

**REGULAR MEETING AND PUBLIC HEARING
CITY COUNCIL
CITY OF NASSAU BAY, TEXAS
September 14, 2015
7:00 PM**

MEMBERS OF COUNCIL PRESENT: Mayor Denman, Mayor Pro Tem Mossman, Councilmembers Harry Dollar, Bryce Klug, Jonathan Amdur, and Bob Warters.

MEMBERS OF COUNCIL ABSENT: Councilmember John Mahon.

OTHER CITY OFFICIALS PRESENT: City Attorney Dick Gregg, Jr., Assistant City Manager Mary Chambers, City Secretary Marisela Garcia, Finance Director Csilla Stiles, Police Chief Joey Cashiola, Public Works Director Paul Lopez, Fire Chief Tom George, Building Official Mark Stelly, Planning Commission Chair Roscoe Lee, and Parks Committee Chair Buck Gay.

PRESIDING: Mayor Denman.

CALL TO ORDER AND ROLL CALL OF MEMBERS

Mayor Denman called the meeting to order at 7:00 p.m. and announced a quorum of Council was present with six elected officials in attendance.

INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS

The invocation was given by Pastor Al Scholz of Gloria Dei Lutheran Church.

The Pledges of Allegiance were led by the Nassau Bay Volunteer Fire Department.

APPOINTMENTS, PROCLAMATIONS, PRESENTATIONS, AWARDS

Presentation of a Proclamation for Fire Prevention Week

Mayor Denman proclaimed the week of October 4 – 10 as Fire Prevention Week. This year's theme is "Hear the Beep Where You Sleep. Every Bedroom Needs a Working Smoke Alarm!"

Volunteer Firefighter Brennan Moses invited everyone to their annual Open House held each year during Fire Prevention Week. The event will be held Friday, October 9th, at 6 p.m. at the Fire Station. There will be hot dogs and hamburgers available.

Presentation of a Proclamation for National Night Out

Mayor Denman proclaimed Tuesday, October 6 as National Night Out. Chief Cashiola advised that there will be hamburgers, chips and drinks available at the event.

Presentation from Street Committee

Councilmember Bob Wartens handed out copies of the Street Survey to each of the Councilmembers and briefly discussed the survey. He indicated the Street Committee conducted an inspection and prioritized the problems they encountered.

Presentation of City Manager's Proposed Budget for Fiscal Year 2016

Assistant City Manager Mary Chambers made a presentation discussing the various aspects of the proposed budget including total revenue comparisons, general fund major revenue comparison, FY16 General Fund expenditures by department, proposed FY16 General Fund Budget which includes 97 days of reserves. There was a slide which compares Nassau Bay to other area cities. (A copy of the presentation is attached to these minutes)

Councilmember Wartens noted that the presentation ignores the fact that some of those cities have mud taxes, public utility type taxes, and does not include garbage pickup. Mr. Wartens stated Nassau Bay is better off than the presentation shows.

PUBLIC HEARING AND ACTION ITEMS FROM PUBLIC HEARING

Public Hearing on City Manager's Proposed Budget for Fiscal Year 2016

Mayor Denman opened the public hearing for anyone wishing to comment on the proposed budget.

Public Hearing was opened at 7:19 p.m.

There being no one wishing to speak, the public hearing was closed at 7:20 p.m.

CITIZENS' REQUEST FOR HEARING BEFORE CITY COUNCIL

There were no citizens requesting a hearing before City Council.

COUNCILMEMBERS' COMMENTS/REPORTS

Councilmember Amdur congratulated City staff for another successful "Party on the Square" and improving the quality of life in Nassau Bay.

REPORTS FROM STAFF MEMBERS & COMMITTEES

COMMITTEES

City Manager

Assistant City Manager Chambers invited citizens out to National Night Out which is themed "Blue October" in support of police and all they do for our communities. The Five-O Band will be the evening's entertainment.

Fire Department

Fire Chief George reported there were currently 40 members. The members logged 690 standby man hours at the station in August with 18 calls.

Planning Commission

Planning Commission Chair Roscoe Lee indicated the commission held a special meeting on August 11 to discuss the proposed zoning ordinance amendments which will be discussed later in the agenda. The commission took into consideration questions and comments received from Councilmembers. A public hearing and workshop was held on September 1 to discuss the 2010 Comprehensive Master Plan which requires updates every five year as stated in the City Charter. The commission identified areas where changes are required.

CONSENT AGENDA

The Consent Agenda listed the following items for approval:

Approval of Council Minutes:

A. Regular Meeting on August 10, 2015; and

Approval of writing off uncollectible accounts receivable aged 360 days or older as identified in the July 31, 2015 Write-Off Report

Approval of a resolution nominating a candidate for a position on the Board of Directors of the Harris County Appraisal District

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, NOMINATING A CANDIDATE FOR A POSITION ON THE BOARD OF DIRECTORS OF THE HARRIS COUNTY APPRAISAL DISTRICT

(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2015-2045.)

Approval of a resolution reappointing members to the Parks Committee

The caption of the resolution read as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, REAPPOINTING MEMBERS TO THE PARKS & RECREATION COMMITTEE

(Said Resolution was tabled and is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2015-2046.)

It was moved by Councilmember Mossman, seconded by Councilmember Dollar, that Item D be tabled.

Councilmember Klug stated that in reviewing item B, the uncollectible accounts receivable, the amount that is being written off is over the yearly revenue amount for EMS and would like to table item B as well.

It was moved by Councilmember Klug, seconded by Councilmember Dollar, that items B and D on the Consent Agenda be tabled and that items A and C be approved.

Motion passed 6 – 0.

NEW BUSINESS

Approval of an additional contractor for the flood mitigation assistance grant program – Arkitektura Development Inc.

Emergency Management Coordinator Jamie Galloway gave an overview of the item adding an additional contractor. The RFQ was done in 2014 and five contractors qualified. Two contractors have decided that they do not have the resources to do the work and left us with three. He recommends this contractor be added to the list and the state has high praise for this company.

Brief discussion was held regarding the bonding of one of the other contractors who have financial difficulty completing the project and it was noted that the City is not financially liable for this project.

It was moved by Councilmember Dollar, seconded by Councilmember Mossman, to approve the addition of Arkitektura Development Inc. to the flood mitigation assistance grant program.

Motion passed 6 – 0.

Receive Certification of 2015 Anticipated Collection Rate from Mike Sullivan, Harris County Tax Assessor/Collector

Assistant City Manager Chambers presented information on Truth-in-Taxation on how the tax rate is set and how taxpayers and taxing entities are impacted. She stated the effective tax rate provide the entity with the same amount of revenues that it received last

year when it was taxing the same properties. The rollback rate provides the city a maximum increase of 8% for operating funds and sufficient funds to pay debt and that amount is set by Truth-in-Taxation state law.

Finance Director Stiles gave an overview of the item stating that item was related to the anticipated collection rate and it is approved yearly and is required to calculate both the effective and the rollback tax rates. It is a full 4% lower than prior years which is related to some big refunds that were done in property taxes in reference to the Balboa lawsuit.

Councilman Klug noted that it does provide people that analyze city debt an equal playing field.

Brief discussion was held regarding property taxes.

It was moved by Councilmember Klug, seconded by Councilmember Amdur, to receive the collection rates as presented.

Motion passed 6 – 0.

Receive the Tax Year 2015 Harris County Certified Appraisal Roll for the City of Nassau Bay (Jurisdiction 073) and TIRZ No. 1 (Jurisdiction 278)

Finance Director Stiles gave an overview of the item stating these were certified values as of the end of August. All the calculations for the tax rate are based on these values.

It was moved by Councilmember Mossman, seconded by Councilmember Amdur, to receive the certified appraisal roll as presented.

Motion passed 6 – 0.

Receive the 2015 Effective and Rollback Tax Rate Calculations for the 2015 Tax Year (Fiscal Year 2016).

Finance Director Stiles gave an overview of the item noting it is the highest tax rate that Council can approve without having to take further action, but Council is not limited to that rate.

It was moved by Councilmember Mossman, seconded by Councilmember Warters, to approve the effective tax rate for the tax year 2015 at .826413 and the rollback tax rate for tax year 2015 of .875524.

Motion passed 6 – 0.

Approval of a resolution appointing/reappointing members to the NASA Area Management District (NAMD) Board of Directors

Assistant City Manager Chambers gave an overview of the appointments noting that Rob Bamford and Lee Patterson have both agreed to continue serving. Janie Snider would be appointed to Position 5 which was allotted for a Griffin Partners representative.

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, REAPPOINTING MEMBERS TO THE NASA AREA MANAGEMENT DISTRICT (NAMD) BOARD OF DIRECTORS

(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2015-2047.)

It was moved by Councilmember Warters, seconded by Councilmember Amdur, to approve the resolution reappointing Rob Bamford and Lee Patterson to the NASA Area Management District Board of Directors as well as appointing Janie Snider to Position 5.

Motion passed 6 – 0.

FIRST READING OF ORDINANCES

Approval of an ordinance amending the zoning ordinance

Planning Commission Chairman Lee gave an overview of the item detailing the proposed amendments to the zoning ordinance to include garage apartments. The commission took into consideration the restrictions and limitations which included a distinction between a garage apartment apart from a standard accessory building

Brief discussion was held whether the ordinance needed to set space limitations of the total area that the structure should not exceed. It was noted that there is currently an ordinance in place that would limit the lot coverage.

The caption of the ordinance reads as follows (first of two readings):

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, AMENDING ODINANCE NO. O2013-712, THE COMPREHENSIVE ZONING ORDINANCE BY MODIFYING APPENDIX A, ATTACHED HERewith AS EXHIBIT A AND MADE A PART OF THIS ORDINANCE, AND PROVIDING FOR SEVERABILITY, CODIFICATION, PUBLICATION, AND A PENALTY FOR VIOLATION THEREOF

It was moved by Councilmember Klug, seconded by Councilmember Mossman, to approve the first reading of Ordinance No. O2015-738 amending the zoning ordinance.

Councilmember Amdur moved to amend the current motion to cap the size of the structure.

Building Official Stelly stated that the garage is subordinate to the main structure which will set a limitation to the size of the structure along with the lot coverage limitations already set in place. He indicated that it is generally a percentage that shall remain a grass area.

Councilmember Amdur withdrew his motion, advising that he intended to abstain from the vote until he could review the ordinance to which Building Official Stelly was referring.

Motion passed 4 – 1 – 1, Warters opposed, Amdur abstaining.

Approval of an ordinance adopting the Fiscal Year 2016 Annual Budget and appropriating the several sums set therein to the departments and funds therein named

Finance Director Stiles stated the proposed budget has been available for viewing since July 31, 2015 and two public hearings have been held. The tax rate ordinance which will fund this budget will be considered by City Council at the October meeting at a rate of .742120 which is below the effective tax rate.

Discussion was held regarding the Water & Sewer 02 (Water Department) and Water & Sewer 03 (Sewer Department) changes from the initial budget that was presented. Clarification was made that the budget that was presented before was based on revenue as of July.

The EDC Budget has not gone back to EDC for approval but the wages will no longer be included and the EDC budget has decreased.

The caption of the ordinance reads as follows (first and only reading):

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, ADOPTING THE FY2016 BUDGET FOR THE CITY OF NASSAU BAY, TEXAS, AND APPROPRIATING THE SEVERAL SUMS SET THEREIN TO THE DEPARTMENTS AND FUNDS THEREIN NAMED.

It was moved by Councilmember Amdur, seconded by Councilmember Warters, to approve the first and only reading of the Fiscal Year 2016 Annual Budget providing the possible amendment of the cover page upon the adoption of the tax rate at the October 12, 2015 Council meeting.

Mayor Denman took a recall vote on the approval of the Fiscal Year 2016 Budget:

Warters – Approve
Amdur – Approve
Klug – Approve
Dollar – Approve
Mossman – Approve
Denman – Approve

Motion passed 6 – 0.

EXECUTIVE SESSION

Meeting recessed to Executive Session at 8:07 p.m. with Mayor Denman reading from the posted agenda the following topic to be discussed in Executive Session:

1. §551.071 Consultation with Attorney – Discussion of pending litigation Ray Barrett v. City of Nassau Bay.
2. §551.072 Deliberations about Real Property – Discussion regarding the appraisal of city-owned property on Point Lookout Drive and authorizing the City Manager to negotiate the sale.
3. §551.087 Deliberations Regarding Economic Development Negotiations – Discussion of economic development options.

Meeting returned to Open Session at 8:34 p.m.

ACTION ITEM(S) FROM EXECUTIVE SESSION

Authorize City Attorney to take action regarding litigation matter as discussed in Executive Session

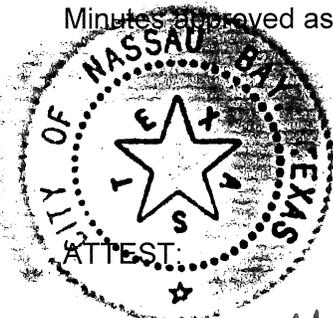
It was moved by Councilmember Klug, seconded by Councilmember Mossman, to authorize the City Attorney to proceed on the litigation matter as discussed in executive session.

Motion passed 6 – 0.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:35 p.m.

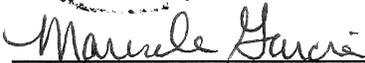
Minutes approved as submitted and/or amended this 12th day of October, A.D., 2015.



CITY OF NASSAU BAY, TEXAS



Mark A. Denman
Mayor



Marisela Garcia, TRMC
City Secretary