

STATE OF TEXAS

COUNTY OF BRAZORIA

CITY OF FREEPORT

BE IT REMEMBERED, that the City of Freeport, met in a regular meeting on Monday, June 5, 2006, at 6:00 p.m., at the Freeport Police Department, Municipal Court Room, 430 North Brazosport Boulevard, for the purpose of considering the following agenda items:

City Council: Jim Phillips
 Clan A. Cameron
 Jim Saccomanno
 John Smith, III
 Norma M. Garcia

Staff: Wallace Shaw, City Attorney
 Delia Munoz, City Secretary
 Larry Fansher, Public Works Director
 Doug Caffey, Building Official
 Mary Stotler, Main Street Director
 John Stanford, Fire Chief
 Jeff Pynes, Chief of Police
 Nat Hickey, Property Manager

Visitors: Abel Garcia Damon Rector
 Ann Rector Lila Lloyd
 Angel Kant Joyce Adkins
 Sandra Barnett Jim Barnett
 Eric Hayes Jerry Meeks
 Pixie Floyd Rosa McDonald
 Larry McDonald Jim Pirrung
 Dorothy Pirrung Larry Shaffer
 Judy Shaffer Cathy Williams
 Louie Jones Beverly Nixon
 Toby Davenport Michele Kent
 Beverly Nixon Roy Henry
 Cyril Wilcox Pete Reixache
 Edna Allan

Call to Order.

Mayor Phillips called the meeting to order at 6:01 p.m.

Invocation.

Pastor Abel Garcia from the First Baptist Church offered the invocation.

Pledge of Allegiance.

Mayor Phillips led the Pledge of Allegiance.

Approval of the May 22, 2006 City Council Minutes.

On a motion by Councilman Cameron, seconded by Councilman Saccomanno, with all present voting “aye”, Council unanimously approved the minutes of May 22, 2006.

Attending Citizens and Their Business.

Toby Davenport of Lee’s Jewelers, 203 W. 2nd gave an emotional report on the fire that destroyed his family’s business on Memorial Day. He thanked the Fire Department and the City staff for their assistance during their loss. Everyone did a commendable job. He stated the whole block would have burned if it wasn’t for Angleton Fire Department’s ladder truck. He encouraged the City to invest in one for future fires. Mayor Phillips thanked him and that we shared in his discomfort.

Angela E. Kent of 115 W. Broad, was saddened that the Old Freeport High School was being turned down. She asked why the marina project and loaning the developer \$6,000,000 was not a vote item for the citizens.

Lila Lloyd of 1620 N. T., stated that she agreed with most of the decisions made by Council. She was in support of the marina and more developing in the city. Also sadden by the demolition of the Old Freeport High School. She prays and hopes for more harmony in the Council.

Beverly Nixon of 1303 W. Broad thanked Council for establishing the Freeport Historical Commission. She discussed their accomplishments. She is resigning and will be moving from Freeport to Brazoria next month. She expressed her loyalty to Freeport.

Consideration of the approval of calling a Joint Public Hearing with the Planning Commission to consider:

(1) a proposed amendment to Section 155.60 (E) of the Comprehensive Zoning Ordinance to authorize issuance of a specific use permit for land located in a W-3, Waterfront- Heavy zoning district permitting any use permitted only in a M-2 zoning district.

(2) a proposed amendment to the Comprehensive Zoning Ordinance and Map of said city, codified as Chapter 155 of the Code of Ordinance of said City, changing from its present classification of R-1 to a new classification of W-3 the zoning classification of the land annexed to said City by Ordinance No. 2005-2103, read,

passed and adopted on October 3, 2005 being approximately 246 acres of land out of Parcels 27, 34 and 35, Brazos River Harbor Navigation District located in the J.G. McNeel Survey, Abstract 335 and the Stephen F. Austin 1/3 League, Abstract 28, Brazoria County, Texas, lying gulfward of the South Protection Levee, East of FM 1495 and North of the Louisiana-Texas Gulf Intracoastal Waterway.

On a motion by Councilman Smith, seconded by Councilman Saccomanno, with all present voting 4 to 1, Council approved to set a Joint Public Hearing date for July 6, 2006, at 6:00 p.m. Councilman Cameron opposed.

Consideration of the approval of Ordinance No. 2006-2122 closing and abandoning a portion of the West Brazos Blvd Right- of-Way from 2nd Street to a point approximately 260 feet East of Cherry Street and authorizing the conveyance of such portion to Freeport Waterfront LLP for \$6,000.

On a motion by Councilman Saccomanno, seconded by Councilman Smith, with all present voting 4 to 1, Council approved Ordinance No. 2006-2122 closing and abandoning a portion of the West Brazos Blvd Right- of-Way from 2nd Street to a point approximately 260 feet East of Cherry Street and authorizing the conveyance of such portion to Freeport Waterfront LLP for \$6,000. Councilman Cameron opposed.

Consideration of the approval of Ordinance No. 2006-2123 abandoning and authorizing the conveyance of a portion of the East Brazos Blvd Right-of-Way to Freeport Waterfront LLP for \$3,000.

On a motion by Councilman Saccomanno, seconded by Councilwoman Garcia, with all present voting 4 to 1, Council approved Ordinance No. 2006-2123 abandoning and authorizing the conveyance of a portion of the East Brazos Blvd. Right-of-Way- to Freeport Waterfront LLP for \$3,000. Councilman Cameron opposed.

Consideration of the approval of amending, and authorizing the Mayor to sign an extension on, the Marina Development Agreement.

On a motion by Councilman Smith, seconded by Councilman Saccomanno, with all present voting 4 to 1, Council approved amending and authorizing the Mayor to sign an extension on the Marina Development agreement to Jan. 1, 2007. Councilman Cameron opposed.

Consideration of the approval of Resolution No. 2006-2106 approving a loan agreement between the City of Freeport Economic Development Corporation (the“EDC) and Freeport Marina, L.P. (“Borrower”) providing for a loan from the EDC to the Borrower in the amount of \$6,000,000 (“Development Loan”) for the development and construction of a marina with the City of Freeport, Texas (“Project”) secured by the revenues to be generated from and a line on the Project, bearing interest at a rate of 4.84% and a final maturity date of not more than 25 years, authorizing the Mayor to execute all documents in connection therewith on behalf of the City and authorizing and approving other matters incident and

related thereto, all as authorized by the authority granted pursuant to Article 5190.6a VERNONS TX.CIV.ST., as amended.

On a motion by Councilman Saccomanno, seconded by Councilman Smith, with all present voting 4 to 1, Council approved Resolution No. 2006-2106 approving a loan agreement between the City of Freeport Economic Development Corporation (the“EDC) and Freeport Marina, L.P. (“Borrower”) providing for a loan from the EDC to the Borrower in the amount of \$6,000,000 (“Development Loan”) for the development and construction of a marina with the City of Freeport, Texas (“Project”) secured by the revenues to be generated from and a line on the Project, bearing interest at a rate of 4.84% and a final maturity date of not more than 25 years, authorizing the Mayor to execute all documents in connection therewith on behalf of the City and authorizing and approving other matters incident and related thereto, all as authorized by the authority granted pursuant to Article 5190.6a VERNONS TX.CIV.ST., as amended. Councilman Cameron opposed.

Consideration and the approval of Resolution No. 2006-2107 approving a loan agreement between the City of Freeport, Texas (“City”) and the City of Freeport Economic Development Corporation (the “EDC”) providing for a loan from the City to the EDC in the amount of \$6,000,000 to provide funds for the EDC to make a loan to Freeport Marina, L.P for the development of a marina, secured by and payable from the 1/2 cent economic development sales tax levied by the City for the benefit of the EDC and an assignment of the EDC’s rights to receive loan payments under the Development Loan, bearing interest at the rate of 4.84% and a final maturity of not more than 25 years, authorizing the Mayor to execute all documents in connection therewith on behalf of the City and authorizing and approving other matters incident and related thereto, all as authorized by the authority granted pursuant to Ch. 380, Local Government Code, as amended.

On a motion by Councilman Saccomanno, seconded by Councilwoman Garcia, with all present voting 4 to 1, Council approved Resolution No. 2006-2107 approving a loan agreement between the City of Freeport, Texas (“City”) and the City of Freeport Economic Development Corporation (the “EDC”) providing for a loan from the City to the EDC in the amount of \$6,000,000 to provide funds for the EDC to make a loan to Freeport Marina, L.P for the development of a marina, secured by and payable from the 1/2 cent economic development sales tax levied by the City for the benefit of the EDC and an assignment of the EDC’s rights to receive loan payments under the Development Loan, bearing interest at the rate of 4.84% and a final maturity of not more than 25 years, authorizing the Mayor to execute all documents in connection therewith on behalf of the City and authorizing and approving other matters incident and related thereto, all as authorized by the authority granted pursuant to Ch. 380, Local Government Code, as amended. Councilman Cameron opposed.

Consideration of the approval of rescheduling the city council meeting from July 3, 2006 to July 6, 2006.

On a motion by Councilman Cameron, seconded by Councilman Smith, with all present voting "aye", Council unanimously approved rescheduling the July 3, 2006 regular meeting to July 6, 2006 to observe the 4th of July holiday.

Consideration of the approval of Ordinance No. 2006-2124 prohibiting the operation of an electronic sound generating device from a vehicle in a manner so that the sound generated by such device causes vibrations to be felt or seen by a person outside the vehicle.

On a motion by Councilman Saccomanno, seconded by Councilman Cameron, with all present voting "aye", Council unanimously approved Ordinance No. 2006-2124 prohibiting the operation of an electronic sound generating device from a vehicle in a manner so that the sound generated by such device causes vibrations to be felt or seen by a person outside the vehicle.

Elected Official Report

Mayor Phillips announced the Brazoria County Cities Association will be hosted by the City of Manvel on June 21, 21006. The Chamber of Commerce will host a tax appraisal forum at the Lake Jackson Civic Center on June 14, 2006. He commended the City and Fire Department for responding well to the fire on Memorial Day.

Work Session

Administration Report

Larry Fansher reported public works is busy at Bryan Beach. Lots of seaweed being raked; continue getting compliments from in and out of town visitors on the beach appearance. RiverPlace continues to be well utilized. The First Methodist Church held their annual barbeque at the Freeport Municipal Park on June 3, 2006. Also participated in a bus driving class in case of hurricane or evacuation. Stepping up the mowing due to recent rains. Brazoria County road crews moving in assisting in road rehab.

Doug Caffey reported the Building Department keeping up with normal schedules. The construction at the High School and Lanier Elementary have shifted to high gear since students are gone for the summer.

Mary Stotler reported that the sound system is coming along at Memorial Park. She is working on the Summer Time Blue festival, scheduled for September 1-3, 2006.

Jeff Pynes' reported Officer Troi Johnson was released to return to work. A new car has been ordered to replace the one totaled in the accident. Two positions are open at the police department.

Jerry Meeks reported the FM 1495 water tower is complete. Sewer lines being replaced on Caldwell and moving to Old River Street.

John Stanford involved in Hurricane Preparedness. The City will serve as a focal point. The 211 system is not yet working in Brazoria County. The Memorial Day was very busy, call volume was high. Fireman Brandy Grover suffered injuries during the fire at Lee's Jewelry. He reported the fire trucks arrived at the fire within three (3) minutes of a very intense fire. Fire procedures on commercial buildings, require agencies be called for assistance. The fire could have taken the entire block. An official letter of thanks will be sent to area cities that assisted in the fire.

Discussion concerning appointing qualified person(s) on the following boards and commissions.

- Planning Commission
- Library Board
- Freeport Historical Commission
- Board of Adjustment
- Urban Renewal Board
- Beautification/Parks & Recreation Committee
- Economic Development Corp.
- Main Street Advisory Board
- Senior Citizens Commission

Council reviewed applicants for the following boards/commissions.

Discussion concerning the approval of appointing liaison(s) to boards/commission.

The following Council liaison appointments are:

- Planning Commission - Mayor Phillips
- Library Board - Councilman Cameron
- Freeport Historical Commission - Councilwoman Garcia
- Board of Adjustment - Councilman Cameron
- Urban Renewal - Councilman Saccomanno
- Beautification/Parks & Recreation Committee - Councilwoman Garcia
- Economic Development Corp. - Councilman Smith
- Main Street - Councilman Saccomanno
- Senior Citizens Commission - Councilman Smith

Mayor Phillips closed the work session and opened the executive session at 7:40 p.m.

Executive Session

- A. Section 551.071 Government Code
Consultation with City Attorney concerning pending or contemplated litigation settlement offers or other matter in which his duty to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551, Government Code, to wit:

- (1) Marina

Mayor Phillips reconvened the open session at 7: 52 p.m.

Adjourn

On a motion by Councilman Smith, seconded by Councilman Cameron, with all present voting “aye”, the meeting was adjourned at 7:52 p.m.

Attest:

Delia Munoz
City Attorney

James W. Phillips
Mayor