

**REGULAR MEETING AND PUBLIC HEARING
CITY COUNCIL
CITY OF NASSAU BAY, TEXAS
August 8, 2016
7:00 PM**

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

MEMBERS OF COUNCIL ABSENT: None.

OTHER CITY OFFICIALS PRESENT: City Attorney Dick Gregg, Jr., City Manager Jason Reynolds, City Secretary Marisela Garcia, Assistant City Manager Mary Chambers, Finance Director Csilla Stiles, Police Chief Kenneth Campbell, Fire Chief Tom George, Communications Director Kristi Sykora, Public Works Director Paul Lopez, Building Official Mark Stelly, and Planning Commission Chair Roscoe Lee.

PRESIDING: Mayor Mark 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 seven elected officials in attendance.

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

A moment of silence was observed during the invocation period.

The Pledges of Allegiance were led by City Manager Jason Reynolds.

APPOINTMENTS, PROCLAMATIONS, PRESENTATIONS, AWARDS

Presentation of the City Manager's Proposed Budget for Fiscal Year 2017.

City Manager Reynolds presented the proposed budget for Fiscal Year 2017 and identified Council's priorities as the following:

- Neighborhood of Dreams
- Recharge Our Corridor
- Safe and Peaceful Community
- Vibrant Environments
- Renewed Infrastructure

Mr. Reynolds stated staff also set a priority of World Class Core-Service. He provided an overview of the budget highlighting revenue consistency and expenditures. He discussed the General Fund including revenues and expenditures, Capital Fund which included all the capital improvement requests funded and unfunded, Debt Service Fund, Tourism Fund, and Special Revenue & Grant Fund. He noted if the budget were to be adopted at the end of September 30, 2017 the City will have \$1.3 million in reserves that would last for 91 days.

PUBLIC HEARING AND ACTION ITEMS FROM PUBLIC HEARING

Public Hearing on the City Manager's Proposed Budget for Fiscal Year 2017

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

Public Hearing was opened at 7:09 p.m.

Mayor Pro Tem Mossman thanked administration for their slide presentation on the budget and supported passing the budget but did not want the City to get to close to not being able to maintain the 90-day reserve fund.

Councilmember Klug thanked City Manager Reynolds for his first budget. He informed the citizens that City Council had two previous meetings to review the budget. The City would be in a good spot if the reserves are kept and will be able to do some big projects down the road. He stated if the RDA became the funder of the Fire Station, the better the citizenry would be. He thanked staff for a clear and concise budget and informed citizens the budget was on the website for their review.

There being no one else wishing to speak, the public hearing was closed at 7:13 p.m.

Public Hearing on a request by Shamrock Properties V LLC for Special Use Permit for a wall sign

Attorney Adelqui Boué with the Law Firm of Hoover Slovacek who represented the owner, Shamrock Properties V, LLC gave an overview of the item noting they had attended the Planning Commission the previous week for the same item at which time they had received the Commission's approval. He stated Building Official Stelly approved a temporary sign permit and the proposed sign was installed on Friday, August 5. His goal along with Mr. Greg Weinstein and Jaime Villarreal with Artistic Signs was to answer any questions in order for the sign to be kept in its current location. Mr. Boué defined the Urban District out of the Code of Ordinances in Section 15-200, "*The purpose and intent of the U district is to encourage development and redevelopment with an urban character as envisioned in the city's comprehensive plan. An encouraged mix of commercial, office, entertainment and residential uses, together with physical design factors on both private sites and in public streets and spaces, promotes a more pedestrian-oriented setting compared to areas where vehicular circulation and access are primary.*" He continued noting the purpose and intent of the Urban District to achieve a unique development character in an area and stated the proposed sign is very unique compared to those on a typical apartment complex which would have a monument sign near the sidewalk or street. This particular sign is on the building itself right above the new entrance. The remodeling project his clients have undertaken has turned the apartment complex from night to day. This will be the only sign at the complex and not in addition to any other monument sign which will identify the complex.

Planning Commission Chair Roscoe Lee provided background on the need for a Specific Use Permit. In the 2010 Comprehensive Master Plan the Urban District was

proposed and in 2011 the Comprehensive Master Plan was adopted and changed the zoning ordinance which created the Urban Zone. Unfortunately, the zoning ordinance was changed but the sign ordinance was not updated and presently does not include any provisions for a sign in the Urban District. The applicant had two options to be allowed to install their sign, apply for a Specific Use Permit or a variance by the RDA. The decision was made to request a Specific Use Permit in this case. The Planning Commission reviewed the application on August 2 and proposed that the sign be consistent with what is available for Multi-Family and Commercial Districts; with the same parameters. When the application was received one of the first things observed was how they came up with the size of the sign. The ordinance for wall signs in the Multi-Family and Commercial Districts is 2 sq. ft. per linear foot of frontage on where the sign would be placed. The area where the sign was placed sticks out from their main building 20' and has a width of 34 LF. The Commission calculated the maximum size to be 68 sq. ft. and the current size of the sign is 73+ sq. ft. A citizen voiced his concern at the Planning Commission meeting and objected to the size of the sign. The Planning Commission was not aware at the meeting that the sign would be lit. The Commission deliberated at length about the request for a lighted sign but this is an Urban District. By a vote of 5-0, the Planning Commission recommended that for the request for the Specific Use Permit, the proposed area was appropriate and the excess size was not a major effect. The other point of concern was the fact that the sign was lit. He commended staff and the applicant for putting up the sign temporarily to be viewed and based on the size and the lighting he did not see a problem with it. The final recommendation for City Council was the size of the sign is acceptable and for an Urban Zone, a lighted sign is not unexpected.

Councilmember Wartens stated he attended the Planning Commission meeting and expressed his opinion and it has not changed. This sign is at the entrance of a residential area and he does not believe it belongs there. He questioned the appropriateness of that property being zoned as an Urban Zone rather than the zoning that applies to the other apartment buildings in Nassau Bay. This will be the only apartment complex that has that type of sign; the others have modest monument signs. He indicated all apartment complexes have an office inside. He stated he is against the approval of the sign.

Councilmember Klug questioned Commissioner Lee whether the sign would be allowed in a commercial zone. Mr. Lee indicated the proposed sign it would meet the commercial sign requirements.

Brief discussion was held regarding the other apartment complexes and the zoning they are under. Mr. Lee stated several of the apartment complexes are appropriately zoned as Multi-Family but two on Surf Court are zoned Commercial. City Manager Reynolds stated those apartment complexes already had a monument sign and would need an SUP to do an additional sign.

Discussion ensued whether or not the building and structure currently in place would be considered a multi-use property. Mr. Lee noted that when that area was rezoned to an Urban District, the vision for that area was that it would get multi-use, commercial, office, residential, and restaurants. The buyers purchased that property and elected to renovate the current apartment structure and keep it as residential. If they elected to improve Building C, then they would be obligated to meet the multi-use requirements.

Mayor Pro Tem Mossman stated there were seven apartment complexes in Nassau Bay and the other six have complied with the requirements for their locations and she was concerned about precedent being established and how the others will respond. She agreed with Councilmember Warters that this is an entrance to a beautiful park. She expressed her concern for the illumination of the sign and the lack of control over the wattage in the sign.

Mr. Lee noted once the SUP is granted it would be based off of this design and if it changed, the SUP would be voided and need to reapply.

Councilmember Mahon inquired whether there was other illumination in the area besides the sign.

Mr. Greg Weinstein with DB Fundamental indicated they were retained by the property owner to design and build out the project. He stated currently there is down lighting on the building exterior, post lamps, and bollards.

Mayor Denman stated he had seen the sign and inquired whether the amount of lumens extending from there could be limited.

Mr. Jaime Villarreal with Artistic Signs spoke regarding concerns over wattage of the sign. He gave an overview of the lights noting everything has been converted to LED modules and are extremely low efficiency. Mr. Villarreal stated a 60-watt transformer can power up 80 LED modules, which is standard for this set. The overall lighting is not a blaring, bright sign. The size of the sign is appropriate to the size of the building. The sign will not be brighter than it is now.

Discussion was held regarding the initial level of lighting. City Manager Reynolds stated the sign was bright the first night and determine whether they thought it was too bright.

City Attorney Gregg indicated this was a unique property with a unique problem. When the zoning ordinance was passed and put this property into this zone, the City did not establish any sign regulations. The City has an obligation to publish rules and standards we will be enforcing to have people come in and live up to them. Texas also has a vesting rule so that someone applying for a permit is entitled to rely on the matrix of rules that are there at the time they apply. If we were to change this now the rules will not apply to this applicant. He does believe the applicant is entitled to their sign under the current ordinance.

Councilmember Amdur asked City Attorney Gregg why this item required a variance or an SUP. Mr. Gregg indicated it would be a better way to control it and not leave it in limbo. The SUP would provide some standards to abide by.

Councilmember Klug reiterated there was not an ordinance in place outlining the approved signs for the Urban District. City Attorney Gregg indicated that in order to enforce standards you cannot create standards after the fact and enforce it.

Discussion was held whether any other zones would allow for signage this size. Mr. Lee stated they reviewed the sign ordinance for commercial and multi-family and the area for a wall sign is outlined as 2 sq. ft. per linear foot of frontage. The question that arose at the Planning Commission was, what is the frontage distance? The part that it is attached to is 34' wide and the entire structure is 93'. It depends on which figure is used to

determine the size of the size. The Planning Commission took the conservative approach and said they were slightly above the maximum area and that is why staff proposed that they be allowed to temporarily put the sign up to get a visual view of how it looked. The Planning Commission's view was that while the area was somewhat larger than allowed, that it was not an unreasonable larger amount. The precedent was applied from the commercial and multi-family wall sign regulations but there were no requirements on the Urban Zone therefore we needed to give them an SUP or a variance and set some regulations.

Public Hearing was opened at 7:46 p.m.

Don Matter, 2011 Sea Cove, asked the applicant how much had been invested in the property.

Mr. Weinstein stated the budget for the renovation of buildings one and two was roughly \$8.5 mil.

Mr. Matter indicated he had tried for 16 years to get that building out of someone's hands. He stated they should be allowed to have their sign due to all the things they are doing with the building.

Davis Gillis, 18722 Upper Bay Road, reiterated the City has no dog in the fight as to what the proposed sign will look like and they have made a good faith effort to meet their needs and the requirements of the City. This is a good opportunity to set a precedent that will apply to everyone else that is reasonable and a good solution to the current situation.

There being no one else wishing to speak, the public hearing was closed at 7:50 p.m.

Resolution approving a request by Shamrock Properties V LLC for a Special Use Permit (SUP) to place a new wall sign at 2002 San Sebastian Court

Councilmember Klug inquired as to whether the City was powerless to prevent a large sign due to the lack of regulations for an Urban Zone. City Attorney Gregg stated standards that are going to be enforced need to be stated and published, otherwise the zoning ordinance would state the classification and the applicant would tell us what they were going to do and we would let them know if we like it or not. They have the advantage of having applied and frozen the matrix as they are and not as what we would like them to be. This SUP will only apply to this property and not any other apartment complex.

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, APPROVING A SPECIFIC USE PERMIT FOR A WALL SIGN ON THE SAPPHIRE APARTMENTS IN A "U" ZONE (URBAN DISTRICT) ON PROPERTY LOCATED AT 2002 SAN SEBASTIAN

(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2016-2072.)

It was moved by Councilmember Mahon, seconded by Councilmember Dollar, to accept the recommendation of the Planning Commission and grant an SUP to Shamrock

Properties for placement of a new wall sign at the main entrance of the existing apartment home community located at 2002 San Sebastian Court and no increase in illumination beyond the 180 LED modules and three - 60 watt transformer power supplies.

Motion passed 5 – 2, Amdur and Wartens opposed.

Public Hearing on a request by BSD Bright Site Development LLC for current zoning C (Commercial) to be approved for a PUD (Planned Unit Development)

Nathan Richardson, President of BSD Bright Site Development and Director of Real Estate for Bucky's Convenience Stores gave a presentation on the planned use for this development which included a 7,054 sq. ft. convenience store with a 20-car service fueling area and automatic car wash, restaurant with a drive-thru, and a 79-unit limited service hotel. Mr. Richardson provided a brief history about Bucky's and stated this location will be one of six to 10 locations to be opened in the next 12 months. His presentation included photos of other Bucky's locations, proposed landscaping, exterior building elevation, and proposed hotel. The requested exemptions were the minimum open space requirement and the maximum building coverage to be based on the entire site due to the shared access.

Councilmember Wartens inquired as to the relation between them and Bucee's. Mr. Richardson indicated they were a completely different company.

Councilmember Amdur asked whether the hotel would be staff 24-hours and the anticipated hours of the convenience store. Mr. Richardson stated the convenience store will be staffed 24-hours and his understanding is that the hotel will be staffed 24-hours as well.

Councilmember Klug questioned the investment amount of the project and whether it was in the TIRZ Zone. City Manager Reynolds noted the site was in the TIRZ zone. Mr. Richardson stated the total project would be in excess of \$20 mil.

Councilmember Dollar asked whether the intent was to develop the entire site and enter into a long-term ground lease with the restaurant and hotel. Mr. Richardson stated they would purchase the property and a hotel developer will purchase the pad for the hotel and there will be a ground lease with a restaurant for the other parcel.

Mayor Denman inquired whether they would follow the theme of the Nassau Bay Town Square. Mr. Richardson indicated they will continue on with the design and be consistent with the City of Nassau Bay. There will be a car wash with this location that uses regenerated water.

Councilmember Amdur referred to the Traffic Impact Analysis and stated the engineer indicated that traffic operations of the development should be minimal, however, most people who are familiar with that intersection know that it can back up. The analysis calls for two different driveways; one devoted to entry and one devoted to exit. Mr. Amdur questioned whether this would cause a problem if it was set forth as a requirement. City Manager Reynolds stated there was an entrance only off of NASA Parkway and to the east of that entrance there is an exit for the quick serve restaurant and there are two exits on the west side and one exit on the south side onto Space Park.

Planning Commission Chair Roscoe Lee summarized the Planning Commission deliberations regarding BSD Bright Site Development's proposal. Mr. Lee stated the applicant is requesting to be rezoned from Commercial to Planned Unit Development. They were not currently approving the master plan for the project. The project will be a three tract phased development as follows:

- Tract 1 – Convenience store/car wash
- Tract 2 – Hotel
- Tract 3 – Restaurant

Commissioner Lee noted the current ordinance states that in a Planned Unit Development, if it will be phased approached, a definitive schedule must be presented. BSD will work with staff on schedule of phasing and have agreements in place if schedule obligations are not met and associate penalties. In a PUD, they are not required to meet all the setback requirements. He briefly discussed the proposed setbacks of the project. A review of the preliminary data was conducted and will be addressed in detail when they get into the conceptual design and master plan to make it consistent with the overall theme of the Town Square. The Planning Commission approved the request for a rezoning 5-0.

Public Hearing was opened at 8:23 p.m.

Don Matter, 2011 Sea Cove, stated the \$20 mil investment is approximately \$146,000 a year in property taxes to the City. He stated this would cover the cost of the fire station. Mr. Matter inquired what the potential sales tax implication. City Manager Reynolds noted in initial conversations it was north of \$30,000. Mr. Matter reiterated that would bring approximately \$175,000 to the City annually.

Vincent Blair, 18727 Martinique Drive, voiced his concern over the 82-unit hotel with 83 proposed parking spaces considering the parking issue at hand. He was concerned with the amount of parking and questioned whether 83 proposed parking spots were sufficient for the 82-unit hotel.

Building Official Mark Stelly indicated they would need to meet the current parking ordinance. All businesses in this Planned Unit Development would need to comply with existing ordinances.

Don Lewis, 18214 Nassau Bay Drive, addressed the issue of those exiting the overpass and approaching the intersection of Nassau Bay Drive and NASA Parkway and those who will want to turn into the development and will become a prohibitive intersection.

There being no one else wishing to speak, the public hearing was closed at 8:28 p.m.

Ordinance approving a request by BSD Bright Site Development LLC (Bucky's) for current zoning C (Commercial) to be approved for a PUD (Planned Unit Development)

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 THE ZONING ORDINANCE

BY GRANTING A CONCEPTUAL PLANNED UNIT DEVELOPMENT SOUGHT BY BSD BRIGHT SITE DEVELOPMENT LLP AND ALLON PROPERTY MGMT II LLC ON APPROXIMATELY 3.908 ACRES, AT THE SOUTHEAST CORNER OF NASA ROAD 1 AND NASSAU BAY DRIVE AS RECOMMENDED BY THE PLANNING COMMISSION, WHICH ACREAGE IS CURRENTLY ZONE C-1 (COMMERCIAL DISTRICT)

It was moved by Councilmember Mossman, seconded by Councilmember Klug, to approve Ordinance 2016-746 on first reading on a request by BSD Bright Site Development LLC (Bucky's) for current zoning C (Commercial) to be approved for a PUD (Planned Unit Development) for convenience store with retail motor fuel sales, self-service car wash, a limited service hotel, and drive-thru restaurant located at 1306 NASA Parkway, ABST 13 S Deel.

Councilmember Amdur stated with much reluctance he would vote against the rezoning to PUD. He indicated it was in the City's interest to make sure the businesses already in the City do well. He had spoken with the Manager of the Hilton, Fareed Kamal, who advised that the development of a hotel could negatively impact their business.

Councilmember Klug commented this would provide approximately \$133,000 to the RDA which could finance the debt to build the Fire Station and other projects.

Motion passed 6 – 1, Amdur opposed.

CITIZENS' REQUEST FOR HEARING BEFORE CITY COUNCIL

No citizens requested a hearing before City Council.

COUNCILMEMBERS' COMMENTS/REPORTS

Councilmember Warters commended James Green in Public Works for his diligence on pothole repair and he appreciated his enthusiasm in getting that done.

Councilmember Amdur thanked Public Works for working on all the water main breaks around the clock.

Councilmember Klug thanked staff on getting development and moving forward on the economic development in the City. There were three water main breaks in a week and he suggested replacing water lines quicker if the budget allows.

Mayor Denman noted we would look at replacing our water lines and eliminate the constant breaks. Mr. Denman commented on NB 101 indicating there were 26 applicants. He echoed that growth begets growth and that will continue to lessen the issues with property tax on the citizens and allows us to do more in the commercial district.

REPORTS FROM STAFF MEMBERS & COMMITTEES

COMMITTEES

City Manager

City Manager Reynolds thanked Public Works for their work on the water main breaks.

He informed everyone that NB101 would kick off on August 18 for a six-week session.

He reminded everyone the Street EatZ event on August 13 from 6 pm – 10 pm with food trucks and a live band.

He announced that Houston Methodist St. John Hospital would be opening up their labor and delivery room.

City Manager Reynolds recognized Communications Director Kristi Sykora for completing her certification for Public Communicator.

Sgt. Graham's retirement party will be held on September 6 at City Hall.

National Night out will be moved back out to the neighborhood. He requested the block captains contact us. Councilmember Mahon encouraged citizens to consider being a block captain.

There will be two Parking Citizen Input Sessions held, one on August 24 from 2 pm – 8 pm and the second on September 21 from 2 pm – 8 pm.

Fire Department

Fire Department President Matt Roper reported the members logged 960 standby man hours and 30 calls at the station in July. Membership is at 43 members. This calendar year they are looking at setting a record for calls run and need every member they can get.

Planning Commission

Planning Commission Chair Roscoe Lee gave an update on the Planning Commission meeting and stated they were continuing work on the 2015 Comprehensive Master Plan.

CONSENT AGENDA

The Consent Agenda listed the following items for approval:

- A. Approval of Minutes
 1. Regular Meeting on July 11, 2016; and
 2. Budget Workshop on July 18, 2016; and
 3. Budget Workshop on July 25, 2016; and

It was moved by Councilmember Klug, seconded by Councilmember Warters, that the above items on the Consent Agenda be approved.

Motion passed 7 – 0.

Ordinance adopting the 2015 International Energy Conservation Code

The caption of the ordinance reads as follows:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, AMENDING THE CODE OF ORDINANCES AT CHAPTER 4, BUILDINGS AND CONSTRUCTION, ARTICLE 1, SECTION 4.1, ADOPTING THE 2015 INTERNATIONAL ENERGY CONSERVATION CODE TO BE KNOWN AS 2015 IECC; ESTABLISHING MINIMUM REGULATIONS GOVERNING THE CONDITIONS AND MAINTENANCE OF ALL PROPERTY WITH REGARD TO ENERGY CONSERVATION REQUIREMENTS BY PROVIDING STANDARDS FOR PHYSICAL CONDITIONS ESSENTIAL TO ENSURE THAT STRUCTURES ARE BUILT IN AN ENERGY CONSCIOUS MANNER; REPEALING ENTIRELY ORDINANCES PREVIOUSLY ADOPTED IN CONFLICT HEREWITH; AND PROVIDING FOR CODIFICATION, PUBLICATION, AND A PENALTY FOR VIOLATION THEREOF

(Said Ordinance is of record in Ordinance Book No. 13 of the City of Nassau Bay, Texas, being Ordinance No. O2016-745.)

It was moved by Councilmember Klug, seconded by Councilmember Warters, to approve the second reading of Ordinance No. O2016-745.

Motion passed 6 – 1, Amdur opposed.

NEW BUSINESS

Award contract for Bank Depository Services.

Finance Director Stiles gave an overview of the item noting this needs to be done every five years. She stated three responses were received, Texas Citizens Bank, Allegiance Bank, and Frost Bank and used the same criteria as before which included aggregate cost of banking services, ability to provide services required, location in relation to the city limits, credit worthiness of the bank, continuity of bank officials and public references, and completeness and clarity of proposal. The proposals were reviewed by Finance Staff and the two banks in Nassau Bay were tied. Based on the current cash position staff believes Allegiance Bank's proposal could bring the City an additional \$7,000 in interest.

Councilmember Klug stated he reviewed the proposals and the scoring was appropriate. He also noted that there were currently no out of pocket expenses to the City due to the cash position and fees were waived. Our current bank is great on all fronts and is within walking distance and is in favor of what we currently have.

Councilmember Warters was in favor of staying with the current bank due to the cost of time for staff to transition to another bank.

Frank Law, Executive President of Allegiance Bank gave an overview of their bank. He stated they were publicly traded but were domiciled in the Greater Houston metropolitan office with 16 offices. They have expanded to 8,000 sq. ft. and in less than 2 ½ years have funded \$203 mil in loans and are the number one lending branch out of 16. They will make the transition very easy for staff. They are pleased to be in the Nassau Bay community.

Councilmember Amdur stated it spoke volumes that Allegiance Bank had a representative present at the meeting.

Mayor Denman echoed the presence of a representative and the \$7,000 advantage with Allegiance Bank.

Councilmember Amdur noted there were other accounts such as the EDC and it would not be a bad idea to have business relations with both Nassau Bay banks.

It was moved by Councilmember Warters, seconded by Councilmember Klug, to award a contract for bank depository services to Texas Citizens Bank.

Motion failed 2 – 4 – 1, Denman, Dollar, Mahon, Amdur opposed, Mossman abstaining.

It was moved by Councilmember Amdur, seconded by Councilmember Dollar, to award a contract for bank depository services to Allegiance Bank.

Motion passed 5 – 2, Warters and Klug opposed.

Authorize City Manager to sign an agreement with Advanced Data Processing Inc. for emergency medical services billing

Finance Director Stiles gave an overview of the item noting the current contract would expire August 2016 and the new agreement would provide for an additional three year term starting September 1, 2016. The new agreement is virtually unchanged for regular billing; the only changes they are proposing is a 3% credit card fee for those paying by credit card and a second licensing fee of .5%. This will provide for a new computer and proprietary software for the collection and initial billing portion.

It was moved by Councilmember Amdur, seconded by Councilmember Klug, to authorize City Manager Reynolds to sign an agreement with Advanced Data Processing, Inc. a subsidiary of Intermedix Corporation for emergency medical services billing.

Motion passed 7 – 0.

FIRST READING OF ORDINANCES

Ordinance

Finance Director Stiles stated this was a housekeeping item related to items in preparation for end of fiscal year audit. The budget amendments were as follows:

- FY16 Amendment #16-1 General Fund: Housekeeping amendment captures additional anticipated revenue (property tax, building permits, interest) in the General Fund (\$51,090). Also accounts for some expenses related to maintenance and operations in various departments (\$88,350). It amends the End of Year Reserve accordingly, decreasing it \$37,260, leaving the City with a budgeted 92 days of reserves at September 30, 2016.
- FY16 Amendment #16-2 Water & Sewer Fund: Housekeeping amendment recognizes the decreased cost of purchasing water due to the unusually wet spring decreasing expenditures (\$50,000).
- FY16 Amendment #16-3 Special Revenue & Grants Fund: Housekeeping amendment reflects timeline changes in grant projects that overlap fiscal years (FEMA Elevation Grant, TCEQ-GBF Cease the Grease). This amendment also reflects the removal of an unfunded grant from the budget (Office of the Governor, PD Vehicles). This amendment nets an increase of \$1,600 to the fund.
- FY16 Amendment #16-4 Capital Projects Fund: Housekeeping amendment reflects timeline changes in capital projects that overlap fiscal years (Parks, Dredging, Public Works, Police, & EMS). This amendment increase revenue in the Capital Fund by \$10,000 and decreases expenditures by \$546,950.

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, AMENDING THE FY16 BUDGET TO RECOGNIZE INCREASES IN GENERAL FUND REVENUE BY \$51,090 AND TO BUDGET INCREASED COSTS RELATED TO MAINTENANCE & OPERATIONS IN THE GENERAL & ADMINISTRATIVE DEPARTMENT, BUILDING DEPARTMENT, FIRE DEPARTMENT, PUBLIC WORKS, PARKS, POLICE, ANIMAL CONTROL, EMS, AND FIRE MARSHAL TOTALLING \$88,350; A DECREASE IN EXPENDITURES IN THE WATER AND SEWER FUND TOTALLING \$50,000; A DECREASE IN REVENUES AND EXPENDITURES RELATED TO GRANTS AND DONATIONS IN THE SPECIAL REVENUE FUND NETTING \$1,600; AND CHANGES IN THE REVENUE AND EXPENDITURES IN CAPITAL PROJECTS FUND DUE TO THE TIMING OF PROJECTS OVER FISCAL YEARS INCREASING REVENUES BY \$10,000 AND DECREASING EXPENDITURES BY \$546,950

It was moved by Councilmember Klug, seconded by Councilmember Mossman, to approve Ordinance 2016-747 amending the FY16 Budget.

Motion passed 7 – 0.

Mayor Pro Tem Mossman left the meeting at 9:00 p.m.

EXECUTIVE SESSION

Meeting recessed to Executive Session at 9:00 p.m. with Mayor Mark Denman reading from the posted agenda the following topics to be discussed in Executive Session:

1. §551.072 Deliberation Regarding Real Property – Discussion of real estate matters pertaining to various properties with the City limits.
2. §551.074 Personnel – Performance evaluation of City Manager.

Meeting returned to Open Session at 9:49 p.m.

ACTION ITEMS FROM EXECUTIVE SESSION

1. **Consider and take action regarding real estate matters as discussed in Executive Session.**

It was moved by Councilmember Klug, seconded by Councilmember Warters to authorize City Manager to negotiate real estate matters as discussed in Executive Session.

Motion passed 6-0.

2. **Consider and take action regarding personnel matters as discussed in executive session.**

It was moved by Councilmember Klug, seconded by Councilmember Amdur to move forward on personnel matters as discussed in executive session.

Motion passed 6-0.

ADJOURNMENT

There being no further business, the meeting adjourned at 9:51 p.m.

Minutes approved as submitted and/or amended this 12th day of September, A.D., 2016.




Marisela Garcia, TRMC
City Secretary

CITY OF NASSAU BAY, TEXAS


Mark A. Denman
Mayor