development Board; authorizing the filing of an application for assistance; and making certain findings in connection therewith.

BE IT RESOLVED BY THE \_\_\_\_\_ City Council \_\_\_\_\_ OF THE City of Pearland, Texas \_\_\_\_\_ :

SECTION 1: That an application is hereby approved and authorized to be filed with the Texas Water Development Board seeking financial assistance in an amount not to exceed \$ 159,500,000 to provide for the costs of expansion of the City's Surface Water Treatment Plant including preliminary design, pilot testing, final design, construction of the first phase (10 MGD) Surface Water Treatment plant, associated water conveyance infrastructure and meter replacement program.

SECTION 2: That City Manager, Deputy City Manager and Assistant City Manager be and is hereby designated the authorized representative of the \_\_\_\_\_ City of Pearland, Texas \_\_\_\_\_ for purposes of furnishing such information and executing such documents as may be required in connection with the preparation and filing of such application for financial assistance and the rules of the Texas Water Development Board.

SECTION 3: That the following firms and individuals are hereby authorized and directed to aid and assist in the preparation and submission of such application and appear on behalf of and represent the City of Pearland, Texas before any hearing held by the Texas Water Development Board on such application, to wit:

Financial Advisor: \_\_\_\_\_ Mr. John Robuck, Vice President - Texas Public Finance \_\_\_\_\_  
 \_\_\_\_\_ BOSC, Inc. \_\_\_\_\_  
 \_\_\_\_\_ 1401 McKinney St. Suite 1000 Houston, TX 77010 \_\_\_\_\_

Engineer: \_\_\_\_\_ Mr. Jeffrey Peters, P.E., BCEE \_\_\_\_\_  
 \_\_\_\_\_ Ardurra Group \_\_\_\_\_  
 \_\_\_\_\_ 2032 Buffalo Terrace, Houston, Texas 77019 \_\_\_\_\_

Bond Counsel: \_\_\_\_\_ Mr. Rick A. Witte \_\_\_\_\_  
 \_\_\_\_\_ Andrews Kurth \_\_\_\_\_  
 \_\_\_\_\_ 600 Travis, Suite 4200 Houston TX 77002 \_\_\_\_\_

PASSED AND APPROVED, this the 8th day of August, 2016.

ATTEST: \_\_\_\_\_

By: \_\_\_\_\_

(Seal)

**Application Affidavit (WRD-201)**

THE STATE OF TEXAS §  
COUNTY OF Brazoria §  
APPLICANT City of Pearland, Texas §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Mr. Clay Pearson as the Authorized Representative of the City of Pearland, Texas, who being by me duly sworn, upon oath says that:

1. the decision by the City of Pearland, Texas (authority, city, county, corporation, district) to request financial assistance from the Texas Water Development Board ("Board") was made in a public meeting held in accordance with the Open Meetings Act (Government Code, §551.001, et seq.) and after providing all such notice as required by such Act as is applicable to the City of Pearland, Texas (authority, city, county, corporation, district) ;

2. the information submitted in the application is true and correct according to my best knowledge and belief;

3. the City of Pearland, Texas (authority, city, county, corporation, district) has no pending, threatened, or outstanding judgments, orders, fines, penalties, taxes, assessment or other enforcement or compliance issue of any kind or nature by the Environmental Protection Agency, Texas Commission on Environmental Quality, Texas Comptroller, Texas Secretary of State, or any other federal, state or local government, except for the following (if no such outstanding compliance issues, write in "none"): the pending compliance violations and enforcement negotiations with the Texas Commission on Environmental Quality concerning the Reflection Bay Water Reclamation Facility and Barry Rose Water Reclamation Facility.

4. the City of Pearland, Texas (authority, city, county, corporation, district) warrants compliance with the representations made in the application in the event that the Board provides the financial assistance; and

5. the City of Pearland, Texas (authority, city, county, corporation, district) will comply with all applicable federal laws, rules, and regulations as well as the laws of this state and the rules and regulations of the Board.

\_\_\_\_\_  
Official Representative - Mr. Clay Pearson

Title: City Manager

SWORN TO AND SUBSCRIBED BEFORE ME, by \_\_\_\_\_,  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(NOTARY'S SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

### Application Resolution - Certificate of Secretary (WRD-201b)

THE STATE OF TEXAS §  
COUNTY OF Brazoria §  
APPLICANT City of Pearland §

I, the undersigned, Secretary of the City of Pearland Texas,  
DO HEREBY CERTIFY as follows:

1. That on the 8th day of August, 2016, a regular/special meeting of the  
City of Pearland was held at a meeting place within the City; the duly  
constituted members of the City Council of the City of Pearland, Texas being as follows:

\_\_\_\_\_ and all of said persons were present at said meeting, except the following:

\_\_\_\_\_ Among other business considered at said meeting, the attached resolution entitled:

"A RESOLUTION by the City Council of the City of Pearland, Texas  
requesting financial participation from the Texas Water Development Board; authorizing the filing  
of an application for financial participation; and making certain findings in connection therewith."

was introduced and submitted to the City of Pearland City Council for passage and adoption. After  
presentation and due consideration of the resolution, and upon a motion made by \_\_\_\_\_  
and seconded by \_\_\_\_\_, the resolution was duly passed and adopted by the  
\_\_\_\_\_ by the following vote:

\_\_\_\_\_ voted "For" \_\_\_\_\_ voted "Against" \_\_\_\_\_ abstained

all as shown in the official Minutes of the \_\_\_\_\_ for the meeting held on the aforesaid date.

2. That the attached resolution is a true and correct copy of the original on file in the official records  
of the City of Pearland, Texas; the duly qualified and acting members of the City Council  
on the date of the aforesaid meeting are those persons shown above and, according to the records of my office,  
advance notice of the time, place and purpose of said meeting was given to each member of the  
City Council; and that said meeting, and deliberation of the aforesaid public business, was open to  
the public and written notice of said meeting, including the subject of the above entitled resolution, was posted and  
given in advance thereof in compliance with the provisions of Chapter 551 of the Texas Government Code.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of  
said \_\_\_\_\_, this the \_\_\_\_\_ of \_\_\_\_\_, 20 \_\_\_\_\_.

\_\_\_\_\_  
Secretary

(SEAL)

STATE OF TEXAS

§  
§  
§

COUNTY OF Brazoria

**SITE CERTIFICATE**

Before me, the undersigned notary, on this day personally appeared Clay Pearson, City Manager , a person whose identity is known to me or who has presented to me a satisfactory proof of identity. After I administered an oath, this person swore to the following:

- (1) My name is Clay Pearson, City Manager of the City of Pearland, Texas . I am over 18 years of age and I am of sound mind, and capable of swearing to the facts contained in this Site Certificate. The facts stated in this certificate are within my personal knowledge and are true and correct.
- (2) I am an authorized representative of City of Pearland , an entity that has filed an application for financial assistance with the Texas Water Development Board for a (water) (wastewater) project.

**LEGAL CERTIFICATION – OWNERSHIP INTEREST**

This is to certify that \_\_\_\_\_ the City of Pearland, Texas  
(Legal Name of Applicant, i.e., City, District, etc.)

has acquired or is in the process of acquiring the necessary real property interest, as evidenced by fee simple purchase or fully executed earnest money contracts, firm option agreements to purchase the subject property or the initiation of eminent domain procedures, that such acquisition will guarantee access and egress and such interest will contain the necessary easements, rights of way or unrestricted use as is required for the project being financed by the Texas Water Development Board. The legal description is referenced below:

\_\_\_\_\_.  
3720 CR 48, Rosharon TX 77583  
(Location, and Description of Property Interests acquired for Project)

Any deeds or other instruments required to be recorded to protect the title(s) held by  
\_\_\_\_\_ the City of Pearland, Texas  
(Legal Name of Applicant)

have been recorded or filed for the record in the County deed records or other required location.

Not Applicable

**LEGAL CERTIFICATION – LEASE/CONTRACT**

In the alternative, I certify that \_\_\_\_\_  
(Legal Name of Applicant, i.e., City, District, etc.)

has executed a written lease or other contractual agreement to use the property needed for this (water) (wastewater) project that extends through \_\_\_\_\_, the life of the Texas Water Development Board loan or grant that will be used to finance this project, either in whole or in part. A copy of this lease or agreement is attached hereto.

Not Applicable

**LEGAL CERTIFICATION – PROPERTY EASEMENT**

In the alternative, I certify that \_\_\_\_\_  
(Legal Name of Applicant, i.e., City, District, etc.)

has executed an express easement to use the property needed for this (water) (wastewater) project that extends through \_\_\_\_\_, the life of the Texas Water Development Board loan or grant that will be used to finance this project, either in whole or in part. A copy of the express easement agreement is attached hereto.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
(Signature)

Mr. Clay Pearson  
(Print Name)

City Manager  
(Title)

Sworn to and subscribed before me by \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas

[SEAL]

My Commission expires: \_\_\_\_\_

**CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less that \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Head of Agency or Organization

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mr. Clay Pearson, City Manager  
Type Name & Title

Name and Address of Agency/Organization:

\_\_\_\_\_  
City of Pearland, Texas; 3519 Liberty Drive Pearland TX 775814

## Debarment / Suspension Certification

I, Clay Pearson, hereby certify that I have checked on the federal  
(Authorized Representative of Recipient)  
System for Award Management ([www.sam.gov](http://www.sam.gov)) website and determined that  
the City of Pearland is not shown as an “excluded party” that is debarred,  
(Name of entity)  
suspended or otherwise excluded from or ineligible for participation in federal assistance  
programs under Executive Order 12549. (See 2 CFR Part 180 and 2 CFR Part 1532 for  
additional information on the federal governmentwide debarment and suspension system for  
nonprocurement programs and activities.)

I understand that a false statement herein may subject me to penalties under federal and state  
laws relating to filing false statements and other relevant statutes.

\_\_\_\_\_  
Signature  
City Manager  
\_\_\_\_\_  
Title  
City of Pearland  
\_\_\_\_\_  
Name of Recipient

August 8, 2016  
\_\_\_\_\_  
Date

**Verifying prime contractors and subcontractors for construction, equipment, supplies and services:** Using the [www.sam.gov](http://www.sam.gov) website, the recipient must verify prior to awarding the contract that the prime contractor is not listed as an “excluded party” that is debarred, suspended or otherwise excluded from or ineligible. Once any subcontractors are known, they also must be verified as not listed as an “excluded party” prior to award of a subcontract. The recipient must print a dated record of the verification from the [www.sam.gov](http://www.sam.gov) website and retain a copy that is available for review by TWDB. The prime contractors and subcontractors must be verified prior to the contract award or the costs may be disallowed.

**ASSURANCES - CONSTRUCTION PROGRAMS**

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

<ol style="list-style-type: none"> <li>1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.</li> <li>2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.</li> <li>3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.</li> <li>4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.</li> <li>5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and</li> </ol>	<ol style="list-style-type: none"> <li>8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).</li> <li>9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.</li> <li>10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) 523 and 527 of the Public Health Service Act of</li> </ol>
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<p>specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.</p> <p>6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.</p> <p>7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.</p>	<p>1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.</p>
<p>11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.</p> <p>12. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.</p> <p>13. Will comply, as applicable, with the provision of the Davis-Bacon Act (40 U.S.C. 3141-3144), the Copeland Act (18 U.S.C. 874; 40 U.S.C. 3145), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701, et seq.; 29 CFR Part 5) regarding labor standards of federally assisted construction sub-agreements.</p> <p>14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.</p> <p>15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the</p>	<p>National Environmental Policy Act of 1969 (P.L. 91- 190 and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in flood plains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 974, as amended (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).</p> <p>16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.</p> <p>17. Will assist the awarding agency in assuring</p>

	<p>compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).</p> <p>18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."</p> <p>19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.</p>
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SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE	
APPLICANT ORGANIZATION		DATE SUBMITTED

Previous Edition Usable

**Authorized for Local Reproduction**

Standard Form 424D (Rev 4-2012)  
Prescribed by OMB Circular A-102

**TWDB-0215**  
**APPLICANT/ENTITY**  
**TEXAS WATER DEVELOPMENT BOARD**  
**AFFIRMATIVE STEPS CERTIFICATION and GOALS**

**I. PROJECT INFORMATION**

A. TWDB Project No.	B. Applicant/Entity Name	C. Total TWDB Funding Request	D. Program Type (insert "X" for all that apply)	
			<input type="checkbox"/>	Drinking Water SRF (DWSRF)
			<input type="checkbox"/>	Clean Water SRF (CWSRF)

**II. GOOD FAITH EFFORT (Applicable to all PRIME contracts awarded by the applicant/entity)**

I understand that it is my responsibility to comply with all state and federal regulations and guidance in the utilization of Minority and Women-Owned Businesses in procurement. I certify that I will make a "good faith effort" to afford opportunities for Minority Business Enterprise (MBE), and Women-Owned Business Enterprise (WBE) by:

1	Including qualified MBEs and WBEs on procurement solicitation lists
2	Soliciting potential MBE's and WBE's
3	Reducing contract size/quantities when economically feasible to permit maximum participation by MBE's and WBE's
4	Establishing delivery schedules to encourage participation by MBE's and WBE's
5	Using the services and assistance of the Small Business Administration, Minority Business Development Agency, U.S. Department of Commerce, and Texas Marketplace
6	Requiring all PRIME contractors to follow steps 1-5 of the "good faith effort" in employing MBE and WBE Subcontractors
Signature - Applicant/Entity Representative	
Title	
Certification Date	

**III. PROJECT PARTICIPATION ESTIMATES**

Total Procurement		Potential MBE Participation		Potential WBE Participation	
Cost Category	Total	Goal	Extension	Goal	Extension
Construction	\$	12.94%	\$	8.72%	\$
Equipment	\$	7.12%	\$	5.39%	\$
Supplies	\$	9.68%	\$	9.34%	\$
Services	\$	10.84%	\$	5.72%	\$
<b>Total Procurement (must equal loan/grant amount)</b>	<b>\$</b>		<b>\$</b>		<b>\$</b>

*The fair share goals listed above are required by 40 CFR Part 33 Subpart D and are directly negotiated with EPA Region 6. Entities receiving federal financial assistance are subject to the TWDB's goals and may not be substituted with other agency or program goals.*

**IV. TWDB APPROVAL SIGNATURE**

Form Meets DBE Requirements	Yes <input type="checkbox"/> No <input type="checkbox"/>
DBE Coordinator	Approval Date

City of Pearland, Texas  
 Water and Sewer System Revenue Bonds  
 Public Sale Compared to Texas Water Development Board DWSRF

Fiscal Year Ending (9/30)	\$159,500,000 in Proceeds (Public Sale)			
	Principal *	Interest Rate	Interest (a)	Total
2017	5,320,000	0.88%	1,951,194	7,271,194
2018	5,320,000	0.99%	3,855,571	9,175,571
2019	5,315,000	1.11%	3,802,903	9,117,903
2020	5,320,000	1.28%	3,743,907	9,063,907
2021	5,315,000	1.45%	3,675,811	8,990,811
2022	5,315,000	1.71%	3,598,743	8,913,743
2023	5,315,000	1.90%	3,507,857	8,822,857
2024	5,315,000	2.04%	3,406,872	8,721,872
2025	5,315,000	2.18%	3,298,446	8,613,446
2026	5,315,000	2.32%	3,182,579	8,497,579
2027	5,315,000	2.44%	3,059,271	8,374,271
2028	5,315,000	2.53%	2,929,585	8,244,585
2029	5,315,000	2.59%	2,795,115	8,110,115
2030	5,315,000	2.64%	2,657,457	7,972,457
2031	5,320,000	2.69%	2,517,141	7,837,141
2032	5,320,000	2.74%	2,374,033	7,694,033
2033	5,315,000	2.79%	2,228,265	7,543,265
2034	5,315,000	2.85%	2,079,976	7,394,976
2035	5,320,000	2.90%	1,928,499	7,248,499
2036	5,320,000	2.94%	1,774,219	7,094,219
2037	5,320,000	2.97%	1,617,811	6,937,811
2038	5,315,000	2.99%	1,459,807	6,774,807
2039	5,315,000	3.00%	1,300,888	6,615,888
2040	5,315,000	3.02%	1,141,438	6,456,438
2041	5,320,000	3.04%	980,925	6,300,925
2042	5,315,000	3.05%	819,197	6,134,197
2043	5,315,000	3.07%	657,090	5,972,090
2044	5,315,000	3.08%	493,919	5,808,919
2045	5,315,000	3.10%	330,217	5,645,217
2046	5,320,000	3.11%	165,452	5,485,452
<b>Total</b>	<b>159,500,000</b>		<b>67,334,179</b>	<b>226,834,179</b>

\* Preliminary, subject to change. Includes estimated costs of issuance. Assumes Reserve Fund will be funded with equal monthly cash deposits over 60 months.

(a) Interest estimated at current market rates for illustrative purposes only.

\$159,500,000 ISSUANCE - PUBLIC SALE	
Average (Maturity) Life	15.000 Years
Net Interest Rate	2.781%
<b>Cost Savings (Compared to DWSRF)</b>	<b>24,397,280</b>
Average Annual Requirement	7,561,139

Fiscal Year Ending (9/30)	\$159,500,000 in Proceeds (DWSRF)			
	Principal *	Interest Rate	Interest (a)	Total
2017	5,320,000		1,142,266	6,462,266
2018	5,320,000		2,284,531	7,604,531
2019	5,315,000	0.09%	2,284,531	7,599,531
2020	5,320,000	0.26%	2,279,748	7,599,748
2021	5,315,000	0.43%	2,265,916	7,580,916
2022	5,315,000	0.69%	2,243,061	7,558,061
2023	5,315,000	0.88%	2,206,388	7,521,388
2024	5,315,000	1.02%	2,159,616	7,474,616
2025	5,315,000	1.16%	2,105,403	7,420,403
2026	5,315,000	1.30%	2,043,749	7,358,749
2027	5,315,000	1.42%	1,974,654	7,289,654
2028	5,315,000	1.51%	1,899,181	7,214,181
2029	5,315,000	1.57%	1,818,924	7,133,924
2030	5,315,000	1.62%	1,735,479	7,050,479
2031	5,320,000	1.67%	1,649,376	6,969,376
2032	5,320,000	1.72%	1,560,532	6,880,532
2033	5,315,000	1.77%	1,469,028	6,784,028
2034	5,315,000	1.83%	1,374,952	6,689,952
2035	5,320,000	1.88%	1,277,688	6,597,688
2036	5,320,000	1.92%	1,177,672	6,497,672
2037	5,320,000	1.95%	1,075,528	6,395,528
2038	5,315,000	1.97%	971,788	6,286,788
2039	5,315,000	1.98%	867,082	6,182,082
2040	5,315,000	2.00%	761,845	6,076,845
2041	5,320,000	2.02%	655,545	5,975,545
2042	5,315,000	2.03%	548,081	5,863,081
2043	5,315,000	2.05%	440,187	5,755,187
2044	5,315,000	2.06%	331,229	5,646,229
2045	5,315,000	2.08%	221,740	5,536,740
2046	5,320,000	2.09%	111,188	5,431,188
<b>Total</b>	<b>159,500,000</b>		<b>42,936,899</b>	<b>202,436,899</b>

\* Preliminary, subject to change. Includes estimated costs of issuance. Assumes Reserve Fund will be funded with equal monthly cash deposits over 60 months.

(a) Interest estimated at current market rates for illustrative purposes only.

\$159,500,000 ISSUANCE - TWDB DWSRF SALE	
Average (Maturity) Life	15.000 Years
Net Interest Rate	1.773%
<b>Cost Savings (Compared to Public Sale)</b>	<b>(24,397,280)</b>
Average Annual Requirement	6,747,897

# Building MOMENTUM



City of Pearland, Texas  
Capital Improvement Program

# 2016 - 2020

[pearlandtx.gov](http://pearlandtx.gov)

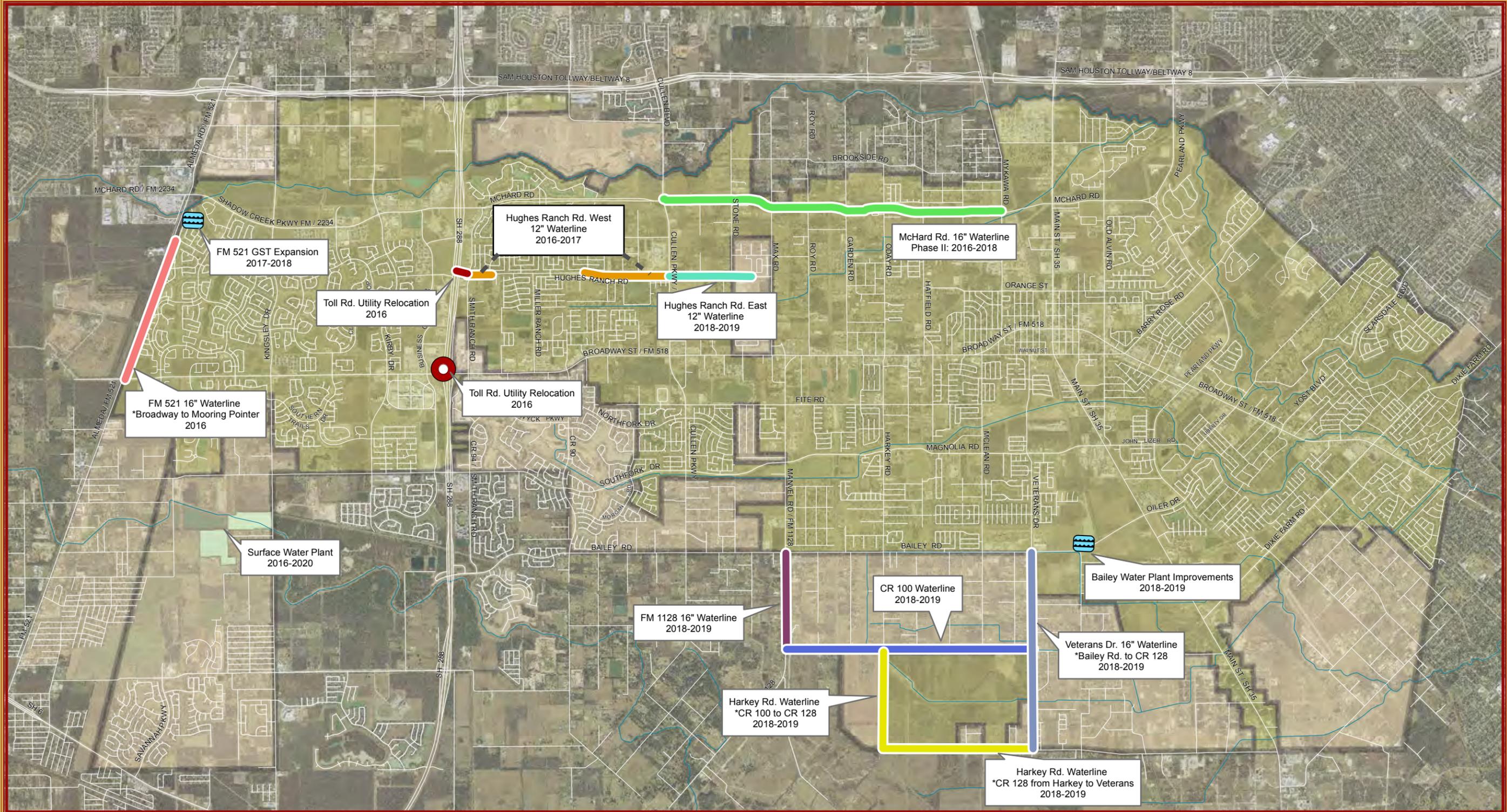


## CITY OF PEARLAND, TEXAS

**CITY OF PEARLAND  
2016 - 2020 CAPITAL IMPROVEMENT PROGRAM  
WATER**

Project No.	Project Name	2016	2017	2018	2019	2020	TOTAL
WA1001	General Engineering/CIP Administration	50,000	550,000	50,000			650,000
WA1204	Bailey Water Plant			233,625	1,766,962		2,000,587
WA1501	Toll Road Utility Relocation	749,460					749,460
WA1505	FM 521 Waterline (Broadway to Mooring Pointer)	1,546,110					1,546,110
WA1601	McHard Water Line Phase II	100,000	3,000,000	2,836,480			5,936,480
WA1602	Hughes Ranch Road West 12" Water Line	585,000	616,000				1,201,000
WA1603	Underground Piping Infrastructure at Water Facilities	250,000	250,000	250,000	250,000	250,000	1,250,000
WA1604	Transite Water Line Replacement	250,000	500,000	1,000,000	1,000,000	1,500,000	4,250,000
WA1605	Surface Water Plant	100,000	2,915,000	6,900,000	31,000,000	34,000,000	74,915,000
WA1701	FM 521 GST Expansion		305,050	2,171,900			2,476,950
WA1702	Water Meter Changeout		11,000,000				11,000,000
WA1801	Hughes Ranch Road East 12" Water Line			370,000	506,000		876,000
WA1802	FM 1128 16" Waterline			240,000	1,285,000		1,525,000
WA1803	CR 100 Waterline			670,000	2,840,000		3,510,000
WA1804	Harkey Rd. from CR100 to CR128 & CR 128 from Harkey to Veterans			578,000	2,285,000		2,863,000
WA1805	Veterans Dr. Bailey Rd. to CR 128 16" Waterline			658,000	2,395,000		3,053,000
	<b>TOTAL</b>	<b>\$ 3,630,570</b>	<b>\$ 19,136,050</b>	<b>\$ 15,958,005</b>	<b>\$ 43,327,962</b>	<b>\$ 35,750,000</b>	<b>\$ 117,802,587</b>

SOURCE OF FUNDS	2016	2017	2018	2019	2020	TOTAL
General Revenue - Cash						
Certificates of Obligation						
General Obligation Bonds						
New/Proposed GO Bonds						
P.E.D.C.						
W/S Revenue Bonds	1,815,015	3,418,025	7,692,840	22,240,462	17,000,000	52,166,342
System Revenues - Cash	250,000	1,300,000	1,300,000	1,250,000	1,750,000	5,850,000
Impact Fees - Cash	292,500					292,500
Impact Fees - Debt		1,808,000	4,402,840	18,775,000	17,000,000	41,985,840
Other Funding Sources	1,273,055	12,610,025	2,562,325	1,062,500		17,507,905
<b>TOTAL</b>	<b>\$ 3,630,570</b>	<b>\$ 19,136,050</b>	<b>\$ 15,958,005</b>	<b>\$ 43,327,962</b>	<b>\$ 35,750,000</b>	<b>\$ 117,802,587</b>



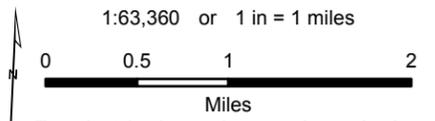
# CITY OF PEARLAND

## 2016 - 2020

### Capital Improvement Projects

### Water

- FM 521 16" Waterline
- McHard Road 16" Waterline Phase II
- Hughes Ranch Road West 12" Water Line
- City Limits
- ETJ
- Surface Water Plant
- Water Facility Expansion and Improvements
- Hughes Ranch Road East 12" Water Line
- FM 1128 16" Waterline
- CR 100 Waterline
- Toll Rd. Utility Relocations
- Harkey Road & CR 128 12" Waterline
- Veterans Drive 16" Waterline
- Toll Rd. Utility Relocations
- Multiple Locations - Not Shown**
- \*Water Meter Changeout
- \*Transite Waterline Replacement
- \*Underground Piping Infrastructure at Water Facilities



This product is for informational 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.

MAP PREPARED: JULY 2015  
CITY OF PEARLAND GIS DEPARTMENT

<b>PROJECT NAME</b>					<b>PROJECT #</b>		<b>PREFERENCE ORDER</b>			
Water Meter Changeout					WA1702		4			
<b>PROJECT DESCRIPTION</b>					<b>PROJECT IMAGE</b>					
Changeout of approximately 33,000 water meters and drive-by reading system with a wireless remote read and addition of Customer Portal Technology. The changeout will include remote antennae, meters, external antennae on meter lids, installation, hardware and software, and vaults as needed.										
<b>PROJECT JUSTIFICATION</b>										
AWWA standards recommends that residential meters be replaced when over 10 years old or more than 1.0 mill gallons have passed through the meter. By 2017 approximately 22,000 meters in Pearland will be older than 10 years old or have 1.0 million gallons that have passed through the meters. The AWWA standard is based on .25 gallons per min. The newer meters will register .03 gallons per minute, thus measuring more water, increasing revenues and reducing water loss. Newer technology will allow for remote turn on and off and capture water and loss associated with a given area. Customer expectations are also higher wanting information more readily to view (graphs, etc.) and the customer portal would provide.										
<b>INCREMENTAL OPERATING AND MAINTENANCE COSTS</b>										
<b>Impact on operating budget</b>					<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (See Below)					
<b>Fiscal Year</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>					
<b>Total Revenue</b>										
Personnel Services										
Operation & Maintenance										
Capital Outlay										
<b>Total Expense</b>										
<b>FTE Staff Total</b>										
<b>COST AVOIDANCE/PAYBACK PERIOD EXPLANATION</b>										
<b>FY PROJECTED ALLOCATIONS</b>										
<b>PROJECT COSTS ALLOCATION</b>	<b>TOTAL BUDGET</b>	<b>CITY APPROP.</b>	<b>FUNDED BUDGET</b>	<b>ESTIMATED THRU 2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>PROJECT TOTAL</b>
Prelim. Engineering Report										\$0
Land/Right of Way										\$0
Design/Surveying										\$0
Construction										\$0
Equipment and Furniture	\$11,000,000	\$11,000,000				\$11,000,000				\$11,000,000
Contingency										\$0
<b>TOTAL COSTS</b>	<b>\$11,000,000</b>	<b>\$11,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,000,000</b>
<b>FY PROJECTED FUNDING SOURCES</b>										
<b>FUNDING SOURCES</b>	<b>TOTAL BUDGET</b>	<b>CITY APPROP.</b>	<b>FUNDED BUDGET</b>	<b>ESTIMATED THRU 2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>PROJECT TOTAL</b>
General Revenue - Cash										\$0
Certificates of Obligation										\$0
General Obligation Bonds										\$0
New/Proposed GO Bonds										\$0
PEDC										\$0
W/S Revenue Bonds										\$0
System Revenue - Cash										\$0
Impact Fees - Cash										\$0
Impact Fees - Debt										\$0
Other Funding Sources <sup>1</sup> -	\$11,000,000	\$11,000,000				\$11,000,000				\$11,000,000
<b>TOTAL SOURCES</b>	<b>\$11,000,000</b>	<b>\$11,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,000,000</b>
<b>Explain &amp; Identify Type of Other Sources:</b> Lease purchase (10 yr)							Project Manager: Utility Billing			
							Project's Approval Date: 6/22/2015			