CITY OF ROSENBERG
REGULAR CITY COUNCIL MEETING MINUTES

On this the 6th day of August 2024, the City Council of the City of Rosenberg, Fort Bend County, Texas, met in a Regular Session, open to the public in the Rosenberg City Hall Council Chamber, located at 2110 4th Street, Rosenberg, Texas.

Present:	William Benton, Mayor Richard Olson, Councilor At-Large, Position 1 Jessica Jaramillo-Moreno, Councilor At-Large, Position 2 Felix Vargas, Jr., Councilor, District No.1 Steve DeGregorio, Councilor, District No. 2 Hector Trevino, Councilor, District No. 3 George Zepeda, Councilor, District No. 4
Staff Present:	John Maresh, City Manager Joyce Vasut, Assistant City Manager Danyel Swint, City Secretary Charles Kalkomey, City Engineer Rigo Calzoncin, Executive Director of Public Services Jonathan White, Police Chief Daryl Maretka, Fire Chief Luis Garza, Finance Director Mohamed Bireima, Director of Planning Jacqueline Wehring, Assistant Director of Economic Development Brian Swint, Building Official Ashley Barnes, Director of Human Resources Brandon Morris, City Attorney Shelton Besson, Director of Information Services Tanya Kveton, Director of Communications

Call to order: City Hall Council Chamber
Mayor Benton called the meeting to order at 6:30 p.m.

Invocation and Pledge of Allegiance.
Reverend Nate Sprinkle of Calvary Baptist Church in Rosenberg led the invocation and pledge.

Announcements.
There were no announcements.

GENERAL COMMENTS FROM THE AUDIENCE.
Citizens who have registered with the City Secretary prior to the meeting being called to order and desire to address the City Council with comments of a general nature, as it relates to the City of Rosenberg, will be heard at this time. Speakers may speak on up to three (3) specific agenda items, or a maximum of once during General Comments and up to two (2) additional specific agenda items. Each speaker is limited to three (3) minutes, except that a speaker who addresses the City Council through a translator is limited to six (6) minutes. Speakers are not allowed to distribute documentation while addressing City Council. Speakers making personal, impertinent, profane or slanderous remarks may be removed from the room and shall be barred from reentering the Chamber during the session of City Council. In accordance with the Texas Open Meetings Act, the City Council is restricted from discussing or taking action on items not listed on the agenda. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

SPEAKERS

- Farouk Alatar, 706 Alkire Lake Drive, Sugarland - discussed his opinion on Rooms to Go architectual design and stated he is proud to see it go up on his property.

COMMENTS FROM THE AUDIENCE FOR CONSENT AND REGULAR AGENDA ITEMS.
Citizens who have registered with the City Secretary prior to the meeting being called to order and desire to address the City Council with regard to matters on the Consent Agenda or Regular Agenda will be heard at this time, or the time the item is considered. Speakers may speak on up to three (3) specific agenda items, or a maximum of once during General Comments and up to two (2) additional specific agenda items. Each speaker is limited to three (3) minutes, except that a speaker who addresses the City Council through a translator is limited to six (6) minutes. Speakers are not allowed to distribute documentation while addressing City Council. Speakers making personal, impertinent, profane or slanderous remarks may be removed from the room and shall be barred from reentering the Chamber during the session of City Council. Comments or discussion by the City Council Members will only be made at the time the agenda item is scheduled for consideration. It is our policy to have all speakers identify themselves by providing their name and residential address when making comments.

CONSENT AGENDA

1. Review of Consent Agenda.
All Consent Agenda items listed are considered to be routine by the City Council and may be enacted by one (1) motion. There will be no separate discussion of Consent Agenda items unless a City Council Member has requested that the item be discussed, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Regular Agenda.

A. **Consideration of and action on minutes of the City Council Special Meeting for July 12, 2024 and City Council Regular Meeting for July 16, 2024. (Danyel Swint, City Secretary)**

B. **Consideration of and action on the Final Plat of Pad Sites on SH 36, a subdivision of 2.2584 acres of land situated in the I. & G.N. Railroad Company Survey F, Abstract No 358, City of Rosenberg, Fort Bend County, Texas, being a replat of Restricted Reserve "B" of Autozone Store No. 5583 Plat Number 20220051 Plat Records, Fort Bend County, Texas; 2 Reserves, 0 Lots, and 1 Block. (Mohamed Bireima, Director of Planning)**

EXECUTIVE SUMMARY
The Final Plat of Pad Sites on SH 36 is 2.2584 acres consisting of two (2) reserves and one (1) block. The subject property is located west of State Highway 36 South, south of U.S. Highway 59/Interstate 69, and east of Fairgrounds Road.

The purpose of the replat is to create two (2) reserves restricted to commercial use.

At the July 17, 2024, regular Planning Commission meeting, the Planning Commission recommended approval of the Final Plat to City Council. Seeing no conflicts with applicable regulations, staff recommends approval of the Final Plat of Pad Sites on SH 36.

C. **Consideration of and action on the Final Plat of Rosenberg Business Park Section Eleven, a subdivision of 27.216 acres of land (Fort Bend County Clerk's File No. 2021205701) being out of the Rosenberg Business Park, Ltd., original call 184.1 acre tract (Fort Bend County Clerk's File Nos. 2013092132 & 2013091667) and including all of former Director's Lot Nos. One, Two, Three, Four, and Five (1-5; Fort Bend County Clerk's File No. 2014058561), being in the S.B. Pentecost Survey (B.B.B. & C. Railway Company Survey Section No. 12), Abstract No. 378, City of Rosenberg, Fort Bend County, Texas; 0 Lots, 1 Reserve, and 1 Block. (Mohamed Bireima, Director of Planning)**

EXECUTIVE SUMMARY
The Final Plat of Rosenberg Business Park Section Eleven is 27.216 acres, consisting of one (1) reserve and one (1) block. The subject property is located within Rosenberg Business Park, east of FM 2218 and south of Bryan Road.

The purpose of the plat is to create a restricted reserve for non-residential use.

At the July 17, 2024, regular Planning Commission meeting, the Planning Commission recommended approval of the Final Plat to the City Council. Seeing no conflicts with applicable regulations, staff recommends approval of the Final Plat of Rosenberg Business Park Section Eleven.

D. **Consideration of and action on the Final Plat of Southwest Islamic Center, a subdivision of 12.4400 acres (541,886 square feet) of land situated in the S.P. Railroad Company Survey, Abstract Number 332, City of Rosenberg, Fort Bend County, Texas; 1 Reserve and 1 Block. (Mohamed Bireima, Director of Planning)**

EXECUTIVE SUMMARY
The Final Plat of Southwest Islamic Center is 12.4400 acres (541,886 square feet) consisting of one (1) reserve and one (1) block. The subject property is located north of Muegge Road, west of Scott Road, and south of U.S. Highway 90A West.

The purpose of the plat is to create a restricted reserve for non-residential use. The plat is also dedicating the necessary right-of-way for road widening purposes of Muegge Road per the Major Thoroughfare Plan.

At the July 17, 2024, regular Planning Commission meeting, the Planning Commission recommended approval of the Final Plat to the City Council. Seeing no conflicts with applicable regulations, staff recommends approval of the Final Plat of Southwest Islamic Center.

E. **Consideration of and action on the Final Plat of Stonecreek Estates Section Fifteen, a subdivision of 21.10 acres of land out of the Wiley Martin Survey, Abstract No. 56, Fort Bend County, Texas; 96 lots, 1 Reserve, and 4 Blocks. (Mohamed Bireima, Director of Planning)**

EXECUTIVE SUMMARY
The Final Plat of Stonecreek Estates Section Fifteen is 21.10 acres consisting of ninety-six (96) lots, one (1) reserve, and four (4) blocks. The subject property is located south of A Myers Road within the Stonecreek Estates subdivision.

Access will be provided from Cedar Forest Drive from Walnut Creek at Stonecreek Estates Section Two and Gypsum Drive from Stonecreek Estates Section Fourteen. Proposed lot sizes, public streets, and parkland dedication are being provided in accordance with the approved Development Agreement.

At the May 15, 2024, regular Planning Commission meeting, the Planning Commission recommended approval of the Final Plat to the City Council. Seeing no conflicts with the approved Development Agreement, staff recommends approval of the Final Plat of Stonecreek Estates Section Fifteen.

F. **Consideration of and action on Resolution No. R-3711, a Resolution authorizing the City Manager to negotiate and execute, for and on behalf of the City, a Temporary Resale Amendment to the System Water Availability Agreement, by and between the City, Brazos River Authority, and Brazosport Water Authority, for a term of three (3) years, to expire August 31, 2027. (John Maresh, City Manager)**

EXECUTIVE SUMMARY
On October 18, 2007, the City and Brazos River Authority (BRA) entered into a System Water Availability Agreement (BRA Agreement) for a term ending August 31, 2050. The BRA Agreement provides the City with 4,500 acre-feet of raw, untreated surface water per BRA's fiscal year. The Temporary Consent to Assignment Agreement has been approved for each of the prior years of 2011-2024 between the City, BRA, and Gulf Coast Water Authority (GCWA). (A copy of prior year Agreements are available for review in the City Secretary's office.)

On December 19, 2023, the City and Brazosport Water Authority entered into a Temporary Assignment of Water Supply Contract relating to the Temporary Assignment of Rights and Obligations under Water Supply Contract (Resolution No. R-3586) and terminated the Amended and Restated Agreement relating to the Temporary Assignment of Rights and Obligations under Water Supply Contract with GCWA (Resolution No. R-3587). The Temporary Resale Amendment to the System Water Availability Agreement between the City, BRA and GCWA expires on August 31, 2024.

By assigning the City's raw surface water contract to BWA, this will help ensure a sufficient amount of water will be available to BWA and in return BWA's municipal water customers, especially during drought conditions. The Temporary Amendment of the System Water Availability Agreement, attached as Exhibit "A" to Resolution No. R-3711, provides BRA consent to assign the temporary resale of 4,500 acre-feet of surface water from the City to BWA for a three-year term from the effective date of the Agreement to the August 31, 2027 expiration date.

Staff recommends approval of Resolution No. R-3711 as presented.

G. **Consideration of and action on the Quarterly Financial and Investment Reports for the quarter ended June 30, 2024. (Luis Garza, Director of Finance)**

EXECUTIVE SUMMARY
Overall, the financial status of the City is stable. Most funds have positive variances when compared to budget and are within the 75% benchmark for the 3rd quarter. A few highlights for the third quarter of FY2024 include the following:

Revenues

- **The largest revenue of sales tax is slightly above the 75% benchmark when compared to budget.**
- **Property tax revenues are at 94% of the budgeted amount which is slightly lower than expected for the third quarter.**
- **Building related permits and municipal court fines & fees are above budget due to increase in activity.**
- **Interest earnings have remained comparable across all funds compared to last year.**
- **Other Revenue in the General Fund includes the reimbursement invoices for EpiCenter police overtime expenditures and also animal control donation payments.**
- **Civic Center rentals are above the 75% due to increased usage and activity at the center.**

Expenditures

- **Most expenses are within the 75% budgeted benchmark for the third quarter of fiscal year 2024.**

Staff will continue to monitor revenues and expenses. At this time, no changes need to be made to the budget projections.

The Quarterly Investment Report is also included for review as required by the Public Funds Investment Act and City of Rosenberg Investment Policy.

Staff recommends the acceptance of the Quarterly Financial Report and the Investment Report for the third quarter of Fiscal Year 2024.

H. **Consideration of and action on Resolution No. R-3714, a Resolution authorizing amendments to the Rosenberg Employee Benefits Trust Declaration of Trust, a Trust created for the purpose of providing City officers, employees, and qualified retirees and their dependents, with life, dental, vision, disability, sickness, accident, and other health benefits, either directly or through the purchase of insurance, and to perform operations in furtherance thereof. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The Employee Benefits Trust (Trust) Declaration of Trust must be amended by removing the previous City Council members and adding the new City Council members that were appointed to the Employee Benefits Committee by City Council at the July 16, 2024 Regular meeting.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, where the Trust recommended City Council approval of the amended Declaration of Trust.

The Committees and staff recommend approval of Resolution No. R-3714, authorizing amendments to the Rosenberg Employee Benefits Trust Declaration of Trust. The Declaration of Trust has been attached to Resolution No. R-3714 as Exhibit “A”, to allow the Trust to perform operations to provide City officers, employees, and qualified retirees and their dependents, with life, dental, vision, disability, sickness, accident, and other health benefits, either directly or through the purchase of insurance.

The Committees and staff recommend approval of Resolution No. R-3714 as presented.

I. **Consideration of and action on Resolution No. R-3715, a Resolution authorizing the City Manager to execute, for and on behalf of the City, an Administrative Services Agreement, by and between the City and the Rosenberg Employee Benefits Trust for the provision of certain administrative services for a term of one (1) year. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
This Administrative Services Agreement (Agreement) will accommodate certain administrative services that may be performed by the City of Rosenberg on behalf of the Rosenberg Employee Benefits Trust (Trust). Section 3 of the Agreement requires that any new appointees to the Trust by City Council will necessitate an update to the Agreement, to be approved by the Trust and City Council.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, where the Trust elected new officers and recommended City Council approval of the updated Agreement.

The Committees and staff recommend approval of Resolution No. R-3715, authorizing the City Manager to execute an Administrative Services Agreement, for the provision of certain administrative services for a term of one (1) year, commencing October 1, 2024, and automatically renewing annually if there are no changes to the Trustees.

The Committees and staff recommend approval of Resolution No. R-3715 as presented.

J. **Consideration of and action on Resolution No. R-3716, a Resolution authorizing funding for a Contract with BlueCross BlueShield of Texas, for healthcare benefits for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024 and ending September 30, 2025; and, authorizing the Rosenberg Employee Benefits Trust to negotiate and execute a Contract for same. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
BlueCross BlueShield (BCBS) has provided quality healthcare services to City employees and their dependents. There are several key factors that were considered for the FY2025 renewal. In-network utilization was at 99.5 percent (99.5%), overall discounts were at 65.8 percent (65.8%), and the claims loss ratio was 80.7 percent (80.7%) for the most recent twelve (12) months compared to a 93.5 percent (93.5%) loss ratio from the prior year.

Based on these factors, the City's benefits services consultant, Holmes Murphy worked with BCBS and proposed a renewal rate reflecting a 5.0 percent (5.0%) increase for FY2025. The attached chart shows the current rates, proposed renewal rates, and premium costs for each health care benefit category offered.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, and recommended City Council to approve the Plan Year 2024-2025 renewal rate consisting of a 5.0 percent (5.0%) increase and to authorize the Board Chairman to execute for and on behalf of the Trust, a Contract with BlueCross BlueShield of Texas for health care benefits for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024.

The Committees and staff recommend approval of Resolution No. R-3716 as presented.

K. **Consideration of and action on Resolution No. R-3717, a Resolution authorizing funding for a Contract with MetLife Dental for dental care benefits for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024 and ending September 30, 2025; and, authorizing the Rosenberg Employee Benefits Trust to negotiate and execute a Contract for same. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The City's benefits consultant Holmes Murphy has negotiated renewal quotes for the City's dental benefits. The employees and retirees pay one hundred percent (100%) of the premium for themselves and for their dependents should they choose to have dental coverage.

The renewal includes an eight percent (8%) increase in premium rates for the PPO Plan and no increase for the DHMO Plan for employees, retirees, and dependents. The renewal rates are attached for review.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, and made a recommendation to City Council for approval of the dental care benefits Contract for Plan Year 2024-2025 with Metlife Dental and authorize the Board Chairman to negotiate and execute said Contract with Metlife Dental for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024.

The Committees and staff recommend approval of Resolution No. R-3717 as presented.

L. **Consideration of and action on Resolution No. R-3718, a Resolution authorizing funding for a Contract with EyeMed for vision care benefits for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024 and ending September 30, 2025; and, authorizing the Rosenberg Employee Benefits Trust to negotiate and execute a Contract for same. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The City's benefits consultant Holmes Murphy has negotiated renewal quotes for the City's vision benefits. The employees and retirees pay 100 percent (100%) of the premium for themselves and for their dependents should they choose to have vision coverage.

The renewal includes a 3.0 percent (3.0%) increase in premium rates for the Plan. The renewal rates are attached for review.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, and made a recommendation to City Council for approval of the vision benefits Contract for Plan Year 2024-2025 with EyeMed and authorize the Board Chairman to negotiate and execute said Contract with EyeMed for City of Rosenberg employees, qualified retirees, and their dependents for a one (1) year term effective October 1, 2024.

The Committees and staff recommend approval of Resolution No. R-3718 as presented.

M. **Consideration of and action on Resolution No. R-3719, a Resolution authorizing funding for a Contract with Pet Benefit Solutions for pet care benefits for City of Rosenberg employees for a term of one (1) year, effective October 1, 2024 and ending September 30, 2025; and, authorizing the Rosenberg Employee Benefits Trust to negotiate and execute a Contract for same. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The City's benefits consultant Holmes Murphy has negotiated renewal quotes for pet care benefits. The employees will pay one hundred percent (100%) of the premium cost.

The renewal is calling for a 0% increase. The renewal rates, as attached, are monthly rates.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, and made a recommendation to City Council for approval of the pet care benefits contract for Plan Year 2024-2025 with Pet Benefit Solutions and authorize the Board Chairman to negotiate and execute said contract with Pet Benefit Solutions for City of Rosenberg employees' qualified pets for a one (1) year term effective October 1, 2024.

The Committees and staff recommend approval of Resolution No. R-3719 as presented.

N. **Consideration of and action on Resolution No. R-3720, a Resolution awarding RFP No. 2024-23P to Metlife for voluntary supplemental insurance benefits for City of Rosenberg employees and their dependents; and, authorizing the Rosenberg Employee Benefits Trust to negotiate and execute a contract for same. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The City currently has a contract with Allstate for employee supplemental insurance coverage. Supplemental insurance is a voluntary benefit and paid completely by the employee. Employees have the option of selecting policies on accident, cancer, critical illness, disability, and universal life. The City advertised for proposals for these services and received eight (8) proposals on Thursday, May 16, 2024. The proposals were reviewed and analyzed by Holmes Murphy on behalf of the City. Holmes Murphy recommended MetLife as the best option for the various types of supplemental insurance coverages.

The Employee Benefits Committee and the Employee Benefits Trust (Committees) met on July 25, 2024, and made a recommendation to City Council to award RFP #2024-23P to MetLife as the sole provider of supplemental insurance for City of Rosenberg employees and their dependents and to authorize the Board Chairman to negotiate and execute said contract with MetLife.

The Committees and staff recommend approval of Resolution No. R-3720 as presented.

O. **Consideration of and action on Resolution No. R-3721, a Resolution authorizing the City Manager to execute, for and on behalf of the City, a Contract Extension by and between the City and Holmes Murphy and Associates for the provision of Group Benefit Consulting Services for a term of one (1) year, to commence May 1, 2024, and expire April 30, 2025, in the amount of $45,000. (Ashley Barnes, Director of Human Resources)**

EXECUTIVE SUMMARY
The City currently has a Group Benefits Consulting Services contract with Holmes Murphy, which is $45,000 annually. The contract, which was effective May 1, 2021, for an initial term of two (2) years with five (5) one-year renewal options was approved by City Council on March 2, 2021 (Resolution No. R-3065). The contract was renewed for the first one (1) year extension with approval of Resolution No. R-3399 on January 17, 2023, and has an expiration date of April 30, 2024.

On July 25, 2024, the Employee Benefits Committee reviewed the contract with Holmes Murphy and recommended the contract be renewed for the second one (1) year renewal extension. The Contract Extension is attached as Exhibit "A" to Resolution No. R-3721. Resolution No. R-3721 would authorize the City Manager to execute a Contract Extension, for the second one-year term extension, to commence May 1, 2024, and expire April 30, 2025, at the same contract rate of $45,000.

Staff and the Committee recommend approval of Resolution No. R-3721 as presented.

P. **Consideration of and action on Ordinance No. 2024-38, an Ordinance amending the Code of Ordinances by amending Section 10-38(g), Article II of Chapter 10 entitled, "Stage 6 Response - Water Allocation"; providing rules and regulations for initiation and termination of drought contingency plans within the City; providing for response stages and restrictions on certain water uses during drought conditions; providing for enforcement of such restrictions on certain water uses during drought conditions; providing for enforcement of such restrictions; providing for procedures for granting of variances; providing a penalty in an amount of not more than $500 for violation of any provision hereof; repealing all ordinances or parts of ordinances inconsistent or in conflict herewith; and providing for severability. (Rigo Calzoncin, Executive Director of Public Services)**

EXECUTIVE SUMMARY
On April 16, 2024, City Council took action to adopt the City's Drought Contingency Plan (Plan) via Ordinance No. 2024-12. The Plan is required by the Texas Commission on Environmental Quality (TCEQ) and the City is required to review and adopt the Plan at least once every five (5) years.

Following the review and adoption of the Plan, TCEQ noted the following deficiencies:

- The drought contingency plan must include a provision in every wholesale water contract entered into or renewed after adoption of the plan, including contract extensions, that in case of a shortage of water resulting from drought, the water to be distributed shall be divided in accordance with Section 11.039 of the Texas Water Code.
- The drought contingency plan must include the specific water supply or water demand management measures to be implemented during each stage of the plan including, but not limited to, the following; Pro rata curtailment of water deliveries to or diversions by wholesale water customers as provided in Section 11.039 of the Texas Water Code.

Staff has reviewed the Plan and has made revisions to include deficiencies noted by TCEQ. A redlined copy of the proposed Plan changes is attached for review.

Staff recommends approval of Ordinance No. 2024-38, amending Section 10-38(g), Article II of Chapter 10, entitled "Stage 6 Response - Water Allocation".

Q. **Consideration of and action on Resolution No. R-3713, a Resolution authorizing the City Manager to negotiate and execute, for and on behalf of the City of Rosenberg, Texas, a Fire Protection and Rescue Services Agreement, by and between the City of Rosenberg and Fort Bend County Emergency Services District No. 6. (Daryl Maretka, Fire Chief)**

EXECUTIVE SUMMARY
Fort Bend County Emergency Services District No. 6 (District) requested that the Rosenberg Fire Department provide Fire Protection and Rescue Services for the District. As discussed at the May 28, 2024 and July 23, 2024 City Council Workshop meetings, a Fire Protection and Rescue Services Agreement (Agreement) with the District was presented for City Council review. The consensus of City Council was to move forward with the Agreement. (A minute excerpt from the July 23, 2024 City Council Workshop was not yet available to include with this item.)

The proposed Agreement includes the following terms:

- The City will provide Fire Protection and Rescue Services to all persons, buildings, and property located within the District's Territory.
- The City shall provide staffing and will use the District's fire station and apparatus and City-owned apparatus to provide such services.
- The District shall prepay to the City a quarterly payment of one hundred and twenty-five thousand dollars ($125,000.00) for each annual quarter.
- The Agreement will continue in effect from September 1, 2024 through September 30, 2025, and shall be automatically renewed thereafter for a successive one-year term in alignment with the City's fiscal year.

The Agreement has been reviewed by the District Board and there were no material changes made to the Agreement. Pending approval by City Council, the District Board will take action on the Agreement at their August 7, 2024, meeting. The Agreement is attached as Exhibit "A" to Resolution No. R-3713.

Staff recommends approval of Resolution No. R-3713 as presented.

R. **Consideration of and action on Resolution No. R-3712, a Resolution approving the Capital Improvement Plan for FY2026 – FY2029. (Joyce Vasut, Assistant City Manager)**

EXECUTIVE SUMMARY
A Five-Year Capital Improvement Plan (CIP) for FY2025 – FY2029 was prepared by staff and recommended by the Planning Commission during the May 15, 2024, Planning Commission meeting. At the June 25, 2024, City Council Workshop meeting, staff presented the proposed CIP list. City Council discussed the Five-Year CIP list and the consensus of City Council was to approve the FY2025 CIP, to remove the splash pad and traffic signal at Reading Road and Park Place Boulevard from the FY2026 list, and to further discuss the lists

for FY2026 – FY2029 at a future City Council Workshop meeting. On July 2, 2024, City Council approved the FY2025 CIP by Resolution No. R-3684.

At the July 23, 2024 City Council Workshop meeting, staff presented the remaining FY2026 – FY2029 CIP list and the consensus of City Council was to prioritize the phases of the Seabourne Creek Regional Sports Complex (SCRSC) Ballfield LED Lights Project over the Sunset Park and Travis Park Ballfield LED Lights Project. (Please note that a draft meeting minute excerpt was not yet available to include with this item.) Therefore, the SCRSC LED project phases were moved to earlier years to be completed prior to Sunset Park and Travis Park Projects.

Resolution No. R-3712 approves the City's CIP for FY2026 – FY2029 as required by the City Charter and the Financial Management Policies.

T. **Consideration of and action on Resolution No. R-3710, a Resolution amending the Rosenberg Image Committee Attendance Policy to extend member terms of service from one (1) year to two (2) years. (Jackie Wehring, Assistant Director of Economic Development)**

EXECUTIVE SUMMARY
At the Regular meeting on July 16, 2024, the City Council appointed members to serve on citizen committees, including the Rosenberg Image Committee, and further directed staff to amend the appointment terms from one (1) year to two (2) years.

Attached Resolution No. R-3710 would approve such an amendment to the Rosenberg Image Committee Attendance Policy. A redlined copy of the proposed amendment is attached, and the amended policy is attached as Exhibit "A" to the resolution.

Staff recommends approval of Resolution No. R-3710 to adopt the amendment to the Rosenberg Image Committee Attendance Policy as presented.

U. **Consideration of and action on Resolution No. R-3724, a Resolution authorizing the City Manager to negotiate and execute a third Mutual Consent Agreement to extend the award date of Bid No. 2024-15B for the Fire Station No. 1 Reconstruction Project for an additional thirty (30) days. (Rigo Calzoncin, Executive Director of Public Services)**

EXECUTIVE SUMMARY
A Notice to Bidders for the Fire Station No. 1 Reconstruction Project was published March 24 and March 31, 2024, with a Thursday, April 18, 2024 bid opening date. The bid opening date was changed to April 25, 2024, and all eligible bidders were notified. The Notice to Bidders specified that bids may be held by the City of Rosenberg for a period not to exceed sixty (60) days from the bid opening date for the purpose of reviewing the bids and investigating the bidders' qualifications prior to the contract award.

The City has been awarded a $4.1 million grant by the Texas General Land Office (GLO) for this project. However, the formal grant funding agreement and associated Authorization to Utilize Grant Funds (AUGF) have not been finalized and, therefore, the bid was not awarded within the sixty (60) day period from the bid opening date. The City's Procurement Policy for grant funded projects does allow the sixty (60) day period to be extended in thirty (30) day increments if agreeable by the bidder.

The City received four (4) bids on April 25, 2024, and recommends the second lowest bidder, C.A. Walker Construction, for the project bid award since the lowest bidder lacks the experience for a project of this magnitude and the references did not check out. The first extension was approved by City Council on June 18, 2024, by approval of Resolution No. R-3690 for thirty (30) days through July 18, 2024, and the second extension was approved by City Council on July 16, 2024, by approval of Resolution No. R-3706 for thirty (30) days through August 17, 2024.

C.A. Walker Construction has agreed to this third thirty (30) day extension through September 16, 2024, which is attached as Exhibit "A" to Resolution No. R-3724. Additional extensions may be necessary, dependent on the time it will take the GLO to finalize the Agreement and AUGF.

Staff recommends approval of Resolution No. R-3724 as presented.

V. **Consideration of and action on acceptance of the resignation of Katherine Poncik from the Image Committee and appointment of Ariel Zagala to fill the vacancy and serve the remaining term. (Danyel Swint, City Secretary)EXECUTIVE SUMMARY**
On July 23, 2024, Katherine Poncik submitted her resignation from the Image Committee. Per the Rosenberg Image Committee Attendance Policy adopted under Resolution No. R-2531 on July 3, 2018, the composition is as follows:

Composition; compensation.
The Image Committee shall consist of at least seven (7) members who shall be appointed by the City Council.

Members shall serve without compensation and each shall be a resident of the City or an owner of property or a business located within the City.

City Council will need to accept the resignation of Katherine Poncik and appoint Ariel Zagala to fill the unexpired term ending June 2025.

W. **Consideration of and action on appointment of Steve Tackett to the Parks and Recreation Board. (Danyel Swint, City Secretary)**

EXECUTIVE SUMMARY
This item has been included for City Council action to appoint Steve Tackett to the Parks and Recreation Board.

X. **Consideration of and action on approval of a Motor Vehicle Storage Yard License for Hook'em & Pull'em, generally located at 2304 Avenue G. (Joyce Vasut, Assistant City Manager)**

EXECUTIVE SUMMARY
On March 7, 2023, City Council approved the issuance of a temporary Motor Vehicle Storage Yard Permit to Hook'em & Pull'em for the remainder of calendar year 2023, expiring on December 31, 2023. The temporary license was issued to give the operator nine (9) months to find another location that meets the City's Code requirements. On December 5, 2023, City Council passed Ordinance No. 2023-45, extending the expiration dates for all license holders to September 30, 2024, while staff and an ad hoc Council committee worked on amendments to the Code of Ordinances. Hook'em & Pull'em's Temporary License was also extended at this time, but such license was not eligible for renewal. On April 16, 2024, City Council approved Ordinance No. 2024-16, amending and combining Article V of Chapter 16 entitled "Salvage Yards and Motor Vehicle Storage Yards, and Motor Vehicle Repair Businesses" and Article III of Chapter 30 entitled "Towing Services for Non-Consent Tows".

At the July 16, 2024 City Council meeting, the Temporary Motor Vehicle Storage Yard License issued to Hook'em & Pull'em was discussed. After discussion, the consensus of City Council was to approve a new non-conforming Motor Vehicle Storage Yard License for Hook'em & Pull'em generally located at 2304 Avenue G. A vicinity map is attached for review.

City Council's approval of a new non-conforming license allows Hook'em and Pull'em to operate without meeting the size (2 acres) and distance (500 feet) of a church, school, hospital, day-care center or residence requirements, but requires that they meet all other ordinances and regulations that were in effect when they originally applied for their license in 2021.

ACTION
Motion by Councilor, District No. 3 Hector Trevino, seconded by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno to approve all Consent Agenda Items with the exception of Items S and Y to be placed on the Regular Agenda.

VOTE: 6 - 0 Carried - Unanimously

<u>REGULAR AGENDA</u>

2A. ***This item was originally item S on the Consent Agenda***
Consideration of and action on authorization of the proposed installation of two (2) speed humps on George Street between Avenue I and Walger Avenue. (Rigo Calzoncin, Executive Director of Public Services)

EXECUTIVE SUMMARY
This item was presented at the December 7, 2021 City Council Regular meeting along with a Speed Data Analysis performed at the location which identified the 85th percentile speed as twenty-three (23) miles per hour. The City's Traffic Calming Speed Hump Installation and Removal Policy (Policy) states the measured 85th percentile speed must exceed the posted speed limit by five (5) miles per hour in a 24-hour study period. The street segment did not meet the eligibility criteria based on traffic, therefore the request was denied by Council.

This item was requested to be brought back to Council and placed on the the July 23, 2024 City Council Workshop meeting for review and discussion. (Please note that a draft minute excerpt was not yet available to include with this item.)

By direction of City Council, this item has been included to allow City Council to consider approval of a request regarding the installation of two (2) speed humps on the 1300 and 1500 blocks of George Street between Avenue I and Walger Avenue. City Council would base approval of this request on the Policy provision that states, "The Rosenberg City Council retains the authority to install or remove speed humps for cause independent of this Policy."

Should City Council approve the request, staff will proceed with the installation of two (2) asphalt speed humps at the estimated cost of $5,800.00.

KEY DISCUSSIONS

- Rigo Calzoncin explained that this item was previously on a Workshop Agenda, and City Council directed staff to bring it back for a vote to install two speed humps on George Street.
- Mayor Benton stated that although the consensus at the previous meeting was to move forward with installing two speed humps, he has since spoken to residents in the area, and they are now requesting one at the 1700 block.
- There was no further discussion on this item.

ACTION

Motion by Mayor William Benton, seconded by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno to approve the installation of three speed humps on George Street between Avenue I and Walger Avenue: one at the 1300 block, one at the 1500 block, and one at the 1700 block.

VOTE: 6 - 0 Carried - Unanimously

2B. ***This item was originally item Y on the Consent Agenda*.**
Consideration of and action on Resolution No. R-3722, a Resolution of the City Council of the City of Rosenberg, Texas, adopting support for the development and future success of the Flourishment Center.

EXECUTIVE SUMMARY

At the July 23, 2024 City Council Workshop meeting, Fort Bend County Precinct 4 Commissioner, Dexter McCoy and Jenny Jones, Co-Interim CEO of Attack Poverty and Housing Collaborative Lead, presented plans to City Council for the Flourishment Center (former First Baptist Church property) located at 1117 1st Street. Commissioner McCoy requested City Council take action to adopt a resolution of support for the development and future success on the Flourishment Center. (Please note that a draft minute excerpt was not yet available to include with this item.)

The Flourishment Center will be a service center to empower and equip families in under-resourced communities with the tool and resources to break the cycle of generational poverty and flourish on their own. Resolution No. R-3772 adopts the support for the development and future success of the Flourishment Center.

Resolution No. R-3722 is attached for City Council consideration and approval.

SPEAKERS

- Sherri Alexander, 819 3rd Street, Rosenberg - discussed her opposition to the Flourishment Center in the proposed facility.
- Cheryl Duran, 4824 FM 2218, Rosenberg - discussed her opposition to the Flourishment Center in the proposed facility.
    - Mayor Benton asked if they had expressed their concerns to the County. Cheryl Duran stated she had not.
    - Mayor Benton suggested asking the board members of First Baptist Church why they sold their property to the County for this purpose, emphasizing that this is not a City project.

KEY DISCUSSIONS

- Mayor Benton invited Jenny Jones, a representative of the Flourishment Center, to the podium and asked her to address the concerns raised by the speakers.
- Jenny Jones explained that the Flourishment Center is neither a homeless shelter nor a halfway house. It is a resource hub for those in the County who are on the brink of, or experiencing, homelessness. The center will provide various preventative services for individuals at risk of losing their homes or needing additional support to stay in their homes. These services will include programs like financial literacy courses and workforce development to help people earn certifications for better job opportunities.
- She further explained that the center would also offer short-term housing to two specific groups: families with minors and young adults aged 18-25. Families, defined as any guardian with custody of a minor, would go through a vetting, intake, and application process to possibly secure 3-6 months of short-term housing. The second group would be young adults in the 18-25 age range, particularly those aging out of the foster care system, who need a transitional phase to move forward in their lives.
- Additionally, there will be emergency suites for those needing immediate refuge from situations like domestic abuse. All housing applicants at the center will undergo background checks.
- Mayor Benton invited the speakers to return to the podium to ask questions.
- Sherri Alexander asked what the residents would do during their 3-6 month stay. Jenny Jones explained that residents would have regular check-ins with social workers and case management staff. While participation in the program is encouraged, those who choose not to participate would need to find alternative solutions, as they would not be allowed to stay at the Flourishment Center without being

active participants in the plan.

- Sherri Alexander asked where residents would work or what they would do during the day. Jenny Jones explained that it would depend on each individual's plan and needs. Activities could range from taking parenting classes, and ESL courses, to technical training aimed at employment. She added that they have partnerships with Wharton County Junior College, Texas State Technical School, and the University of Houston to help residents gain employment.
- Sherri Alexander expressed concern that those who find employment might not have transportation. Jenny Jones clarified that not everyone on the brink of homelessness lacks transportation. In fact, many families and individuals they work with use their vehicles as their homes, especially in vast areas like the suburbs of Houston. She also noted that the center's location was chosen because it is on the Fort Bend Transit system, which helps address transportation issues.
- Cheryl Duran stated it was scary that the residents would have access to the transit system. Jenny Jones explained that the transit system is public transportation.
- Cheryl Duran asked how many people the center would house. Jenny Jones stated that there are 16 units, meaning they could house anywhere from 16 individuals to families that might require two units.
- Cheryl Duran asked about background checks, expressing concern that drug addiction and theft are often associated with homelessness. Jenny Jones explained that those who fail background checks would not be eligible for short-term housing. She added that addictions do not show up on background checks.
- Councilor Jaramillo-Moreno asked if individuals with a criminal history would be ineligible to receive services. Jenny Jones replied that while the policies are not fully written yet, it is likely that individuals with a criminal history would not be eligible, considering that families will be housed in the area.
- Councilor Trevino stated that the location seems to be the biggest concern for the speakers and asked if there is another Flourishment Center in a different county that could serve as an example. Jenny Jones mentioned a similar center in Spring, which, although not identical, shares many of the same aspects, such as resources and on-site housing, and is also run by a collaborative of nonprofits.
- Councilor Trevino suggested bringing representatives from the center in Spring to a future meeting.
- Mayor Benton suggested tabling the item. Councilor Trevino stated he did not want the item tabled, and proposed postponing it.
- Mayor Benton suggested not taking any action, noting that this is a County project funded by County money and that the City has no impact on the decision. He acknowledged that while the City must represent its citizens, this is ultimately a County decision. Councilor Trevino proposed postponing the item to allow Jenny Jones time to gather more information from the center in Spring.
- Councilor Jaramillo-Moreno added that it would be important to assure citizens that individuals freshly out of prison or actively addicted to substances like methamphetamine would not be eligible to stay at the center, as these seem to be major concerns.
- Jenny Jones agreed to gather more information for a future meeting. She emphasized that while this is a County project, they seek the City's support and suggested geographically focused town hall meetings for Council members with significant concerns in their districts.
- Mayor Benton acknowledged that this is a major concern for some and stated that many people may not be aware of the project. He expressed concern that the center could become a magnet for vagrants but noted that the City’s role is to provide security, safety, and police services for whatever the County decides. He pointed out that the City did not ask for this project but must deal with it, similar to other projects like the Epicenter.
- Councilor Vargas asked what impact the Rosenberg Council’s vote would have, given that this is a County project. Jenny Jones explained that they were asking for a resolution of support, but Mayor Benton reiterated that the County does not need the City's support. Jenny Jones confirmed this but expressed that they are proud to provide resources to the community and have been working in Rosenberg for 10 years in nonprofit work.
- Councilor Jaramillo-Moreno asked if the County would proceed if the entire City opposed the project. Jenny Jones stated that she could not speak for the County.
- Councilor DeGregorio asked for confirmation that the residents would be vetted and that there would be on-site security. Jenny Jones confirmed both and mentioned a partnership with the Fort Bend County Sheriff’s office for security.
- There was no further discussion on the item.

ACTION

Motion by Councilor, District No. 3 Hector Trevino, seconded by Councilor, District No.1 Felix Vargas, Jr. to postpone this item to allow the representatives of the Flourishment Center to gather additional information and present it at a future meeting.

VOTE: 6 - 0 Carried - Unanimously

2. **Consideration of and action on a variance request to the sign requirements in the Unified Development Code for a proposed wall sign located at the proposed Rooms to Go Furniture Store.**

EXECUTIVE SUMMARY
At their June 26, 2024 regular meeting, the Planning Commission (Commission) conducted a public hearing and discussed a sign variance request for the proposed Rooms to Go Furniture Store. The request was to allow a building sign with a maximum area of four hundred thirty-nine (439) square feet and letters up to five (5) feet in height. The subject property is located north of U.S. Highway 59/Interstate 69 and east of Airport Avenue. A vicinity map is attached for review.

Per Chapter 1, Article XXIII, Sec. 1-480(B), Wall Sign requirements, of the City of Rosenberg's Unified Development Code (UDC), the area of wall signs shall not exceed in the aggregate twenty-five percent (25%) of the area of the wall on which they are located, or three hundred (300) square feet, whichever is smaller. In no case shall the letters of a wall sign be greater than four (4) feet in height.

The proposed sign is four hundred thirty-nine (439) square feet, or 4.43% of the 9,900 square feet wall area, which is well below the twenty-five percent (25%) criteria. However, the proposed sign does exceed the three hundred (300) square feet maximum size and the four (4) feet maximum height.

The required notifications were sent by mail to all property owners within two hundred (200) feet of the subject property in accordance with the UDC. During the Commission hearing, no person from the public spoke against the request. After the hearing and discussion, the Commission denied the variance request by a 3-1 vote.

Application materials are attached for review. The applicant has stated that the request is both reasonable and proportionate to the size and scale of the Rooms to Go Furniture Store. Therefore, the applicant has requested to present the variance to City Council. Should the City Council grant this variance request, the applicant may move forward with the permitting for the building sign.

Staff agrees that the variance is reasonable and proportionate to the size and scale of the Rooms to Go Furniture Store. Additionally, the proposed wall sign would have been fully compliant under the previous rules prior to the passage of Ordinance No. 2022-30. This Ordinance added a maximum square footage requirement for wall signs and added a maximum height in an attempt to restrict the size of murals painted on walls of buildings and not intended to inadvertently affect wall signs for businesses for very large buildings, such as the Rooms to Go Furniture Store. It is staff's intention to present an amendment in the future to separate murals from the wall sign definition and revert wall signs back to the previous regulations. Therefore, staff recommends approval of the sign variance request.

SPEAKERS
- Nicholas Roth, 215 E Orange Drive, Phoenix, Arizona - stated he is the Vice President of Rooms to Go Furniture and is available for any questions.

KEY DISCUSSIONS
- Mohamed Bireima read the Executive Summary.
- Mayor Benton explained that the proposed area is near Cavender’s and noted that this area has been struggling since Hurricane Harvey. After the hurricane, the Federal Government required additional detention measures, which added significant expenses for the property owner and developer. These measures also consumed a considerable portion of the land originally intended for development and revenue generation, leaving a large detention basin to meet federal regulations. Given this situation, he saw no issues with approving the request.
- Mayor Benton mentioned that the variance was being requested because the project is slightly out of compliance. Mohamed Bireima clarified that the project exceeds the 300 square foot maximum by approximately 139 square feet.
- Councilor Trevino asked if the sign would be the same size as the one at the Stafford location. Nicholas Roth explained that the proposed signage consists of three individual signs, which together total 493 square feet.
- Councilor Trevino expressed his support for approving the variance.
- Councilor Jaramillo-Moreno asked why the recommending body voted 3-1 against the variance. Mohamed Bireima responded that the primary concern was a desire to adhere to City regulations. The sentiment was that rules exist for a reason, and the sign could have been designed to meet the requirements.
- Councilor DeGregorio commented that the size difference would likely go unnoticed.
- Councilors Zepeda, Trevino, DeGregorio, and Vargas stated they were in favor of approving the variance.
- There was no further discussion on this item.

ACTION
Motion by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno, seconded by Councilor, District No. 3 Hector Trevino to approve the variance request to the sign requirements in the Unified Development Code for a proposed wall sign located at the proposed Rooms to Go Furniture Store.

VOTE: 6 - 0 Carried - Unanimously

3. **Consideration of and action on Resolution No. R-3697, a Resolution awarding Bid No. 2024-24B for the Animal Control Storage Building Project; and, authorizing the City Manager to negotiate and execute, for and on behalf of the City, appropriate documents and/or agreements regarding same.**

EXECUTIVE SUMMARY
This item allows City Council an opportunity to discuss awarding Bid No. 2024-24B for the Animal Control Storage Building (Project).

As previously discussed at the July 23, 2024, City Council Workshop meeting, the Project includes the addition of a permanent storage and quarantine building to be erected on the property in back of the existing shelter. The building would be a 30' x 50' metal building with one (1) 14' x 50' exterior lean-to, and an overhead door for delivery access. The consensus of City Council was to move forward with the Project. (Please note that a draft meeting minute excerpt was not yet available to include with this item.)

Bids were received on Thursday, June 27, 2024 for the construction of an Animal Control Storage Shell Building located at 1207 Blume Road. A total of two (2) bids were opened and tabulated as indicated on the attached bid summary.

Staff recommends Bid No. 2024-24B be awarded to BLS Construction, Inc., who submitted the lowest bid in the total amount of $208,830.90, for a term of two hundred and ten (210) days. Should City Council award the bid as recommended, the proposal from BLS Construction, Inc., will be attached and serve as Exhibit "A" to Resolution No. R-3697.

The Project is included in the FY2024 Capital Improvement Plan (CIP) and FY2024 Budget.

Staff recommends approval of Resolution No. R-3697 as presented.

KEY DISCUSSIONS
- Rigo Calzoncin read the Executive Summary.
- Mayor Benton acknowledged that everyone likely shares concerns about the project but emphasized the need to make a decision. He then asked Councilor Trevino, given his experience in the construction business, for his thoughts on the project. Councilor Trevino responded that he believes the project is too expensive and recommended going back to the bidding process.
- Councilors Jaramillo-Moreno, DeGregorio, Vargas, and Zepeda agreed with Councilor Trevino.
- Rigo Calzoncin mentioned that the contractor was present and available to answer any questions. However, the Council did not ask any questions.
- Councilor Trevino stated that he had calculated the costs and estimated around $20 per square foot for the flat work, concluding that the project was overpriced.
- There was no further discussion on this item.

ACTION
Motion by Councilor, District No. 3 Hector Trevino, seconded by Mayor William Benton to reject Resolution No. R-3697, a Resolution awarding Bid No. 2024-24B for the Animal Control Storage Building Project; and, authorizing the City Manager to negotiate and execute, for and on behalf of the City, appropriate documents and/or agreements regarding same.

VOTE: 6 - 0 Carried - Unanimously

4. **Consideration of and action on the 2024 Certified Property Tax Roll; Taxable Value of New Property, Appraised Value of All Property, and Taxable Value of All Property.**

EXECUTIVE SUMMARY
The Fort Bend County Tax Assessor/Collector Carmen P. Turner, will request that the City Council acknowledge in the minutes the receipt of the following information:

Taxable Value of New Property	$129,390,395
Appraised Value of All Property	$5,374,848,548
Taxable Value of All Property	$4,542,292,314

The formal correspondence from Ms. Turner was not received prior to the publishing of this packet but will be provided prior to the City Council meeting. Correspondence received from the Fort Bend Central Appraisal District is attached for review.

Staff recommends that City Council accept the 2024 Certified Property Tax Roll, as outlined above for the 2024 Tax Year as presented by the Fort Bend County Tax Assessor/Collector.

KEY DISCUSSIONS

- Mayor Benton called the meeting back to order at 7:40 p.m.
- Luis Garza read the Executive Summary.
- There was no discussion on this item.

ACTION

Motion by Mayor William Benton, seconded by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno to adjourn to a break at 7:31 p.m. and reconvene the meeting at 7:40 p.m.

VOTE: 6 - 0 Carried - Unanimously

ACTION

Motion by Councilor, District No. 3 Hector Trevino, seconded by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno to accept the 2024 Certified Property Tax Roll; Taxable Value of New Property, Appraised Value of All Property, and Taxable Value of All Property.

VOTE: 6 - 0 Carried - Unanimously

5. **Consideration of and action on the 2024 Truth in Taxation Calculations: 2023 Excess Debt Tax Collections and 2024 Anticipated Collection Rate.**

EXECUTIVE SUMMARY

The Fort Bend County Tax Assessor/Collector Carmen P. Turner, will request that City Council acknowledge in the minutes receipt of the following certifications:

2023 Excess Debt Tax Collections	TBD
2024 Anticipated Tax Collection Rate	100%
2023 Actual Collection Rate	100.91%
2022 Actual Collection Rate	98.86
2021 Actual Collection Rate	98.26

The formal correspondence from Ms. Turner was not received prior to the publishing of this packet but will be provided prior to the City Council meeting.

Staff recommends that City Council accept the 2024 Truth in Taxation Calculations, as outlined above for the 2024 Tax Year as presented by the Fort Bend County Tax Assessor/Collector.

KEY DISCUSSIONS

- Luis Garza read the Executive Summary.
- There was no discussion on this item.

ACTION

Motion by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno, seconded by Councilor, District No. 3 Hector Trevino to accept the 2024 Truth in Taxation Calculations: 2023 Excess Debt Tax Collections and 2024 Anticipated Collection Rate.

VOTE: 6 - 0 Carried - Unanimously

6. **Review and discuss the 2024 Tax Rate, and take action as necessary to direct staff.**

EXECUTIVE SUMMARY

This agenda item will provide City Council an opportunity to discuss the City's 2024 tax rate for FY2025. Final values have been received from Fort Bend County as included in Item 4 of this agenda. The tax rate calculations are as follows:

Current Tax Rate $0.342364

No New Revenue Tax Rate $0.334077
Voter Approval Tax Rate $0.349403

Based on the proposed budget, the proposed tax rate is at the No New Revenue Rate of $0.334077, which is a decrease of $0.008287 (0.8 cents) from our current rate of $0.342364. The proposed tax rate of $0.334077, includes a Debt Rate of $0.122956 and a Maintenance and Operations Rate of $0.211121. The Debt Rate is calculated to cover all debt for FY2025, with the Water/Wastewater Fund and Rosenberg Development Corporation each contributing funding to pay their portions of the total debt service obligations. The Maintenance and Operations Rate allows adequate funding for General Fund operations and approximately $900,000 to fund capital projects and one-time expenditures that are needed to improve infrastructure and provide exceptional services.

City Council will have an opportunity to discuss the tax rates. The next agenda item will call for a record vote on the proposed tax rate. The record vote is not to adopt a tax rate but rather set a maximum rate that may be published prior to adopting the tax rate at a future meeting.

KEY DISCUSSIONS

- Luis Garza read the Executive Summary.
- Mayor Benton asked staff whether the Council had been consulted when determining the rate or if it was purely a calculative rate. John Maresh explained that it is a calculative rate based on the budget and that they were unsure of the tax rate at the previous meeting because the calculations were only finalized on Friday afternoon.
- Councilor Trevino asked how reducing the tax rate to $0.324 would impact the budget. Luis Garza explained that a $0.01 reduction would equate to a $468,000 change in the budget.
- Councilor Trevino recalled from the previous meeting that new property acquisitions brought in about $400,000. Luis Garza clarified that the amount is actually $433,000, but it is divided between maintenance and operations (around $270,000) and the remainder is allocated to the debt service rate.
- There was no further discussion on this item.

7. **Consideration of and action to take a record vote on the 2024 proposed tax rate and to approve the Notice of Meeting to Vote on Tax Rate for the City of Rosenberg.**

EXECUTIVE SUMMARY

Truth-in-Taxation laws require the governing body to take a record vote on the proposed tax rate. Based on the proposed budget, the proposed tax rate is $0.334077, which is the No New Revenue Rate.

This agenda item allows City Council to take a record vote on the proposed tax rate of $0.334077. This is not a vote to adopt the tax rate but a record vote on the proposed tax rate that will be used for publishing the Notice of Meeting to Vote on Tax Rate (Notice) (attached). The proposed tax rate that is published in the Notice is the maximum rate that can be adopted at a future City Council meeting. City Council may later adopt a tax rate that is equal to or less than the proposed tax rate, but may not adopt a tax rate greater than the proposed tax rate.

A public hearing on the tax rate is not required since this is not a tax increase.

Staff recommends City Council set the proposed tax rate at the No New Revenue Rate of $0.334077. After the Budget Workshop meetings are held and City Council has an opportunity to review the proposed budget, a final vote to adopt the tax rate will be held at the September 3, 2024 City Council meeting. City Council may adopt the proposed rate or a lower rate at that time, but may not adopt a rate above the proposed rate.

KEY DISCUSSIONS

- Luis Garza read the Executive Summary.
- Mayor Benton stated that John Maresh, Joyce Vasut, and Luis Garza work on the budget, but the Council has the final decision. He suggested caution in setting the tax rate too low, as they can reduce it further but cannot raise it after deciding. He proposed a $0.32 tax rate, noting they could lower it later if necessary but cannot increase it.
- Councilor Jaramillo-Moreno asked Mayor Benton for clarification on why he would not want to approve the No New Revenue Rate. Mayor Benton responded that he wanted to go below that rate.
- Councilor Jaramillo-Moreno pointed out that they could still go under the rate, just not increase it afterward. Brandon Morris confirmed this and explained that the proposed rate in the notices would either be approved by the Council or reduced, but it cannot be increased once it's been sent out.
- Mayor Benton emphasized the importance of having a fiscally conservative approach going into the budget process, noting that some reductions will be necessary as part of good governance. Councilor Jaramillo-Moreno questioned whether it was wise to commit to a low rate before reviewing the entire budget. Mayor Benton stated it was a small commitment.
- Councilor Jaramillo-Moreno asked if adopting Mayor Benton's suggested $0.32 rate would require reworking the entire budget. Luis Garza confirmed that it would, explaining that each penny reduction represents a $468,000 decrease, so reducing the rate to $0.32 would result in a $550,000 budget reduction, which he later corrected to $702,000.
- Councilor Jaramillo-Moreno expressed concern about setting the rate too low without having all the

details, stressing the need to avoid potential regrets later. She agreed with a fiscally conservative approach but cautioned against setting too low a ceiling before seeing the budget's specifics.
- Councilor Trevino noted that they haven't reviewed the entire budget yet and suggested a conservative approach by approving a $0.33 rate rather than $0.334, with the option to reduce it later.
- Councilor Trevino asked how much citizens would save if the rate were reduced to $0.32. Luis Garza estimated a savings of about $35 per year per household, but it would cut approximately $646,000 from the City's budget, which he later corrected to $702,000.
- Councilor DeGregorio asked if they could still lower the rate after approving $0.334. Councilor Trevino confirmed this, and Mayor Benton added that staff might try to persuade him not to lower it, but he believed there was always wiggle room in the budget.
- Mayor Benton emphasized that a $0.01 reduction in the rate equates to $468,000 and asked for the total budget amount. Luis Garza explained that the General Fund is $41.5 million.
- Mayor Benton pointed out that cutting $0.02 from the rate is less than $1 million, which Luis Garza confirmed, equating to $960,000 or about 2.5% of the overall budget. Mayor Benton asserted that there is plenty of wiggle room in any governmental budget for a 2.5% cut.
- Luis Garza noted that 75% of the budget is allocated to personnel and benefits. Mayor Benton remarked that those areas should also be looked at.
- Councilor DeGregorio expressed support for the $0.32 rate.
- Mayor Benton asked Councilor Vargas if he supported the $0.32 rate. Councilor Vargas asked if they could not go back up if they approved the $0.32 rate. Mayor Benton confirmed this and explained that while staff is suggesting $0.33, he is advocating for $0.32.
- Councilor Trevino suggested approving a $0.33 rate and then lowering it if necessary. Mayor Benton stated that he would have to vote against the motion in that case.
- Councilor Jaramillo-Moreno agreed with Councilor Trevino, expressing concern about setting a rate without full budget details but clarifying that she was not necessarily opposed to $0.32.
- Councilor Vargas supported going in increments with the rate and favored $0.33. Mayor Benton stated that he would then be opposing the motion.
- Councilor Trevino and Councilor Jaramillo-Moreno clarified that no motion had been made yet.
- Councilor Trevino clarified that while he is leaning toward a $0.32 rate, he supports approving $0.33 so staff can rework the budget, noting they haven't even seen the budget yet.
- Mayor Benton stated that staff will prepare the budget based on whatever rate the Council decides and emphasized the need to be explicit about wanting tax relief.
- Councilor Vargas asked how they could ensure they wouldn't regret setting too low a rate. Mayor Benton assured that reducing the rate by $0.01 would not cause significant issues. Councilor Trevino added that the $0.015 reduction is equivalent to $702,000 in the budget.
- There was no further discussion on this item.

ACTION
Motion by Mayor William Benton, seconded by Councilor, District No. 2 Steve DeGregorio to accept the maximum proposed tax rate of $0.32 cents.

ROLL CALL VOTE
Councilor Felix Vargas: YES
Councilor Steve DeGregorio: YES
Councilor Hector Trevino: NO
Councilor Jessica Jaramillo-Moreno: NO
Mayor William Benton: YES
Councilor Richard Olson: ABSENT
Councilor George Zepeda: YES

VOTE: 4 - 2 Carried

No: Councilor, District No. 3 Hector Trevino
Councilor At-Large, Position 2 Jessica Jaramillo-Moreno

8. **Consideration of and action on setting a public hearing date related to the proposed Fiscal Year 2025 Budget for the Fiscal Year beginning October 1, 2024 and ending date on September 30, 2025. (Luis Garza, Director of Finance)**

EXECUTIVE SUMMARY
The Texas Local Government Code section 102.006 requires a public hearing on the Proposed Budget for the next Fiscal Year. Staff is recommending the following date to hold a public hearing on the Proposed FY2025 Budget to receive public comment:

- Tuesday, August 27, 2024, at 6:30 p.m. - Public Hearing on Proposed FY2025 Budget.

Should this date be approved by City Council, the public hearing will be included on the August 27, 2024, City Council Special meeting agenda. Additionally, the required notice will be published in the Fort Bend Herald newspaper to provide the proper notification to the public.

KEY DISCUSSIONS

- Luis Garza read the Executive Summary.
- There was no discussion on this item.

ACTION

Motion by Councilor, District No. 3 Hector Trevino, seconded by Councilor, District No. 2 Steve DeGregorio to approve setting Tuesday, August 27, 2024, at 6:30 p.m as the public hearing date related to the proposed Fiscal Year 2025 Budget for the Fiscal Year beginning October 1, 2024 and ending date on September 30, 2025.

VOTE: 6 - 0 Carried - Unanimously

9. **Hold Executive Session to deliberate economic development negotiations related to the development of full service hotel at the Fort Bend Epicenter site pursuant to Section 551.087 of the Texas Government Code; and to deliberate the potential purchase, exchange, lease or value of real property related to Koeblen Road pursuant to Section 551.072 of the Texas Government Code.**

ACTION

Motion by Councilor At-Large, Position 2 Jessica Jaramillo-Moreno, seconded by Councilor, District No. 3 Hector Trevino to adjourn to Executive Session at 8:14 p.m.

VOTE: 6 - 0 Carried - Unanimously

10. **Adjourn Executive Session, reconvene Regular Session, and take action as necessary as a result of Executive Session.**

Mayor Benton reconvened the meeting at 8:49 p.m.

11. **Adjournment.**

ACTION

Motion by Councilor, District No. 3 Hector Trevino, seconded by Councilor, District No.1 Felix Vargas, Jr. to adjourn the meeting at 8:49 p.m.

VOTE: 6 - 0 Carried - Unanimously

Danyel Swint

Danyel Swint, City Secretary