

State of Texas

County of Brazoria

City of Angleton

The City of Angleton, Texas City Council conducted its Regular Monthly Meeting at 6 p.m., Tuesday, May 26, 2009, with the following in attendance:

J. Patrick Henry	Mayor
Rudy Santos	Mayor Pro Tem
Jason Perez	Councilman
Gregg Dykes	Councilman
John Wright	Councilman
Randy Rhyne	Councilman

OTHERS PRESENT:

Greg Smith	City Manager
Herbert L. Prouty	Interim City Attorney
Shelly Deisher	City Secretary
Herb Smith	City Engineer
Susie Hernandez	Financial Director
David Ashburn	Chief of Police
Patti Worfe	Economic Development Director
Robert Heinemeyer	Public Works Director
Robert Owens	Director

And those listed on the guest registry.

1. CALL TO ORDER BY MAYOR HENRY. 6:00 p.m.
2. Pledge of Allegiance.
3. Moment of Silent Reflection/Prayer.
4. **Ceremonial presentations-**
Employees of the Month – Katherine Davis and Shelly Deisher for their work in Relay for Life.

5. **Citizens wishing to address council:** None.
6. **Requests to address Council other than citizenry.** None.
7. **Consent items:**
 - A. Minutes from May 5, May 12 and May 19 City Council meetings.
 - B. Ratify accounts payables
 - C. Approval of purchase of 18' low boy trailer for the Public Works Department.

Motion by Councilman Wright to approve the consent items,
Second by Councilman Dykes.

Motion passes with 6 for; 0 against.

ACTION ITEMS:

8. Discussion and possible action on amending ORDINANCE NO. 2009-O-5H AMENDING THE 2007/2008 FISCAL YEAR BUDGET BY AMENDING THE GENERAL FUND (01) AND THE FEMA ASSISTANCE (97) TO ACCOUNT FOR CHANGES IN EXPENDITURES AND REVENUES; DECLARING A PUBLIC NECESSITY; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE AND AN EFFECTIVE DATE.

Greg Smith: This is the last budget amendment to be made before the presentation of the audit. Expenditures and revenue from FEMA, difference is just under \$25,000. Amount reimbursable was about \$1.6 million.

Councilman Wright: How much have we received in payments?

Greg Smith: About \$500,000...\$400,000.

Susie Hernandez: Actually, we have received about \$72,000.

Greg Smith: The other is listed as funded but the check has not arrived.

Motion by Mayor Pro Tem Santos to approve Ordinance 2009-O-5H;

Second by Councilman Wright.

Councilman Wright: In this money, would any of it be contributed to the debris haul we had? That was recoverable, right?

Greg Smith: Yes. That is one of the final PW's that has made it go over so long; the last PW is for overtime and waste debris removal.

Motion passes with 6 for; 0 against.

9. Discussion and possible action on the 2007-2008 Audit Report and the 2007-2008 Single Audit Report presented by Belt Harris & Associates, LLP.

Stephanie Harris, CPA partner: Presenting annual financial report for fiscal year ended September 30, 2008. Provided a thick bound document – page 7 is the independent auditor's report. Commended City on actions taken to come into compliance with GASB 34. Very pleased to announce they are issuing a clean, unqualified opinion on financial statements, which is highest level of assurance they can provide; the financial statements are materially correct and all disclosures required by generally accepted accounting principals are included.

Page 23. Full accrual statements – GASB 34 for the City. At September 30, 2008 on a full accrual basis which most publicly traded corporations would keep their books, the City had total assets of \$43.8 million rounded; total liabilities of \$29.8 million rounded, leaving total assets of \$13.9 million.

Page 24 and 25; On a full accrual basis, this is somewhat of a sideways presentation of an income statement. Total expenditures of \$17.1 million rounded; total charges of services of \$8.4 million; total operating grants and contributions of \$2.1 million, year end, total expenses net of revenues of \$6.6 million rounded. Total general revenues of \$9 million rounded, leaving a positive change in net assets of \$2.4 million.

Page 26 & 27: Balance sheet for City on modified accrual basis, which is a basis at which council and staff keeps the

books on a month to month basis and the basis for the budget. As of Sept. 30 2008, governmental funds - \$10.4 million total assets, total liabilities \$2.6 million, rounded, leaving a total fund balance of \$7.8 million.

Page 28: Income statement on the modified accrual basis – for year ended Sept. 08, total revenues of \$14.4 million rounded, total expenditures of \$17 million rounded, leaving a positive change in fund balance of \$41,000.00.

New fund this year on page 28 – Hurricane Ike fund. Total revenues of \$927,000, total expenditures of \$951,000, leaving a negative change in fund balance of \$24,000.

Page 35 cash flow statement: City's utility fund; policy change in last 12 months for charges for services for utilities operation; commend council – as a result, you experienced a positive change of cash flow of \$365,000 dollars.

Page 59-60; Budget to actual for general fund; positive change in fund balance of \$493,000, leaving you with a positive budget variance of \$493,000.

There is one change between tonight and the finals you will see as a result of approving your budget amendment; we have a negative budget variance for sanitation and a capital lease you entered into during the year to buy some property; those negative budget variances will disappear.

As a result of the audit and the expenditure of grant funds for both Hurricane Ike and another program you entered into this year, we have issued an additional report...single audits, as a result of performing additional procedures, very pleased to say we had no additional findings as a result of the audit.

Greg Smith: Normally, we get this audit report in February or March, but we are two months behind because of Hurricane Ike on getting this report to you. We have had several FEMA reps.

Mayor: Thanks to Susie for making us GASB compliant. Isn't the utility straightened out so we are not floating so many people on unpaid water and getting our water fund back in balance.

Councilman Wright: Thank you Susie for the long hours. Hotel/motel bank account; what decides what goes into that account?

Greg Smith: The only revenues are from the proceeds from the hotel/motel taxes collected from the state of Texas and passed through to us.

Councilman Wright: It was really small...that is why I was asking. Sanitation and capital outlay will be corrected, what did you mean by expenditures exceeded appropriations at the legal level on page 59.

Auditor: Look above on page 59...that Sanitation before the budget amendment would have technically been over budget as well as the capital outlay and according to the City Charter you adopt the budget. We look at the level of detail that you adopt the budget by.

Motion by Mayor Pro Tem Santos to approve 2007/2008 audit reports;
Second by Councilman Wright.

Mayor: Thank you to the auditor for your report.

Motion passes with 6 for; 0 against.

10. Discussion and possible action on approval of the March, 2009 Quarterly Investment Report.

Greg Smith: No significant difference other than Susie's signature which was recommended by auditors.

Motion by Councilman Perez to approve Quarterly Investment Report;
Second by Councilman Dykes.

Motion passes with 6 for; 0 against.

11. Discussion and possible action on a variance for the Angleton Volunteer Fire Department for Fill the Boot on Saturday, August 1, 2009.

Greg Smith: Wanted to have another campaign to fill the boot.

Last fundraiser was excellent turnout.

Motion by Mayor Pro Tem Santos to approve the variance for the Angleton Volunteer Fire Dept. for Fill the Boot on August 1, 2009;

Second by Councilman Rhyne.

Motion passes with 6 for; 0 against.

12. Discussion and possible action on approval of purchase of a Case 420 Skid Steer Loader with options; 69 horsepower and 66" bucket for Public Works Department.

Greg Smith: This equipment was approved in budget. \$23,157 and budgeted amount was \$25,000. Multiple uses for Public Works Dept., for moving materials as well as ditch clearing, cleaning and maintenance.

Motion by Councilman Wright to purchase of Case 420 Skid Steer Loader with options;

Second by Mayor Pro Tem Santos.

Councilman Wright: Was this originally budgeted or was it budgeted at mid-year?

Greg Smith: It was originally budgeted.

Councilman Wright: Did we put this off because we knew we really didn't need it...until spring and summer came?

Greg Smith: Somewhat, but we like to space out our purchased because if everyone went out in November, December and bought everything, we wouldn't have enough cash to pay for them, so we try to spread them around and I prioritize which need to be purchased first. Obviously, our patrol units are something that are very time sensitive because you have long lead time.

Motion passes with 6 for; 0 against.

13. Discussion and possible action on authorizing the Mayor to enter into an agreement with Brazoria County to jointly secure CDBG funds for Angleton.

Greg Smith: This is something that staff would like to try. Typically have not joined the county in the past. Usually do our own CDBG grants. Angleton is only city that does not participate in this home program. We are the only city in the county that does not participate. I understand the reason we have not in the past is because if we belonged to this, we would have to follow the county's CDBG grant funding method, which could have caused a problem getting grants in the past. Are changing funding formulas right now and HGAC and county are going to different method of funding. After review, staff feels this may be a good time to try this for three years. Will have a positive impact on homeowners, but may not see the large dollar amounts for wastewater and water projects we have seen in the past. But, as the auditor said, we are in little better situation with water and sewer fund to where this may be the perfect opportunity to try to assist our residents who many need help with home monies. They will call us and we tell them to call the county and the county takes care of everything.

Mayor: Neat programs available in grant assistance. In the past, the choice has been...would you like help roofing your home or would you like your toilet to flush. I think we may be past that and the county is changing the formula on how they select and deliver these things to where it is competitive instead of just everybody gets a little piece of the pie.

Patti Worfe: They are not at that point yet, but that is what Commissioner Sebesta states they are working toward. I understand Ms. Wassan is here. There are other programs. First time homebuyers have assistance. Sometimes there are funds available for after the hurricane for people who needed food from the food pantry. Because we were not part of that coalition, the citizens of Angleton were not eligible for that. St. Thomas center was doing all they could with the limited amount of assistance they had. I think this is a good time to try this. In a better situation now than in the past.

Mayor: There was a point that they said you have to do one or the other. Member of the HGAC board had better chance for larger grants.

Councilman Dykes: Since we weren't a part of the county program before, did we try to get any grants as a City?

Mayor: There really aren't a whole lot. We had people looking.

Patti Worfe: The last one was about three years ago. Last home program we did was five years ago and I did that one.

Greg Smith: We currently have a CDBG grant for \$250,000.00 for Wastewater Treatment Plant II. We are ineligible for the first year because we are in technical default because we don't have the project started yet because the decision we made instead of rehabbing that sewer plant, we are going to turn it into a pump station due to the school and the additional growth out in that part of town.

Councilman Dykes: Appears that is different than grant for more sewer work. We will still be eligible after the year. This says under Texas Home Investment program.

Greg Smith: They are all inner-twined.

Mayor: Won't be able to get an ORCA sewer grant, as I understand it.

Greg Smith: Would be eligible for home and other projects, but not eligible for large funding of \$250,000 for a waste water project. Need to get grant back in compliance.

Mayor: Will we be eligible after that?

Greg Smith: Yes, after we get into compliance, we will be eligible again. We will have points taken away.

Councilman Dykes: This agreement would mean that the County does the grant and they do all the leg work, administration and we get the money?

Greg Smith: For all the Community Development Block Grants.

Patti Worfe: Years ago had Carmen Mass that was the housing person. At this point, there is no one in the city that does that. We were looking for people to qualify for the last program. Have department within county to oversee and look at those different funds. The rental assistance is a program that lots of people after the hurricane were looking for to get help.

Greg Smith: Recommendation comes after long discussions weighing out both sides. Potentially affecting city-wide projects to give individual homeowners and individual areas some help. Will be best use of funds for the city.

Mayor Pro Tem Santos: Everybody has to meet the criteria and credentials before they get blanket help?

Patti Worfe: Yes. We will be able to send those people to the County and the County will determine whether they are eligible.

Councilman Perez: We have had residents in the past come and tell us they couldn't get any help because we weren't participants.

Greg Smith; Get a better assistance for first time homebuyer because we didn't have assistance.

Mildred Wassan: Would like to clear the air on CDBG issue. Do have sewer type of system in CDBG grant. It is not like you will be dead in the water for a year. Will go through County. County picks out agencies to represent specific zip codes.

Mayor: Just goes through the county, right?

Mildred: Yes. Clients have to go through a process to be qualified. Can only get help once a year. Several projects are within this program. Can get help with utilities, rent and first time buyers. There are several projects in that one piece of the pie. Please think long and hard about this. You are going to impact a lot more people than you think.

Councilman Rhyne: HGAC and other organizations are getting close to the fact that they are going to work more favorable on collaborated efforts. We have seen that on a few other grants.

Mayor: Situation with the county is better now than it has ever been.

Motion by Councilman Perez to authorize the Mayor to enter into an agreement with Brazoria County to jointly secure CDBG funds for Angleton.

Second by Mayor Pro Tem Santos:

Mayor Pro Tem Santos: Would you give us a yearly update on it or once every three years before it automatically renews?

Greg Smith: I do not know when we will get the reports from the County, but I will give you an update as soon as we have the information, probably minimum on a yearly basis.

Patti: I do not believe it is an automatic renewal. I believe you have to renew it.

Mayor Pro Tem Santos: It did say an automatic renewal unless you have written notice.

Mayor: It will either go well or so badly that we will remember it.

Mayor Pro Tem Santos: Maybe a general update.

Greg Smith: Yes, sir.

Councilman Wright: I think in the current economic times, this is probably the better route to go to help our citizens and at the same time I have a question that it says that they want it back by May 19, are we still okay?

Greg: Yes, we have that resolved.

Motion passes with 6 for; 0 against.

14. Discussion and possible action on approval of purchasing a John Deere tractor and finish mower from DER for Parks Department.

Greg Smith: This was the agenda item I asked you to table. Budgeted amount is \$40,000; total cost of tractor and finish mower is \$36,537.06 which total budget is under. Confusion was front bucket was on the mower and we took it off because it took it over budget. Staff is requesting approval. We have taken over mowing at Freedom Park and need old mower replaced.

Motion by Mayor Pro Tem Santos to approve purchase of John Deere Tractor and finish mower for Parks Department;
Second by Councilman Dykes.

Motion passes with 6 for; 0 against.

15. Discussion and possible action on approval of a temporary variance to Section 14-103 of the City of Angleton Code of Ordinances, authorizing Ronald L. Strader of 1637 Alena Road to reside in his RV for six months, which will be parked next door to their house.

Greg Smith: Mr. Strader is here and he can probably explain what he is asking for.

Mr. Strader: I have been in dire need of funds. Since Hurricane Ike, my wall and floors separated and my sewer was damaged. I did not know there was an ordinance to where I could not live in it. I have been out of work. I have been out of a job. I have been waiting on insurance companies to make rulings to see if I am going to get it fixed. Those are my reasons. It is out of dire need more than anything else. I was making do.

Councilman Rhyne: Are you the only one that lives in the house.

Strader: I have my mother living with me.

Councilman Wright: It says you are going to live for six months? You are requesting a variance for six months? What happens after 6 months?

Strader: I will probably come back and ask for another variance, until I get another job and somewhat get back on my feet again. Fixing the home right now is an issue because I cannot get the insurance company to come back and make a ruling. I tried to get FEMA help and at that time I had a job and homeowners insurance. No help from them.

Dykes: This letter states a claim about sewer smell?

Strader: I never smelled anything from the time I had the RV hooked up. But underneath the house, we did have a backed up sewer line. I had it fixed out to where I could.

Councilman Dykes: Where does that white sewer line run to?

Strader: Comes from my RV down into a service line into my sewer line going out to the city.

Councilman Dykes: Did that get tapped into like it was supposed to? Does anyone know? Who tapped it into the sewer line?

Strader: I did it. RV motor is burned out. I had it towed back from Alvin and parked. This is one reason why I hooked up the sewer line because I can't move the RV any more until I get a motor in it. I am in dire need right now.

Councilman Dykes: What do your neighbors think about this? Have they said anything to you about it?

Strader: Not to me. I heard of a sewer complaint. The gentleman came out and said something about my sewer line smelling. My sewer line did smell because it was all going underneath my house. I got out of that and went this route. I moved into the RV, had it fixed, the motor when out and that is when I ran this sewer line over from the RV. I am trying to make ends meet to where I can live.

Councilman Wright: And the staff recommends...

Greg Smith: That was a typographical. We don't recommend variances to the ordinances to the council.

Councilman Perez: If you can't get this fixed, are you looking for plans to do anything else? Are you thinking six months down the road..where you can possibly go from here.

Strader: I am trying to get something figured out so I can get a job to get things worked out.

Councilman Perez: You said you are working with the insurance carriers. Are you in...

Strader: Legal stuff? No, I am waiting on them to come back and make decisions on me. TWIA came back with their decisions of under \$4,000 to put a new roof on my house. Anybody I talked to....\$5,000 was minimum....for whatever reason, that is all TWIA gave me. I told TWIA my house, in my opinion, was destroyed by Hurricane Ike. Like I said, three of

my rooms separated from the floor. It had to have gotten rocked and rolled. No windows were broken out. I am waiting on my homeowners to make first ruling.

Councilman Dykes: Are you in the appeal process right now?

Strader: No. I am waiting on them to make the first ruling to begin with. It took TWIA about three months to rule on my roof.

Councilman Perez: Is it repairable?

Strader's mother: No.

Strader: That right there, I don't know. I don't know what the insurance company is gonna come back. In my own opinion, no. I can make-shift some things...tear out the floor and stuff like this to get the sewer line fixed.

Mayor: Are you current with water and electric bill.

Strader: Yes, I believe so.

Mayor: Without water or electricity, you can't live there.

Mayor Pro Tem Santos: You are living in the RV now?

Strader: Yes. It has been 2-3 months ago.

Santos: Where have you parked this?

Strader: In my driveway.

Santos: It is a motor home?

Strader: Yes, drivable, but my luck has it, the engine went out.

Mrs. Strader: Is it illegal to put a tent on the land?

Strader: That is my next resort.

Mayor: You have to understand too that we have to watch out for all the residents of Angleton.

Strader: I understand that. Two weeks ago is the first time I ever heard about an ordinance against me living in my RV which is why I am here. I originally had a complaint against my smelly sewer and I had the main line fixed.

Motion by Mayor Pro Tem Santos for temporary variance to live in his RV for six months and only six months;
Second by Councilman Wright.

Mayor Pro Tem Santos: I am saying I hope all goes well for you, you get back in the house or you get an appropriate settlement on it. What do you plan on doing with the motor coach if you get back in the house....are you going to leave it there or are you going to park it behind the house?

Strader: I planned on parking it behind the house after I finished. I can move it behind the house now if I need to.

Mayor Pro Tem Santos: Let's get in the house first.

Councilman Dykes: The only concern I have is that you are tapped incorrectly.

Mayor: I am not sure you can tap into something correctly that is against code.

Herb Prouty: What you should do is make your motion subject to living in the RV being compliant with all applicable city ordinances, which will include tapping into the sewer line.

Mayor Pro Tem Santos: I amend my motion to say exactly what Mr. Prouty said;
Seconded by Councilman Wright.

Mayor: I suggest you go to the Code Enforcement Officer and talk to him about this if this gets approved. They can help you to look online to see what is in the City Code and what you can and cannot do on your property.

Motion passes with 5 for; 1 against.

16. Discussion and possible action on approval of ORDINANCE NO. 2009-O-5E, AN ORDINANCE OF THE CITY OF ANGLETON, TEXAS, AMENDING CHAPTER 14 "MANUFACTURED HOMES AND

MANUFACTURED HOME PARKS" TO PROVIDE FOR CHANGES IN DEFINITIONS, RESTRICTIONS ON LOCATION AND OTHER CHANGES TO CONFORM TO THE REQUIREMENTS OF THE TEXAS MANUFACTURED HOUSING STANDARDS ACT; PROVIDING FOR A PENALTY NOT TO EXCEED \$2,000 FOR EACH AND EVERY OFFENSE AND MAKING EACH DAY OR PORTION OF A DAY AN OFFENSE CONTINUES A SEPARATE VIOLATION; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE AND A SEVERABILITY CLAUSE; PROVIDING AN OPEN MEETINGS CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

Greg Smith: This is to bring ordinance up to meet state law. Modifies this ordinance due to our zoning ordinance. No new regulations by us.

Motion by Councilman Dykes to approve Ordinance No. 2009-O-5E updating our manufactured housing code;
Second by Councilman Perez.

Motion passes with 6 for; 0 against.

17. Discussion on Southern Brazoria Transit System.

Representative A&R consulting: Update on transit plan. Updates in last couple of weeks. History had a feasibility report on 2006/2007. As a result of this, took a look at transit services to find a way to utilize federal dollars. We had to have transit system in place. Have come up with more attractive transit plan than last year. Can start at a lower price for the available service to four cities. Regional service going between Freeport and Lake Jackson, coming up to Angleton. Circulator service in Angleton. Planned on timed transfers at courthouse and college. Fairs, \$1.00 for all; 50 cents for senior citizens.

Rick Beverland with Goodman Corporation: Working with A&R for use of ARA funds which are designated for transit capital improvements. If you do not have a transit service in place, there is no way to capture those funds. Been dealing with deadline for what is considered shovel-ready projects. In the case of Federal Transit Administration, a draft grant in the FTA team system, which is the online grant system, has to be entered by June 1st and officially submitted by July 1. Have put together a very reasonable plan for capital improvements

in the form of shelters and benches at key transit locations within each of the cities. Provided flyers and displays on styro board. Have 20% contingency that is pretty healthy. All of the shelters within the Angleton area would be within phase I improvements.

Greg Smith: There is flexibility on the locations for facilities to go, correct? As long as it stays on public right of way?

Rick: Correct. Made stops in public right of way.

Mayor: On the \$31,000...you would think we could provide this service for that?

ARA Rep: \$31,000 for the first year you would provide the service, total contributions would be about \$120,000 for all four cities. Regional service would cost a little under a million dollars, so for the \$120,000 you are getting about a million dollar service. Looking at Angleton, you are getting about 27% of that, which is about \$200,000 plus. Getting benefits of service but getting sidewalk improvements and shelters. Benefits under original plan was \$267,000 now goes up to \$319,000 when you include the shelters. The service cost has gone from \$56,000 to \$31,000. Additional benefits are economic multiplier effects...usually 3 – 3.5. 3:1 capital ratio funds. Will have job creation. Will create close to 20 jobs; manager, supervisor and drivers. Reduces carbon emissions, provides mobility. We are going to be meeting with council in Clute on 28th, Freeport and Lake Jackson on the 1st. Would like to start service 1st of October.

Mayor: What are we looking at 3-5 years down the road as far as funding?

Allen: Federal funding has continued to grow over the last 12 or so years. State funding should grow this year; 25% increase to small and rural transit systems. First increase in 9-10 years. We are looking at generally having 12% to 15-16% increase.

Mayor: We thought at \$50,000 this was a great idea. Now at \$31,000, it is really a great idea. Generally the share goes up the longer it goes on.

Allen: It does go up looking at the five year program. If we keep the program at this size, it goes up. State money will be the same. Could have some federal programs to tap into. If you double the amount service, it is not going to cost you twice as much.

Greg Smith: What is our commitment to this program in years? Are we in it for 5-10 years?

Allen: We are going to be looking for annual commitments. We will be looking for fiscal year 2010. Takes about 24 months to get to ridership levels we are looking at. Not going to be where you want to be in year one. Demand is there. If gas goes to \$5.00 per gallon, much larger market for ridership.

Greg Smith: Brazosport College has increased their funding amount. Tried to promote the college. If one entity decides they are not there, and they opt out, do we have the same opportunity to opt out?

Rep Allen: Yes. You can change the services accordingly.

Greg Smith: You mentioned the number of jobs this will directly create. Will the jobs be filled in Brazoria County?

Rep Allen: Yes. To manage properly, will have to increase the organizational presence in Brazoria County.

Greg Smith: We actually thought the funding requirement was going to be much less. Had a meeting two weeks ago at Brazosport College. All cities were represented. We thought there was an additional funding source to take the cost down to \$14,000. HGAC came in and that is not the case for this year. There is potential for more funds down the line. That \$31,000 figure could be even less if we get into other systems and get funding from HGAC.

Mayor: We looked at it at \$50,000. We were not ready to back out at \$51,000 because of cost.

Greg Smith: Staff feels like this is really a needed item. No action on this matter, discussion only. Something that can be funded. \$31,000 is not a steadfast number, it could end up being more or less. Each year we will have to re-evaluate.

The first route that was presented to council has changed. It is going south and west compared to what it was routed previously.

Councilman Wright: Do the internal routes have the bus stops on them?

Rep Allen: Bus stops and getting bus signs on the streets, determining where those stops will be. The buses will stop at other places than just the shelters. Put shelters where the highest boardings are; high school, hospital, near Kroger and transfer location. Each should have 12-15 stops; usually a distance of quarter mile.

Councilman Dykes: May have a bench and a stop, but not necessarily a shelter?

Rep Allen: Yes, based on logical, large attractions for people to go to.

Rick Beverland: Long term there would be significant downtown redevelopment. You have ability to utilize federal funds for streetscape, brick pavers, lighting, ADA ramps, landscaping, all kinds of things, public art even. Within 500 feet of each stop, the ability to improve the aesthetics and safety would be greater. There is another benefit to it.

Mayor: Can businesses put up shelters?

Rick: Yes.

Rep Allen: Yes. Downtown and business districts can put up shelters. Could use advertisers to pay for the stops.

Greg Smith: Our connect transit and call service would go away once this occurs, correct?

Rep Allen: No. It stays in place and over time it will need to change to be ADA power transit, without increasing costs. Have to have service within $\frac{3}{4}$ mile of bus routes. We will develop a regional service where they do all the scheduling, dispatch and reservations.

Patti Worfe: We started with the old city manager. What

amazes me is that every (inaudible) that comes from the governor's office asks about the public transportation.

Greg Smith: Last year's budget, I put money in last year for this program. In our surplus this year, we could actually pay for the first two or three years for what we were going to pay for the first two years in this year's budget. Met with all City managers today and everybody seems like this is a positive thing. ARRA funds; Lake Jackson has to be the one that applies for the grant. Lake Jackson is the largest city and is designated recipient.

Mayor Pro Tem Santos: What do you need from us?

Greg Smith: This is just a discussion item. If we think this is something we want to bring forward, we will bring you an agenda item next time to vote.

Councilman Rhyne: Would hate to start this project and two of the other cities dropped out then our price went from \$31,000 to \$80,000 or better.

Greg Smith: I feel comfortable with the other cities being involved. Before this comes back to Council, we will know whether the cities will definitely be involved.

Councilman Wright: I don't see where the costs of the bus stops are.

Greg Smith: We are only getting four shelters for our system. The other stops don't have any type of shelter. They will only be a bus stop.

Rep Allen: Most bus stops don't have a bench. The shelters are only in the areas where there is a larger demand.

Mayor: Any other questions? We will move on.

18. REPORTS OF BOARD & COMMISSIONS:

Angleton Better Living Corporation: Mr. Hazelwood resigned. Approved addition to rec center. Signed off on everything except grass at Freedom Park.

Angleton Parks Board; talked about Welch Park and will be used as practice fields. Staff is doing access ramp for Freedom

Park to make ADA compliant.

Keep Angleton Beautiful – Keep Texas Beautiful is in July. Not eligible because we received it last year. Jamae has raffle tickets.

19. **CITY MANAGER REPORT:** Freedom Park – press release went out today. June 1 will be dedication and ribbon cutting. 12:45 will be the start time. Will have Rancho Isabella 1st and 2nd graders. President of Playwell is going to be there. Has agreed to buy ice cream for visiting children. Barricades will be up by next Monday so there will not be any more drive through.

20. **Staff Reports & Questions for Staff –**

Councilman Wright: Patti, you said Intermedics building is up for sale or auction on July 9?

Patti: I am hopeful.

Councilman Wright: The question that was asked me...if the church sells it, there are no taxes.

Patti: No. It is under the initial agreement.

Greg Smith: Churches are no longer exempt for their buildings unless it is used for worship. You can no longer own property and be tax exempt.

Greg Smith: Industrial agreement expires this year.

Patti: The Industrial agreement goes with the owner. Agreement up in December of 2010. Will have to negotiate a new agreement.

Councilman Wright: Are we still looking at other hotel companies?

Patti: Comfort Suites has pulled their permit in the last 30 days.

Councilman Wright: Was that the last of the three we were talking about?

Patti: Yes.

Councilman Wright: Thank you for all your work with the softball association. I am really excited about that.

Greg Smith: La Quinta has sold. Has new owner. Manager stayed.

Councilman Dykes: Are there still issues with hotel on 288B?

Greg Smith: No more inspections; red-tagged further inspections because of concrete issues and issues with employees.

21. **Council Information**

Mayor Patrick Henry- Nothing.

Mayor Pro Tem Rudy Santos – Nothing.

Councilman Jason Perez – Will send you a letter tomorrow resigning from P&Z.

Councilman Gregg Dykes – Nothing.

Councilman John Wright – How is fire truck coming along?

Greg Smith: Being built. Get in July or August.

Councilman Randy Rhyne – Just happy to be here.

22. Council did not adjourn into executive session.

Adjourn 7:55 p.m.

J. Patrick Henry, Mayor

Shelly Deisher, City Secretary