

**REGULAR MEETING AND PUBLIC HEARING  
CITY COUNCIL  
CITY OF NASSAU BAY, TEXAS  
JULY 8, 2019  
7:00 PM**

**MEMBERS OF COUNCIL PRESENT:** Mayor Mark Denman, Mayor Pro Tem Don Matter, Councilmembers Ashley Graves, John Mahon, Bryce Klug, and Matt Prior

**MEMBERS OF COUNCIL ABSENT:** Councilmember Bob Warters

**OTHERS PRESENT:** City Attorney Dick Gregg Jr., City Manager Jason Reynolds, City Secretary Sandra Ham, Assistant City Manager Mary Chambers, Finance Director Csilla Ludanyi, Police Chief Tim Cromie, Fire Chief Tom George, Building Official Mark Stelly, and Planning Commission Chairman Roscoe Lee

**PRESIDING:** Mayor Mark Denman

**CALL TO ORDER AND ROLL CALL OF MEMBERS**

Mayor Mark 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**

A special prayer and invocation was given by Pastor Dan Schepmann of Gloria Dei Lutheran Church in honor of the late Pastor Al Scholz. Pastor Schepmann provided a special remembrance of Pastor Scholz, who served Gloria Dei Lutheran Church for 19 years. Mayor Denman read a previously issued proclamation in honor of Pastor Scholz, which proclaimed July 1, 2012 as "Pastor Al Scholz Day" in Nassau Bay.

The Pledges to the American and Texas flags were led by Nassau Bay Nauticats Champ Meet Swimmers. Mayor Denman presented a certificate of recognition to the Nauticats and posed for a photo.

**APPOINTMENTS, PROCLAMATIONS, PRESENTATIONS AND AWARDS**

**Received an update on the Bay Area Houston Convention & Visitor's Bureau (BAHCVB)**

City Manager Jason Reynolds provided an update from the Bay Area Houston Convention & Visitor's Bureau (BAHCVB), specifically providing details from the recent "State of the Bay" event held on June 20th. He indicated a partial amount of the City's HOT funds are utilized to support the BAHCVB, which greatly benefits the tourism industry in the region. The BAHCVB Board consists of Mayor Denman and City Manager Reynolds, as well as a hotel representative. The BAHCVB Board recently held a strategic planning session, which was integral in revamping the direction of the organization. Mr. Reynolds detailed several key improvements, including an increase in social media presence. Mayor Denman added that Nassau Bay provides 15% of the City's HOT funds towards the

BAHCVB. Lastly, Mr. Reynolds noted Nassau Bay hotels bring in more HOT fund revenue than Seabrook and Kemah combined.

## **PUBLIC HEARING AND ACTION ITEMS FROM PUBLIC HEARING**

### **Public Hearing on the amendment of Chapter 9, Section 9-33 (entitled “Inspection of Premises; Ordering Remedial or Preventive Action”) of the Nassau Bay Municipal Code**

Mayor Denman announced a Public Hearing for citizens to address City Council regarding this specific amendment to the Nassau Bay Municipal Code.

#### **Public Hearing was opened at 7:16 p.m.**

Mayor Pro Tem Don Matter requested additional details from City staff on the amendment of Chapter 9, Section 9-33 of the Nassau Bay Municipal Code.

Assistant City Manager Mary Chambers indicated the proposal for this amendment was generated from a recent Council Planning Retreat in March 2019. The provisions of the amendment allow the City to place a sign in front of a home currently in code violation. Mayor Pro Tem Matter inquired whether there would be a written warning to the homeowner prior to placement of the sign, and Mrs. Chambers indicated there would be as the sign would be a last resort action. Additionally, Mrs. Chambers noted the placement of a sign also protects contractors, as it lets the public know the City is aware of the code violations.

Additional discussion ensued regarding prior notification to the homeowner of the code violations. City Manager Jason Reynolds requested Council’s trust of staff to utilize the program with common sense, as it is not the intention to place a sign in every homeowner’s yard. To clarify the process, Mr. Reynolds indicated the program would also provide public awareness of the City’s knowledge of the violations, which will drastically reduce the burden on staff with intaking calls on the home violations.

Councilmembers continued questions regarding specific details of the signage, the process for implementing the program, additional options for code violators, and if the program actually reduces the number of violations in the City. Assistant City Manager Chambers indicated the program is meant to be multifaceted by increasing public awareness, homeowner awareness, and protection of contractors working on the home. Additionally, Mrs. Chambers noted there are state regulations which ensure proper steps and actions are taken regarding code violations. City Manager Reynolds emphasized the program is more applicable to repeat offenders, not one-time code violators.

Councilmember Bryce Klug questioned the effectiveness of the program and indicated a need for a more fined based program. Mayor Pro Tem Matter agreed. Mayor Denman noted his support of the program, as he approves the need for more aggressive action for repeat offenders. He asked Council to give City staff the tools to combat code violations and did not view any downsides to the sign program.

There was continued discussions regarding a fine based program, with City Attorney Dick Gregg, Jr. noting Council cannot dictate municipal court fines, as State law has defined maximum fine amounts.

Councilmember Klug provided some concern on the flexibility of the program and additionally stated the program would be difficult to navigate in grey areas, which could cause areas of contention within the City.

Roscoe Lee, 1631 Antique Lane, indicated code enforcement continues to be major issue in the City, as these concerns are frequently repeated at “Coffee with the City Manager” on Fridays. He noted his support of the sign program.

There were no other public comments and the Public Hearing was closed at 7:39 p.m.

**Motion to take to Committee any action regarding the amendment of Chapter 9, Section 9-33 (entitled “Inspection of Premises; Ordering Remedial or Preventive Action”) of the Nassau Bay Municipal Code to allow the City to provide notice and opportunity to cure and then to take remedial or preventive action at City cost and to charge the cost to owner and file a lien**

Mayor Pro Tem Don Matter motioned to continue with standard proceedings and holdover the first reading of the ordinance until the next meeting. The motion was seconded by Councilmember John Mahon. City Manager Jason Reynolds requested further discussion and asked if Council would like to propose any amendment to the program.

Councilmember Bryce Klug indicated he liked the direction of the program but is hesitant regarding any potential infringement of a homeowner’s rights. He cited concern on the power of future City Councilmembers to abuse the program. He indicated a fine-based program may be a more appropriate option for curbing code violations. Councilmember Matt Prior requested to review a sample of the potential sign to be placed in the yard of a homeowner, with Councilmember Ashley Graves in agreement.

Mayor Mark Denman remarked positively on the program, and he believes City staff are doing their best to reduce code violations in the City. Additionally, he emphasized the need to provide staff all of the tools necessary to help with code enforcement. Ending, Mayor Denman asked for Council’s trust of staff in properly utilizing the sign program for code enforcement.

City Attorney Dick Gregg, Jr. noted there was still a second reading of the ordinance. At this time, Mayor Pro Tem Matter withdrew his motion and asked to holdover the ordinance amendment to a second reading at the August Council meeting.

Councilmembers proceeded to discuss possible amendments and recommendation for changes to the program. Councilmember Klug motioned for an amendment to the ordinance for the allowance such that if a homeowner begins remedy the code violations, the homeowner can request removal of the sign. He specifically wanted to incorporate an appeal process to the sign program.

Mayor Denman requested for Council to leave the discretion of the sign program to City staff. Mayor Pro Tem motioned to withdraw any of his motions.

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 CHAPTER 9, SECTION 9-33 (ENTITLED "INSPECTION OF PREMISES; ORDERING REMEDIAL OR PREVENTIVE ACTION") OF THE NASSAU BAY MUNICIPAL CODE TO ALLOW THE CITY TO PROVIDE NOTICE AND OPPORTUNITY TO CURE AND THEN TO TAKE REMEDIAL OR PREVENTIVE ACTION AT CITY COST AND TO CHARGE THE COST TO OWNER AND FILE A LIEN.

Continued discussion ensued, with Councilmembers in agreement that the program needed additional fine tuning.

It was moved by Councilmember Bryce Klug, seconded by Councilmember Ashley Graves, to take the issue of code enforcement and the ordinance to a committee for further exploration.

Motion passed 5 – 1, Mayor Mark Denman opposed.

**Public Hearing on the amendment of Nassau Bay Municipal Code Chapter 4 – Buildings and Construction, Article V. – Contractor Registration and Building Department Fees, to add Section 4-157. – Permits for Construction Activity**

Mayor Denman announced a Public Hearing for citizens to address Council regarding this specific amendment to the Nassau Bay Municipal Code.

**Public Hearing was opened at 7:54 p.m.**

Councilmember Ashley Graves requested additional information on the proposed amendment to Chapter 4, Article V, specifically inquiring on the fee structure related to lapsed building permits. Assistant City Manager Mary Chambers noted the fee structure is outlined in the Council packet, but briefly overviewed the fees for public knowledge. Mrs. Chambers provided a summary of the ordinance, as the proposed ordinance now provides for the expiration of building permits. Permits will now expire on the first (1st) anniversary of the issuance date, regardless of the date the construction actually started. Once expired, a building permit will require additional review and fees to grant an extension. Extension requests will be appealed to the Building Official, with further appeals to the Board of Adjustment. Mrs. Chambers indicated this proposed amendment is also a result of the March 2019 City Council Planning Retreat.

Assistant City Manager Chambers noted the ordinance went before the Planning Commission and passed with the amendment and addition of a severability clause.

Councilmember Klug congratulated staff for a well thought out and much needed process for lapsed building permits.

Roscoe Lee, Planning Commission Chairman, stated the ordinance does address some homes that have been in the construction phase for many years, as progress can often be subjective, allowing the building permit to remain active. Additionally, he noted there would be no grandfathering of previous building permits, with a penalty for violation.

There were no other public comments and the Public Hearing was closed at 7:59 p.m.

**Approval of first of two readings of an Ordinance amending Nassau Bay Municipal Code Chapter 4 – Buildings and Construction, Article V. – Contractor Registration and Building Department Fees, to add Section 4-157. – Permits for Construction Activity**

There was no further discussion by City Council on the Ordinance.

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 MUNICIPAL CODE CHAPTER 4 – BUILDINGS AND CONSTRUCTION, ARTICLE V. – CONTRACTOR REGISTRATION AND BUILDING DEPARTMENT FEES, TO ADD SECTION 4-157. – PERMITS FOR CONSTRUCTION ACTIVITY.

(Said Ordinance is of record in Ordinance Book No. 13 of the City of Nassau Bay, Texas, being Ordinance No. O2019-786.)

It was moved by Councilmember Bryce Klug, seconded by Councilmember Ashley Graves, to approve the first of two reading of an Ordinance amending Nassau Bay Municipal Code Chapter 4 – Buildings and Construction, Article V. – Contractor Registration and Building Department Fees, to add Section 4-157. – Permits for Construction Activity.

Motion passed 6 – 0.

**CITIZENS’ REQUEST FOR HEARING BEFORE CITY COUNCIL**

Mayor Denman announced a Public Hearing for citizens to address Council regarding any issues or concerns.

The Public Hearing was opened at 8:00 p.m.

There being no public comments, the Public Hearing was immediately closed.

**COUNCILMEMBERS’ COMMENTS/REPORTS**

Councilmember Matt Prior commented on the successful Fourth of July parade and fireworks. He commended the volunteers, staff, NBVFD, Police Department, EMS Department, and Public Works for their efforts in Nassau Bay’s signature event.

Councilmember Ashley Graves began her comments by expressing her appreciation to the City for a wonderful Fourth of July event. Additionally, she reminded the public of CANBE’s upcoming fundraiser on September 20th, from 6:00pm to 9:00pm, at Nassau Bay City Hall. The event will highlight businesses in Nassau Bay.

Mayor Pro Tem Don Matter complimented the Fourth of July fireworks show, and also highlighted the presence of Harris County Commissioner Adrian Garcia in the parade. Mayor Pro Tem Matter noted he had a productive discussion with Commissioner Garcia regarding funding for Clear Creek mitigation issues.

## **MAYOR'S COMMENTS/REPORTS**

Mayor Mark Denman echoed similar sentiments, also praising the Fourth of July fireworks show. He continued by describing his monthly Mayors' meetings, in which thirteen Mayors around the Bay gather to discuss issues important to the region. In the group's recent visit to Austin, the Mayors met with five state elected representatives, specifically discussing the diminishing control given to cities to govern themselves at a local level.

## **REPORTS FROM STAFF MEMBERS & COMMITTEES**

### **City Manager**

City Manager Jason Reynolds began his comments by echoing Council on the excellent Fourth of July parade and event. He highlighted the special tribute to Chris Reed along the parade route, which made the event even more memorable. He continued by announcing the City's upcoming events, including the City's Apollo 11 celebration at the Hilton on July 20th and the Movie in the Park on July 21st. In addition, he provided caution to all, as Space Center Houston is anticipating crowds to reach 40,000 visitors during the Apollo weekend celebration. He indicated residents should expect lane closures on NASA Parkway. When the City is provided the lane closure map, it will be placed on the City's website and social media. Mr. Reynolds ended his comments by announcing next year the City of Nassau Bay will be celebrating its 50th anniversary.

### **Fire Department**

President Matt Roper presented the Fire Department's June status report. Mr. Roper stated the Department responded to 31 calls and logged 858 man hours. Current membership holds at 35 members, with two members designated as special assignment. Mr. Roper expressed delight regarding the Fourth of July event, as the NBVFD enjoys being a part of the special event and activities.

### **Parks & Recreation**

Parks & Recreation Committee Chairman Roscoe Lee remarked on the Committee's recent trip to the Houston Zoo to visit the bee pollinator gardens. The Committee is considering placing one within the City, and stated the tour was an overall great experience.

## **NEW BUSINESS**

### **Authorization of the addition of a new account to the City's depository bank portfolio for the purpose of receiving EMS revenue**

Finance Director Csilla Ludanyi began her comments by recalling the May 2019 City Council meeting, in which Council voted to enter into a contract with a new EMS billing contractor. The receipting of payments via the new contractor will be directly to the City instead of via the billing contractor. All automatic payments will be directly deposited to the City's EMS revenue account. By maintaining a separate account for this purpose, Ms. Ludanyi noted the reconciliation of the City's accounts will be simplified by adding the new EMS account. Additionally, she stated the City will continue to maintain the same three

authorized signers on this bank account, which are Jason Reynolds, Csilla Ludanyi, and Sandra Ham.

It was moved by Councilmember Bryce Klug, seconded by Mayor Pro Tem Don Matter, to authorize the addition of a new account to the City's depository bank portfolio for the purpose of receiving EMS revenue.

Motion passed 6 – 0.

**Tabling of a resolution authorizing the City Manager to sign a First Amendment to Communication Site Lease Agreement with Clear Wireless LLC**

Assistant City Manager Mary Chambers provided an overview of the Site Lease Agreement with Clear Wireless, LLC. The primary lease between Clear Wireless and Nassau Bay is a 30-year lease. The lease commenced on 12/10/2009 and the first term of the lease was five (5) years with five (5) successive 5-year renewal terms added. The lease is not set to expire until 12/10/2039. Additionally, she noted the lease rate currently in place is for \$1,800 per month, with the amended lease rate to be \$2,300 per month.

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, AUTHORIZING THE CITY MANAGER TO SIGN A FIRST AMENDMENT TO COMMUNICATION SITE LEASE AGREEMENT WITH CLEAR WIRELESS LLC.

It was moved by Councilmember Bryce Klug, seconded by Mayor Pro Tem Don Matter, to approve the resolution authorizing the City Manager to sign a First Amendment to Communication Site Lease Agreement with Clear Wireless LLC.

Mayor Pro Tem Matter continued discussions by inquiring whether Clear Wireless would be allowed to sublease, and if so, would Nassau Bay receive revenue from the sublease. Assistant City Manager Chambers indicated Clear Wireless could sublease but they would have to go through Nassau Bay first for approval.

Mayor Pro Tem Matter noted he would only second the motion for approval if the sublease would pay revenue to Nassau Bay. Mrs. Chambers indicated she would need to go back to the original lease agreement to determine if that is correct. Councilmember Ashley Graves inquired whether if approved at this meeting, would Nassau Bay begin collecting funds immediately, with Mrs. Chambers indicating that the City would.

Mayor Pro Tem Matter rescinded his second, and furthermore, called for a motion to table the subject until the original lease agreement regarding payment by sublessors is clarified to City Council. There was no new additional second to the original motion made by Councilmember Klug. Motion failed.

It was moved by Mayor Pro Tem Don Matter, seconded by Councilmember Bryce Klug, to table the resolution authorizing the City Manager to sign a First Amendment to Communication Site Lease Agreement with Clear Wireless LLC.

Motion passed 6 – 0.

## **FIRST READING OF ORDINANCES**

### **Approval of an ordinance amending the FY19 Budget (first and only reading)**

Finance Director Csilla Ludanyi indicated approval of this ordinance is to ensure funds are expended at the legal level of authority. Additionally, a Budget Amendment is recommended to best recognize revenue and expenditures for the preparation of the FY20 Budget. She continued by providing a summarization of the changes for Council to approve, including changes in the General Fund Revenue, the largest of these being FEMA revenue from Hurricane Harvey for the David Braun Park Pavilion and increased Carry Forward from FY2018.

There was also a change in General Fund Expenditures, which is a housekeeping amendment, with the largest increase related to the FEMA Hurricane Harvey pavilion repairs. Other items of note are audit related (expenditures delayed from FY18 captured in FY19), several contract services items (due to transitions in staffing), and code enforcement related to recent home demolitions. With all General Fund amendments totaled, projections show the City will end FY2019 with approximately 152 days of reserves.

Additional changes for consideration are a General Fund Intra-Department Transfer, which is a housekeeping wage item within the Emergency Management and Police Departments respectively. Finance Director Ludanyi also overviewed the change in the Water & Sewer Fund, which is a housekeeping revenue item accounting for an increase in FY2018 Carry Forward as well as FEMA Hurricane Harvey revenue. Expenditure related changes for capital improvement projects will provide for funding at the legal level of authority. These capital expenditures will draw down the Water & Sewer Fund reserves to 61 days, however after the TWDB debt issuance is complete, the City can reimburse the Southeast Transmission Line project costs to the reserve. Lastly, there was a change described as all other funds, with housekeeping items related to FEMA grant funding and Harris County Storm Water Drainage funding.

Councilmembers held a brief discussion to clarify the amendments and to inquire on several details found within the budget changes. Councilmember Bryce Klug remarked on the end of year reserves, specifically on how the City can efficiently use these funds in the future.

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 FY19 BUDGET TO RECOGNIZE INCREASES IN GENERAL FUND EXPENDITURES TOTALING \$603,590, INCREASES IN WATER AND SEWER FUND EXPENDITURES TOTALING \$406,062, INCREASES IN DEBT SERVICE FUND REVENUE TOTALING \$230, INCREASES IN TOURISM FUND EXPENDITURES TOTALING \$17,500, INCREASES IN SPECIAL REVENUE & GRANT FUND EXPENDITURES TOTALING \$472,550, AND INCREASES IN CAPITAL PROJECTS FUND EXPENDITURES TOTALING \$114,830.

(Said Ordinance is of record in Ordinance Book No. 13 of the City of Nassau Bay, Texas, being Ordinance No. O2019-787.)

It was moved by Councilmember Bryce Klug, seconded by Councilmember Matt Prior, to approve Ordinance O2019-787 amending the FY19 Budget by first and only reading.

### **EXECUTIVE SESSION**

Meeting recessed to Executive Session at 8:31 p.m. as authorized by Texas Government Code, Chapter 551, Open Meetings, Subchapter D, Exceptions to Requirement that Meeting be Open, with Mayor Denman reading from the posted agenda the following topic to be discussed in Executive Session:

1. §551.074 Personnel – Discussion of membership of the Board of Directors for Reinvestment Zone Number One (TIRZ).
2. §551.074 Personnel – Discussion of membership of the Board of Directors for the NASA Area Management District (NAMD).

Meeting returned to Open Session at 8:55 p.m.

### **ACTION ITEMS FROM EXECUTIVE SESSION**

#### **Approval of a resolution reappointing Ron Swofford and Donald C. Matter and appointing Ashley Graves to the Board of Directors for Reinvestment Zone Number One (TIRZ) for two-years terms to expire December 31, 2020**

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, REAPPOINTING / APPOINTING MEMBERS TO THE BOARD OF DIRECTORS FOR REINVESTMENT ZONE NUMBER ONE, AND APPOINTING MARK A. DENMAN AS CHAIR.

(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2019-2179.)

It was moved by Councilmember John Mahon, seconded by Councilmember Ashley Graves, to approve a resolution reappointing Ron Swofford and Donald C. Matter and appointing Ashley Graves to the Reinvestment Zone Number One (TIRZ) as discussed in executive session.

Motion passed 6 – 0.

#### **Approval of a resolution reappointing Janie Snider and Pete Seroka and appointing Doug Tracy to the NASA Area Management District (NAMD) Board of Directors for four-year terms of office to expire June 1, 2023**

The caption of the resolution reads as follows:

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

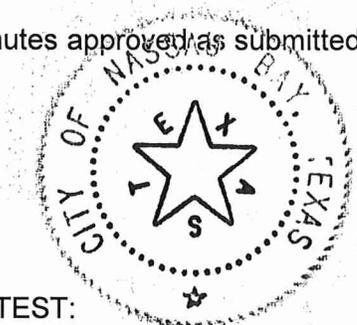
(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2019-2180.)

It was moved by Mayor Pro Tem Don Matter, seconded by Councilmember Matt Prior, to approve a resolution reappointing Janie Snider and Pete Seroka and appointing Doug Tracy to the NASA Area Management District (NAMD) Board of Directors as discussed in executive session.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 8:57 p.m.

Minutes approved as submitted and/or amended this 12th day of August, A.D. 2019.



CITY OF NASSAU BAY, TEXAS

A handwritten signature in black ink, appearing to read 'Mark A. Denman', is written over a horizontal line.

Mark A. Denman  
Mayor

ATTEST:

A handwritten signature in blue ink, appearing to read 'SVA', is written over a horizontal line.

Sandra V. Ham  
City Secretary