

City of Alvin, Texas

Paul Horn, Mayor

Martin Vela, Mayor Pro-tem, District A
Keko Moore, At Large Pos. 1
Joel Castro, At Large Pos. 2
Chris Vaughn, District B



Richard Garivey, District C
Glenn Starkey, District D
Gabe Adame, District E

ALVIN CITY COUNCIL AGENDA

MAY 5, 2022

7:00 P.M.

(Council Chambers)

Alvin City Hall, 216 West Sealy, Alvin, Texas 77511

Persons with disabilities who plan to attend this meeting that will require special services please contact the City Secretary's Office at 281-388-4255 or droberts@cityofalvin.com 48 hours prior to the meeting time. City Hall is wheelchair accessible, and a sloped curb entry is available at the south entrance to City Hall.

NOTICE is hereby given of a Regular Meeting and Executive Session of the City Council of the City of Alvin, Texas, to be held on **THURSDAY, MAY 5, 2022**, at 7:00 p.m. in the Council Chambers at: City Hall, 216 W. Sealy, Alvin, Texas.

REGULAR MEETING AGENDA

1. CALL TO ORDER

2. INVOCATION AND PLEDGE OF ALLEGIANCE

3. PRESENTATIONS

- A. Police Week Proclamation – May 15-21, 2022
- B. EMS Week Proclamation – May 15-21, 2022
- C. Public Works Week Proclamation – May 16-21, 2022
- D. Stanton's 100-year Celebration Day – May 14th, 2022

4. PUBLIC COMMENT

5. CONSENT AGENDA

- A. Consider approval of the April 21, 2022, City Council meeting minutes.
- B. Acknowledge receipt of the Financial and Investment Reports ending March 31, 2022.
- C. Call a public hearing to receive comment regarding an ordinance establishing Standards of Care for youth recreation programs conducted by the City of Alvin Parks and Recreation Department for elementary age children ages five (5) through – thirteen (13) for Thursday, May 19, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 West Sealy.
- D. Call two (2) public hearings to receive comments on the review of Chapter 15 of the Alvin Code of Ordinances, Offenses and Miscellaneous Provisions, Article IV, Curfew Hours for Juveniles for Thursday May 19, 2022, and Thursday, June 2, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 W. Sealy.

- E. Consider Resolution 22-R-08, finding that CenterPoint Energy Houston Electric, LLC's Application for approval to amend its distribution cost recovery factor pursuant to 16 Tex. Admin. Code §25.243 to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.
- F. Consider Resolution 22-R-09, finding that Texas-New Mexico Power Company's application for approval to amend its distribution cost recovery factor to increase distribution rates within the city should be denied; authorizing participation with TNMP cities; authorizing the hiring of legal counsel and consulting services; finding that the city's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.

6. OTHER BUSINESS

- A. Consider Ordinance 22-GG, amending City of Alvin Ordinance 21-N, passed and approved September 2, 2021, same being an ordinance approving and adopting the City of Alvin's budget for Fiscal Year 2021-22 for the purpose of amending the mid-year budget and providing for supplemental appropriation and/or transfer of certain funds as set forth; providing for severability; and providing for other matters related thereto.
- B. Consider Resolution 22-R-07, authorizing a letter of no opposition by the City of Alvin to the Foreign-Trade Zones Board for the application filed by Port Freeport FTZ (Foreign Trade Zone) No. 149 requesting to create a subzone owned and operated by Maxter Healthcare, Inc. for their site located in Rosharon, Texas, which lies within the City of Alvin Extraterritorial Jurisdiction.
- C. Consider, if any, requests from individual council members for an item or items to be placed on the upcoming agenda for the next regularly scheduled meeting.

7. REPORTS FROM CITY MANAGER

- A. Items of Community Interest and review preliminary list of items for next Council meeting.

8. ITEMS OF COMMUNITY INTEREST

Pursuant to 551.0415 of the Texas Government Code reports or an announcement about items of community interest during a meeting of the governing body. No action will be taken or discussed.

- A. Hear announcements concerning items of community interest from the Mayor, Council members, and City staff, for which no action will be discussed or taken.

9. EXECUTIVE SESSION

City Council will meet in Executive Session pursuant to:

- A. **Section 551.074** of the Local Government Code: Deliberation on the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

- 1. City Attorney Evaluation.

10. RECONVENE TO OPEN SESSION

11. ADJOURNMENT

I hereby certify that a copy of this notice was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website: www.alvin-tx.gov, in compliance with Chapter 551, Texas Government Code, on **MONDAY MAY 2, 2022, at 5:30 P.M.**



A handwritten signature in blue ink, appearing to read "Dixie Roberts", is written over a horizontal line.

Dixie Roberts, City Secretary

Removal Date: _____

**** All meetings of the City Council are open to the public, except when there is a necessity to meet in Executive Session (closed to the public) under the provisions of Chapter 551, Texas Government Code. The Council reserves the right to convene into executive session on any of the above posted agenda items that qualify for an executive session by publicly announcing the applicable section of the Open Meetings Act, including but not limited to sections 551.071 (litigation and certain consultation with the attorney), 551.072 (acquisition of interest in real property), 551.073 (contract for gift to city), 551.074 (certain personnel deliberations), or 551.087 (qualifying economic development negotiations).**



Office of the Mayor, City of Alvin, Texas

Proclamation

WHEREAS, the Congress and President of the United States have designated May 15th as Peace Officers Memorial Day and the week in which it falls as Police Week; and

WHEREAS, the members of the law enforcement agency of Alvin play an essential role in safeguarding the rights and freedoms of the citizens of Alvin; and

WHEREAS, the police department of Alvin has grown to be a modern and scientific law enforcement agency, providing a vital public service.

NOW, THEREFORE, I, Paul A. Horn, as Mayor of the City of Alvin, Texas, and on behalf of the City Council hereby declare the week of **May 15 - May 21, 2022**, as:

Police Week

and further recognize that Peace Officers Memorial Day is observed on Sunday, May 15, 2022, in honor of those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

WITNESS my hand and seal this 5th day
of May 2022.

Paul A. Horn, Mayor



Office of the Mayor, City of Alvin, Texas

Proclamation

WHEREAS, National Emergency Medical Services week has been designated May 15th – 21st, 2022; and

WHEREAS, emergency medical services is a vital public service; and

WHEREAS, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

NOW, THEREFORE, I, Paul A. Horn, as Mayor of the City of Alvin, Texas, and on behalf of the City Council hereby declare the week of **May 15 - May 21, 2022**, as:

Emergency Medical Services Week

and honor the dedication of those who provide the day-to-day lifesaving services of medicine's frontline.

WITNESS my hand and seal this 5th day
of May 2022.

Paul A. Horn, Mayor

Office of the Mayor, City of Alvin, Texas



Proclamation

WHEREAS, public works professionals focus on infrastructure, facilities and services that provide our community with public health, high quality of life and well-being; and

WHEREAS, it is in the public interest for the citizens, civic leaders and children in Alvin, Texas to gain knowledge of and to maintain an ongoing interest and understanding of the importance of public works and public works programs in their community; and,

WHEREAS, this year theme “**Stronger Together**” speaks to the vital role that Public Works is a part of the everyday life of the citizens of Alvin.

NOW, THEREFORE I, Paul A. Horn, as Mayor of the City of Alvin, Texas, and on behalf of the Council do hereby proclaim May 15-21, 2022, as

Public Works Week

in the City of Alvin and urge each and every citizen to recognize the contributions that the City of Alvin Public Works professionals make to our health, safety, welfare, and quality of life.

WITNESS my hand and seal this 5th day
of May 2022.

Paul A. Horn, Mayor



Office of the Mayor, City of Alvin, Texas

Proclamation

WHEREAS, on May 14th, 2022, Stanton's Shopping Center will be celebrating their 100th year Anniversary, Serving Alvin for 100 enjoyable years; and

WHEREAS, in 1922, E.J. Stanton purchased property in Alvin, beginning the business "EJ Stanton and Son" selling feed and fuel; and

WHEREAS, Stanton's has innovated and expanded over the years to be known for its quality meats, Hometown charm and wide array of products leading to the slogans "If we don't have it, you don't need it!" and "Stanton's Meats – you can taste the difference," ; and

WHEREAS, Stanton's Rags to Riches story inspires us all by showing that hard work and God's guiding light can accomplish anything; and

NOW, THEREFORE, I, Paul A. Horn, as Mayor of the City of Alvin, Texas, and on behalf of the City Council hereby declare Saturday **May 14th, 2022**, as:

Stanton's 100-year Celebration Day

and celebrate the triumph of Stanton's 100 years of serving generations of the Alvin community,

WITNESS my hand and seal this 5th day
of May 2022.

Paul A. Horn, Mayor

**MINUTES
CITY OF ALVIN, TEXAS
216 W. SEALY STREET
REGULAR CITY COUNCIL MEETING
THURSDAY APRIL 21, 2022
7:00 P.M.**

CALL TO ORDER

BE IT REMEMBERED that, on the above date, the City Council of the City of Alvin, Texas, met in Regular at 7:00 P.M. in the Council Chambers at City Hall, with the following members present: Mayor Paul A. Horn; Mayor Pro-Tem Martin Vela; Councilmembers: Gabe Adame, Keko Moore, Joel Castro, Glenn Starkey, Richard Garivey, and Chris Vaughn.

Staff members present: Suzanne Hanneman, City Attorney; Dixie Roberts, Assistant City Manager/City Secretary; Michael Higgins, Chief Financial Officer; Dan Kelinske, Parks and Recreation Director; Michelle Segovia, City Engineer; Brandon Moody, Director of Public Services and Robert E. Lee, Police Chief.

INVOCATION AND PLEDGE OF ALLEGIANCE

Pastor Gary Coffman with Alvin Church of Christ gave the invocation. Cub Scout Pack #405 led the Pledge of Allegiance to the American Flag. Council member Garivey led the Pledge to the Texas Flag.

PRESENTATION

Crime Victims' Rights Week Proclamation – April 24-30, 2022, presented by Mayor Horn.

PUBLIC COMMENT

Eugene Bauer, resident of Alvin, addressed City Council about Police Officers and Defensive Driving training.

CONSENT AGENDA: CONSIDERATION AND POSSIBLE ACTION

Consider approval of the April 7, 2022, City Council meeting minutes.

Acknowledge receipt of the quarterly Fiscal Year 2022 Capital Improvement Projects Report.

Consider an award of bid (B-22-05), Manicured Mowing Services Contract, to LTS Lawncare, for mowing services of select parkland and other City owned property and State Right of Way, in an amount not to exceed \$54,614.22; and authorize the City Manager to sign the agreement upon legal review.

This is the second of two manicured mowing agreements, which continues to provide a cost-effective solution by supplementing lawn maintenance efforts of Parks Department staff.

Staff recommends awarding a Manicured Mowing Agreement from the results of public Bid # B-22-05 to LTS Lawncare in the amount of \$54,614.22 to provide manicured mowing services for the following locations: Hike and Bike Trail (Adoue Street to South Street), Hugh Adams Park, Marina Park, Morgan Park, Pearson Park, and Talmadge Park; two lots located at 3404 Hummingbird and 1409 Talmadge; and four corner areas of the Gordon Street Bridge.

Manicured Mowing Bid# B-22-05 opened on April 12, 2022, and advertised on March 27, 2022, and April 3, 2022.

This agreement is for FY 22-23 which will begin on October 1, 2022, and end on September 30, 2023.

Consider an award of Bid (B-22-04) Janitorial Services Provider Contract, to American Janitorial Services LTD, for janitorial services of City owned buildings and park restrooms, in an amount not to exceed \$140,976.00; and authorize the City Manager to sign the agreement upon legal review.

Consider awarding a service contract from the results of public bid B-22-04 to American Janitorial Services in the amount of \$140,976.00 to provide janitorial services beginning October 1, 2022 and ending September 30, 2023 for the following locations: City Hall, Public Services Facility, Library, Senior Citizen Facility, Museum, Convention & Visitors Bureau (Train Depot), National Oak Park Restrooms, Police Department, Alvin Animal Adoption Center, Public Services Facility #2, Recreation Station (Former Fire Station #1), Fire/EMS Station #1, Fire Station #2 & #3. Facilities per request include Portable Restroom, Briscoe, Lions, Pearson, Morgan, Bob Owen Pool restrooms and Alvin Girl Scout House. Janitorial Services Contract Bid # B-22-04 opened on April 12, 2022, and advertised on March 27, 2022, and April 3, 2022.

Other bidders included:

1 Stone Solutions	\$155,372.76
M&R's Elite Janitorial Solutions	\$244,380.00
Chano & Sons Inc.	\$243,468.00
KLEEN-TECH	\$264,864.00
Ambassador Services	\$170,346.60

Staff recommends awarding a Janitorial Services agreement to American Janitorial as they continue to provide the best value service to the City of Alvin.

Consider Addendum No. 3 for a one (1) year renewal agreement with CTA HVAC, LLC (Clear the Air) as the City's HVAC preventative maintenance and repair services provider for City owned buildings, in an annual amount not to exceed \$46,567.00; and authorize the City Manager to sign the renewal agreement upon legal review.

The HVAC preventative maintenance and repair agreement is designed to provide routine maintenance by a certified technician for all HVAC equipment to prolong the efficient life of the equipment. This agreement also allows for faster response time and fixed pricing for HVAC related repairs and equipment replacement.

The agreement was originally approved in the amount of \$40,717.00 with CTA HVAC, LLC (Clear the Air) by City Council on June 20, 2019, utilizing the public bid process, in Bid #B-19-09. The first renewal addendum was approved by City Council on April 16, 2020. The second renewal addendum was approved by City Council on May 6, 2021, which included an amendment to the original contract adding HVAC related equipment at the newly constructed Fire/EMS Station #1 for an additional cost of \$5,850.00.

Service Year	Proposal
FY20 (Initial Award)	\$40,717.00
FY21 (1 st one year renewal option – Addendum 1)	\$40,717.00
FY22 (2 nd one year renewal option – Addendum 2)	\$46,567.00
FY23 (3 rd one year renewal option – Addendum 3)	\$46,567.00

The following locations would continue under the agreement: Animal Adoption Center, City Hall, Public Service Facility, Public Service Facility #2 (Dyche Lane) Library, Senior Citizens Center, Museum, Train Depot, Wastewater Treatment Plant, Fire/EMS Station #1, Fire Station 2 & 3, Police Station, and City Shop.

This addendum is the third and final of three, one-year renewals allowed per the agreement, having an effective date October 1, 2022, thru September 30, 2023.

Staff recommends approval of addendum #3 allowed in the preventative maintenance and repair agreement in the amount of \$46,567.00 with TCA HVAC, LLC (Clear the Air) as their performance continues to provide a good value to the City of Alvin.

Consider Addendum No. 1 for a one (1) year renewal agreement with LTS Lawncare for manicured mowing services of select City owned and State Right of Way property including parkland, lift stations, water wells, and various building grounds, in an amount not to exceed \$118,956.64; and authorize the City Manager to sign the agreement upon legal review.

The agreement was originally approved in the amount of \$114,355.59 with LTS Lawncare by City Council on May 6, 2021, utilizing the public bid process, Bid# B-21-11. The first year of service began October 1, 2021, and will end September 30, 2022. Addendum #1 is the first of up to three one (1) year renewal option, which would begin October 1, 2022, and end September 30, 2023.

Service Year	Proposal
FY22 (Initial Award)	\$114,355.59
FY23 (1 st one year renewal option – Addendum 1)	\$118,956.64

The following locations would continue under the agreement: Lift Stations 8, 14, 23B, 26, 28, 29, 30, 31, 33, 34, 43; Water Wells 3, 4, 6, 7, 8; Water Towers 1, 2 3; City Property – City Hall, Lot, Library, Senior Center, Museum, Public Service Facility, Animal Adoption Center, APD, Bob Owen Pool, Girl Scout House Lot, American Legion Lot, Recreation Station (former Fire Station #1) + overflow lot, Fire/EMS Station #1, Fire Station 2, 3, former EMS Station, downtown parking lot, APD shooting range, Durant Detention Pond, Kost Detention Pond, Waste Water Treatment Plant, City Entrances – North and South areas on Bypass 35, Welcome to Alvin Sign areas (2): Parks – Ruben Adame, Newman, Citizens, Sealy, Prairie Dog, National Oak, Lions and Oak Park Cemetery.

This addendum is the first of up to three, one-year renewals allowed per the agreement, having an effective date October 1, 2022, thru September 30, 2023. Staff recommends approval of addendum #1 allowed in the manicured mowing agreement in the amount of \$118,956.64 with LTS Lawncare as their performance continues to provide a good value to the City of Alvin.

This item was removed from the Consent Agenda by Council member Garivey.

Accept resignation from Planning Commission Board member, Randall Reed.

The City Secretary's office received verbal intent/confirmation from Mr. Reed to resign from the Planning Commission for his term ending on December 31, 2022. This agenda item is the formal acceptance of his resignation. Mr. Reed stated he has enjoyed serving as a member of the Commission and working with Staff, Council and Mayors, and extended his thanks to all for allowing him to serve for so many years. An appointment to fill this vacancy on the Commission will be brought to City Council for consideration at a later date.

Consider authorizing the City Manager to send a letter to the Brazoria County Mosquito Control District for the continuation of aerial spraying services for the 2022

This is an annual request for authorization from the Brazoria County Mosquito Control District for the continuance of aerial spraying over the City of Alvin. The spraying is performed during massive outbreaks of mosquitoes (typically in summer and fall months) by the contracted aerial sprayer. The County will put out notifications through their respective social media accounts and other means available. The flying schedule depends heavily upon the landing rate counts, weather and wind conditions. As a result of the variables listed, the County is unable to give notice of the specific flying time in advance.

Aerial spraying has proven to be an effective measure for mosquito control in Brazoria County. More information can be obtained by calling the Brazoria County Mosquito Control Office at 979-864-1532 or by visiting: <https://www.brazoriacountytx.gov/departments/mosquito-control/spray-request>. Residents can also submit spray requests by calling their office, or by visiting the website listed above. Staff recommends approval.

Council member Adame moved to approve the consent agenda as modified. Seconded by Council member Castro; motion to approve carried with all members present voting Aye.

OTHER BUSINESS

Consider Addendum No. 1 for a one (1) year renewal agreement with LTS Lawn care for manicured mowing services of select City owned and State Right of Way property including parkland, lift stations, water wells, and various building grounds, in an amount not to exceed \$118,956.64; and authorize the City Manager to sign the agreement upon legal review.

This item was removed from the Consent Agenda by Council member Garivey. He expressed concerns had with the quality of the mowing that is being done at Lions Park. Dan Kelinske, Director of Parks and Recreation spoke to the concerns mentioned. Brief discussion was had.

Council member Garivey moved to approve Addendum No. 1 for manicured mowing services of select City owned and State Right of Way property including lift stations, water wells, park land and various building grounds in an amount not to exceed \$118,956.64; and authorize the City Manager to sign the agreement upon legal review. Seconded by Council member Vela; motion to approve carried with all members present voting Aye.

Consider the letter application by Marwell Petroleum Limited Partnership for a permit to continue operating the Burns #1 Well located off FM2403.

Marwell Petroleum purchased the Burns #1 Well in 2020. The previous owner of the well had a permit and all the required requisites. The initial permit could not be transferred from one owner to the other. Therefore, Marwell Petroleum is submitting this letter application with the required documents to obtain a permit to continue operating Burns #1 Well. This is an existing well and there are no plans to conduct expansive drilling, drill new bore holes, or drill any additional wells on the property. This well is located off FM2403. Chapter 16 of the Alvin Code of Ordinances states that the application must be approved the City Council. Staff recommends approval.

Suzanne Hanneman, City Attorney presented this item before Council with explanation.

Council member Adame moved to approve the letter application by Marwell Petroleum Limited Partnership for a permit to continue operating the Burns #1 Well. Seconded by Council member Castro; motion carried with all members present voting Aye.

Presentation of the Flock Safety Camera system.

At the last City Council meeting Council member's Garivey and Starkey asked that more information be presented to City Council regarding the Flock Safety Camera System. This is a high-tech camera system that takes pictures of vehicles and license plates. The plates are checked in real time through a database and the police department is alerted, usually in less than 22-seconds, if stolen vehicles, amber (or other similar) alert vehicles, suspect vehicles etc. are noted. Investigators can search records for specific vehicles by color, make, body type, partial license plate number etc. Overall, this system will allow the police department to obtain more evidence and solve more cases faster and with greater ease. As a user of the system, we also can have access to any other cities camera information to expand our abilities. Currently system is in use by over 1,500 cities in 42 states across the US and locally more than 30 agencies already have them in service, are awaiting post purchase installation or have final agreements pending. Those cities include Dickenson, Friendswood, Webster, Missouri City, Rosenberg, League City, Pearland, and Lake Jackson to name a few. League City is ordering 30-40, Lake Jackson is adding 20 more and Pearland is phasing in 61 units. The system costs \$2,500 per camera per year with an added installation cost of approximately \$250 per camera. I am proposing the purchase of 30 of cameras in the FY23 Budget for the police department. <https://www.flocksafety.com/solutions/lawenforcement>

Chief Robert Lee presented this item before City Council with a brief presentation and explanation of the Flock camera system. He stated that he is proposing the purchase of thirty (30) cameras in the FY 22-23 budget.

Consider, if any, requests from individual council members for an item or items to be placed on the upcoming agenda for the next regularly scheduled meeting.

There were no requests made.

REPORTS FROM CITY MANAGER

Items of Community Interest and review preliminary list of items for next Council meeting. Mr. Roberts announced items of community interest; and reviewed the preliminary list for the May 5, 2022, City Council Meeting.

ITEMS OF COMMUNITY INTEREST

Hear announcements concerning items of community interest from the Mayor, Council members, and City staff, for which no action will be discussed or taken.

Council member Vela mentioned that he had visited our some of our city parks this week and he wanted to extend thanks to the Parks Department for the good job mowing and planting trees.

ADJOURNMENT

Mayor Horn adjourned the meeting at 7:37 p.m.

PASSED and APPROVED the 5th day of May 2022.

Paul A. Horn, Mayor

ATTEST: _____
Dixie Roberts, City Secretary



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: Finance

Contact: Michael Higgins, Dir. of Admin. Services

Agenda Item: Acknowledge receipt of the Financial and Investment Reports ending March 31, 2022

Type of Item: ☐Ordinance ☐Resolution ☐Contract/Agreement ☐Public Hearing ☐Plat ☐Discussion & Direction ☒Other

Summary: The City Charter requires the Chief Financial Officer to report on the financial condition of the City. Included in the March 31, 2022 report are the following:

Financial Report:

General Fund Summaries

Sales Tax Revenues

Utility Fund Revenue & Expense Comparison

Sanitation Fund Revenue & Expense Comparison

EMS Fund Revenue & Expense Comparison

Operating Revenues & Expenditures – Budget vs. Actual (General, Utility, Sanitation, EMS)

Cash & Investment Summary

Major Funds Recap – (General, Hotel, Utility, Sanitation, EMS, Sales Tax, Fleet)

Investment Report:

Summary Report and Commentary

Attached is the quarterly financial report for the period ending March 31, 2022.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☒ Required ☐ **Date Completed:** 4/27/2022 SLH

Supporting documents attached:

- Financial Report – March 31, 2022
- Major Funds Recap
- Investment Report – March 31, 2022

Recommendation: Move to acknowledge receipt of the Financial and Investment Reports ending March 31, 2022.

Reviewed by Department Head, if applicable ☒
Reviewed by City Attorney, if applicable ☒

Reviewed by Chief Financial Officer, if applicable ☒
Reviewed by City Manager ☒

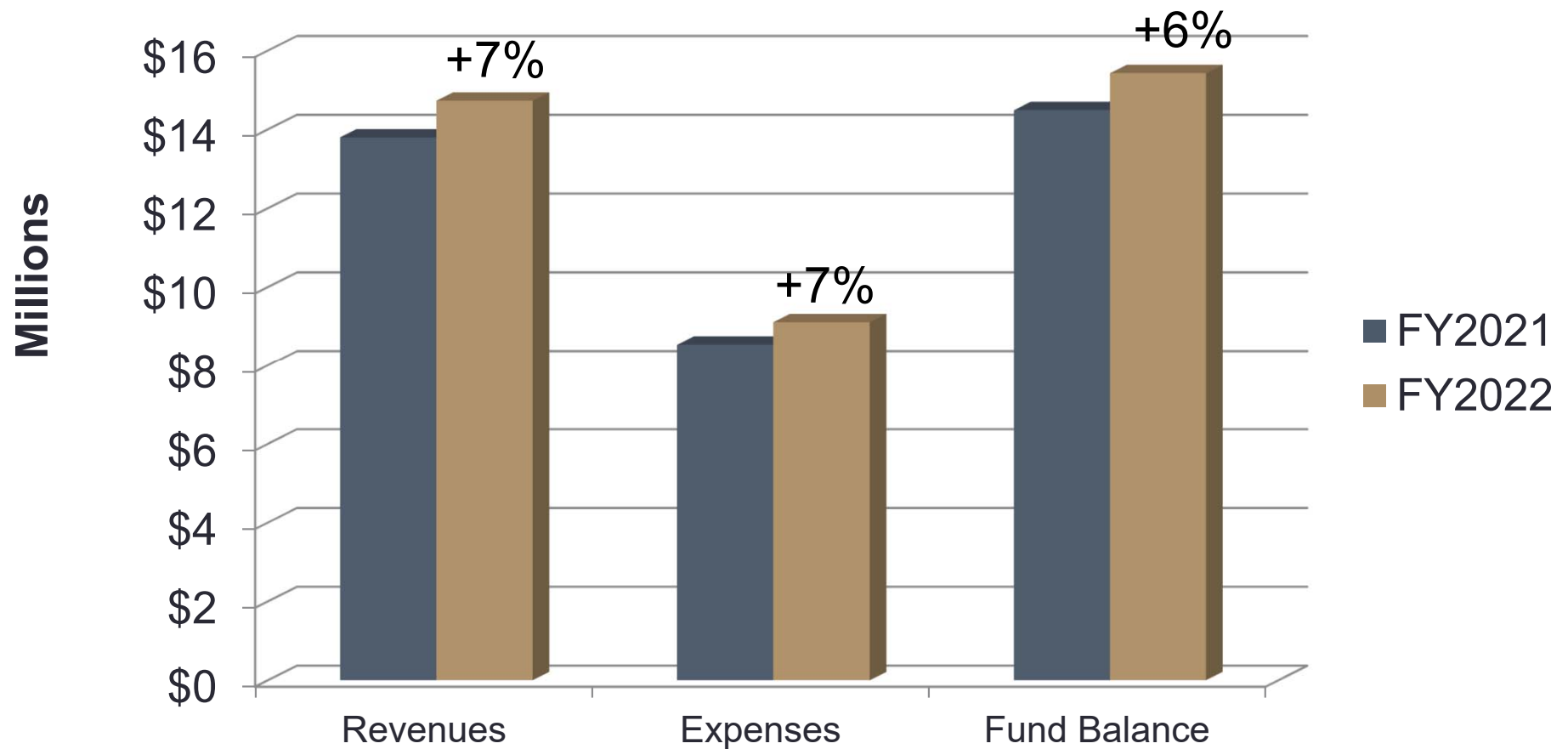
City of Alvin

Monthly Financial Summary Report For the Quarter end March 31, 2022

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General Fund Summary – March 2022

Revenue, Expense & Fund Balance Comparison



General Fund Summary – March 2022

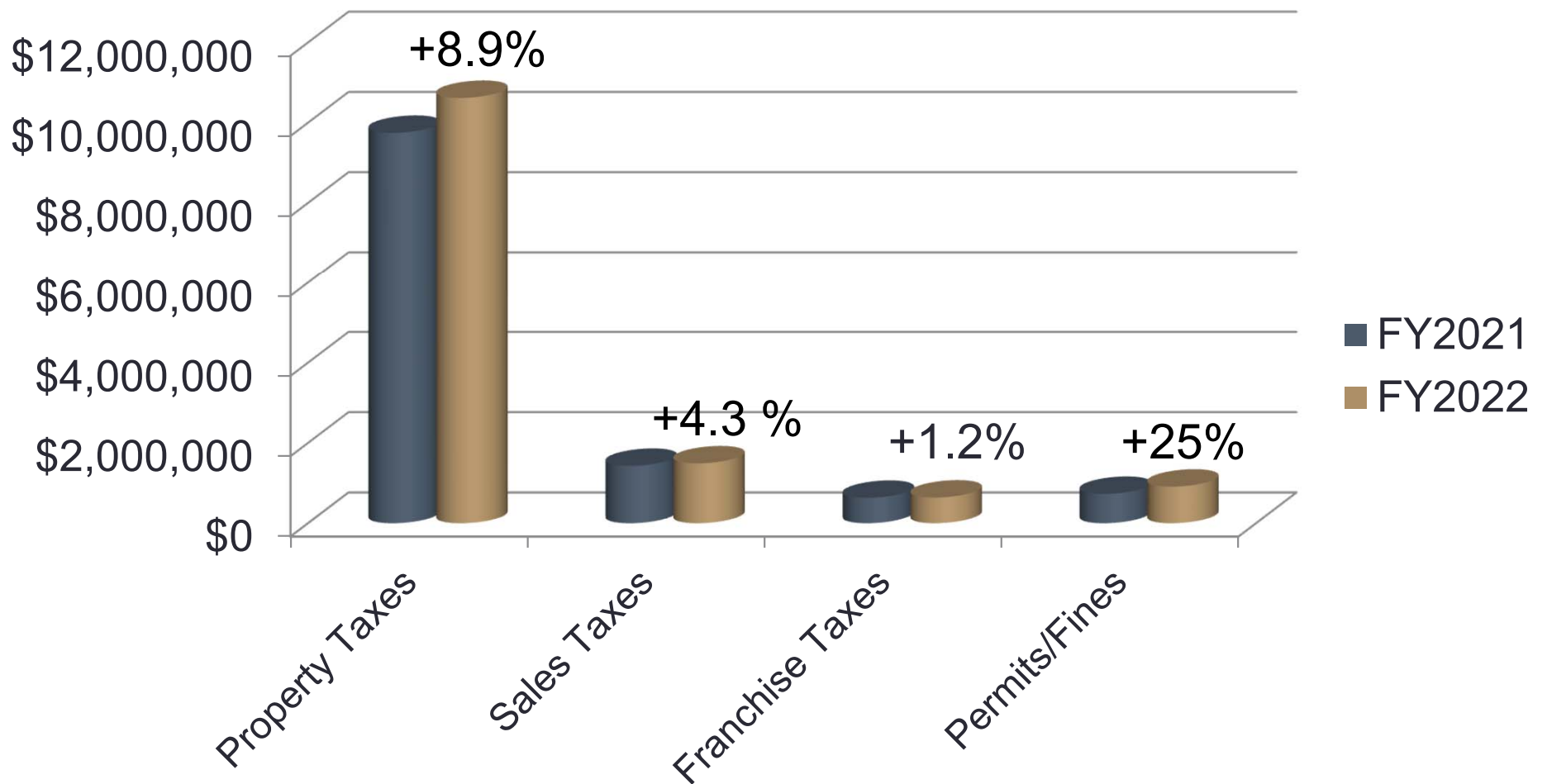
Revenue, Expense & Fund Balance Comparison

- General Fund revenues through March 2022 were \$14.7m. This is 7% more than the previous year through March 2021 which was \$13.8m.
- General Fund expenditures year-to-date was \$9.1m, or 7% more than the previous year total at March 2022, which was \$8.5m.
- Fund Balance at 3/31/22 is approximately \$15.4m which is a 6% increase over the prior year total.

General Fund

Major Revenue Comparison

as of March 31, 2022



General Fund

Major Revenue Comparison

as of March 31, 2022

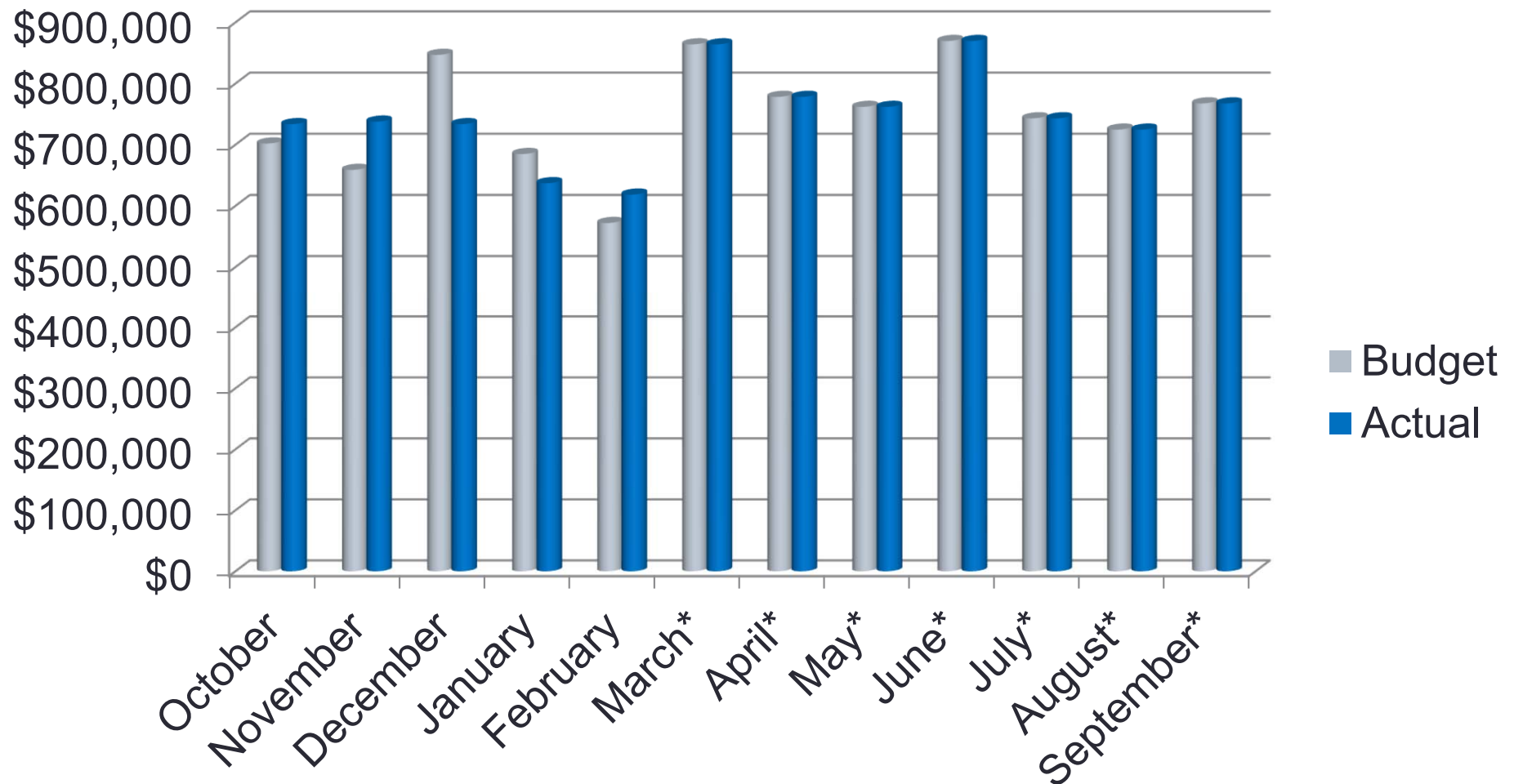
The City's five major revenue sources include: property tax, sales tax, franchise tax and permits/fines.

- To date, current property tax revenues is \$10,122,346. The budget is \$9,971,430, which is +101.5% collected. Total property taxes are \$10,233,524 (excluding the Denbury portion), and last year through March 2021 it was \$9,277,562, or an increase of 10.3%.
- Sales taxes allocated to the General Fund is \$1,484,900 or an Increase of \$60,784 (+4.3%) as compared to the previous year total through March 2021.
- Franchise tax revenues are +1.15% more than the previous year. Franchise tax revenues are based on a percentage of a utility's gross receipts
- Permits/Fines are up 25%, or \$180,059 over the previous year to date.
 - Permits increased 16%: \$612,472 (FY22) vs \$526,695 (FY21) (i.e. building, electrical, mechanical, plan check fees)
 - Fines & Forfeitures increased 46%: \$297,715 (FY22) vs \$203,433 (FY21) (i.e. court)

Sales Tax Revenues

Budget vs. Actual

FY22



* Estimated

Sales Tax Revenues

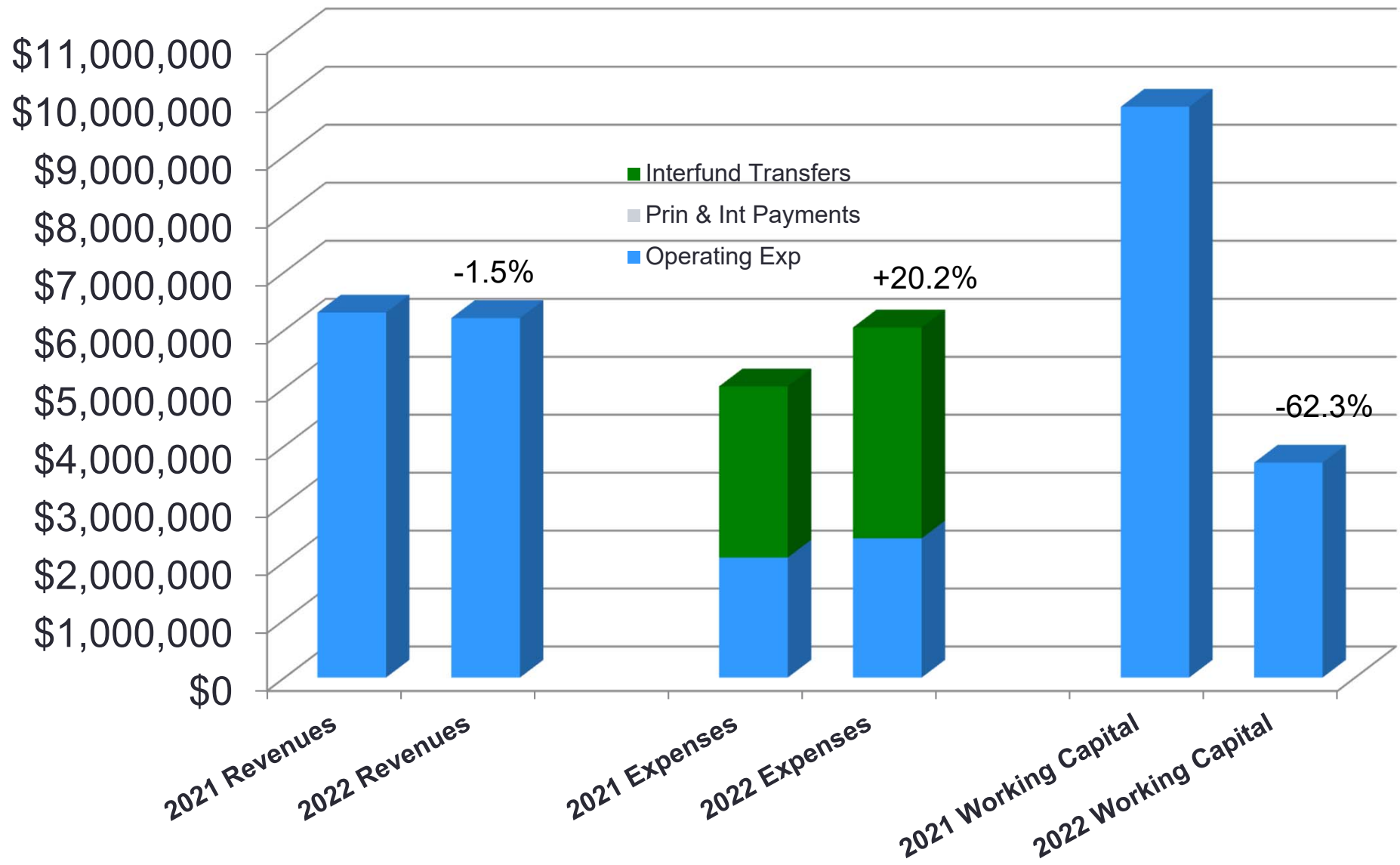
Budget vs. Actual

FY22

- Total sales tax collections (on a cash basis) is \$3,460,539 (Oct - Feb). Sales tax collections are 2 months behind the actual payment date.
- Actual sales tax collections through February, plus the March estimate, is \$4,324,606. The total budgeted for FY22 through March is \$4,328,583. This is -\$3,977, or -.09%, less than the FY22 budget.

UTILITY FUND

Revenue & Expense Comparison (YTD)



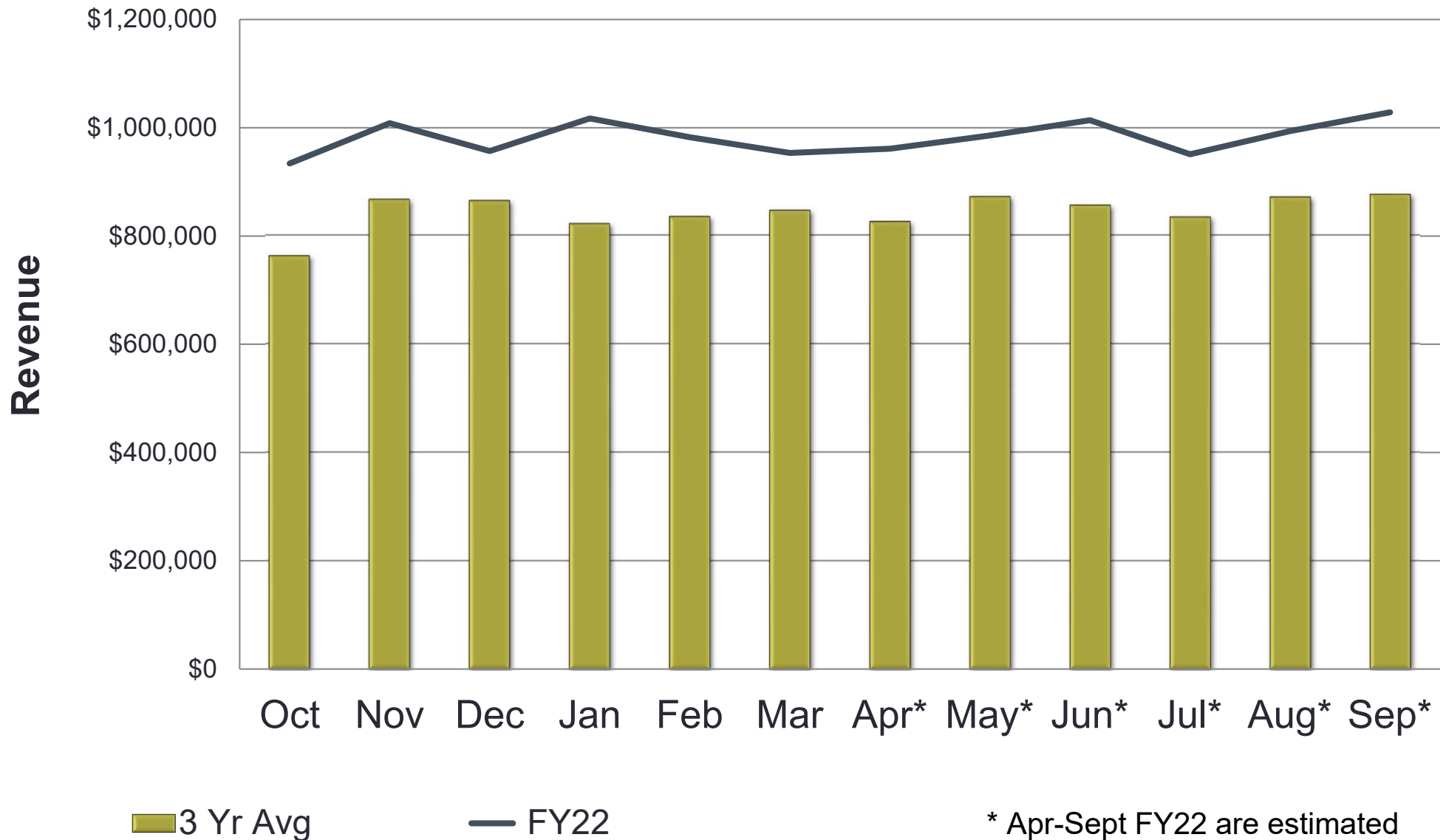
UTILITY FUND

Revenue & Expense Comparison (YTD)

- Total Utility Fund **revenues** is \$6,204,205, which is -1.5% lower than the previous YTD by -\$94,623. Last year, total revenues was \$6,298,828. The decrease in FY22 is due to a 3rd billing cycle of \$439,485 that was included in March of 2021. Without this added billing in March of 2021, FY22 revenues would be \$344,862, or 5.9% higher. The increase is due to added growth and the 5th year utility rate increase.
- Utility Fund **operating exp** are \$331,122 or 16% higher in comparison to the previous year at 3/31/21 (i.e. personnel costs, materials, supplies, and contractual services).
- Interfund Transfers represent fund transfers between the Utility Fund to the Utility Projects Fund for utility projects, the General Fund for costs associated with providing administrative services – legal, human resource, finance, etc., and the internal service funds (Vehicle Support/Maint, Vehicle Repl, and Facility Maint). Also, interfund transfers to the Utility Debt Fund have increased due to funding of the Series 2019, 2020 and 2021 Revenue Bonds.

Utility Fund

FY22 Water & Sewer Revenues Billed per Month



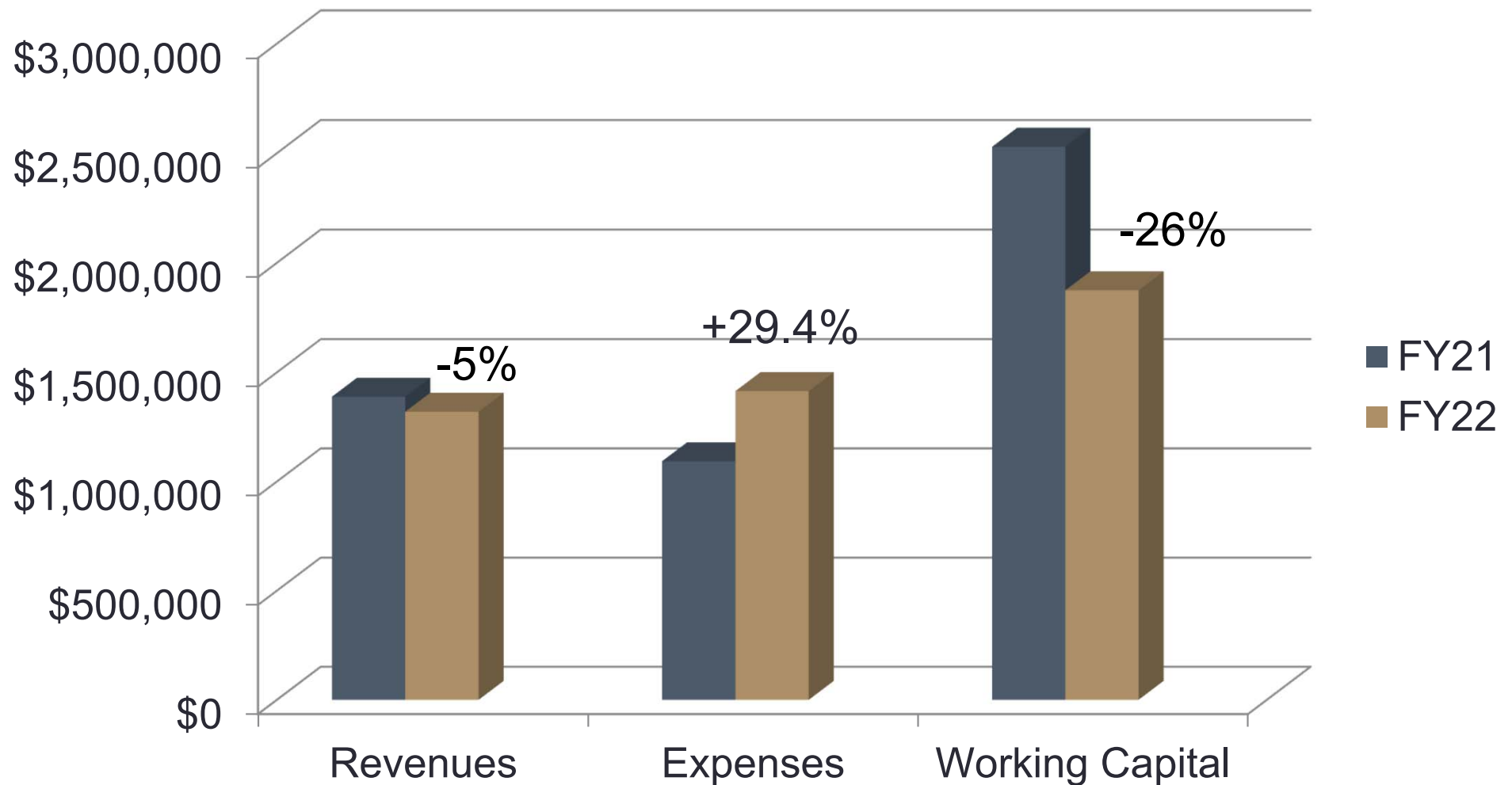
Utility Fund

Dec FY22 Water & Sewer Revenue Billing

- During March of 2022, the city billed \$429,769 for water and \$523,623 for wastewater, for a combined \$953,392.
- The March 2021 billings was \$661,191 for water and \$732,737 for wastewater, for a combined total of \$954,451.
- The 3-year historical average (FY19-FY21) for the month of March is \$845,372.
- Total charges for services for the month was **\$993,709**, which is a decrease of -30% over last year at March 2021 which was **1,423,443**. As mentioned earlier, the decrease in FY22 is due to a 3rd billing cycle of \$439,485 for water and sewer that was included in March of 2021. By April 2022, the YTD totals will correct itself.
- Other charges for services totaling **\$31,353** include fire hydrant rentals, miscellaneous, investment income, sludge disposal, effluent fees, reconnect fees, storm water permit fees, rental income, and TCEQ permit fees.

Sanitation Fund

Revenue & Expense Comparison (YTD)



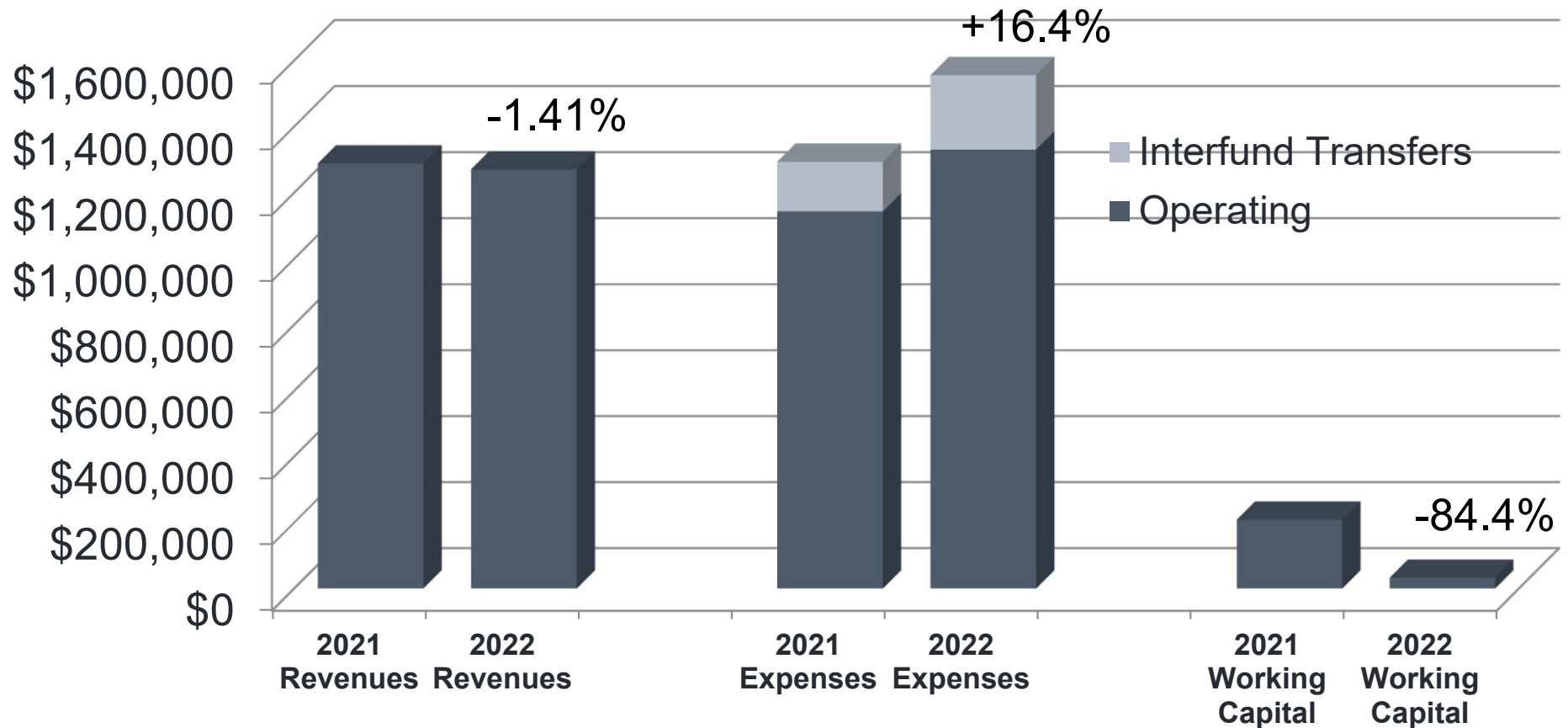
Sanitation Fund

Revenue & Expense Comparison (YTD)

- **Monthly revenues** through March is \$1,319,831 in FY22, which is -5% less than the month ended March 2021 total of \$1,388,582. March of 2021 had an extra billing of \$107,632 for residential and commercial accounts causing this calculated decrease in FY22. Without this added 3rd billing in 2021, there would have been an increase of \$38,881, or 3%, in FY22.
- **Monthly expenses** is \$1,414,241 which is \$321,368, or 29.4%, more than a year ago which was \$1,092,873. In FY21, monthly charges were incorrectly posted to the wrong months causing comparative differences. In addition, the September 2020 invoice was charged to FY21 causing 13 months of charges in FY21. These issues were identified and monthly postings were corrected as FY21 went on.
- **Commercial garbage fee revenues** are \$836,647 through the month of March 2022. Last year through the same time period, the total was \$879,485. This is a decrease of -\$42,838, or -4.87%. The 3rd billing in March of 2021 totaling \$69,188 caused a higher 2021 amount.
- **Residential garbage fees** for March 2022 are \$457,733. Through March 2021, the total was \$487,729. This is a decrease of -\$29,996. The 3rd billing in March of 2021 totaling \$38,444 caused a higher 2021 amount.
- Contractor **expenditures** are up over 6.21% in comparison to the previous year. Through March 2022, \$1,055,904 was expended and \$994,212 was incurred through March 2021. As mentioned above, contractor invoices were posted to the wrong months. As FY21 went on, the variances corrected themselves.

EMS Fund

Revenue & Expense Comparison (YTD)



EMS Fund

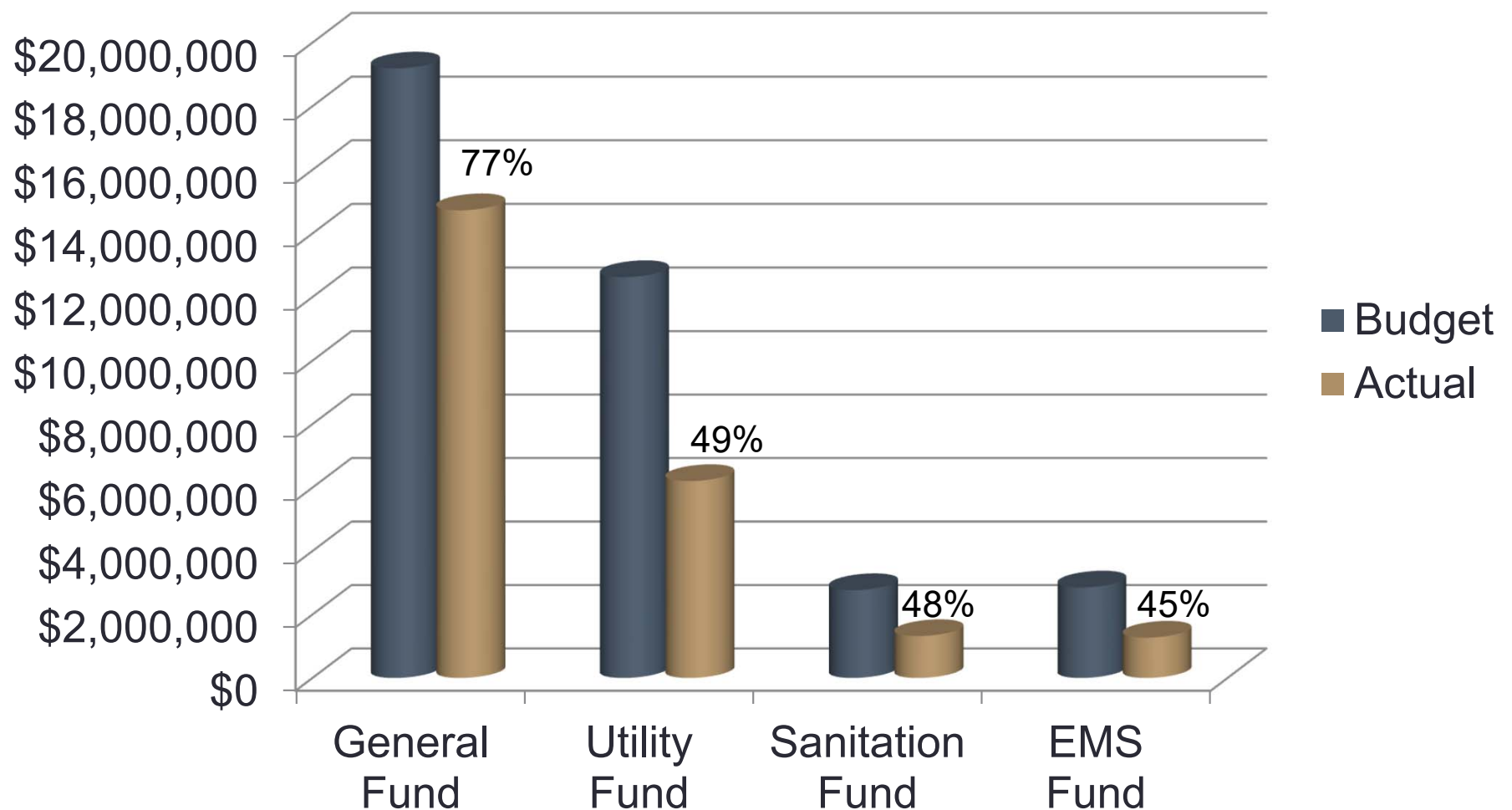
Revenue & Expense Comparison (YTD)

- Total EMS revenues through March 2022 (\$1,270,200) are down -1.41%, or -\$18,154 as compared to last March 2021 (\$1,288,354). Revenues are contingent on services provided as well as collections from our billing company. Timing differences occurred causing the decrease in FY22. One receipt for \$96,000 was received in Sept of FY21 that should have been received in Oct of FY22, and another payment of \$106,250 was received in April of 2022 that should have been received a month earlier in March.
- FY22 Medicaid and Medicare revenues are down -\$28,744, or -14.4%. Revenues for FY22 are \$170,661 as compared to \$199,405 for FY21.
- The YTD EMS utility fee revenue decreased by -5.27% or -\$23,892. The total for FY22 through March is \$429,552, and for FY21 through March it was \$453,444. The 3rd billing in March of 2021 totaling \$34,040 created the higher amount for FY21. By April, both yearly totals will be in alignment.
- YTD operating expenditures (excluding interfund transfers) are up \$187,291 (+16.4%) from as compared to the same time in FY21. The majority of the increased expenditures are in contractual services (+\$55,146) and personnel costs (+\$87,335).
- The YTD working capital (or net cash available for operations) is \$32,576, or a decrease of -84.4% (or -\$175,979) as compared to the March 2021 balance of \$208,555.

Operating Revenues

Budget vs. Actual

as of March 2022 (50% of FY)



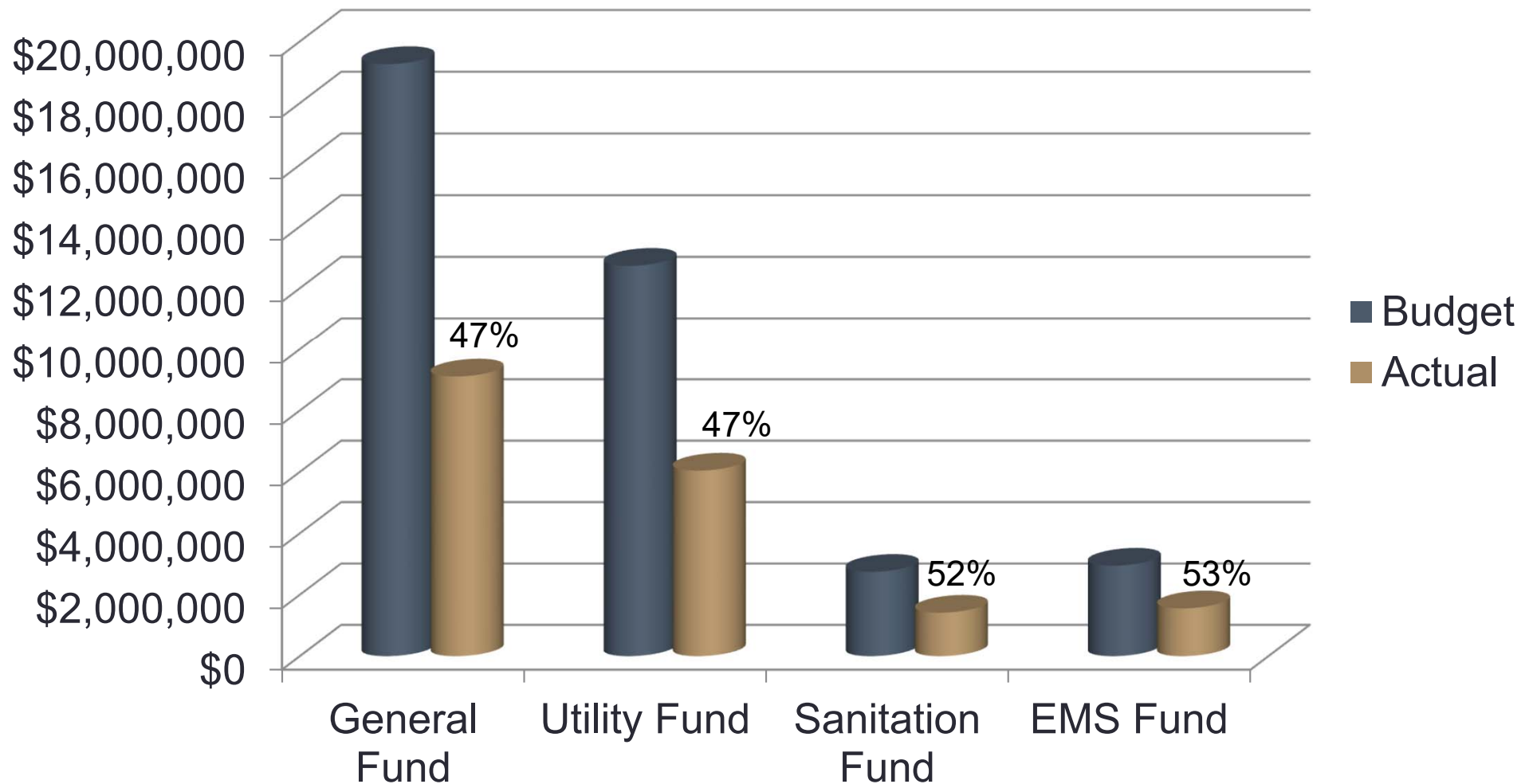
Operating Revenues

Budget vs. Actual

as of March 2022 (50% of FY)

- General Fund Revenues
 - Budget: \$19,186,245
 - Actual: \$14,728,336
 - 77%
- Utility Fund
 - Budget: \$12,625,927
 - Actual: \$6,204,205
 - 49%
- Sanitation Fund
 - Budget: \$2,767,183
 - Actual: \$1,319,831
 - 48%
- EMS Fund
 - Budget: \$2,851,717
 - Actual: \$1,270,200
 - 45%

Operating Expenditures Budget vs. Actual as of March 2022 (50% of FY)



Operating Expenditures

Budget vs. Actual

as of March 2022 (50% of FY)

- General Fund Exp
 - Budget: \$19,264,201
 - Actual: \$9,108,634
 - 47%
- Utility Fund
 - Budget: \$12,724,624
 - Actual: \$6,042,548
 - 47%
- Sanitation Fund
 - Budget: \$2,744,609
 - Actual: \$1,414,241
 - 52%
- EMS Fund
 - Budget: \$2,945,652
 - Actual: \$1,555,831
 - 53%

Cash and Investment Summary

Cash and Investments

March 31, 2022

General Fund	\$	21,143,209
Utility Fund		35,948,043
Special Revenue Funds (a)		2,498,410
Cemetery Fund		768,396
Sanitation Fund		2,948,880
EMS		1,031,334
Capital Projects (Governmental) (b)		17,659,150
Capital Projects (Utility) (c)		63,662,705
Internal Service (d)		6,241,303
Debt Service*		412,858
Total	\$	<u>152,314,289</u>

- a Fire Capital, Hotel, Municipal Court, Special Investigation, Senior, Public Education Governmental, and Donation Funds
- b Sales Tax Fund and Governmental Bond Funds
- c Utility Bond Funds
- d Fleet Maintenance, Vehicle Replacement, IT Support/Maint, Computer Replacement, and Facility Maintenance Funds.

CITY OF ALVIN

MAJOR FUNDS RECAP

For the period ending 3/31/2022



CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022

	CURRENT MONTH			YEAR TO DATE			CURRENT	BUDGET	BALANCE
	LAST YEAR	THIS YEAR	% CHANGE	LAST YEAR	THIS YEAR	% CHANGE			
GENERAL FUND									
REVENUES									
PROPERTY TAXES	306,765	271,178	-12%	9,277,562	10,233,524	10%	10,193,930	(39,594)	
DENBURY (PAYMENT IN LIEU OF TAXES)	-	-	0%	469,553	384,844	0%	384,877	33	
SALES TAXES	222,390	213,360	-4%	1,428,784	1,490,663	4%	2,999,674	1,509,011	
OTHER TAXES	4,674	4,560	0%	24,633	27,750	0%	53,000	25,250	
FRANCHISE TAXES	11,730	(1,102)	0%	632,241	639,533	1%	1,205,000	565,467	
PERMITS AND LICENSES	105,027	139,801	33%	526,695	612,472	16%	957,015	344,543	
FINES AND FORFEITURES	55,501	71,343	29%	203,433	297,715	46%	435,000	137,285	
CHARGES FOR SERVICES	6,052	10,017	66%	285,152	180,950	-37%	553,025	372,075	
OTHER INCOME	58,421	11,715	-80%	120,078	30,247	-75%	259,749	229,502	
INTRAGOVERNMENTAL	138,189	138,440	0%	829,134	830,637	0%	2,144,975	1,314,337	
TOTAL REVENUES	908,749	859,311	-5%	13,797,266	14,728,336	7%	19,186,245	4,457,909	
EXPENDITURES									
MAYOR AND COUNCIL	2,955	6,826	131%	23,451	28,387	21%	56,361	27,974	
CITY SECRETARY	44,206	39,281	-11%	172,700	185,158	7%	383,431	198,273	
CITY ATTORNEY	32,009	34,392	7%	141,231	149,805	6%	366,703	216,899	
CITY MANAGER	40,959	43,414	6%	164,878	182,022	10%	390,248	208,226	
ECONOMIC DEVELOPMENTS	34,010	15,391	-55%	115,673	60,014	-48%	120,408	60,394	
FINANCE	56,107	56,499	1%	232,538	236,568	2%	497,088	260,521	
COURT	28,087	31,740	13%	133,885	149,328	12%	307,962	158,633	
HUMAN RESOURCES	23,309	32,215	38%	99,924	121,488	22%	379,160	257,672	
CITY HALL	11,876	4,033	-66%	47,027	11,961	-75%	22,886	10,925	
POLICE	931,204	885,141	-5%	3,896,597	4,081,884	5%	8,493,938	4,412,054	
HUMANE	63,671	60,669	-5%	254,971	292,323	15%	587,475	295,152	
FIRE	136,980	144,670	6%	463,444	569,763	23%	1,238,679	668,916	
EMERGENCY MMGT	7,124	7,739	9%	32,518	37,811	16%	87,935	50,123	
ENGINEERING	99,453	43,774	-56%	414,198	412,153	0%	1,241,390	829,237	
CODE ENFORCEMENT	9,642	15,141	57%	52,726	60,585	15%	131,228	70,643	
PARKS AND RECREATION	157,212	138,263	-12%	819,444	743,505	-9%	1,672,070	928,565	
LIBRARY	3,961	7,265	83%	43,866	48,569	11%	120,624	72,055	
NON-DEPARTMENTAL	174,897	218,247	25%	1,427,387	1,737,310	22%	3,166,615	1,429,305	
TOTAL EXPENDITURES	1,857,659	1,784,700	-4%	8,536,458	9,108,634	7%	19,264,201	10,155,567	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				5,260,808	5,619,701				
BEGINNING FUND BALANCE				9,229,374	9,810,059				
ENDING FUND BALANCE				14,490,182	15,429,760				



CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022

HOTEL TAX FUND

REVENUES

	<u>CURRENT MONTH</u>			<u>YEAR TO DATE</u>			<u>CURRENT</u>	<u>BUDGET</u>
	LAST YEAR	THIS YEAR	%	LAST YEAR	THIS YEAR	%	BUDGET	BALANCE
OCCUPANCY TAXES	9,733	14,236	46%	109,926	87,775	-20%	275,000	187,225
OTHER OPERATING INCOME	5,691	4,886	-14%	11,161	20,091	80%	23,200	3,109
TOTAL REVENUES	15,424	19,122	24%	121,087	107,866	-11%	298,200	190,334

EXPENDITURES

PERSONNEL	7,651	8,540	0%	31,450	34,613	10%	72,885	38,272
SUPPLIES	4,737	9,231	95%	6,470	12,800	98%	29,000	16,200
CONTRACT SERVICES	3,822	11,950	213%	85,117	112,966	33%	203,576	90,610
CAPITAL OUTLAY	-	-	0%	-	2,398	100%	2,500	103
DEBT SERVICE	-	-	0%	6,683	13,265	98%	7,203	(6,062)
INTERFUND TRANSFERS	2,214	5,665	156%	13,283	33,989	156%	67,977	33,989
TOTAL EXPENDITURES	18,424	35,386	92%	143,003	210,030	47%	383,141	173,111

EXCESS (DEFICIENCY) OF
REVENUES OVER EXPENDITURES

(21,916) (102,164)

BEGINNING FUND BALANCE

474,670 494,326

ENDING FUND BALANCE

452,754 392,162



CITY OF ALVIN
BUDGET VS ACTUAL (Cash basis)
For the period ending 3/31/2022

UTILITY FUND

REVENUES

	<u>CURRENT MONTH</u>		% CHANGE	<u>YEAR TO DATE</u>		% CHANGE	CURRENT BUDGET	BUDGET BALANCE
	LAST YEAR	THIS YEAR		LAST YEAR	THIS YEAR			
CHARGES FOR SERVICES	1,423,443	993,709	-30%	6,162,379	6,041,279	-2%	12,115,211	6,073,931
OTHER OPERATING INCOME	22,733	31,353	38%	136,449	162,925	19%	510,717	347,792
TOTAL REVENUES	1,446,176	1,025,061	-29%	6,298,828	6,204,205	-2%	12,625,927	6,421,723

EXPENDITURES

WATER	132,566	156,750	18%	607,300	683,858	13%	1,517,543	833,685
SEWER	72,267	134,982	87%	339,620	463,653	37%	1,031,675	568,022
WASTEWATER TREATMENT	75,316	132,491	76%	464,798	505,095	9%	1,277,968	772,873
ADMINISTRATION	33,809	44,908	33%	147,452	202,091	37%	424,833	222,742
BILLING AND COLLECTIONS	38,768	42,599	10%	158,162	208,748	32%	487,967	279,219
PUBLIC SERVICES FACILITY	4,828	7,804	62%	34,360	47,439	38%	101,110	53,671
CODE ENFORCEMENT PROGRAM	3,148	6,077	93%	33,797	30,378	-10%	74,435	44,057
CONTRACT SERVICES	48,855	42,958	0%	286,616	261,964	-9%	622,572	360,608

TOTAL OPERATING EXPENDITURES	409,558	568,568	39%	2,072,104	2,403,226	16%	5,538,103	3,134,877
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DEBT SERVICE PRINCIPAL & INT.		-	0%	-	-		-	-
INTERFUND TRANSFERS	496,002	608,611	23%	2,954,430	3,639,322	23%	7,186,521	3,547,199

TOTAL EXPENDITURES	905,560	1,177,180	30%	5,026,534	6,042,548	20%	12,724,624	3,134,877
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EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				1,272,294	161,657			
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BEGINNING NET OPERATING ASSETS				8,573,192	3,547,611			
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ENDING NET OPERATING ASSETS				9,845,486	3,709,268			
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CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022

SANITATION FUND

REVENUES

	<u>CURRENT MONTH</u>			<u>YEAR TO DATE</u>			<u>CURRENT BUDGET</u>	<u>BUDGET BALANCE</u>
	LAST YEAR	THIS YEAR	% CHANGE	LAST YEAR	THIS YEAR	% CHANGE		
CHARGES FOR SERVICES	320,661	218,657	-32%	1,376,750	1,308,645	-5%	2,755,683	1,447,038
FRANCHISE FEE	-	-	0%	10,884	-	100%	11,000	
OTHER OPERATING INCOME	118	10,653	8946%	948	11,186	1080%	500	(10,686)
TOTAL REVENUES	320,778	229,311	-29%	1,388,582	1,319,831	-5%	2,767,183	1,436,352

EXPENDITURES

CONTRACT SERVICES	396,502	214,892	0%	994,212	1,273,030	28%	2,489,114	1,216,084
INTERFUND TRANSFERS	15,193	21,086	39%	88,828	121,693	37%	244,895	123,202
DEBT SERVICE	-	-	0%	9,833	19,518	98%	10,600	(8,918)
TOTAL EXPENDITURES	411,696	235,978	-43%	1,092,873	1,414,241	29%	2,744,609	1,216,084

EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	295,709	(94,410)
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BEGINNING NET OPERATING ASSETS	2,233,627	1,968,771
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ENDING NET OPERATING ASSETS	2,529,336	1,874,361
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**CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022**

EMS FUND

REVENUES

	<u>CURRENT MONTH</u>		<u>% CHANGE</u>	<u>YEAR TO DATE</u>		<u>% CHANGE</u>	<u>CURRENT BUDGET</u>	<u>BUDGET BALANCE</u>
	<u>LAST YEAR</u>	<u>THIS YEAR</u>		<u>LAST YEAR</u>	<u>THIS YEAR</u>			
Hillcrest EMS/Fire Service	-	-	0%	3,600	3,600	0%	14,400	10,800
Emergency Service District	-	-	0%	188,250	106,250	-44%	402,750	296,500
Medicaid	1,367	-	-100%	12,674	7,741	-39%	28,000	20,259
Medicare	41,055	-	-100%	186,731	162,920	-13%	330,000	167,080
Service Charges - Intermedix	101,260	145,665	44%	439,161	439,186	0%	850,000	410,814
EMS Utility Fee	104,110	72,256	-31%	453,444	429,552	-5%	850,000	420,448
Other Operating Income	2	6,055	320295%	4,494	120,950	2592%	376,567	255,617
TOTAL REVENUES	247,794	223,976	-10%	1,288,354	1,270,200	-1%	2,851,717	1,581,517

Personnel	198,977	212,549	7%	792,880	880,215	11%	1,627,827	747,612
Supplies	23,383	32,841	40%	107,439	152,197	42%	243,572	91,375
Contract Services	54,293	27,906	-49%	236,015	291,161	23%	410,400	119,239
Debt Service	-	-	0%	6,844	6,895	1%	7,608	713
Interfund Transfers	25,103	37,561	50%	150,619	225,363	50%	450,727	225,364

OPERATING EXPENDITURES	301,756	310,856	3%	1,293,796	1,555,831	20%	2,740,134	1,184,303
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CAPITAL OUTLAY (NON RECURRING)	-	-	0%	-	-		205,518	205,518
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TOTAL EXPENDITURES	301,756	310,856	3%	1,293,796	1,555,831	20.3%	2,945,652	1,389,821
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EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				(5,443)	(285,631)			
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BEGINNING WORKING CAPITAL				213,998	318,207			
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ENDING WORKING CAPITAL				208,555	32,576			
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CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022

SALES TAX FUND

REVENUES

	<u>CURRENT MONTH</u>		<u>%</u>	<u>YEAR TO DATE</u>		<u>%</u>	<u>CURRENT</u>	<u>BUDGET</u>
	<u>LAST YEAR</u>	<u>THIS YEAR</u>		<u>LAST YEAR</u>	<u>THIS YEAR</u>			
SALES TAX REVENUES	444,646	426,592	-4%	2,855,998	2,720,084	-5%	5,985,322	3,265,238
OTHER OPERATING INCOME	831	412,007	49459%	3,870	414,031	10598%	145,746	(268,285)
TOTAL REVENUES	445,478	838,599	88%	2,859,868	3,134,115	10%	6,131,068	2,996,953

EXPENDITURES

PERSONNEL (STREET)	103,160	112,845	9%	435,145	467,797	8%	1,194,620	726,823
PERSONNEL (CODE ENFORCEMENT)	2,545	2,650	4%	10,668	11,159	5%	23,137	11,978
SUPPLIES	19,352	22,990	19%	67,279	111,680	66%	253,697	142,017
CONTRACT SERVICES	49,274	70,339	43%	442,633	325,136	-27%	1,029,479	704,343
CAPITAL OUTLAY (CIP)	348,993	33,732	0%	742,569	150,069	-80%	3,650,319	3,500,250
INTERFUND TRANSFERS	95,591	120,196	26%	540,754	663,434	23%	1,135,457	472,022
TOTAL EXPENDITURES	618,916	362,752	-41%	2,239,047	1,729,275	-23%	7,286,708	5,557,433

EXCESS (DEFICIENCY) OF
REVENUES OVER EXPENDITURES

1,404,839

BEGINNING FUND BALANCE

10,008,538

ENDING FUND BALANCE

11,413,377



CITY OF ALVIN
BUDGET VS ACTUAL
For the period ending 3/31/2022

	<u>CURRENT MONTH</u>			<u>YEAR TO DATE</u>			<u>CURRENT</u>	<u>BUDGET</u>
	LAST YEAR	THIS YEAR	% CHANGE	LAST YEAR	THIS YEAR	% CHANGE	BUDGET	BALANCE
Fleet Maintenance Fund								
<u>REVENUES</u>								
INTRA GOVERNMENTAL TRANSFERS	63,741	64,289	1%	382,445	385,731	1%	771,462	385,731
OTHER OPERATING INCOME	(1,932)	340	-118%	15,339	7,369	-52%	100	(7,269)
TOTAL REVENUES	61,809	64,628	-4%	397,784	393,100	-1%	771,562	378,462
<u>EXPENDITURES</u>								
PERSONNEL	20,585	22,004	7%	84,191	91,533	9%	198,167	106,634
SUPPLIES	9,808	10,965	12%	53,020	52,061	-2%	163,523	111,462
CONTRACT SERVICES	29,105	49,813	71%	203,270	298,417	47%	436,766	138,349
CAPITAL OUTLAY			0%			0%	25,000	25,000
INTERFUND TRANSFERS	2,709	6,971	157%	16,256	41,828	157%	83,656	67,400
TOTAL EXPENDITURES	62,207	89,753	44%	356,737	483,839	36%	907,112	448,845
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						(90,738)		
BEGINNING OPERATING ASSETS						760,238		
ENDING OPERATING ASSETS						669,500		

Cash and Investment Summary
March 2022

General Fund	\$	21,143,209
Utility Fund		35,948,043
Special Revenue Funds (a)		2,498,410
Cemetery Fund		768,396
Sanitation Fund		2,948,880
EMS		1,031,334
Capital Projects (Governmental) (b)		17,659,150
Capital Projects (Utility) (c)		63,662,705
Internal Service (d)		6,241,303
Debt Service*		412,858
Total	\$	152,314,289



City of Alvin
Quarterly Investment Report
March 31, 2022



City of Alvin
Investment Report Commentary
For the Quarter Ended March 31, 2022

The City of Alvin's investment portfolio at March 31, 2022, was **\$109,633,974**, which was an increase of \$13,581,425 during the quarter. At December 31, 2021, the portfolio total was **\$96,052,549**. The majority of the increase was due to property tax collections received during the quarter. The portfolio consists of \$87.7 million invested in the Investment Pools, \$1.3 million in Fixed Income Securities (i.e. CD's and Municipal Bonds), and \$20.7 million in the City's bank depository accounts (i.e. checking accounts). Interest earned during the quarter was **\$50,705**. During the previous quarter, total interest was **\$18,466**. The overall yield rate had a slight increase during the quarter.

The City of Alvin earned a Weighted Average Yield-to-Maturity (WAM) rate of **.14%** during the current quarter. The market benchmark rate that is used as a comparison is the 90-day T-Bill which averaged **.37%** for the quarter. The 90-day T-Bill rate ended at .51% on March 31, 2022. The 90 day T-Bill rate improved during the quarter as the federal reserve raised rates to combat inflation. During the previous quarter, the city's Weighted Average Yield-to-Maturity (YTM) rate was **.06%** and the 90-day T-Bill average was **.05%**.

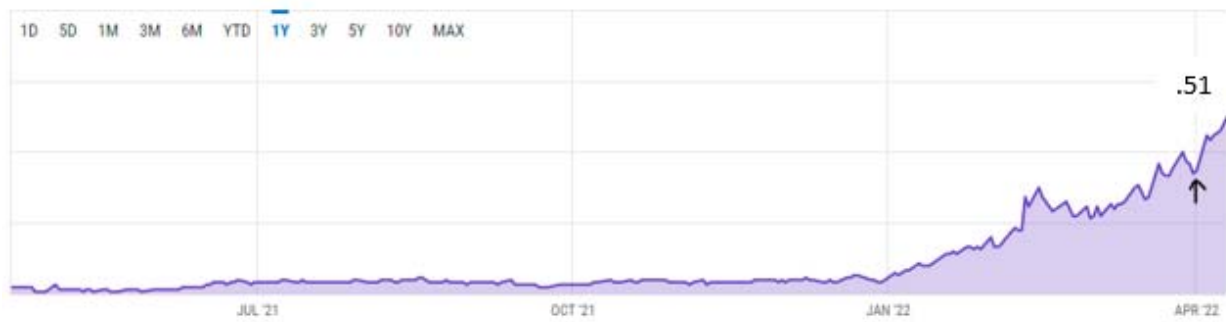
The overall Weighted Average Maturity (WAM in days) was **2.7 days** during the quarter, compared to **4.3 days** in the previous quarter. The WAM days are very low because 99% of the portfolio is invested in the 1 day maturities, primarily investment pools. The City's maximum allowable maturity days varies on the type of investment which can range from 30 days to 3 years.

As mentioned above, the City's benchmark rate is the 90-day T-Bill, which was .37% (or 37 basis points) for the quarter. The T-Bill rate a year ago at March 31, 2021, was .08% (or 8 basis points), and two years ago the rate was 1.32% (or 132 basis points).

According to the Texstar March 2022 newsletter, "As the pandemic continues to fade, economic momentum remained strong, reflecting solid income growth, strong balance sheets, and pent-up demand for goods and services. However, volatility continued to grip global financial markets with war in Eastern Europe intensifying, inflation pressures building, and supply chain issues exacerbated. The U.S. Federal Reserve (Fed) kicked off its hiking cycle at its March Federal Open Market Committee (FOMC) meeting and began the journey towards tighter monetary policy. But, the end destination remains unclear, and the uncertainty is unsettling markets. The conflict in Ukraine and the toll it is taking on human life is deeply distressing."

In addition, below is a historical comparison of the T-Bill which shows how flat the market has been over the recent year and over a 3-year period.

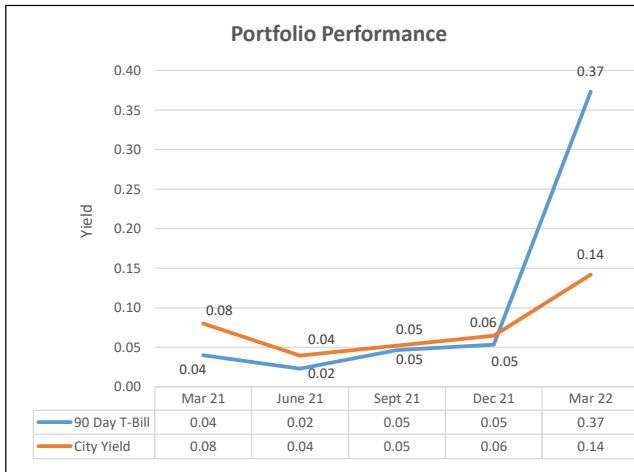
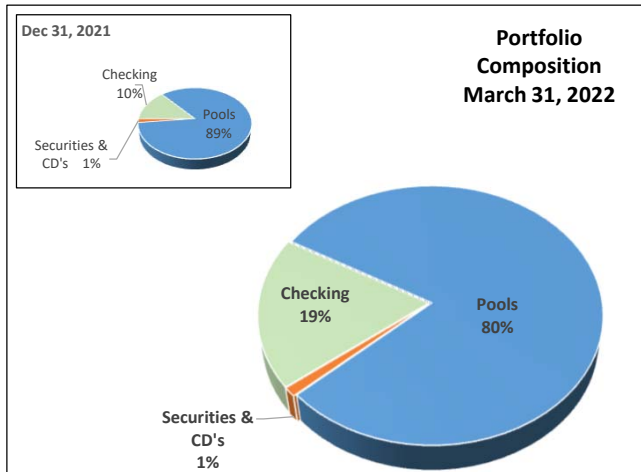
3-Month T-Bill rates over a 1-year period



The City of Alvin Finance Department will continue to monitor the market and the rates looking for the best options to increase our investment earnings, while remaining in a safe position. In addition, we are monitoring our bank depository balances more closely as the earnings credit rate for the bank account is currently at .25% (offset by fees).

**City of Alvin
Investment Portfolio
March 31, 2022**

Asset type	CUSIP	Purchase Date	Maturity Date	Days to Maturity	Avg Yield for Qtr	December 31, 2021		Net Purchases & Disb During Qtr	March 31, 2022		Interest Earned During Qtr
						Book Value	Market Value		Book Value	Market Value	
Bank Depository/Demand Accounts			open	1	0.250%	13,443,573	13,443,573	7,224,151	20,667,723	20,667,723	10,467
Cert of Deposit - BMW Bank North Am.	05580AWS9	6/26/2020	6/27/2022	88	0.250%	249,000	249,000		249,000	248,878	1,868
Cert of Deposit - NY Community Bank	649447UC1	11/9/2020	11/9/2022	223	0.200%	250,000	249,732		250,000	248,936	1,500
Municipal Bond - Barber's Hill ISD	067167YC4	4/9/2021	2/15/2022		0.150%	350,000	351,955	(350,000)	-	-	8,750
Municipal Bond - Dallas ISD ISD	235308C43	9/30/2021	2/15/2023	321	0.190%	250,000	260,601		250,000	255,284	5,000
Municipal Bond - Dublin Lease Revenue	26362QAA7	10/14/2021	6/1/2022	62	0.171%	517,181	512,907		517,181	507,467	2,653
Investment Pool - Texstar			open	1	0.042%	43,154,055	43,154,055	(8,429,677)	34,724,378	34,724,378	3,816
Investment Pool - Texas Class			open	1	0.168%	29,031,860	29,031,860	18,148,347	47,180,208	47,180,208	14,421
Investment Pool - Texas Class (CRF 2020)			open	1	0.168%	3,002,972	3,002,972	(2,999,678)	3,294	3,294	322
Investment Pool - Texas Class (ARP 2021)			open	1	0.168%	3,311,339	3,311,339	1,387	3,312,727	3,312,727	1,387
Investment Pool - Texpool			open	1	0.085%	1,131,973	1,131,973	239	1,132,212	1,132,212	239
Investment Pool - Texpool (TIRZ#2)			open	1	0.085%	1,352,583	1,352,583	285	1,352,868	1,352,868	285
						\$96,044,535	\$96,052,549	\$13,595,054	\$109,639,590	\$109,633,974	\$50,708



	12/31/2021	3/31/2022
Book Value	\$96,044,535	\$109,639,590
Market Value	\$96,052,549	\$109,633,974
Change in MV		\$13,581,425
Weighted Avg Maturity (days)	4.3	2.7
Weighted Avg YTM	0.06%	0.14%
Avg Yield of 90 day T-Bill	0.05%	0.37%
Accrued Interest @ 3/31/22		\$18,894

Michael Higgins
Director of Administrative Services



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: Parks and Recreation

Contact: Dan Kelinske, Director

Agenda Item: Call a public hearing to receive comment regarding an ordinance establishing Standards of Care for youth recreation programs conducted by the City of Alvin Parks and Recreation Department for elementary age children ages five (5) through – thirteen (13) for Thursday, May 19, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 West Sealy.

Type of Item: ☐Ordinance ☐Resolution ☐Contract/Agreement ☐Public Hearing ☐Plat ☐Discussion & Direction ☒Other

Summary: In response to community demand for after school and summer day camp programs, the Parks and Recreation Department plans to offer these style camps. A day camp is considered extending 11.5 hours per day for approximately five (5) days per week. A participant (ages 5 to 13) can expect daily engagement from instructor lead learning, crafts, physical activity, as well as the inclusion of lunch and snacks.

Chapter 42 of the Texas Human Resources Code exempts certain after-school and summer recreation programs from state licensing requirements as identified in Subsection 42.041 (14), provided that the governing body of the municipality annually adopts standards of care by ordinance after a public hearing, and that such standards are provided to the parents of each program participant. The ordinance shall include minimum staffing ratios, qualifications, facility, health and safety standards and mechanisms for monitoring and enforcing the adopted local standards as well as notify parents that the program is not licensed by the state and cannot be advertised as a child-care facility.

Before the adoption of this ordinance, a public hearing must be held before the governing body. The notice of said public hearing will be published in the Alvin Sun on May 8, 2022 and posted on the City's website. At the next meeting, City Council will conduct the public hearing and consider the annual adoption of said ordinance.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ **Date Completed:** 5/2/2022 SLH

Supporting documents attached: N/A

Recommendation: Move to call a public hearing to receive comment regarding an ordinance establishing Standards of Care for youth recreation programs conducted by the City of Alvin Parks and Recreation Department for elementary age children ages five (5) through – thirteen (13) for Thursday, May 19, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 West Sealy.

Reviewed by Department Head, if applicable ☐
Reviewed by City Attorney, if applicable ☒

Reviewed by Chief Financial Officer, if applicable ☐
Reviewed by City Manager ☒

ORDINANCE 22-__

AN ORDINANCE OF THE CITY OF ALVIN, TEXAS, ESTABLISHING STANDARDS OF CARE FOR YOUTH RECREATION PROGRAMS CONDUCTED BY THE CITY OF ALVIN PARKS AND RECREATION DEPARTMENT FOR ELEMENTARY AGE CHILDREN AGES FIVE (5) THROUGH THIRTEEN (13); PROVIDING FOR COMPLIANCE WITH STATE LAW; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Alvin, Texas (the “City”), is a home rule municipal corporation to article 11, section 5 of the Texas Constitution and its Home Rule Charter; and

WHEREAS, the City operates recreation programs for children, including elementary age children (ages 5 through 13); and

WHEREAS, Chapter 42 of the Texas Human Resources Code exempts certain after-school and summer recreation programs from state licensing requirements as identified in Subsection 42.041(14) stating “an elementary-age (ages 5-13) recreation program operated by a municipality provided the governing body of the municipality annually adopts standards of care by ordinance after a public hearing for such programs, that such standards are provided to the parents of each program participant, and that the ordinances shall include, at a minimum, staffing ratios, minimum staff qualifications, minimum facility, health, and safety standards, and mechanisms for monitoring and enforcing the adopted local standards; and further provided that parents be informed that the program is not licensed by the state and the program may not be advertised as a child-care facility;” and

WHEREAS, the City Council held a public hearing on May 19, 2022, regarding the Standards of Care for its Youth Recreation Programs for elementary age children (ages 5 through 13) before passing and approving this Ordinance 22-__, adopting such Standards of Care;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF ALVIN, TEXAS, THAT:

Section 1. The above and foregoing recitals and premises to this Ordinance are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. The standards of care set forth in Exhibit A attached hereto and made a part of this Ordinance for all purposes (the “Standards of Care”) are hereby adopted as the standards of care for all elementary age (ages 5 through 13) recreation programs operated by the City of Alvin, Texas (collectively “Programs” and each a “Program”), including without limitation, any summer camp program.

Section 3. All Programs are to be operated by the City of Alvin’s Park and Recreation Department (“Department”). The Director of the Department, or the Director’s designee, (individually or collectively, the “Director”), shall administer the Programs in accordance with the

Standards of Care. The Director may adopt rules in writing relating to the operations of Programs, which rules may be more restrictive than the Standards of Care. The Programs shall be operated in accordance with the Standards of Care (or, in the event the Director adopts rules that are more restrictive than the Standards of Care, in accordance with such rules).

Section 4. The Director shall provide the Standards of Care to the parents of each Program participant (and, in the event the Director adopts rules that are more restrictive than the Standards of Care, shall provide such rules to the parents of each Program participant). Further, the Director, or the Director's designee, shall inform the parents of each Program participant that the Program is not licensed by the State of Texas.

Section 5. The Program shall not be advertised as a child-care facility.

Section 6. The Director is authorized to take any and all steps, if any, as may be necessary to confirm the Program's exemption from State law as set forth in Section 42.041 of the Texas Human Resources Code.

Section 7. This Ordinance shall be cumulative of all other ordinances of the City of Alvin, Texas, and shall not repeal any of the provisions of these ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance.

Section 8. The provisions of this Ordinance are severable, and if any section or provision of this Ordinance or the application of any section or provision to any person, firm, corporation, entity, situation or circumstance is for any reason adjudged invalid or held unconstitutional by a court of competent jurisdiction, the same shall not affect the validity of any other section or provision of this Ordinance or the application of any other section or provision to any other person, firm corporation, entity, situation or circumstance, and the City Council declares that it would have adopted the valid portions of this Ordinance adopted herein without the invalid or unconstitutional parts and to this end the provisions of this Ordinance adopted herein shall remain in full force and effect.

Section. 9. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and the public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code. Notice was also provided as required by Chapter 52 of the Texas Local Government Code and the City of Alvin Charter.

Section 10. This Ordinance shall take effect upon its passage and approval.

PASSED on the first and final reading on the ____ day of May 2022.

CITY OF ALVIN, TEXAS

ATTEST:

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: Police

Contact: Chief Robert E. Lee

Agenda Item: Call two (2) public hearings to receive comments on the review of Chapter 15 of the Alvin Code of Ordinances, Offenses and Miscellaneous Provisions, Article IV, Curfew Hours for Juveniles for Thursday May 19, 2022, and Thursday, June 2, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 W. Sealy.

Type of Item: ☐ Ordinance ☐ Resolution ☐ Contract/Agreement ☐ Public Hearing ☐ Plat ☐ Discussion & Direction ☒ Other

Summary: Texas Local Government Code (TLGC) Section 370.002 requires the governing body to review a juvenile curfew ordinance every three (3) years and to review the ordinance's effect on a community. Before City Council can consider the adoption of said ordinance TLGC 370.002 requires that the governing body hold two (2) public hearings. In the last three (3) years, the existence of the curfew ordinance allowed officers the ability to stop and identify unaccompanied juveniles and notify parents or legal guardians to ensure that these minors were picked up/delivered into the hands of a responsible adult. In some cases, the parent/guardian had no idea that the juvenile was absent from adult oversight. The overarching intent of the ordinance is to provide for the safety of juveniles, to curb the commission of juvenile crime, and to maintain the general peace of the City during curfew hours.

The curfew hours are Sunday to Thursday 11:00 p.m. to 6:00 a.m. the following day, and 12:01 a.m. to 6:00 a.m. on any Saturday and Sunday. These hours apply to juveniles ten (10) years of age or older and under seventeen (17) at the time of the violation. The juvenile and/or the parent may be charged with a violation, as well as any owner, operator or employee of any establishment that knowingly violates this ordinance.

Some of the exceptions (defenses) to the ordinance include being accompanied by parent or guardian, traveling to/from place of employment (direct route), emergency, school/religious/government activity, and on an errand for a parent/guardian with written permission.

The cities of Manvel, Angleton, League City, Webster, Pearland, and Friendswood, all have juvenile ordinances in place currently.

This item on the agenda is to simply schedule and call for the two (2) required public hearings. Notifications will be advertised in the Alvin Sun and placed on the City's website. After the public hearings are conducted, City Council will consider the formal adoption of this ordinance at the June 2nd meeting.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☐ **Date Completed:** 4/21/2022 SLH

Supporting documents attached: Alvin code of Ord - Chapter 15, Article IV Curfew Hours for Juveniles

Recommendation: Move to call two public hearings to receive comments on the review of Chapter 15 of the Alvin Code of Ordinances, Offenses and Miscellaneous Provisions, Article IV, Curfew Hours for Juveniles for Thursday May 19, 2022, and Thursday, June 2, 2022, at 7:00 p.m. in the City Council Chambers of Alvin City Hall, 216 W. Sealy.

Reviewed by Department Head, if applicable ☐

Reviewed by City Attorney, if applicable ☒

Reviewed by Chief Financial Officer, if applicable ☐

Reviewed by City Manager ☒

ARTICLE IV. CURFEW HOURS FOR JUVENILES¹

Sec. 15-61. Definitions.

In this article the following definitions shall apply:

Chief of police means the chief of police of the city, or a designated representative.

Curfew hours means 11:00 p.m. on any Sunday, Monday, Tuesday, Wednesday or Thursday until 6:00 a.m. of the following day; and 12:01 a.m. until 6:00 a.m. on any Saturday or Sunday.

Direct route means the shortest path of travel through a public place to reach a final destination without any detour or stop along the way.

Emergency means, but is not limited to, a fire, a natural disaster, an automobile accident, or any situation requiring immediate medical care to prevent serious bodily injury or loss of life.

Establishment means any privately-owned place of business operating for a profit to which the public is invited, including but not limited to, any place of amusement or entertainment.

Holding location means a place designated by the chief of police, to which a juvenile taken into custody for a violation of this section will be delivered to await pick up by a parent or juvenile authorities.

Juvenile means any person ten (10) years of age or older and under seventeen (17) years of age at the time of the act or offense.

Operator means any individual, firm, association, partnership, or corporation operating, managing, or conducting any establishment. The term includes the members or partners of an association or partnership and the officers of a corporation.

Parent means a person who is:

- (1) A natural or adoptive parent of another person;
- (2) A court-appointed guardian of another person; or
- (3) At least eighteen (18) years of age and authorized by a parent, court order, or court-appointed guardian to have the care and custody of another person.

Public place means any place to which the public or a substantial group of the public has access and includes, but is not limited to, streets, highways, and the common areas of schools, hospitals, apartment houses, office buildings, transport facilities, and shops.

Remain means to linger or stay unnecessarily; or fail to leave any premises when requested to do so by a police officer or the owner, operator, or other person in control of the premises.

¹Editor's note(s)—Ord. No. 07-P, § 2, adopted April 19, 2007, amended article IV in its entirety to read as herein set out. Formerly, article IV pertained to similar subject matter, and derived from Ord. No. 94-BBB, § 2, adopted October 20, 1994, and Ord. No. 98-XX, § 2, adopted October 1, 1998.

Sec. 2 of Ord. No. 19-N, adopted June 6, 2019, declared Ord. No. 16-I is continued in effect in accordance with state law.

(Ord. No. 07-P, § 2, 4-19-07; Ord. No. 10-C, § 2, 4-20-10; Ord. No. 16-I, § 2, 6-16-16)

Sec. 15-62. Offenses.

- (a) It shall be unlawful for any juvenile to purposefully remain, walk, run, stand, drive or ride about in or upon any public place in the city during curfew hours.
- (b) It shall be unlawful for the parent of a juvenile to knowingly permit or allow the juvenile to remain, walk, run, stand, drive or ride about in or upon any public place in the city during curfew hours.
- (c) The owner, operator, or any employee of an establishment commits an offense if such person knowingly allows a juvenile to remain upon the premises of an establishment during curfew hours.

(Ord. No. 07-P, § 2, 4-19-07; Ord. No. 10-C, § 2, 4-20-10; Ord. No. 16-I, § 2, 6-16-16)

Sec. 15-63. Defenses.

- (a) It is a defense to prosecution under section 15-62 that the juvenile was:
 - (1) Accompanied by the juvenile's parent or guardian, or an adult authorized by the parent or guardian;
 - (2) On an errand at the direction of the juvenile's parent and was using a direct route, and the juvenile has in their possession a written permission paper, which contains contact information;
 - (3) In a motor vehicle involved in interstate travel;
 - (4) Engaged in a lawful employment activity, including, but not limited to, newspaper delivery, and was using a direct route;
 - (5) Engaged in volunteer work at a recognized charitable or civic institution or going to or from such activity by direct route;
 - (6) Involved in an emergency;
 - (7) On the sidewalk abutting the juvenile's residence or abutting the residence of the next-door neighbor if the juvenile has permission from the parent to be on the sidewalk of the next-door neighbor and the neighbor did not complain to the police officer about the juvenile's presence;
 - (8) Attending a school, government-sponsored or religious activity or going to or returning home by a direct route from an official school, government-sponsored or religious activity;
 - (9) Exercising first amendment rights protected by the United States Constitution, such as the free exercise of religion, freedom of speech, and the right to assembly; or
 - (10) Married or had been married or had disabilities of minority removed in accordance with Chapter 31 of the Texas Family Code.
- (b) It is a defense to prosecution under section 15-62(c) that the owner, operator, or employee of an establishment promptly notified the police department that a juvenile was present on the premises of the establishment during curfew hours and refused to leave.

(Ord. No. 07-P, § 2, 4-19-07; Ord. No. 10-C, § 2, 4-20-10; Ord. No. 16-I, § 2, 6-16-16)

Sec. 15-64. Enforcement procedure.

- (a) Any police officer, upon finding a juvenile in violation of section 15-62(a) of this chapter, shall determine the name and address of the juvenile, and the name and address of his or her parent(s). A warning notice shall be issued to the juvenile, who shall contact the parent or guardian, and obtain transportation home. A copy of the notice shall be forwarded to the juvenile case manager of the city police department who shall send a letter to the parent(s) of the juvenile advising the parent(s) that the juvenile was found in violation of this chapter and soliciting parental cooperation in the future.
- (b) Any police officer, upon finding a juvenile in violation of section 15-62(a) who has previously been found in violation and issued a warning as provided for in subsection (a) above, shall transfer the case to proper authorities for handling under the provisions of V.T.C.A., Family Code Title 3, Juvenile Justice Code. In addition, a complaint may be filed against the parents in municipal court for violation of section 15-62(b) hereof.

(Ord. No. 07-P, § 2, 4-19-07; Ord. No. 10-C, § 2, 4-20-10; Ord. No. 16-I, § 2, 6-16-16)

Sec. 15-65. Penalties.

- (a) Any juvenile violating the provisions of this chapter shall be guilty of a Class "C" misdemeanor as defined in the Texas Penal Code and shall be dealt with in accordance with the provisions of the Texas Family Code, Title 3, Juvenile Justice Code.
- (b) A parent of a juvenile violating this chapter shall be guilty of a misdemeanor which shall be punishable by a fine prescribed by section 1-5 of this Code.
- (c) The owner, operator or employee of an establishment who violates section 15-62(c) of this chapter shall be guilty of a misdemeanor which shall be punishable by a fine prescribed by section 1-5 of this Code.

(Ord. No. 07-P, § 2, 4-19-07; Ord. No. 07-E, § 11, 8-2-07; Ord. No. 10-C, § 2, 4-20-10; Ord. No. 16-I, § 2, 6-16-16)

Secs. 15-66—15-69. Reserved.



AGENDA COMMENTARY

Meeting Date: 5/6/2022

Department: City Attorney

Contact: Suzanne L. Hanneman, City Attorney

Agenda Item: Consider Resolution 22-R-08, finding that CenterPoint Energy Houston Electric, LLC's Application for approval to amend its distribution cost recovery factor pursuant to 16 Tex. Admin. Code §25.243 to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.

Type of Item: ☐Ordinance ☐Resolution ☐Contract/Agreement ☐Public Hearing ☐Plat ☐Discussion & Direction ☒Other

Summary: The City, along with approximately forty (40) other cities served by CenterPoint Energy Houston Electric, LLC ("CenterPoint" or "Company") is a member of the Gulf Coast Coalition of Cities ("GCCC"). The coalition has been in existence since the early 1990's. GCCC has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for over twenty (20) years.

On or about April 5, 2022, CenterPoint filed an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") Pursuant to 16 Texas Administrative Code § 25.243 to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company is proposing an adjustment to include additional distribution invested capital placed in service from January 1, 2019 to December 31, 2021. As a result of that adjustment, the Company is proposing a Total DCRF Revenue Requirement of \$198,422,017 to be effective on September 1, 2022. The resulting Total DCRF Revenue Requirement sought by the Company constitutes a \$145,680,810 increase to the currently approved total distribution revenue requirement that is scheduled to go into effect on September 1, 2022.

GCCC has engaged the services of a consultant, Mr. Karl Nalepa, to review the Company's filing. GCCC's attorney recommends that all GCCC members adopt the Resolution denying the rate change. Once the Resolution is adopted, CenterPoint will have thirty (30) days to appeal the decision to the Public Utility Commission where the appeal will be consolidated with CenterPoint's filing for the environs and those cities that have relinquished their original jurisdiction currently pending at the Commission.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ **Date Completed:** _____

Supporting documents attached:

- Resolution 22-R-08

- Model Staff Report
-

Recommendation: Move to approve Resolution 22-R-08, finding that CenterPoint Energy Houston Electric, LLC's Application for approval to amend its distribution cost recovery factor pursuant to 16 Tex. Admin. Code §25.243 to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.

Reviewed by Department Head, if applicable ☐

Reviewed by City Attorney, if applicable ☐

Reviewed by Chief Financial Officer, if applicable ☐

Reviewed by City Manager ☒

RESOLUTION 22-R-08

A RESOLUTION OF THE CITY OF ALVIN, TEXAS, FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR PURSUANT TO 16 TEXAS ADMINISTRATIVE CODE § 25.243 TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Alvin, Texas ("City") is an electric utility customer of CenterPoint Energy Houston Electric, LLC ("CenterPoint" or "Company"), and a regulatory authority with an interest in the rates and charges of CenterPoint; and

WHEREAS, the City is a member of the Gulf Coast Coalition of Cities ("GCCC") (such participating cities are referred to herein as "GCCC"), a coalition of similarly situated cities served by CenterPoint that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in CenterPoint's service area; and

WHEREAS, on or about April 5, 2022, CenterPoint filed with the City an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") Pursuant to 16 Texas Administrative Code § 25.243 seeking Total DCRF Revenue Requirement of \$198,422,017 to be effective on September 1, 2022; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if it is granted; and

WHEREAS, GCCC is coordinating its review of CenterPoint's DCRF filing with designated attorneys and consultants to resolve issues in the Company's application; and

WHEREAS, the GCCC's members and attorneys recommend that GCCC members deny the DCRF.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS:

Section 1. That the rates proposed by CenterPoint to be recovered through its DCRF charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

Section 2. That the Company shall continue to charge its existing rates to customers within the City.

Section 3. That the City's reasonable rate case expenses shall be reimbursed in full by CenterPoint within 30 days of presentation of an invoice to CenterPoint.

Section 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

Section 5. That a copy of this Resolution shall be sent to Denise Gaw, CenterPoint Energy Service Company, LLC, 1111 Louisiana Street, Houston, Texas 77002, and to Thomas Brocato, General Counsel to the Gulf Coast Coalition of Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

PASSED AND APPROVED on this 5th day of May 2022.

CITY OF ALVIN, TEXAS

ATTEST

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary

APPROVED AS TO FORM:

Suzanne L. Hanneman
City Attorney

MODEL STAFF REPORT REGARDING CENTERPOINT'S DISTRIBUTION COST RECOVERY FACTOR FILING

The City, along with approximately 40 other cities served by CenterPoint Energy Houston Electric, LLC (“CenterPoint” or “Company”) is a member of the Gulf Coast Coalition of Cities (“GCCC”). The coalition has been in existence since the early 1990s. GCCC has been the primary public interest advocate before the Public Utility Commission, the Courts, and the Legislature on electric utility regulation matters for over 20 years.

On April 5, 2022, CenterPoint filed an Application for Approval to Amend its Distribution Cost Recovery Factor (“DCRF”) Pursuant to 16 Tex. Admin. Code § 25.243 to Increase Distribution Rates with each of the cities in their service area. In the filing, the Company is proposing an adjustment to include additional distribution invested capital placed in service from January 1, 2019 to December 31, 2021. As a result of that adjustment, the Company is proposing a Total DCRF Revenue Requirement of \$198,422,017 to be effective on September 1, 2022. The resulting Total DCRF Revenue Requirement sought by the Company constitutes a \$145,680,810 increase to the currently approved total distribution revenue requirement that is scheduled to go into effect on September 1, 2022.

GCCC has engaged the services of a consultant, Mr. Karl Nalepa, to review the Company’s filing. GCCC’s attorney recommends that all GCCC members adopt the Resolution denying the rate change. Once the Resolution is adopted, CenterPoint will have 30 days to appeal the decision to the Public Utility Commission where the appeal will be consolidated with CenterPoint’s filing for the environs and those cities that have relinquished their original jurisdiction currently pending at the Commission.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by CenterPoint.

Explanation of “Be It Resolved” Paragraphs:

1. This paragraph finds that the Company’s application is unreasonable and should be denied.
2. This section states that the Company’s current rates shall not be changed.
3. The Company will reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by the Cities will submit monthly invoices that will be forwarded to CenterPoint for reimbursement.
4. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.
5. This section provides CenterPoint and counsel for the cities will be notified of the City’s action by sending a copy of the approved and signed Resolution to counsel.



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: City Attorney

Contact: Suzanne L. Hanneman, City Attorney

Agenda Item: Consider Resolution 22-R-09, finding that Texas-New Mexico Power Company's application for approval to amend its distribution cost recovery factor to increase distribution rates within the city should be denied; authorizing participation with TNMP cities; authorizing the hiring of legal counsel and consulting services; finding that the city's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.

Type of Item: ☐ Ordinance ☒ Resolution ☐ Contract/Agreement ☐ Public Hearing ☐ Plat ☐ Discussion & Direction ☐ Other

Summary: The City is an electric utility customer and local regulator of Texas-New Mexico Power Company ("TNMP" or "Company"). The Cities served by TNMP ("TNMP Cities") is a coalition of similarly situated cities served by TNMP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in TNMP's service area in matters before the Public Utility Commission ("PUC" or "Commission") and the courts.

On April 5, 2022, TNMP filed an application for approval to amend its Distribution Cost Recovery Factor ("DCRF") with the Commission in Docket No. 53436. In the filing, the Company sought to increase distribution revenues by \$9,706,846.

This resolution authorizes the City to join with the other TNMP Cities to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Cities Served by TNMP (TNMP Cities) have engaged the services of a consultant, Mr. Karl Nalepa, to review the Company's filing. Mr. Nalepa will review the filing and identify adjustments that should be made to the Company's request. The coalition is recommending that cities retaining original jurisdiction deny the requested relief.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ **Date Completed:** _____

Supporting documents attached:

- Resolution 22-R-09
 - Model Staff Report
-

Recommendation: Move to approve Resolution 22-R-09, denying Texas New-Mexico Power's application for approval to amend its distribution cost recovery factor to increase distribution rates within the city should be denied; authorizing participation with TNMP cities; authorizing the hiring of legal counsel and consulting services; finding that the city's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel.

Reviewed by Department Head, if applicable ☐

Reviewed by City Attorney, if applicable ☐

Reviewed by Chief Financial Officer, if applicable ☐

Reviewed by City Manager ☒

RESOLUTION 22-R-09

A RESOLUTION OF THE CITY OF ALVIN, TEXAS, FINDING THAT TEXAS-NEW MEXICO POWER COMPANY'S APPLICATION FOR APPROVAL TO AMEND ITS DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; AUTHORIZING PARTICIPATION WITH TNMP CITIES; AUTHORIZING THE HIRING OF LEGAL COUNSEL AND CONSULTING SERVICES; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.

WHEREAS, the City of Alvin, Texas ("City") is an electric utility customer of Texas-New Mexico Power Company ("TNMP" or "Company") with an interest in the rates and charges of TNMP; and

WHEREAS, the Cities served by Texas-New Mexico Power Company ("TNMP Cities") is a coalition of similarly situated cities served by TNMP that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in TNMP's service area in matters before the Public Utility Commission ("Commission") and the courts; and

WHEREAS, on or about April 5, 2022, TNMP filed with the Commission an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF"), Commission Docket No. 53436, seeking to increase distribution rates by \$9,706,846 million annually; and

WHEREAS, the City of Alvin, Texas will cooperate with TNMP Cities in coordinating their review of TNMP's DCRF filing with designated attorneys and consultants, prepare a common response, negotiate with the Company, and direct any necessary litigation, to resolve issues in the Company's filing; and

WHEREAS, all electric utility customers residing in the City will be impacted by this ratemaking proceeding if TNMP's Application is granted; and

WHEREAS, working with the TNMP Cities to review the rates charged by TNMP allows members to accomplish more collectively than each city could do acting alone; and

WHEREAS, TNMP Cities' members and attorneys recommend that members who have retained original jurisdiction over electric utility rates deny TNMP's DCRF.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS:

Section 1. That the City is authorized to participate with TNMP Cities in Commission Docket No. 53436.

Section 2. That, subject to the right to terminate employment at any time, the City of Alvin, Texas hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to negotiate with the Company, make recommendations to the

City regarding reasonable rates, and to direct any necessary administrative proceedings or court litigation associated with an appeal TNMP's DCRF application.

Section 3. That the rates proposed by TNMP to be recovered through its DCRF charged to customers located within the City limits should be denied.

Section 4. That the Company should continue to charge its existing rates to customers within the City.

Section 5. That the City's reasonable rate case expenses shall be reimbursed in full by TNMP within 30 days of the adoption of this Resolution, and within 30 days of presenting monthly bills to TNMP thereafter.

Section 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

Section 7. That a copy of this Resolution shall be sent to Scott Seamster, Associate General Counsel, Texas-New Mexico Power Company, 577 North Garden Ridge Boulevard, Lewisville, Texas 75067, and to Thomas Brocato, General Counsel to TNMP Cities, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725, or tbrocato@lglawfirm.com.

PASSED AND APPROVED on this 5th day of May 2022.

CITY OF ALVIN, TEXAS

ATTEST

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary

APPROVED AS TO FORM:

Suzanne L. Hanneman
City Attorney

MODEL STAFF REPORT REGARDING TNMP'S DISTRIBUTION COST RECOVERY FACTOR FILING

On April 5, 2022, Texas-New Mexico Power Company ("TNMP" or "Company") filed an Application for Approval to Amend its Distribution Cost Recovery Factor ("DCRF") to increase distribution rates within each of the cities in their service area. In the filing, the Company asserts that it is seeking an increase in distribution revenues of \$9,706,846.

The resolution authorizes the City to join with the Cities Served by TNMP ("TNMP Cities") to evaluate the filing, determine whether the filing complies with law, and if lawful, to determine what further strategy, including settlement, to pursue.

Purpose of the Resolution:

The purpose of the Resolution is to deny the DCRF application proposed by TNMP.

Explanation of "Be It Resolved" Paragraphs:

1. This section authorizes the City to participate with TNMP Cities as a party in the Company's DCRF filing, PUC Docket No. 53436.
2. This section authorizes the hiring of Lloyd Gosselink and consultants to review the filing, negotiate with the Company, and make recommendations to the City regarding reasonable rates. Additionally, it authorizes TNMP Cities to direct any necessary administrative proceedings or court litigation associated with an appeal of this application filed with the PUC.
3. This paragraph finds that the Company's application is unreasonable and should be denied.
4. This section states that the Company's current rates shall not be changed.
5. The Company will reimburse Cities for their reasonable rate case expenses. Legal counsel and consultants approved by TNMP Cities will submit monthly invoices that will be forwarded to TNMP for reimbursement.
6. This section recites that the Resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.
7. This section provides that TNMP and counsel for TNMP Cities will be notified of the City's action by sending a copy of the approved and signed Resolution to counsel.



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: Finance

Contact: Michael Higgins, Dir of Adm. Svcs

Agenda Item: Consider Ordinance 22-GG, amending City of Alvin Ordinance 21-N, passed and approved September 2, 2021, same being an ordinance approving and adopting the City of Alvin's budget for Fiscal Year 2021-22 (FY22) for the purpose of amending the mid-year budget and providing for supplemental appropriation and/or transfer of certain funds as set forth; providing for severability; and providing for other matters related thereto.

Type of Item: ☒ Ordinance ☐ Resolution ☐ Contract/Agreement ☐ Public Hearing ☐ Plat ☐ Discussion & Direction ☐ Other

Summary: At the end of fiscal year 2021 (FY21), the City exceeded fund balance expectations in the General Operating Fund. These savings resulted from personnel vacancies, group insurance savings, utility savings, and revenues exceeding budget expectations. Historically, when prior fiscal year-end budget savings occur in the General Operating Fund, the excess fund balance is transferred to the General Capital Projects Fund to provide funding for future capital expenditures. The General Operating Fund budget savings for FY21 was approximately \$700,000. Staff requests that City Council amend the FY22 budget, authorizing the transfer of the FY21 budget savings from the General Operating Fund to the General Capital Projects Fund.

Staff recommends approval of Ordinance 22-G.

Funding Expected: Revenue ☐ Expenditure ☒ N/A ☐ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ **Date Completed:** 5/2/2022 SLH

Supporting documents attached:

- Ordinance 22-GG

Recommendation: Move to approve Ordinance 22-GG, amending City of Alvin Ordinance 21-N, passed and approved September 2, 2021, same being an ordinance approving and adopting the City of Alvin's budget for Fiscal Year 2021-22 for the purpose of amending the mid-year budget and providing for supplemental appropriation and/or transfer of certain funds as set forth; providing for severability; and providing for other matters related thereto.

Reviewed by Department Head, if applicable ☒
Reviewed by City Attorney, if applicable ☒

Reviewed by Chief Financial Officer, if applicable ☒
Reviewed by City Manager ☒

ORDINANCE NO. 22-GG

AN ORDINANCE AMENDING CITY OF ALVIN ORDINANCE NO. 21-N, PASSED AND APPROVED SEPTEMBER 2, 2021, SAME BEING AN ORDINANCE APPROVING AND ADOPTING THE CITY OF ALVIN'S BUDGET FOR FISCAL YEAR 2021-22 FOR THE PURPOSE OF AMENDING THE MID-YEAR BUDGET AND PROVIDING FOR SUPPLEMENTAL APPROPRIATION AND/OR TRANSFER OF CERTAIN FUNDS AS SET FORTH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS

Section 1. That the City of Alvin 2021-22 Fiscal Year Budget is hereby amended by increasing (decreasing) certain expenditures and increasing (decreasing) certain revenues to the individual budget accounts in all funds set forth and incorporated herein.

General Capital Projects Fund:

Account #: 311-406111 (Transfer from General Fund) - \$700,000

General Operating Fund:

Account #: 111-9001-00-7110 (Transfer to General Capital Projects Fund) - \$700,000

Section 2. Open Meetings Act. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the *Texas Government Code*.

PASSED and APPROVED on the 5th day of May 2022.

CITY OF ALVIN, TEXAS:

ATTEST:

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary



AGENDA COMMENTARY

Meeting Date: 5/5/2022

Department: City Manager

Contact: Junru Roland, City Manager

Agenda Item: Consider Resolution 22-R-07, authorizing a letter of no opposition by the City of Alvin to the Foreign-Trade Zones Board for the application filed by Port Freeport FTZ (Foreign Trade Zone) No. 149 requesting to create a subzone owned and operated by Maxter Healthcare, Inc. for their site located in Rosharon, Texas, which lies within the City of Alvin Extraterritorial Jurisdiction.

Type of Item: ☐Ordinance ☒Resolution ☐Contract/Agreement ☐Public Hearing ☐Plat ☐Discussion & Direction ☒Other

Summary: The Port Freeport, Grantee of Foreign-Trade Zone (FTZ) No. 149, will be filing an application with the Foreign-Trade Zones Board requesting to create a sub-zone owned and operated by Maxter Healthcare Inc. at their site located in Rosharon, Texas.

Maxter Healthcare Inc. is making a \$350 million dollar investment in a planned 1.8 million square foot (built-up) facility to produce medical examination disposable gloves in Brazoria County, Texas. This investment will bring vital domestic production of nitrile surgical and medical gloves to the United States. The proposed sub-zone will be used to design, develop, manufacture, package, label, scrap, destroy, warehouse, exhibit, and distribute disposable gloves for healthcare professionals.

Foreign Trade Zone (FTZ)

A Foreign Trade Zone (FTZ) is a special economic zone (area) in the United States where imported goods can be stored, distributed, processed, and used without being subject to customs duty. FTZs provide customs-related advantages. Specifically, foreign trade zones help U.S. companies compete in the global marketplace by eliminating, deferring, or reducing duties and other related costs. In addition, FTZs enhance both the U. S. and local economies by providing job opportunities and job retention.

Foreign Trade Sub Zone

Maxter Healthcare is requesting the use of a Foreign Trade **Sub-zone**, which is an area approved by the FTZ board for use by a specific company. Foreign Trade Sub-zone companies enjoy all the same benefits as FTZ companies but are located outside the general-purpose sites, but within 60 miles of the port of entry (Port Freeport). Sub-zones allow companies that import and/or re-export products to take advantage of FTZ benefits without having to physically relocate within the FTZ site (Port Freeport).

The Port Commission has authorized the submission of this application and has requested that City of Alvin issue a letter of non-opposition addressed to the Foreign-Trade Zones Board regarding said application because this facility is located within the City's ETJ.

Mike Wilson (Port Freeport's Director of Economic Development & Mobility) and Sean Lydon (Maxter Healthcare's FTZ consultant) will attend the City Council meeting should there be any questions.

Staff recommends approval of Resolution 22-R-07 authorizing the letter of support.

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒ **Budgeted Item:** Yes ☐ No ☐ N/A ☒

Funding Account: _____ **Amount:** _____ **1295 Form Required?** Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ **Date Completed:** 4/21/2022 SLH

Supporting documents attached:

- Resolution 22-R-07
- Draft Alvin letter of support
- Port Freeport Letter of Request
- Maxter Campus Rendering/Layout
- Article from the Facts – 12/17/2021

Recommendation: Move to approve Resolution 22-R-07, authorizing a letter of no opposition by the City of Alvin to the Foreign-Trade Zones Board for the application filed by Port Freeport FTZ (Foreign Trade Zone) No. 149 requesting to create a subzone owned and operated by Maxter Healthcare, Inc. for their site located in Rosharon, Texas, which lies within the City of Alvin Extraterritorial Jurisdiction.

Reviewed by Department Head, if applicable ☐

Reviewed by City Attorney, if applicable ☒

Reviewed by Chief Financial Officer, if applicable ☒

Reviewed by City Manager ☒

RESOLUTION NO. 22-R-07

A RESOLUTION OF THE CITY OF ALVIN, TEXAS, AUTHORIZING A LETTER OF NO OPPOSITION BY THE CITY OF ALVIN TO THE FOREIGN-TRADE ZONES BOARD FOR THE APPLICATION FILED BY PORT FREEPORT FTZ (FOREIGN TRADE ZONE) NO 149 REQUESTING TO CREATE A SUB-ZONE OWNED AND OPERATED BY MAXTER HEALTHCARE, INC., FOR THEIR SITE LOCATED AT AIRLINE ROAD SOUTH IN ROSHARON, TEXAS, WHICH LIES WITHIN THE CITY OF ALVIN EXTRATERRITORIAL JURISDICTION; AND SETTING FORTH RELATED MATTERS THERETO.

WHEREAS, Maxter Healthcare Inc. is making a \$350 million investment in a planned 1.8 million square foot facility to produce medical examination disposable gloves in Brazoria County, Texas. This investment will bring vital domestic production of nitrile surgical and medical gloves to the United States; and

WHEREAS, the use of the proposed Sub-zone will be used to design, develop, manufacture, package, label, scrap, destroy, warehouse, exhibit, and distribute disposable gloves for healthcare professionals; and

WHEREAS, the creation of this Sub-zone will not adversely affect the taxing revenue to all taxing authorities, but will increase the revenue over time to each taxing authority; and

WHEREAS, the Port Freeport Commission has authorized the submission of the application with the Foreign-Trade Zones Board requesting the creation of a subzone owned and operated by Maxter Healthcare Inc. at their site located at Airline Road South, Rosharon, Texas; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ALVIN, TEXAS:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. That the City Council supports the creation of this Sub-zone of the Port Freeport Foreign Trade Zone #149 within the extraterritorial jurisdiction of Alvin, Texas, for Maxter Healthcare Inc., and authorizes the Mayor to send a letter of non-opposition to the Foreign-Trade Zones Board with the U.S. Department of Commerce for said creation.

Section 3. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the *Texas Local Government Code*.

Section 4. Effective Date. This Resolution shall be in full force and take effect upon its

adoption.

PASSED AND APPROVED on this 5th day of May 2022.

CITY OF ALVIN, TEXAS

ATTEST

By: _____
Paul A. Horn, Mayor

By: _____
Dixie Roberts, City Secretary



CITY OF ALVIN

Office of the Mayor

216 West Sealy Street ♦ Alvin, Texas 77511 ♦ (281) 388-4278 ♦ FAX (281) 331-7215

May 8, 2022

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
US Department of Commerce
1401 Constitution Avenue, NW, Room 21013
Washington, DC 20230

Re: Application for Maxter Healthcare Inc. Subzone and Manufacturing Authority

Dear Mr. McGilvray,

The purpose of this letter is to document the City of Alvin's support for the manufacturing authority and subzone status of their site located in Rosharon, Texas.

The City of Alvin has no opposition to the application to be filed by Port Freeport FTZ 149, and supports the grant of subzone status as well as manufacturing authority for Maxter Healthcare Inc.

I fully endorse this application and ask that you give Maxter Healthcare Inc. your full consideration.

Sincerely,

Paul A. Horn
Mayor



1100 CHERRY ST. • FREEPORT, TX 77541
(979) 233-2667 • 1 (800) 362-5743 • FAX: (979) 373-0023
WWW.PORTFREEPORT.COM

March 28, 2022

Junru Roland
City of Alvin ETJ
216 West Sealy Street
Alvin, TX 77511

RE: Foreign-Trade Subzone 149 application Maxter Healthcare Inc.

Dear Mr. Roland,

Port Freeport, Grantee of FTZ No. 149, will be filing an application with the Foreign-Trade Zones Board requesting to create a subzone owned and operated by Maxter Healthcare Inc. at their site located at Airline Road S. Rosharon, TX. This application is submitted pursuant to the provisions of the Foreign-Trade Zones Act of 1934, as amended (19 U.S.C. 81a-81u), and 15 CFR Part 400.

Maxter Healthcare Inc. is making a \$350 million dollar investment in a planned 1.8 million square foot (built-up) facility to produce medical examination disposable gloves in Brazoria County, Texas. This investment will bring vital domestic production of nitrile surgical and medical gloves to the United States. The proposed Subzone will be used to design, develop, manufacture, package, label, scrap, destroy, warehouse, exhibit, and distribute disposable gloves for healthcare professionals.

As reflected in their tax abatement application, Maxter is expected to employ 100-250 employees upon startup. Subzone status has provided economic benefits to the company as well as the surrounding community and will continue to do so if the company receives FTZ designation of the site's expansion.

The Port Commission has authorized me to submit this application. Port Freeport respectfully requests that City of Alvin ETJ issue a letter of non-opposition in regard to this application. The letter should be sent to Mr. Andrew McGilvray, Executive Secretary, Foreign-Trade Zones Board at the following address, with a copy to me.

Mr. Andrew McGilvray, Executive Secretary
Foreign-Trade Zones Board
U. S. Department of Commerce
1401 Constitution Ave., N.W., Room 21013
Washington, D.C. 20230

[PORT COMMISSION](#)

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

Additional information about the foreign-trade zones program and the expansion application is provided herein. Please call me or Mike Wilson (979) 233-2667 should you wish to discuss this matter further. Your immediate attention to this matter will be greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Mary Campus". The signature is written in dark ink and is positioned below the word "Sincerely,".

Mary Campus
Controller



ORIES)

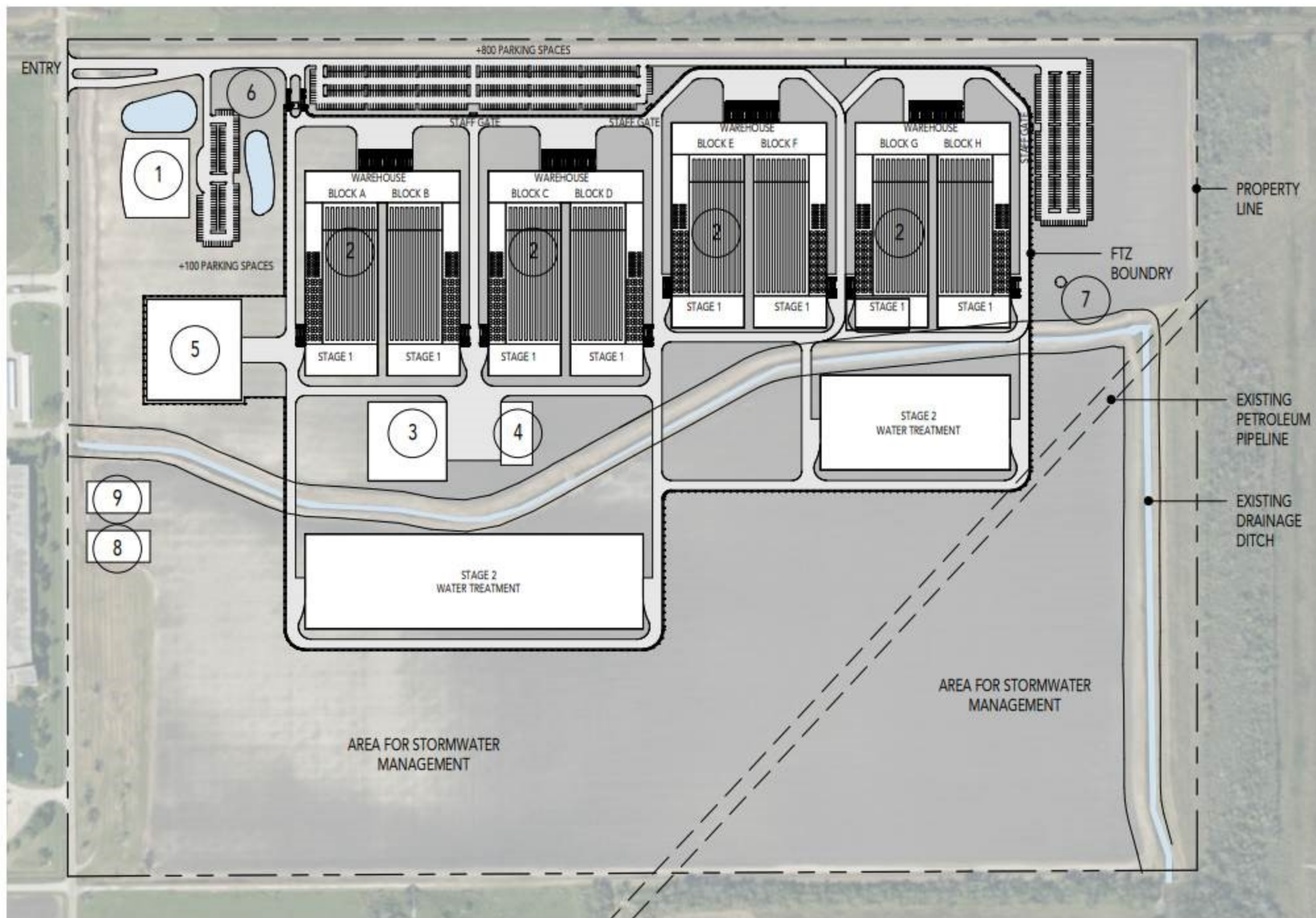
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\$500 million facility coming to county

Medical glove maker
to build first U.S.
plant near Alvin;
1,200 jobs projected

By **MICHAEL MORRIS**

michael.morris@thefacts.com

A major manufacturer of surgical gloves has selected Brazoria County for its first U.S. manufacturing plant, the company announced Thursday.

Maxter Healthcare will build a \$500 million complex on a

215-acre site at CR 52 and CR 48 just off Highway 288 in Alvin's extraterritorial jurisdiction. The facility will be constructed in four phases and will employ 1,200 people when it is built out, the company said in a news release.

Each phase is expected to produce 400 million gloves per month for each phase. When all the four phases are completed, the total installed production capacity would be 1.6 billion gloves per month and 19.2 billion gloves per year, the release states.

"This domestic manufacturing capacity will aid the U.S. in its ability to respond to the current pandemic and help safeguard the U.S. in the future," company founder and president Stanley Thai said in the release. "In addition, through the establishment of our research and development center and collaborations with the local and regional education institutions, we will be developing innovative new products and technologies."

Some of the positions will be in the \$35,000-a-year range,

but the top 200 employees can expect to earn \$60,000 to \$65,000, according to an October presentation to Brazoria County Commissioners Court.

At that meeting, commissioners approved creating a Tax Increment Reinvestment Zone, which will abate the company's real and property taxes at 100 percent for seven years. Part of the agreement is that the company will use Brazoria County businesses as vendors whenever possible.

■ See **GLOVES**, Page 2A

Gloves

CONTINUED FROM COVER

In its announcement, Maxter Healthcare cited community support as one of the deciding factors in selecting Brazoria County over other finalists for the facility in Chambers County and Florida.

"It makes me proud of Brazoria County and I'm proud to support this project," County Judge Matt Sebesta said. "We have a strong economy here, but it is petrochemical heavy. So when we can continue to add different components to our economic base, that's a good thing. And when they're bringing that many jobs, that's a good thing."

Maxter has opened the discussion with Brazosport College and Alvin Community Colleges about programs that could train workers, which will be another benefit to the company choosing to go local in the county, he said. It also will benefit from the county's petrochemical industry providing some of the materials for the site.

Construction of the

plant's first phase is expected to begin in the first quarter of 2022, and gloves should be produced by the end of the year, according to the company's announcement.

Maxter Healthcare is a subsidiary of Supermax Group, created specifically to launch a U.S. manufacturing operation. Supermax has 17 manufacturing sites worldwide, but the Brazoria County facility will be its first in the United States.

"This manufacturing facility, when operational, will strengthen the U.S. Personal Protective Equipment Supply Chain by building domestic capacities," CEO CK Tan said. "We will be capable of catering to at least 10 percent to 15 percent of the total annual medical glove imports into the country over the next two to four years. Over the next four to six years, as our capacity increases, we will be able to provide 20 percent to 25 percent of the domestic demand and consumption."

The dental field is one of the company's largest customers, company representatives said in October.