THE CITY OF

200 West Second St • Freeport, TX 77541



FREEPORT

979.233.3526 • Fax 979.233.8867

AGENDA REGULAR MEETING FREEPORT CITY COUNCIL MONDAY, JANUARY 7, 2019 at 6:00 P.M.

Mayor:

Troy Brimage

Council Members:

<u>City Manager:</u> Timothy Kelty

Ken Green Brooks Bass Sandra Loeza Roy Yates

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON MONDAY, THE 7th DAY OF JANUARY 2019, AT 6:00 P.M., AT THE FREEPORT POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD, FREEPORT TEXAS FOR THE FOLLOWING PURPOSES:

CALL TO ORDER: The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.

INVOCATION AND PLEDGE OF ALLEGIANCE: (Council Member)

CITIZENS' COMMENTS:

Members of the public are allowed to address the City Council at the time. Note, specific factual information or a recitation of existing policy may be furnished in response to an inquiry made, but any deliberation, discussion, or decision with respect to any subject about which the inquiry was made shall be limited to a proposal to place such subject on the agenda for a subsequent meeting for which notice is provided in compliance with the Texas Open meetings Act unless said notice appears herein. The public is reminded that there is a (4) minute time limit as approved by City Council on June 21, 2010.

COUNCIL BUSINESS - REGULAR SESSION:

- 1. Consideration and possible action on the approval of City Council meeting minutes from December 17, 2018, December 18, 2018, December 26, 2018. Pg. 1-10
- Consideration of approving the Mayor and City Secretary to sign and attest a Real Estate Lease with Gulf LNG Services for 1,068 square feet of space on the second floor of the Freeport City Hall. (Hawkins) Pg. 11-16

- 3. Consideration of approving the City Manager to negotiate extensions on all Industrial District Contracts. (Kelty) Pg. 17
- 4. Consideration of rescheduling the 2nd regular meeting in January.

WORK SESSION:

- 5. The City Council may deliberate and make inquiry into any item listed in the Work Session.
 - A. Mayor Troy T. Brimage announcements and comments.
 - B. Councilman Green Ward A announcements and comments.
 - C. Councilman Bass Ward B announcements and comments.
 - D. Councilwoman Loeza Ward C announcements and comments.
 - E. Councilman Yates Ward D announcements and comments.
 - F. City Manager Tim Kelty announcement and comments
 - G. Updates on current infrastructure.
 - H. Update on reports / concerns from Department heads.

CLOSED SESSION:

6. Executive Session regarding economic development matters (Economic Development Corporation Project #2019-2), Chapter 551, 551.087

Items not necessarily discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

7. Adjourn.

ACCESSIBILITY STATEMENT This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 233-35261.

CERTIFICATE I certify the foregoing notice was posted in the official glass case at the rear door of the City Hall, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, before 5:00 p.m. on this the

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Monday, December 17, 2018 at 6:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council:

Mayor Troy T. Brimage Councilman Brooks Bass Councilman Ken Green Councilwoman Sandra Loeza Councilman Roy E. Yates

Staff:

Tim Kelty, City Manager

Laura Tolar, Asst. City Secretary/Special Projects Coordinator

Wallace Shaw, City Attorney Nat Hickey, Property Manager Chris Motley, Fire Chief Ray Garivey, Police Chief Kim Townsend, Parks Director

Loni Kershaw, Human Resources Director

Brian Dybala, Golf Course Director

David Hoelewyn, Street Department Director

Jerry Meeks, Veolia Water

Jennifer Hawkins, Economic Development Director Billy Shoemaker, Building Department Director Yvette Ruiz, Building Department Secretary

Visitors:

Christina Travis Manning Rollerson Tommy Pearson Sandra Barnett Louie Jones Carol Jansky

Kenny Hayes Desiree Pearson Jim Barnett Edmeryl Williams Spencer Marston

Valerie Jansky

Call to order.

Mayor Troy T. Brimage called the meeting to order at 6:00 p.m.

Invocation.

Wallace Shaw offered the invocation.

Pledge of Allegiance.

Mayor Troy T. Brimage led the Pledge of Allegiance.

Citizen's Comments

Manning Rollerson spoke regarding the East End property and the city selling its interest in that portion of town and not informing citizens. Mr. Rollerson said that he was waiting on rulings on two federal cases.

Mayor Brimage told Mr. Rollerson he can hold on to his land that the City of Freeport has no deals with the PortFreeport.

CONSENT AGENDA

Consideration and possible action on the approval of City Council meeting minutes from November 19, 2018.

Consideration of the approval of declaring a 2001 Police Car as surplus.

Consideration of approving Fire Department bunker gear surplus (Motley)

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved all items on the consent agenda.

REGULAR SESSION

Public Hearing: Conduct a Public Hearing on, and consider approval of a proposed re-plat of San Bernard Bend Addition Lot 1, Block 1 being a plat of a 2.10-acre tract of land situated in the Sterling McNeil Survey, Abstract No. 94, Brazoria County, Texas being a portion of that certain 19.89-acre tract of land described in deed to Lynus D. Gillespie and wife, Judy M. Gillespie as recorded in instrument No. 2002004307, Official Pubic Records of Brazoria County, Texas

Mayor Brimage opened the public hearing at 6:08pm.

Mayor Brimage announced that this property is located in the city's extraterritorial jurisdiction.

There were no comments from the public.

On a motion by Councilman Bass, seconded by Councilman Yates, with all present voting "Aye", Council unanimously approved closing the public hearing.

Mayor Brimage closed the public hearing at 6:09 pm

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved the proposed re-plat of San Bernard Bend Addition Lot 1, Block 1 being a plat of a 2.10-acre tract of land situated in the Sterling McNeil Survey, Abstract No. 94, Brazoria County, Texas being a portion of that certain 19.89-acre tract of land described in deed to Lynus D. Gillespie and wife, Judy M. Gillespie as recorded in instrument No. 2002004307, Official Pubic Records of Brazoria County, Texas.

Public Hearing: Conduct a Public Hearing on, and consider approval of a proposed re-plat of Hampil-Charlton River Estates, 0.737-acre, 3 Lots, amended plat Lots 12, 13 and 14, Block 2, Brazoria County, Texas

Mayor Brimage opened the public hearing at 6:09 pm.

Mayor Brimage announced that this property is located in the city's extraterritorial jurisdiction.

There were no comments from the public.

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all present voting "Aye", Council unanimously approved closing the public hearing.

Mayor Brimage closed the public hearing at 6:10 pm

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved the proposed re-plat of Hampil-Charlton River Estates, 0.737-acre, 3 Lots, amended plat Lots 12, 13 and 14, Block 2, Brazoria County, Texas.

Consideration of approving financing for the new fire truck

City Manager Tim Kelty advised that this would be financed for five years.

Mr. Kelty said that they were asking for permission to sign the contract with legal counsel approval. He also said that in the future they would be looking for financing with local banks in the future.

Councilman Yates asked what the price was of the new fire truck.

Mr. Kelty said that it was approximately \$800,000.

On a motion by Councilwoman Loeza, seconded by Councilman Bass, with all present voting "Aye", Council unanimously approved the financing of the new fire truck with legal counsel approval.

Consideration of Resolution 2018-2561 authorizing the Mayor to sign and the City Secretary to attest to a deed without warranty conveying the City's interest in Lot 8, Block 8, Velasco Townsite, City of Freeport to the successful bidder

Laura Tolar stated that there was only one bidder and that Thomas & Robin Baugh submitted a bid for \$2,750.

Mayor Brimage said that he felt it was a fair price.

On a motion by Councilman Green, seconded by Councilwoman Loeza, with all present voting "Aye", Council unanimously approved Resolution 2018-2561 authorizing the Mayor to sign and the City Secretary to attest to a deed without warranty conveying the City's interest in Lot 8, Block 8, Velasco Townsite, City of Freeport to the successful bidder

Consideration of authorizing an agreement for annual audit services from Whitley Penn

Mr. Kelty said that he contacted 15 cities and nine responded. He interviewed two firms which he felt like Whitley Penn was more eager to do the work. He stated that it could cost about \$50,000.

A representative with Whitley Penn stated that they have about 100 employees in their Houston office dedicated to the public sector. She said that they do about 25 cities and 25 school districts and H-GAC. She stated that they have about 100 years of combined experience.

Mr. Kelty stated that they have experience with having to look hard at the books.

The representative stated that they document personal controls and would do a walk through around January if selected. She said that they would look at any areas that would need to be investigated and plan to end the audit by May.

Councilwoman Loeza asked about this being over budget.

Mr. Kelty stated that \$36,000 was budgeted.

On a motion by Councilman Yates, seconded by Councilman Bass, with all present voting "Aye", Council unanimously approved authorizing an agreement for annual audit services from Whitley

Consideration of approving Budget Adjustment #2 of the 2017-2018 Annual Budget

Mr. Kelty asked council to approve this budget amendment excluding the insurance portion.

Budget Adjustments reviewed:

- A budget adjustment for Nat Hickey for \$21,000 because it was not included in the EDC
- A budget adjustment for land acquisition for \$10,000 for any land purchases needed.
- A budget adjustment for a note receivable for an EDC loan in the City's name.
- A budget adjustment for professional fees for a survey by Baker and Lawson.
- A budget adjustment for a major electrical breakdown at RiverPlace for \$18,000.
- A budget adjustment for the street department capital for the interlocal agreement where the work was not completed in the budget year.
- A budget adjustment for a payment to Oyster Creek for sewer. This had been renegotiated and historically the cost was covered by Veolia but now needs to be in the City's budget.
- A budget adjustment for \$16,000 for a Fire Department grant for clothing
- A budget adjustment for money for training for the Fire Department.
- A budget adjustment for a fire bay expansion for the new fire truck to be parked inside.

Mayor Brimage stated that the interlocal street repairs had previously been done every other year but is currently being done annually.

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all present voting "Aye", Council unanimously approved authorizing Budget Adjustment #2 of the 2017-2018 Annual Budget

Consideration of approving the lease of a bucket truck for the Parks Department

Mr. Kelty stated that this lease was contingent on legal counsel approval like the fire truck.

Parks Director Kim Townsend stated that a ladder rack and a 2-man platform would be needed. Annually the cost of renting equipment that this bucket truck could perform would be approximately \$30,000. The bucket truck will be purchased from source where the price has been competitively bid. Ms. Townsend stated that the bucket truck is used for banners, to get on top of buildings, street light repairs, changing out flags and ours currently is not safe anymore.

Ms. Townsend informed council that they had looked for used bucket trucks but the boom and lift have to be certified annually and that is difficult to do in older models.

Mayor Brimage asked Ms. Townsend to research used buckets trucks.

This item was tabled.

Consideration of awarding the bid for Skinner Street Elevated Water Tower and authorizing the Mayor to sign and the City Secretary to attest to such contract

Mr. John Mercer from John D. Mercer & Associates told City Council that they had received several bids. His recommendation is to award the project to the lowest bidder. The lowest bid received was \$365,000 and the work should be completed within 150 days. Mr. Mercer said that there is an allowance included for any patchwork that might be needed.

Mr. Mercer said that \$250,000 of the funding will come from a grant. The water tower will be out of service 5-7 months and a reduction in water pressure might be noticed.

On a motion by Councilman Bass, seconded by Councilman Yates, with all present voting "Aye", Council unanimously approved awarding the bid for Skinner Street Elevated Water Tower and authorizing the Mayor to sign and the City Secretary to attest to such contract.

Consideration of approval of service agreement with Strategic Government Resources

Mr. Kelty stated that he was requesting an interim finance director from Strategic Government Resources (SGR). The cost will be \$71.64 per hour and would start in January and work at least until May when the audit is complete. SGR would receive a \$5,000 finders fee if the city hires the individual.

On a motion by Councilman Bass, seconded by Councilman Yates, with all present voting "Aye", Council unanimously approved the service agreement with Strategic Government Resources.

WORK SESSION:

Mayor Troy T. Brimage announcements and comments.

Mayor Brimage stated that there are currently road repairs at Hwy 36 and Velasco.

He stated a woman had backed into river and the car went under. The woman was found by a Facts reporter covering the story and wanted to present her with a good citizen award.

Mayor Brimage stated that one of his home was in the Christmas Parade of Homes.

Councilman Green Ward A announcements and comments

Councilman Green discussed drainage issues in the alley on 10th street and 1st & 2nd Streets at Oak

Councilman Green added that the Parks look fabulous.

Councilman Bass Ward B announcements and comments

Councilman Bass said that he would like to thank Mayor Brimage for putting the citizens first and that he was very happy with the new city manager. He stated that he liked the new agenda format and the employees have been doing a good job.

Councilwoman Loeza Ward C announcements and comments

Councilwoman Loeza questioned the ownership of the property next to the Salvation Army.

Councilman Yates Ward D announcements and comments

Councilman Yates said Mr. Hickey should have a contract for 95 years and that all the employees are

Update on reports / concerns from Department heads.

David Hoelewyn - Street Department

Mr. Hoelewyn stated they were working on the following projects:

- Handicap Ramps
- 5th & 6th Streets
- Seven different alleys
- Line Locates
- Drainage
- Working by the new houses on Avenue F
- 700 Block of Avenue D
- will begin asphalting the alley behind On the River tomorrow

Mr. Hoelewyn added that the tractor had been delivered and the sweeper will be delivered soon.

Billy Shoemaker - Building Department

Mr. Shoemaker showed slides of property improvements. Mayor Brimage asked Mr. Shoemaker to be working on the Freeport Community House and Antonelli's Root Beer Stand. Mr. Shoemaker added that they are getting the alleys cleaned up.

Kim Townsend - Parks Department

Ms. Townsend showed pictures of vehicle ruts created in the parks.

Adjourn

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all present voting "Aye", Mayor Brimage adjourned the meeting at 7:16 PM.

Mayor, Troy T. Brimage City of Freeport, Texas

Assistant City Secretary, Laura Tolar City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Tuesday, December 18, 2018 at 4:30 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council:

Mayor Troy T. Brimage Councilman Brooks Bass Councilman Ken Green Councilwoman Sandra Loeza Councilman Roy E. Yates

Staff:

Tim Kelty, City Manager

Laura Tolar, Asst. City Secretary/Special Projects Coordinator

Visitors:

Call to order.

Mayor Troy T. Brimage called the meeting to order at 4:34 p.m.

Mayor Troy T. Brimage closed the open session and opened the executive session at 4:35 pm.

CLOSED SESSION:

Executive Session to consult with City Attorney (MUD District) in accordance with Vernon's Texas

Mayor Troy T. Brimage closed the executive session and opened the regular session at 5:27 pm.

COUNCIL BUSINESS - REGULAR SESSION:

Consideration in open session of taking action on any matter discussed in closed executive session. No action taken.

Adjourn

On a motion by Councilwoman Loeza, seconded by Councilman Green, with all present voting "Aye", Mayor Brimage adjourned the meeting at 5:27 PM.

Mayor, Troy T. Brimage City of Freeport, Texas

Assistant City Secretary, Laura Tolar City of Freeport, Texas

State of Texas

County of Brazoria

City of Freeport

BE IT REMEMBERED, that the City Council of Freeport, Texas met on Wednesday, December 26, 2018 at 4:00 p.m. at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, Freeport Texas for the purpose of considering the following agenda items:

City Council:

Mayor Troy T. Brimage Councilman Brooks Bass Councilman Ken Green Councilwoman Sandra Loeza Councilman Roy E. Yates

Staff:

Tim Kelty, City Manager

Laura Tolar, Asst. City Secretary/Special Projects Coordinator

Chris Motley, Fire Chief

David Hoelewyn, Street Department Director

Visitors:

Tommy Pearson

Call to order.

Mayor Troy T. Brimage called the meeting to order at 4:00 p.m.

REGULAR SESSION

Consideration of approving financing agreement for purchase of 2018 Tennant-Sentinel Mechanical Sweeper and authorizing the mayor to sign and the city secretary to attest to the same

Tim Kelty stated that the City previously considered using Welch State Bank. The City had contacted a local bank which has better terms. There will be four payments of \$54,960

On a motion by Councilman Bass, seconded by Councilman Green, with all present voting "Aye", Council unanimously approved the financing agreement for purchase of 2018 Tennant-Sentinel Mechanical Sweeper and authorizing the mayor to sign and the city secretary to attest to the same.

Consideration of approving financing agreement for purchase of Spartan 4 Door Custom Fire Truck and authorizing the mayor to sign and the city secretary to attest to the same

Mr. Kelty stated that the financing for the fire truck would also be with a local bank. There will be

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all present voting "Aye", Council unanimously approved the financing agreement for purchase of Spartan 4 Door Custom Fire Truck and authorizing the mayor to sign and the city secretary to attest to the same.

Adjourn

On a motion by Councilman Bass, seconded by Councilwoman Loeza, with all present voting "Aye", Mayor Brimage adjourned the meeting at 4:04 PM.

Mayor, Troy T. Brimage City of Freeport, Texas

Assistant City Secretary, Laura Tolar City of Freeport, Texas



FREEPORT

979.233.3526 • Fax 979.233.8867

City Council Agenda Item #2

Title: Consideration of approving the Mayor and City

Secretary to sign and attest a real estate Lease agreement with Gulf LNG for suite 200 on the second floor of City

Date:

January 7. 2019

From:

Tim Kelty, City Manager

Staff Recommendation: Staff recommends approval of the Lease agreement.

Item Summary: Gulf LNG has requested a two-year lease for the currently vacant Suite 200 located on 2nd floor of City Hall. Tenant requests a February 1, 2019 movein date. The lease proposed includes a monthly rate of \$0.79 per square foot per month (\$841.35), plus utilities (electric).

Background Information: Ste. 200 has been unoccupied for over 6 months. Rick Stephanow, Operations Manager for Gulf LNG Services would like a 2-year lease. Gulf LNG has a 25-year contract with Freeport LNG, and it's possible (as per Mr. Stephanow) Gulf LNG would extend their lease accordingly.

Special Considerations: The contract calls for minor aesthetic improvements in the

Financial Impact: \$10,096 per year plus utilities.

Board or 3rd Party recommendation: None

Supporting Documentation: Lease agreement.

LEASE OF REAL PROPERTY

PARTIES: This Lease agreement made and entered into by and between the CITY OF FREEPORT, TEXAS, a municipal corporation, hereinafter designated LESSOR, and Gulf States, LNG, a Texas corporation, having its principal office in Freeport, Texas, hereinafter designated LESSEE, whereby Lessor leases unto Lessee the following described office space in the City of Freeport, in Brazoria County, Texas, together with any fixtures located therein, hereinafter collectively "the premises", to-wit:

A portion of the improvements located on Lots 1 through 12 and Lot 15, Block 46, Freeport, Town site of the City of Freeport, Texas, consisting of the second floor offices in the City Hall of the City of Freeport currently numbered Rooms 200, 200B, 200C, 201,202 and 203, 203A which includes 1,068 square feet of floor space in the aggregate, (hereinafter collectively "the office").

TERM: The term of this Lease is for twenty-four (24) months, beginning February 1, 2019, and unless sooner terminated as hereinafter provided, ending November 30, 2021.

RENTAL: Lessee pay a monthly rental for the office of \$0.79 per square foot or \$841.35 per month, payable in advance, plus the utility payment provided for below.

<u>USE OF OFFICE:</u> Lessee agrees to use the office for a private business office only and for no other purpose.

PROHIBITED USE OF OFFICE: Lessee hereby covenants not to make or allow to be made by any person whomsoever any unlawful, improper or offensive use of the office, or any use which violates any applicable statute, ordinance or code, including but not being limited to all applicable health and fire codes.

ACCEPTANCE OF OFFICE BY LESSEE: Lessee acknowledges that Lessee has fully inspected the office and on the basis of such inspection, Lessee hereby accepts the office after all walls have been resurfaced and painted, missing baseboard in office 200B is replaced and missing drawer slat in office 203A is replaced.

REPAIRS AND CLEANG BY LESSEE: Lessee shall, throughout the term of this Lease, take good care of the office, keep the office free from waste or nuisance of any kind, and make all necessary repairs there to not exceed One Thousand and no/100 (\$1,000.00) Dollars at any one time. All repairs in excess of such amount shall be made by Lessor, who shall have the option of either making such repairs or terminating this lease. At the end or other termination of this Lease, Lessee shall deliver up the office in equal repair and condition as at beginning of lease term, reasonable wear and tear and damage by fire, tornado or other casualty only excepted. Lessee shall be responsible for all costs

incurred in keeping the premises clean.

ASSIGNMENT ETC. PROHIBITED: Lessee shall not assign, let, sublease, mortgage or pledge this Lease, nor rent the office, or any part thereof, without the prior written consent of Lessor.

<u>LAWS:</u> Lessee agrees to comply with all laws, rules and orders of Federal, State and Municipal Governments and all of their departments applicable to the premises.

INSURANCE: Lessee agrees to obtain and maintain at Lessee's expense during the term of this lease a policy of public liability insurance for bodily injury or death in the maximum amount specified by Section 101.023, Civil Practice and Remedies Code of Texas, as it now provides or hereafter is amended to provide, as the minimum amount of liability insurance required of Lessor under this lease.

INDEMNITY: Lessee hereby AGREES TO INDEMNIFY AND SAVE HARMLESS Lessor and the officers, agents and employees of Lessor and their respective heirs, executors, administrators, successors and assigns (hereinafter collectively "the indemnified parties"), from any and all damages, expenses, reasonable attorney's fees and costs of court which they or any of them may suffer or incur, jointly or severally, as a result of any claims being made against them, or any of them, by the Lessee, or the officers, agents, employees, invitees, licensees, permittees or contractors of Lessee, and their respective heirs, executor, administrators, successors and assigns, or any other persons, associations or corporations whomsoever, (hereinafter collectively "the Claimants") . As used herein, the term "claims" include claims for labor performed on the premises or materials furnished to or at the request of Lessee, or the officers, agents, employees or contractors of Lessee, and any expenses, reasonable attorney fees and costs of court in connection therewith, as well as any and all other claims for liabilities, damages, expenses, reasonable attorney's fees and costs of court which the Lessee or the officers, agents, employees, invitees, licensees, permittees, contractors, successors or assigns of Lessee, may have arising out of any other occurrence on or about the premises, and it INCLUDES, BUT IS NOT LIMITED TO ANY CLAIMS, KNOWN AND UNKNOWN, BASED, IN WHOLE OR IN PART, ON THE NEGLIGENCE, FAULT OR STRICT LIABILITY OF THE LESSOR OR THE OFFICERS, AGENTS, EMPLOYEES, INVITEES, LICENSEES, PERMITTEES OR CONTRACTORS OF LESSOR, OR ANY OF THEM, WHETHER OCCURRING JOINTLY, CONCURRENTLY OR WITH THE COMPARATIVE NEGLIGENCE, FAULT OR STRICT LIABILITY OF THE LESSEE OR THE OFFICERS, AGENTS, EMPLOYEES, INVITEES, LICENSEES, PERMITTEES OR CONTRACTORS OF LESSEE, OR ANY OTHER PERSON OR ENTITY WHOMSOEVER.

ALTERATIONS: The Lessee shall not make any alterations, additions, or improvements to the office, without the prior written consent of the Lessor. However, all fixtures, alterations, additions and improvements put in at the expense of the Lessee, shall be the property of the Lessor and shall remain upon and be surrendered with the premises as a part thereof at the expiration or termination of this Lease.

ENTRY: The Lessor by representative shall have the right to enter the office at all reasonable times to inspect and examine the same and Lessee shall not be entitled to any abatement or reduction of rent by reason of such entry and inspection.

SIGNS: Lessee shall not place any signs or objects on the roof any part of the exterior of any improvements situated on the premises, nor place any signs, umbrellas, or other movable personal property on the sidewalks, parking lots, driveways or exterior of any improvements situated on the premises, without the prior written consent of Lessor.

NOTICE: Any demand to be made or notice to be given hereunder to Lessee shall be made on, or given to such party either personally or by sending a copy of such demand or notice by certified mail, return receipt requested, addressed to the Lessee at the office or at such other address as Lessee may by separate writing designate. Notice to Lessor shall be given to its City Manager at 200 West Second Street, Freeport, TX 77541.

MORTGAGES: Lessee shall not mortgage, pledge or otherwise hypothecate this lease.

WAIVER: NO WAIVER AT ANY TIME OF THE RIGHT TO TERMINATE THIS LEASE SHALL IMPAIR THE RIGHT OF THE LESSOR TO INSIST UPON SUCH TERMINATION IN THE EVENT OF SUBSEQUENT BREACH OR DEFAULT BY LESSEE, NOR SHALL THE ACCEPTANCE OF RENT AT ANY TIME CONSTITUTE SUCH WAIVER OF DEFAULT OR WAIVER OF DAMAGES, AND IN ADDITION TO ANY OTHER REMEDIES WHICH THE LESSOR MAY HAVE, THE LESSOR MAY APPLY FOR AND OBTAIN AN INJUNCTION OR USE ANY OTHER LEGAL PROCESS TO ENFORCE THE RIGHTS OF THE LESSOR.

<u>UTILITIES:</u> Lessor shall pay all charges incurred for any utility services used by Lessee or the officers, agents, employees, invitees, licensees, permittees, contractors, successors or assigns of Lessee, and Lessee agrees to reimburse Lessor therefor at 2.6% of the total utility costs per month, which is based on the total square footage of the office

TAXES: Lessee agrees to pay, before they become delinquent, any ad valorem taxes and assessments lawfully levied or assessed against Lessee's leasehold interest in the premises, and to furnish to Lessor a receipt evidencing such payment within five (5) days after such payment is made.

FIRE CLAUSE: In the event that the premises, or any improvement thereon situated, shall be damaged by fire, the elements, civil disorder, or other casualty, the Lessor shall have the option of either

(a) rebuilding or repairing the same or (b) terminating this lease.

BANKRUPTCY: In the event that the assets of the Lessee shall become subject to the jurisdiction of the bankruptcy court, voluntary or involuntary, or should the Lessee make a voluntary assignment for the benefit of creditors, or in the event that a receiver for the Lessee shall be appointed, then, at the option of the Lessor and upon ten (10) days'

notice of the Lessee or the representative of the Lessee, this Lease shall cease and come to an end.

REMOVING CLOUD FROM TITLE: Upon the expiration of this Lease or upon its termination during the existence hereof pursuant to its terms, Lessee covenants to execute, acknowledge and deliver to Lessor at the cost of Lessee such written instruments evidencing such expiration or termination as Lessor may require. Further, IT IS EXPRESSLY AGREED that an affidavit reciting the facts of such expiration or termination when recorded in the Public Records of the county wherein the premises is located shall. be prima facie evidence of the truth of the statements contained in such affidavit.

PEACEABLE SURRENDER OF OFFICE: Upon the expiration or termination of this lease according to its terms, Lessee will peaceably yield up to Lessor, all and singular, the office, and any future erections or additions made thereto during the existence of this Lease in good and tenantable repair and condition in all respects, reasonable use and wearing thereof and damage by accidental fire or inevitable accident only excepted.

HOLDING OVER: IT IS AGREED AND UNDERSTOOD that any holding over by the Lessee of the office at the expiration of this Lease shall operate and be construed as a tenancy at will at a rental of one and one-half (1½) times the amount specified above.

DEFAULT BY LESSEE: In the event that the Lessee shall default in the prompt payment of rent when the same is due, or shall violate or omit to perform any of the other provisions of this Lease herein contained, or in the event that the Lessee shall abandon the office or leave them vacant, Lessor may at the option of Lessor, send written notice of such default, violation or omission to the Lessee, and unless Lessee shall have completely cured or removed said default within ten (10)days after the sending of such notice, Lessor may thereupon re- enter and take possession of the office, remove all of Lessee's property therefrom and cancel this Lease. In the event the Lessee shall continue to hold the office after demand therefor by Lessor, at the expiration of this Lease or upon its termination after default or breach of this Lease by Lessee, then the Lessor shall be entitled to institute and maintain a Forcible Entry and Detainer suit in the Justice of the Peace Court and obtain a writ of possession for the premises.

CONSTRUCTION AND PLACE OF PERFORMANCE: Whenever the context so requires, the singular shall include the plural number, and conversely, and the masculine shall include the feminine and neuter genders. This Lease shall be performable in Brazoria County, Texas, and shall be governed by the law of Texas.

INTEGRATION PARTIAL INVALIDITY AND BINDING EFFECT: IT IS EXPRESSLY AGREED AND UNDERSTOOD that this Lease contains all agreements, representations, covenants and warranties, expressed or implied, relative to the operation and demise of the above described property, and the price therefor, and no prior agreement, if any, shall be binding upon the parties hereto unless contained herein. In the event any provision of this

Lease is declared invalid for any reason by any court, such invalidity shall not affect the remaining provisions of this Lease but effect shall be given to the intent manifest by the portion held invalid or inoperative. This lease shall be binding upon the parties hereto as well as their respective heirs, executors, administrators, successors and assigns.

EXECUTED in du	plicate on thisday of, 2019.
	THE CITY OF FREEPORT, TEXAS, Lessor
	Ву
ATTEST:	Troy Brimage, Mayor
Laura Tolar, Assistant City Secretary	
	Lessee [By
	Title

THE CITY OF

200 West Second St • Freeport, TX 77541



City Council Agenda Item #3

Title: Consideration of authorizing the city manager to

negotiate the extension industrial District contracts.

Date: January 7. 2019

From: Tim Kelty, City Manager

Staff Recommendation: Staff recommends the approval by Council for the City Manager to enter into negotiations for the extension of Industrial District Contracts.

Item Summary: The City of Freeport along with the cities of Clute and Lake Jackson rely on Industrial district contracts for a significant portion of the Cities' General Fund revenue. The largest Industrial contract is with Dow Chemical. The current 15year contract with Dow expires in 2026. The Cities would like to work together to seek a 7-year extension, basically resetting the clock to the original 15-year term.

Background Information: Changes were proposed in Austin during the State's last legislative session that threatened the future of the industrial district contracts. While fortunately the problematic bill was changed at the 11th hour, and disaster was averted, there is still fear that legislation could be brought back in the future that would end or significantly change that vital revenue stream for the city. If we are successful, it would ensure the revenue at least until 2033.

Special Considerations: The only thing we are talking about changing is the term of the agreement. If we are successful in making the change with Dow as the industrial leader, we would then seek the same change with the other industries with whom we have Industrial Contracts.

Financial Impact: Potentially unmeasurable

Board or 3rd Party recommendation: this is something we are collaborating on with Clute and Lake Jackson who have already agreed to the effort.

Supporting Documentation: None

ARTICLE VI. - CODE OF ETHICS

DIVISION 1. - GENERAL PROVISIONS

Sec. 2-218. - Definitions.

The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Benefit means anything reasonably regarded as economic gain or economic advantage, including benefit to any other person in whose welfare the beneficiary is interested, but does not include a contribution to expenditure made and reported in accordance with law.

Board means a board, commission, or commitțee:

- (1) Which is established by city ordinance, city resolution, charter, interlocal contract, or state law, or
- (2) Which serves as the board of a nonprofit development corporation that acts as an instrumentality of the city, and
- (3) Any part of whose membership is appointed by the city council, but does not include a board, commission, or committee which is the governing body of a separate political subdivision of the state.

Censure means an official condemnation, reprimand, or expression of adverse criticism, usually by a legislative or other formal body, of the conduct of one of its members or of someone whose behavior it monitors.

City ("the city") means City of Clute.

City official means the mayor, members of the city council, employees, and individuals appointed to serve on the city's boards, commissions, committees, task forces, and other appointed advisory groups.

Employee means a person employed and paid wages by the city whether under civil service or not, including those individuals on a part-time basis, but does not include an independent contractor or city council member.

Fair and equitable standards means the intent of the City of Clute to safeguard the rights of all citizens, to ensure that all citizen's actions are judged by fair and equitable standards, and to require that all rules are applied on an equitable basis.

Negotiating concerning prospective employment means a discussion between a city officer or employee and another employer concerning the possibility of the city officer or employee considering or accepting employment with the employer, in which discussion the city officer or employee responds in a positive way.

Officer or official means any member of the city council and any appointed member of a board, committee, or commission set up by ordinance, resolution, charter, state law or otherwise, on a regular basis, excluding those boards and commissions not operating under the direct authority of or subject to the direct control of the city council.

Working days means regular business hours, Monday through Friday, not including official city holidays.

Sec. 2-219. - The purpose of the ethics policy.

- (a) The code of ethics has five purposes:
 - (1) To encourage ethical conduct on the part of city officials and employees;
 - (2) To encourage public service with the city;
 - (3) To establish standards of ethical conduct for city officials and employees by defining and prohibiting conduct that is incompatible with the interests of the city;
 - (4) To require disclosure by city officials and employees of their economic interests that may conflict
 - (5) To serve as a basis disciplinary action against those who fail to abide by its terms.
- (b) The code of ethics is not intended to be used as a political weapon or to intimidate or embarrass affected persons. The officials charged with the administration of this code of ethics shall administer it in a manner that avoids any such use of this code of ethics.
- (c) Ethics policy statement. It is the policy of the city that all city officials and employees shall conduct themselves both inside and outside the city's service so as to give no occasion for distrust of their integrity, impartiality or devotion to the best interest of the city and the public trust which the city holds.
- (d) It is further declared to be the policy of the city that proper operation of democratic government requires
 - (1) Officers, officials, and employees be independent, impartial and responsible;
 - (2) Governmental decisions and policy be made using the proper procedures of the governmental
 - (3) No officer or employee have any financial interest, direct or indirect, or engage in any business, transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his duties in the public interest;
 - (4) Public office is not used for personal gain; and
 - (5) All boards of the city are at all times maintained as a nonpartisan body.
 - (6) The policy of the city upholds, promotes, and demands the highest standards of ethical behavior from its mayor, members of the city council, employees, and individuals appointed to serve on the city's boards, commissions, committees, task forces, and other appointed advisory groups. Honesty, integrity, fairness, equity, and transparency of action are the hallmarks of public service in Clute.
- (e) The appearance of impropriety . Public service is a public trust. All city officials and employees are stewards of the public trust. They have a responsibility to the citizens of the city to administer and enforce the City Charter and city ordinances. To ensure and enhance public confidence in city government, each city official and employee must strive not only to maintain technical compliance with the principles of ethical conduct set forth in this article and in state law, but also to avoid the appearance
- (f) To implement this article, the city council has determined that it is advisable to enact this code of ethics for all city officials and employees, whether elected or appointed, paid or unpaid, advisory or administrative, to serve not only as a guide for official conduct of the city's public servants, but also as a

basis for discipline for those who fail to abide by its terms.

- (g) Notwithstanding any other provision of this article, a member of the board of directors of a reinvestment zone established under the Tax Increment Financing Act, as amended, may:
 - (1) Own property within that reinvestment zone; and
 - (2) Participate in discussions and voting on matters before the board of directors that may directly or indirectly affect the member's property within the reinvestment zone.

(Ord. No. 2018-001, § 1, 1-11-18)

Secs. 2-220-2-229. - Reserved.

DIVISION 2. - ETHICS ADMINISTRATION

Sec. 2-230. - Standards of conduct.

- (a) An officer or employee of the city shall not:
 - (1) Accept or solicit a benefit that might reasonably influence the officer or employee in the discharge
 - (2) Use his official position to secure special privilege or exemptions for himself or others.
 - (3) Grant any special consideration, treatment or advantage to a person or organization beyond that which is available to every other person or organization. This shall not prohibit the granting of fringe benefits to city employees a part of their contract of employment or as an added incentive to the securing or retaining of employees. This further shall not prohibit the city or Clute EDC from entering into Chapter 380 agreements or other economic development agreements authorized by statute and found to be in the best interest of the city and its citizens.
 - (4) Disclose information that could adversely affect the property or affairs of the city, or directly or indirectly, use any information understood to be confidential which was gained by reason of his official position or employment for his own personal gain or benefit or for the private interest of
- (5) Transact any business on behalf of the city in his official capacity with any business entity of which he is an officer, agent or member or in which he has a financial interest. In the event that such a circumstance should arise, then he shall make known his interest, and:
 - a. In the case of a city official leave the room during debate or hearing, refrain from discussing the matter at any time with the members of the body of which he is a member or any other body which will consider the matter and abstain from voting on the matter; or
 - b. In the case of an employee, turn the matter over to his superior for reassignment, state the reasons for doing so and have nothing further to do with the matter involved.
- (6) Personally provide services for compensation, directly or indirectly, to a person or organization who is requesting an approval, investigation, or determination from the body or department of which the city official or employee is a member. This restriction does not apply to outside employment of a city official if the employment is the city official's primary source of income.

- (7) Accept other employment or engage in outside activities incompatible with the full and proper discha and responsibilities with the city, or which might impair his independent judgment in the performanc
- (8) Personally participate in a decision, approval, disapproval, recommendation, investigation, or rendering of advice in a proceeding, application, request for ruling or determination, contract, claim, or other matter under the jurisdiction of the city, if the city official or employee is negotiating or has an arrangement concerning prospective employment with a person or organization which has a financial interest in the matter, and, in the case of an employee, it has been determined by the city manager that a conflict of interest exists. If a city official or employee begins negotiation or enters an arrangement concerning prospective employment with a person or organization that has a financial interest in a matter in which the city official or employee has been participating, the city official or employee shall:
 - a. In the case of an employee, immediately notify the city official responsible for appointment to his position of the nature of the negotiation or arrangement and, if the city manager determines that a conflict of interest exists, follow the instructions of the city manager with regard to further involvement in the matter; or
 - b. In the case of a board member, immediately notify the board of which he is a member the nature of the negotiation or arrangement and:
 - 1. Refrain from discussing the matter at any time with other board members or members of the city council if the city council will also consider the matter;
 - 2. Leave the room during debate hearing on the matter; and
 - 3. Abstain from voting on the matter; or
 - 4. In the case of a member of the city council, file an affidavit with the city clerk regarding the nature of the negotiation or arrangement and:
 - (i) Refrain from discussing the matter at any time with other council members or members of a board that will consider the matter;
 - (ii) Leave the room during debate or hearing on the matter; and
 - (iii) Abstain from voting on the matter.
- (9) Receive any fee or compensation for his services as a city official or employee of the city from any source other than the city, except as may be otherwise provided by law. This shall not prohibit his performance of the same or other services for a public or private organization that he performs for the city if there is no conflict with his city duties and responsibilities.
- (10) In the case of a member of the city council or an employee, personally represent, or appear on behalf of, the private interest of others:
 - a. Before the city council or any city board or department;
 - b. In any proceeding involving the city; or
 - c In any litigation to which the city is a party.
- (11) In the case of a board member, personally represent or appear on behalf of, the private interests of
 - a. Before the board of which he is a member;

- b. Before the city council;
- c. Before a board which has appellate jurisdiction over the board of which he is a member; or
- d. In litigation or a claim to which the city or an employee of the city is a party if the interests of the person being represented are averse to the city or an employee of the city and the subject of the litigation or claim involves the board on which the board member is serving or the department providing support services to that board.
- (12) Use the prestige of his position with the city on behalf of any political party.
- (13) Knowingly perform or refuse to perform any act in order to deliberately thwart the execution of the city ordinances, rules or regulations or the achievement of official city programs.
- (14) Use city supplies, equipment or facilities for any purpose other than the conduct of official city
- (15) Engage in any dishonest or criminal act or any other conduct prejudicial to the government of the city or that reflects discredit upon the government of the city.

Sec. 2-231. - Exceptions.

- (a) The restrictions in this section do not apply to business associates of officers or employees, but only personally to the officers and employees themselves.
- (b) The restrictions and requirements of <u>2-230(a)(5)</u> do not apply to an officer or employee of the city serving as a member of any board, commission, or other entity when transacting business on behalf of the city in an official capacity with that board, commission, or entity, if the officer or employee:
 - (1) Was appointed by the mayor, city council, or city manager to represent the city on the board,
- (2) Has no financial interest in the board, commission, or entity or in the business being transacted. (Ord. No. 2018-001, § 1, 1-11-18)

Sec. 2-232. - Financial interests.

Any city official, whether elected or appointed, who has a financial interest in any matter that is pending before, or that might be considered by, the body of which the officer is a member shall:

- (1) Disclose such interest to the other members of the body;
- (2) Refrain from discussing the matter at any time with any other member of the body of which the city official is a member or with a member of any other body that might consider the matter;
- (3) Leave the room during debate or hearing; and
- (4) Refrain from voting on the matter.

(Ord. No. 2018-001, § 1, 1-11-18)

Sec. 2-233. - Political activities of city officials.

(a) In elections other than for city council, a member of the city council may not:

- (1) Use the prestige of the member's position with the city on behalf of a candidate;
- (2) Solicit or receive contributions; or
- (3) Serve as the designated campaign treasurer for a candidate as required by V.T.C.A. Election Code,
- (b) In any election, a member of a city board, commission, or committee, whether governmental or advisory,
 - (1) Use the prestige of the member's position with the city on behalf of a candidate;
 - (2) Serve as the designated campaign treasurer for a candidate as required by V.T.C.A. Election Code,
 - (3) Personally, solicit or receive contributions for a candidate. A member, however, is not prohibited from serving on a steering committee to plan a program of solicitation and listing the member's name without reference to the office held when the committee as a whole is listed.
- (c) Subsections (a)(1) and (b)(1) do not prohibit a member of the city council or of a board from lending the member's name in support of a candidate so long as the office held with the city is not mentioned in

Sec. 2-234. - Additional employment.

An employee of the city may accept employment from a public utility corporation enjoying the grant of a franchise, privilege, or easement from the city if:

- (1) The employee performs the duties of a security guard for the public utility corporation; or
- (2) The employment complies with the Personnel Policy Handbook; and
- (3) The employment does not conflict with his duties as an employee of the city.

(Ord. No. 2018-001, § 1, 1-11-18)

Sec. 2-235. - Restrictions on contracting with the city or providing the representation of others.

- (a) An city official or employee in a position that involves significant reporting, decision-making, advisory, or supervisory responsibility who leaves the service or employment of the city may not, within 12 months after leaving that service or employment, represent any other person or organization in any formal or
 - (1) Before the city concerning a project for which the person had responsibility as a city official or
 - (2) Before any other agency on a project for which the person had the responsibility as a city official or
- (b) A former city official or employee who is subject to the requirements of subsection (a) shall, during the 24 months after leaving the service or employment of the city, disclose the city official's or employee's previous position and responsibilities with the city when representing any other person or organization in any formal or informal appearance before a city agency.

- (c) A member of the city council or an employee may not, within 12 months after leaving the service or employ city, either individually or as the officer or principal of a private business entity:
 - (1) Submit a proposal, on behalf of the member or employee or on behalf of a private business entity, to make any city contract that is not required by state law to be competitively bid;
 - (2) Negotiate or enter into any city contract that is not required by state law to be competitively bid; or
 - (3) Have or acquire any financial interest, direct or indirect, in any city contract that is not required by state law to be competitively bid.

Sec. 2-236. - Limitations on employee political activity and on the holding of elective public office by an employee.

- (a) An employee of the city shall immediately request an unpaid leave of absence, resign at the time of announcement or upon election if a leave has been granted, or shall be dismissed upon failure to do so,
 - (1) The employee becomes a candidate for election to the city council; or
 - (2) The employee becomes a candidate for nomination or election in a partisan election for public office within the county or in a partisan election for a public office, the constituency of which includes all or part of the county; or
 - (3) The employee becomes a candidate for nomination or election to an elective public office where the holding of that office will conflict with the full and proper discharge of the employee's duties with
 - (4) A managerial or supervisory exempt city employee becomes a candidate for nomination or election to an elective public office of an entity having contractual relations with the city that involve the employee's department.
- (b) No employee may hold an appointed or elective City of Clute office, nor hold an office from any jurisdiction or any other office where service would constitute a direct conflict of interest with City of Clute employment, as determined by the city manager, either with or without remuneration.

(Ord. No. 2018-001, § 1, 1-11-18)

Sec. 2-237. - The penalty for violation of article; appeals.

- (a) The failure of any city official or employee to comply with this section or the violation of one or more of the standards of conduct set forth in this article, which apply to him, shall constitute grounds for all legal remedies provided by law which may include, if permissible, expulsion, reprimand, censure, removal from office, or discharge. In the case of a city council member, the matter shall be decided by a vote of two-thirds of the entire membership of the city council.
- (b) The city council hereby adopts the following procedures to implement a censure policy:
 - (1) Two or more city council members may file a written notice of censure against another city council member with the city clerk. The written notice shall set forth the allegation(s) of conduct which the accused council member shall have allegedly violated. A copy shall be delivered to all council

- members. A written response to the allegation(s) may be filed by the accused council member ten days after receipt thereof. A copy of the notice of censure and response thereto shall be delivered to each council member within three working days after the response is filed.
- (2) On the first regularly called meeting of the city council, which complies with the Texas Open Meetings Act, after the filing of the notice and response, the mayor shall formally read the notice and response into the public record. The city council, by majority vote, shall thereafter determine whether or not good cause shall exist to set a formal hearing on the merits of the notice of censure or dismiss the allegation(s). If it is determined, based upon the merits that a formal hearing is required, a public hearing shall be set on the allegation(s) by the city council. A vote to hold a public hearing shall not be construed to be a vote of censure.
- (3) At a formal public hearing, the accused city council member has the right to be represented by legal counsel, present witnesses, as well as cross-examine any and all other witnesses relative to the
- (4) A formal public hearing on the allegation(s) and response shall be held at either a regular or special called meeting of the city council and shall be open to the public.
- (5) At a formal public hearing, the Mayor of the City of Clute shall be the presiding officer, and the city council will hear evidence concerning the notice of censure. The city council members proffering the charges shall present evidence in support of the allegation(s) contained in the notice of censure. The council member who is the subject of the censure shall have the opportunity to present evidence to support his or her position with respect to the notice of censure and challenge the evidence presented against him/her. After receiving evidence at an open public meeting, the city council shall then take a roll-call vote, after motion duly made and seconded, two-thirds of all members of the city council shall be required to sustain the censure of the council member.
- (c) In the case of an employee of the city, disciplinary action and appeals therefrom shall be in conformance with procedures established by the City Charter and personnel rules and regulations.
- (d) In the case of members of boards or committees, the member shall be presented written notice of the allegations and shall be afforded the opportunity to provide a written response. The city council shall review the written allegations and written response in making a decision. The matters shall be decided by a majority vote of the city council.
- (e) The decision of the bodies authorized to hear violations shall be final.

Sec. 2-238. - Annual review and approval.

The city council shall review and discuss this ordinance annually during a regular city council meeting, as an enumerated item on the agenda. Such annual consideration must occur each year within 60 days of the anniversary date of original passage of this article. After discussion the city council shall take a vote to retain the ordinance without changes. Regardless of the result of that vote, this ordinance shall remain in full effect unless and until there is due notice and public hearing to make changes to this article.

(Ord. No. 2018-001, § 1, 1-11-18)

Secs. 2-239—2-249. - Reserved.