

STATE OF TEXAS

COUNTY OF BRAZORIA

CITY OF LAKE JACKSON

BE IT KNOWN that the City Council of the City of Lake Jackson met on Monday, February 1, 2021 at 6:30 p.m. in Regular Session at 25 Oak Drive, Lake Jackson, Texas, Lake Jackson City Hall with the following in attendance:

Gerald Roznovsky, Mayor
Jon J.B. Baker, Mayor Pro-Tem
Vinay Singhania, Councilmember
Matt Broaddus, Councilmember
Buster Buell, Councilmember

Modesto Mundo, City Manager
Meagan Borth, Assistant City Manager
Sherri Russell, City Attorney
Sally Villarreal, Assistant City Secretary
Sal Aguirre, City Engineer
Sabrina England, PW Director
David Walton, Building Official
Pam Eaves, Finance Director

PLEDGE OF ALLEGIANCE

Mayor Pro-Tem Baker led the pledge of allegiance.

INVOCATION

Dr. Alan Trafford led the invocation.

PRESENTATIONS

Mayor Roznovsky presented the Proclamation for Vow 22 Day to be held on February 27, 2021.

DECLARATION OF CONFLICTS OF INTEREST

There were no declarations of conflicts of interest.

CONSENT AGENDA

- a. Approval of minutes –January 19, 2021
- b. Boards and commission minutes
- c. Accept resignation from Senior Citizen Commission member Abigail Trahan
- d. Ordinance calling the May 1, 2021 General Election – second reading
- e. Approve contract with Skywonder in the amount of \$20,000 for 4th of July fireworks

On motion by Councilmember Buell second by Councilmember Singhania with all present members voting “aye” the consent agenda was approved as follows:

- a. Approval of minutes –January 19, 2021 - *approved*
- b. Boards and commission minutes – *approved*
- c. Accept resignation from Senior Citizen Commission member Abigail Trahan - *accepted*
- d. Ordinance calling the May 1, 2021 General Election – second reading – *adopted*
- e. Approve contract with Skywonder in the amount of \$20,000 for 4th of July fireworks - *approved*

DISCUSS AND CONSIDER REQUEST FOR APPROVAL FROM COBURN CHIROPRACTIC FOR THE PLACEMENT OF PLANTINGS ON CITY RIGHT OF WAY AT 115 CIRCLE WAY

Mr. Mundo stated this was brought to council for their approval. There have been similar situations that have been approved by council in the past, such as Brody's, Mother Teresa's, and a few others.

Mr. Mundo stated that after staff looked into this, they discovered a sewer clean out that is covered by the sidewalk leading up to the building. The sidewalk was there prior to the current owner. If the city had to get to the sewer clean out, the sidewalk would have to be torn out as well as the planter boxes at the cost of the property owner.

Staff is proposing an encroachment agreement that would pass on to future owners that if there was repair that needed to be made to the water or sewer line, the city would repair those lines but anything to the sidewalk or planter boxes would be the responsibility of the owner.

Councilmember Singhania asked why Dr. Coburn would be responsible for the sidewalk if he was not the tenant who poured it. He felt the agreement should not include the repair of the sidewalk. Councilmember Buell agreed with Councilmember Singhania.

Mr. Mundo stated under normal circumstances the property owner would be responsible for the damage to the sidewalk since it was poured over city lines.

Dr. Coburn apologized and stated he is taking full responsibility for the planter boxes that are being put installed. He was unaware when he purchased the building of any type of clean out that may have been under the sidewalk.

Mr. Mundo stated he would work with Sherri Russell to draft up an encroachment agreement with the caveat that if the city must damage the sidewalk the city would bear the cost of the sidewalk for the sewer clean out only.

On motion by Councilmember Singhania second by Councilmember Buell with all present members voting "aye" the request for approval from Coburn Chiropractic for the placement of plantings on city right of way at 115 Circle Way was approved.

Mr. Glen Jones –118 Cypress

Mr. Jones asked if there would be documentation that would transfer to the next purchaser should this property be sold.

Mr. Mundo informed Mr. Jones that the encroachment agreement is filed with the county. If someone buys the property, it will come up in a title search. In other instances, it is documented in minutes.

Councilmember Singhania proposed when someone opens their water account, they could be made aware of where their property lines are. A signature would be required for receipt of such documents stating where property lines are and what is and what is not allowed. Councilmember Singhania thought this would help eliminate issues that we have throughout the city.

Mayor Roznovsky thought that would be a huge undertaking for the city.

Mr. Mundo stated he would need to talk with staff to see if that type of information would be official and could it be produced accurately.

Mayor Roznvosky stated this could be brought back later if desired.

DISCUSS AND CONSIDER ORDINANCE TO DELETE CHAPTER 51 PUBLIC SWIMMING POOLS AND SPAS AND AMEND CHAPTER 14 ARTICLE VI TO AMEND PORTIONS OF THE 2018 INTERNATIONAL SWIMMING POOL AND SPA CODE– FIRST READING

David Walton stated in September 2020, the City of Lake Jackson in response to the adoption by the State of Texas 2018 International Swimming Pool and Spa Code as published by the International Code Council adopted that code by reference in Chapter 14 of the Lake Jackson Code of Ordinances. This item also removes duplicate out of Chapter 51 of the Code.

Councilmember Broaddus asked for clarification. He asked if the items that were taken out of Chapter 51 are already in the International Code.

Mr. Walton said “yes”.

Mayor Pro-Tem Baker asked if the code would affect anything in Lake Jackson if approved. Mr. Walton said “no”, it does not affect how anything is permitted, licensed, or inspected.

Mr. Mundo said the rules are the same, it is just moving the wording from different chapters or referencing.

Mr. Mundo asked Mr. Walton to explain the fence requirements and Chapter 14 for pool barriers.

Mr. Walton said the state regulates commercial pools; the International Code regulates barriers for residential pools. The city is already using those conditions for those barriers. All the city is doing is moving it to Chapter 14 and referencing the code. It does not impact citizens or contractors moving forward.

On motion by Councilmember Buell second by Mayor Pro-Tem Baker with all present members voting “aye” the ordinance to delete Chapter 51 Public Swimming Pools and Spas and amend Chapter 14 Article VI to amend portions of the 2018 International Swimming Pool and Spa Code passed on first reading.

DISCUSS AND CONSIDER GRANTING AN EASEMENT THROUGH DOW CENTENNIAL PARK FOR THE BRAZOSPORT WATER AUTHORITY WATER LINE

Ms. Russell stated while BWA will be digging deep, there is not supposed to be a disturbance to the use of the park.

Mayor Roznvosky said the lines could be 20’- 30’ beneath the trees.

On motion by Mayor Pro-Tem Baker second by Councilmember Buell with all present members voting “aye” the easement through Dow Centennial Park for the Brazosport Water Authority water line was approved.

DISCUSS AND CONSIDER AN ORDINANCE CALLING A BOND ELECTION FOR MAY 1, 2021 FOR A)\$9,700,000 FOR THE EXPANSION OF CITY HALL, B)\$3,700,000 FOR THE CONSTRUCTION OF AN ANIMAL CONTROL FACILITY, AND/OR IMPROVEMENTS OR REMODELING OF EXISTING ANIMAL CONTROL FACILITY; AND/OR PARTICIPATION IN FUNDING A REGIONAL OR JOINT ANIMAL CONTROL FACILITY C)\$2,400,000 FOR THE RENOVATION AND EXPANSION OF THE POLICE DEPARTMENT FACILITIES, D)\$300,000 FOR IMPROVEMENTS TO THE FLOORING AT THE LIBRARY, E)\$2,600,000 STREET AND DRAINAGE IMPROVEMENTS TO PIN OAK, NORTH SHADY OAKS AND FOREST OAKS LANE

F)\$12,100,000 FOR STREET AND DRAINAGE IMPROVEMENTS TO MOSS, CHESTNUT, WISTERIA AND PALM LANE, G)\$2,900,000 ASPHALT RECONSTRUCTION AND WATER AND SEWER RECONSTRUCTION TO WILLENBERG STREET, BALSAM STREET AND THE SLEEPY HOLLOW SUBDIVISION STREETS, H)\$2,500,000 STREET PANEL REPLACEMENT – FIRST READING

Mr. Mundo stated the original recommendation for the bond issue was made by the Bond Task Force in December 2019. Due to COVID-19 the original scheduled bond election in May of 2020 was postponed. Mr. Mundo informed council if a bond proposal is desired to take to the public, the first reading would be tonight, and council would need to have the second reading before February 12th.

Mr. Mundo provided the following information:

Since the initial bond issue recommendation, the ADA ramps project has begun and has been funded with CDBG Grant Funds. This project can now be removed from the bond issue.

On January 28, 2021, staff completed its evaluation of panel replacements for throughfares and residential streets in response to its discussion with City Council at the Strategic Planning meeting held on January 11, 2021. Staff has identified approximately \$2.5M in panels that need to be replaced.

Based on the feedback received from council and the recommendation of public works and engineering, we have provided two options for council’s consideration.

Option 1 includes adjusting the original project estimates by 5% due to rising construction cost. Since July 2019, the Construction Cost Index (CCI) has increased 3% nationally (289.34 to 298.08). By the time we issue debt and begin construction, staff estimates that the CCI will increase an additional 2%. Option 1 also includes two additional proposals for voters to consider: Street Panel Replacements & Asphalt Reconstruction of the Sleepy Hollow Subdivision, Balsam and Willenberg. The asphalt reconstruction projects include replacing the water and sewer lines.

Option 2 is the same as Option 1 but defers expanding City Hall until a later date. The City Hall project would be brought back for a future Bond Task Force to consider.

Option 1 – Cost Adj. 5%	2019 Cost Est.	Adjusted
City Hall	9,200,000	9,700,000
Animal Control Facility	3,500,000	3,700,000
Police Renovation	2,300,000	2,400,000
Pin Oak · N. Shady Oaks · Forest Oaks Ln	2,450,000	2,600,000
Moss · Chestnut · Wisteria · Palm Ln.	11,500,000	12,100,000
Library Flooring	300,000	300,000
ADA Ramps	185,000	
Street Panel Replacements		2,500,000
Asphalt Reconstruction: Sleepy Hollow Subdivision · Balsam · Willenberg		2,900,000
	\$ 29,435,000	\$ 36,200,000

Note: ADA Ramps have been removed and have been funded with CDBG Grant Funds.

Option 2 – Cost Adj. 5%	2019 Cost Est.	Adjusted
City Hall	9,200,000	
Animal Control Facility	3,500,000	3,700,000
Police Renovation	2,300,000	2,400,000
Pin Oak · N. Shady Oaks · Forest Oaks Ln	2,450,000	2,600,000
Moss · Chestnut · Wisteria · Palm Ln.	11,500,000	12,100,000
Library Flooring	300,000	300,000
ADA Ramps	185,000	
Street Panel Replacements		2,500,000
Asphalt Reconstruction: Sleepy Hollow Subdivision · Balsam · Willenberg		2,900,000
	\$ 29,435,000	\$ 26,500,000

Mr. Mundo suggested pausing on the expansion of city hall and postponing that for a later date. It is not an issue that is pressing. This would bring to total of the bond issue down to \$26,500,000.

The Bond Task Force came up with a long list of projects. There are plenty of worthy projects in addition to Sleepy Hollow, but they cannot be done all at once.

Councilmember Buell agreed with Mr. Mundo about putting off city hall for a later time. Councilmember Buell also mentioned Moss, Chestnut and N. Shady Oaks drainage improvements. These issues have been around for a long time and this project needs to be taken care of.

Mayor Roznovsky said the challenge to the drainage project will be the \$2,000,000 to do all the planning work because of all the drainage that is involved. This is the first of \$30,000,000 worth of projects tied to that east end drainage study.

Sandy Seely – 843 Magnolia

Ms. Seely asked how it would be determined which option of the bond issue would be on the ballot.

Mayor Roznovsky said that is what was being discussed tonight. Whatever council decides is what will go to the voters.

Ms. Seely said the Bond Task Force was very careful and considered the tax rate when choosing projects. The Bond Task Force did not want to increase the tax rate.

Ms. Eaves explained that existing debt is looked at to come up with assumptions. One of the assumptions that was made is a 2% growth on assessed values. Assuming the bonds would be issued at approximately 3.5%, the amortization is then calculated on the new bonds. The debt service tax rate is calculated by an overlay over existing debt. Below is the spreadsheet that was shared and displays what the tax rate would be with the different options that are being proposed. The bonds would be issued over a six-year period.

GO DEBT ISSUANCE							total
Original Recommendation		2021	2022	2023	2024	2025	debt service rate impact
City Hall	9,200,000					9,200,000	
Animal Control Facility	3,500,000	3,500,000					
Police Renovation	2,300,000	2,300,000					
Pin Oak - N. Shady Oaks - Forest Oaks Ln.	2,450,000	2,450,000					
Moss - Chestnut - Wisteria - Palm Ln.	11,500,000			11,500,000			
Library Flooring	300,000	300,000					
ADA Ramps	185,000	185,000	-	-	-	-	
Total	29,435,000	8,735,000	-	11,500,000	-	9,200,000	0.03450
Adjusted Cost 5% - Option 1 includes adding Panel replacements and replacing asphalt streets (\$5,400,000); removing ADA ramps (\$185,000)							
		2021	2022	2023	2024	2025	
City Hall	9,700,000					9,700,000	
Animal Control Facility	3,700,000	3,700,000					
Police Renovation	2,400,000	2,400,000					
Pin Oak - N. Shady Oaks - Forest Oaks Ln.	2,600,000			2,600,000			
Moss - Chestnut - Wisteria - Palm Ln.	12,100,000			12,100,000			
Library Flooring	300,000	300,000	-	-	-	-	
Subtotal -original recommendation + 5%	30,800,000	6,400,000	-	14,700,000	-	9,700,000	0.0388
Street Panel Replacements	2,500,000	2,500,000					
Sleepy Hollow - concrete curb, W&S	2,400,000	2,400,000					
Balsam - W&S	150,000	150,000					
Willenberg - W&S	350,000	350,000	-	-	-	-	
Total	36,200,000	11,800,000	-	14,700,000	-	9,700,000	0.05370
		5,400,000					
Adjusted Cost 5% - Option 2 same a option 1 but removes City Hall includes sleepy hollow and panel replacements							
		2021	2022	2023	2024	2025	
City Hall	(xxxxxxxxxxxxxxx)	(xxxxxxxxxxxxxxx)	(xxxxxxxxxxxxxxx)	(xxxxxxxxxxxxxxx)	(xxxxxxxxxxxxxxx)	(xxxxxxxxxxxxxxx)	
Animal Control Facility	3,700,000	3,700,000					
Police Renovation	2,400,000			2,400,000			
Pin Oak - N. Shady Oaks - Forest Oaks Ln.	2,600,000			2,600,000			
Moss - Chestnut - Wisteria - Palm Ln.	12,100,000			2,000,000		10,100,000	
Library Flooring	300,000	300,000					
Street Panel Replacements	2,500,000	2,500,000					
Sleepy Hollow - concrete curb, W&S	2,400,000	2,400,000					
Balsam - W&S	150,000	150,000					
Willenberg - W&S	350,000	350,000	-	-	-	-	
Total	26,500,000	9,400,000	-	7,000,000	-	10,100,000	0.0261

Councilmember Singhania asked if this included expired bonds. Ms. Eaves stated this is overlaid over existing debt. Mr. Mundo said it takes into account expiring debt, that is what keeps the price down.

Mr. Mundo stated we try not to issue more than \$10,000,000 of debt at a time, this includes all debt. Mr. Mundo said of all the projects, staff felt the more pressing items are the Animal Control Facility and Street Panel Replacements.

Fred Ortiz – 313 Raintree

Mr. Ortiz asked what the impact would be on a homeowner for the highest tax rate. Ms. Eaves gave the following example: If it were to be 5 cents, it would cost each homeowner \$50 a year for every \$100,000.

Mr. Ortiz said it is very important for the taxpayers to know how much this would cost each homeowner per year. When people go vote, they need to know. Mr. Ortiz asked how the city would get the word out to people?

Councilmember Singhania stated it could be difficult to give an exact number because all these bonds would not be sold at the same time.

Mr. Mundo stated in all previous bond issues there has been communication with the citizens. Mr. Mundo said a newsletter has been sent to residents, postcards have been utilized, meeting with groups such as the Rotary as well as individual groups. Today, we would also utilize social media to help get the information out.

Mayor Roznovsky went over the way it would be listed on the ballot. On the ballot by each proposition, it will list the dollar amount of impact per item. It is clear to each voter how much it will impact them.

Rhonda Seth – 230 Almond

Ms. Seth stated that back in October when Mr. Yenne was presenting the budget, at that time the city was forecasting a \$1.4 million sales tax revenue loss, fast forward a few months and the bond issues were taken off the ballot but a recovery was a little better than anticipated. Ms. Seth asked what the city is looking like financially at this time?

Mr. Mundo stated the city had significant savings at the end of the year. This is attributed to sales tax coming in better than projected and freezing and cutting expenditures.

Mr. Mundo said the revenue decrease at the Civic Center and Recreation Center is being watched. Four positions have been cut at the Recreation Center that will save \$100,000. Adjustments will have to be made and we are hoping for those revenues to come back.

Ms. Seth asked if the city is prepared for whatever comes down to from the Federal Government regulations such as lockdowns.

Mayor Roznovsky said lockdowns will likely impact the city. We thought the collection of sales taxes for online sales would help more than they have. Lake Jackson only sees a collection of sales taxes for people who live in Lake Jackson. Online purchase sales tax collection goes to the city where the purchaser lives.

Mr. Mundo stated the challenge for the organization is twofold. One is if the pandemic continues and there is still revenue loss. The bigger challenge is filling the positions that the city has. This has helped save up to date \$300,000 after 10 weeks of payroll. Any loss in revenue is being covered because positions are not filled. What can happen again like in the summer if these positions are not filled is the level of service can decline such as mowing schedules. The city's budget is 33% dependent on sales tax.

Ms. Seth asked if the city is comfortable going forward with the bond issue?

Mayor Roznovsky said at this time council will need to decide if they are comfortable taking it to the voters so they can decide.

Councilmember Broaddus asked what the limitations are with what can be done with pushing the bond issues.

Ms. Russell said you can send out educational material like Mr. Mundo stated earlier. What is not allowed is trying to sway voters how to vote. You can send information letting voters know what is on the ballot and how they will be affected.

Mayor Roznovsky said he is hoping to do a town hall meeting to educate people. It will likely be a virtual meeting with himself, Mr. Mundo and the Bond Task Force Chair, Jim Martin.

Mayor Pro-Tem Baker asked if the information would be posted in the Facts. Mr. Mundo said the Facts has been very good in previous elections about writing stories to get the information out.

Mr. Ortiz suggested having a group that will go out and inform citizens. He said BISD has a group of people known as the “Champion Group” that goes out and talks to citizens and educates them on the bond issues.

Mr. Jones – 118 Cypress

Mr. Jones served on the Bond Task Force. The committee looked at each item as asked themselves if they could sell it to the voters. He said he was always a little skeptical about the City Hall expansion. He felt it was needed, but not at this time.

Mr. Jones asked if we were always going to be a cheap tax city or provide the services and product that the people deserve? He would rather see the city put the money in what is needed for the citizens.

Mayor Roznovsky asked council what option they would like to move forward with.

On motion by Councilmember Buell second by Councilmember Singhanian with all present members voting “aye” approval was given for Option 2 for the bond election that removes the City Hall expansion and brings the total bond proposal to \$26,500,000.

Mr. Mundo announced the second reading and final approval for the Bond Ordinance will be on Monday, February 8th.

DISCUSS AND CONSIDER REJECTING ALL BIDS ON WALNUT STREET BRIDGE CROSSING PROJECT AND RELEASE ALL BID BONDS

Mr. Aguirre went over the following summary and asked council to reject all bids and go back to the beginning of the bidding.

This project was bid and opened on December 9, 2020 with an above average turnout of contractor’s responses. The bid tabulation attached indicate the 5 bidders involved with the 3 typical local contractors and 2 unfamiliar ones out of our area. Because of the Christmas holidays, review of the results were postponed till now to give it an in-depth analysis that it warranted.

The results indicate a wide spectrum of cost from the low bid of \$609,150 to the high of \$1,396,267. After a detailed analysis of all the bids and open discussion with HTI Construction the low bidder, it became evident that our published pre-bid estimate of \$476,000 (project fund balance actually) by mistake unintentionally influenced the smaller contractor trying to keep his crew working to depress his bid prices as could be possible in lieu of the pre-bid estimate given.

The actual consultant pre-bid estimate of \$680,974 (2017) \$712,713 (cci adj Dec 2020) should have been the published amount.

Staff’s final determination of the bid analysis is that the low bid has a realistic \$150,000 differential shortfall to all other bidders’ prices. This is due to some misleading on our part but also a rapid significant escalation of construction material prices (concrete, steel and wood) normally not weighed in short term project projection but factored in by the larger work log contractor. It is our opinion that the representative bid at the time of opening should have been of \$760,000.

It is staff's request that you reject all bids and release the low bidder from any bid bond forfeiture as he has served the city well in the past and a source of emergency contract and future reasonable price work. A penalty on a small company in today's worker climate is counterproductive to all.

We are also requesting that you release this project for rebidding as we are somewhat more confident that the results should come somewhere within the now known amounts. The available funding budget from the 2010 bond fund would cover the new bid proposal.

Councilmember Buell thanked Mr. Aguirre for coming forward with the situation.

Councilmember Singhania commented on how he felt the bidding process should work.

Mr. Mundo stated the city does not want to close the door to anyone. Starting the bid process over will give them all a clear playing field.

On motion by Councilmember Singhania second by Councilmember Buell with all present members voting "aye" it was agreed to reject all bids for the Walnut Street Bridge Crossing, release all bid bonds and allow all bidders to submit a new bid.

CONSTRUCTION PROJECT UPDATES

- a. Construction Funds Financial Update
- b. General Fund Projects
- c. Utility Fund Projects

Mr. Aguirre went over the project updates.

ITEMS OF COMMUNITY INTEREST

Ms. Seely mentioned that during Christmas, she has seen several cities that have lights on their water towers. She thought decorating the Lake Jackson water towers would be nice. Mr. Mundo asked her to send him the names of the cities for review.

Councilmember Singhania mentioned several traffic lights that are not on demand and are sequencing. Mr. Mundo said one traffic light that is being looked at is on Oak Drive and Oyster Creek Drive. The city is going to try a different actuating system for a \$17,500 expense.

Ms. England was not aware of any issues and said the sequencing is working as it is supposed to. The lights are following the pattern as it was designed. The issue at Oyster Creek Drive and Oak is a loop and in the ground. John Toscano is aware of the issues and that is why they are looking at the actuators.

Mayor Roznovsky stated he really appreciated the Volunteer Fire Department that provided the fire truck for the Rotary Shrimp Boil this past weekend.

Ms. Borth went over the survey that was sent out for recommended areas of improvement for the construction project at Woodland Park. This survey went out to 203 residents in the Woodland Park Subdivision.

Councilmember Buell asked if the street could be listed on the postcard in the future. Ms. Borth said it could and she would add it to future surveys.

ADJOURNMENT

There being no further business the meeting adjourned at 8:11 p.m.

These minutes read and approved this _____ day of _____ 2021.

Gerald Roznovsky, Mayor

Sally Villarreal, Assistant City Secretary