NOTICE OF MEETING
CITY COUNCIL OF THE CITY OF GALVESTON
THURSDAY - MARCH 28, 2019 - 8:00 A.M.
ROOM 204 - CITY HALL
823 ROSENBERG, GALVESTON, TEXAS
TELEPHONE: (409) 797-3510

WORKSHOP AGENDA

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER

2. ROLL CALL

3. DISCUSSION ITEMS

3.A. Clarification Of Consent And Regular City Council Agenda Items - This Is An Opportunity For City Council To Ask Questions Of Staff On Consent And Regular Agenda Items. (30 Minutes)

3.B. Discuss The Permitting Of Scooters (Brown/Yarbrough - 30 Minutes)

3.C. Discuss An Ordinance Of The City Of Galveston, Texas, Amending "The Code Of The City Of Galveston 1982, As Amended", Chapter 34, "Traffic" By Adding Article X, "Valet Parking" To Allow For Regulations Related To Valet Parking In The City Of Galveston; Providing For A Penalty; Making Various Findings And Provisions Related To The Subject; Providing For An Effective Date (Legal - 30 Minutes)

   Documents:
   
   TRAFFIC · 34 · VALET PARKING · REVISED VERSION · 3-28-19.DOCX

3.D. Receive And Discuss A Report From The Moody Foundation On Their Efforts To Bring Computers And WiFi To Island Students (Hardcastle/Yarbrough - 15 Minutes)

3.E. Discuss An Ordinance Of The City Council Of The City Of Galveston, Texas, Amending Chapter 7, "Animals And Fowl" Of The "The Code Of The City Of Galveston, 1982, As Amended" By Adding Article VIII, "Dogs In Outdoor Dining Or Eating Areas", To Allow Dogs In Outdoor Dining Or Eating Areas At Food Establishments; To Provide A Penalty Provision; Making Various Findings And Provisions Related To The Subject; And Providing For An Effective Date (Legal - 30 Minutes)

   Documents:
   
   CHAPTER 7 · ANIMALS AND FOWL · DOGS ON PATIOS ONLY · DOCX

3.F. Discuss Current Island Transit Fixed Routes, ADA Paratransit/Demand Response Services, Fares, And To Schedule A Separate Public Meeting And 14 Day Public Comment Period To Solicit Public Input On Potential Service And Fare Structure Changes (R. Beverlin - 15 Minutes)

   Documents:
   
   IT PUBLIC COMMENT POLICY PROCESS.PDF
   PPT ADA FR SUMMARY RECOMMENDATIONS 03-04-19 (002).PDF

3.G. Discussion Of The 2018 Revised Preliminary Flood Insurance Rate Maps And The
Corresponding Flood Insurance Study, And An Amendment To The City Of Galveston’s Flood Damage Prevention Ordinance; And Establishing An Effective Date For The Three The Documents In Final Form. (T. Tietjens)

Documents:

LETTER OF FINAL DETERMINATION.PDF
FEMA EMAIL OPTIONS.DOCX

3.H. Receive And Discuss An Update On The Debt Management Policy (Buckley/Loftin · 15 Minutes)

Documents:

CITY OF GALVESTON DEBT MANAGEMENT POLICY FFAC MARCH 21 2019.DOCX
FFAC HANDOUT.PDF

3.I. Receive And Discuss A Report On Police Car Inventory (Cole/Listowski · 15 Minutes)

3.J. Receive And Discuss An Update On Pelican Island Bridge (Yarbrough · 45 Minutes)

4. EXECUTIVE SESSION

4.A. Pursuant To Texas Gov’t Code 551.071 · Consultation With Attorney, An Executive Session Will Be Conducted To Discuss And Receive Legal Advice Concerning Pending Litigation And/Or A Settlement Offer, Or On A Matter In Which The Duty Of The Attorney To The Governmental Body Under The Texas Disciplinary Rules Of Professional Conduct Of The State Bar Of Texas Clearly Conflicts With This Chapter, Related To The Following:


5. ADJOURNMENT

I certify that the above Notice of Meeting was posted in a place convenient to the public in compliance with Chapter 551 of the Texas Government Code on March 22, 2019 at 12:00 P.M.

Janelle Williams, City Secretary

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE (3) DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY SECRETARY’S OFFICE, SUITE 201, 823 ROSENBERG, GALVESTON, TEXAS 77550 (409-797-3510).
ORDINANCE NO. 19-___

AN ORDINANCE OF THE CITY OF GALVESTON, TEXAS, AMENDING "THE CODE OF THE CITY OF GALVESTON 1982, AS AMENDED”, CHAPTER 34, "TRAFFIC” BY ADDING ARTICLE X, "VALET PARKING” TO ALLOW FOR REGULATIONS RELATED TO VALET PARKING IN THE CITY OF GALVESTON; PROVIDING FOR A PENALTY; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, valet parking is a parking service offered by some restaurants, stores, and other businesses throughout the country and the world; and,

WHEREAS, regulations pertaining to valet parking have been requested as a needed service in the City of Galveston; and,

WHEREAS, Staff recommends regulations pertaining to valet parking in the City of Galveston, as provided in Section 2 below; and,

WHEREAS, the City Council deems it in the public’s interest to amend Chapter 34 “Traffic” of “The Code of The City of Galveston 1982, as amended,” by adding Article X, "Valet Parking” to allow for regulations related to valet parking in the City of Galveston.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are hereby adopted by the City Council and made a part hereof for all purposes.


ARTICLE X. – VALET PARKING

DIVISION 1. GENERALLY.

§ 34-209. Applicability.

(a) This Article shall only apply to the area designated by the Land Development Regulations as the Central Business District.

(b) All other areas outside of the Central Business District shall adhere to the City of Galveston’s License to Use requirements.

(c) This Article shall not relieve any person from the duty to observe any other provisions of the City Code and/or state law.

As used in this Article, the following terms shall have the meanings respectively ascribed to them in this section:

*Designated Area:* the curb line within a public right-of-way, as indicated by appropriate signage or markings, where a valet operator may receive or return vehicles under a permit issued by the department.

*Department:* the department designated by the City Manager.

*Director:* the department director designated by the City Manager.

*Metered parking:* Parking meter in service during established paid parking hours.

*On-Street valet parking service:* a valet parking service in which the valet operator receives a vehicle from or returns a vehicle to a customer or patron within the service location.

*Person:* an individual, partnership or corporation seeking to provide valet parking services for its customers or patrons and move their motor vehicles from the service location to a remote parking area and return the vehicle to the original service location.

*Service Location:* the location of the business served by the valet parking service.

*Valet Operator:* a person or the person's employee, agent, contractor, or representative that provides valet parking services to a business.

*Valet Parking Service:* the service of receiving, parking, and returning vehicles for the customers, guests or invitees of a business.

§ 34-211. – Restrictions on on-street valet parking.

It is unlawful for any person to provide valet parking services without a valet operating license or valet parking permit, and no person shall provide valet parking services in which a portion of the public right-of-way is used to receive, return, or store vehicles, except as allowed under this Article.

§ 34-212. – Insurance.

A valet operator or a temporary valet parking permit holder must maintain general liability insurance coverage as required by the Director continuously during the term of the permit or license. Insurance carriers must be authorized or eligible to do business in the state of Texas.

§ 34-212. – No Private Rights in Streets.
Nothing in this Article shall be construed to give any valet operator any property right in, or to, the use of any street or public right-of-way. All permits and licenses issued and held under this Article shall be subject to the superior right of the public to the safe and orderly movement of traffic.

§ 34-213. Temporary Suspension.

All valet operations are subject to immediate suspension when a police officer or other authorized city enforcement official determines that the continued operation of the valet service constitutes an immediate threat to the public health, safety or welfare, including interfering with the safe operation of the streets for pedestrians and the normal flow of traffic.

DIVISION 2. VALET OPERATION LICENSE.

§ 34-214. On-street valet operating license required.

(A) A person may not operate a valet parking service on the public right of way without a valet operating license issued under this Article.

(B) A person may operate a valet parking service conducted entirely on private property without a valet operating license.

§ 34-215. Maximum number of parking spaces:

The holder of a valet operating parking service may use three parking spaces as a designated area. The Director may allow the permit holder to use additional spaces for the designated area if:

1. the Director determines that the use of the additional spaces will not create a safety hazard; and
2. the permit holder pays the fee for each additional space.

§ 34-216. Application for a valet operating license.

(A) A person who desires to operate a valet parking service on public right-of-way shall apply in writing to the Director for a valet operating license. To obtain or renew an on-street valet operating license a person must:

1. submit a completed application to the Director on a form prescribed by the Director;
2. pay the application fee for the license; and
3. pay the fee for each location at which the applicant intends to provide valet parking services.

(B) An application for a valet operating license must include the following:

1. the name, mailing address, and phone number of the applicant;
(2) the name and location of each service location at which the applicant intends to provide on-street valet parking service;
(3) the hours of operation of the on-street valet parking service at each service location;
(4) documentation showing that the applicant has the required insurance policy;
(5) a verified statement from the valet operator that each of the applicant's employees has a driver's license valid in the State of Texas, and has received a manual and training instructing the employee in the local and state laws governing valet parking;
(6) a verified certification that the applicant's employees who engage in valet parking vehicles will wear retro-reflective material outerwear while working during the nighttime;
(7) a verified certification that loading or offloading of customers from vehicles will occur only in the designated area at each service location;
(8) the location of any signs or attendant stands to be used by the applicant at the service location and the designated area; and
(9) the location of off-street parking to be used in connection with the valet operation and a signed agreement or other documentation that indicates the applicant has a legal right to park vehicles at that location, the number of parking spaces allowed to be used and describing other terms and conditions applicable to the use of the off-street parking location.
(10) The telephone number to allow the department to contact the valet service operator 24 hours a day.

§ 34 - 217. – Issuance of valet operating license.

(A) Unless denied pursuant to this Article, the Director shall issue a valet operating license for the service location.

(B) The Director shall list on the valet operating license each service location at which the license holder may provide on-street valet parking services.

§ 34 - 218. – Duties and Responsibilities of a valet operating license holder.

(A) A valet operating license holder may not provide on-street valet parking service at a service location unless the location is approved by the department and listed on:
    (1) the license; or
    (2) a temporary permit for the service location.

(B) A license holder shall not use public metered parking spaces other than what is stated in the license issued by the City. A license holder shall not park in spaces or on property for which it does not have an agreement or permission to park vehicles, and shall immediately cease to accept vehicles once it meets its capacity limits described in the agreement submitted as part of their application.
(C) A license holder shall keep a copy of the license readily available at the service location during hours of operation, and shall produce the copy on the request of the Director or his/her designee or other certified/recognized authority including; but not limited to, a Police Officer, Marshal, or Code Enforcement Officer.

(D) A license holder may not allow a vehicle to remain parked in the service location for more than 15 minutes. A vehicle may not be parked in a service location unless traffic may move safely in the lanes adjacent to the designated area.

(E) A license holder shall provide each of the operator's employees a manual and training on local and state laws governing valet parking. Training must include review of the requirements specified in this Article.

(F) A license holder shall place the operator's booth or stand at the service location in a manner that will maintain an unobstructed pedestrian pathway on the sidewalk that is at least six feet wide.

(G) A license holder shall provide retro-reflective material on employee's outerwear to an employee who enters the street while on duty during nighttime hours. An employee shall be required to wear the retro-reflective outerwear while on nighttime duty.

(H) A license holder is responsible for the security of keys left by a customer with the operator, and shall keep the keys in a secure place.

(I) A license holder shall place a valet parking tag inside each customer's vehicle that includes the following information, which must be clearly legible from the outside of the vehicle:
   (1) the name of the license holder; and
   (2) a telephone number that will allow the customer to obtain information about the valet parking operation 24 hours a day.

(J) Each of the license holder's employees shall operate vehicles in compliance with all applicable federal, state, and local laws, in a manner that assures the safety of persons and property and shall possess a valid class A, B, or C, Texas driver's license.

§ 34 - 219. – Restriction on handling vehicles.

(A) A license holder may not:
   (1) double park a vehicle;
   (2) park a customer's vehicle on a public street except in the designated area;
   (3) leave a vehicle unattended in the street except in the designated area;
   (4) receive or return a customer's vehicle at a location other than the service location;
   (5) park a vehicle on private property unless written authorization has been obtained from the owner or lessee of the property; or
(6) violate a law relating to the stopping, standing, or parking of motor vehicles.

(B) A license holder shall have custody of the keys to a vehicle while the vehicle is unattended in the designated area.

(C) A license holder may allow attended vehicles of the operator's customers to temporarily queue in the traffic lane adjacent to the designated area if the queuing does not:
   (1) cause traffic behind the queue to obstruct an intersection;
   (2) block public access to a business or residence; or
   (3) create a safety hazard.

§ 34-220. – Parking Citations.

The valet operator shall immediately inform a customer of a parking citation issued to the customer's vehicle during the time the vehicle was parked by the valet operator.

§ 34-221. – Designated area.

The Department shall, at the license holder's cost:

(A) provide to the valet license holder signs that will indicate that the spaces in the designated area are reserved for valet parking only and that vehicles parked in the spaces for purposes other than valet parking may be towed;

(B) install traffic control devices at the designated area indicating the location and extent of the designated area, and the hours the designated area is reserved for valet parking; and

(C) require additional traffic control devices or measures that heighten public awareness of the valet service area, as required by the Director.

§ 34-222. – Transfer of valet parking license.

(A) A valet parking license may be transferred to a subsequent owner or operator of the business at the service location.

(B) To transfer a valet parking license, the subsequent owner or operator of the business must file an application as provided in this Article.

§ 34-223. – Valet Parking Permit Required.

(A) A person operating a business establishment may not provide on-street valet parking service to customers, guests or other invitees unless the person has a valet parking permit issued under this Article.

(B) A person operating a business establishment or at a residence may provide valet parking service to customers, guests or other invitees without a valet parking permit if the service is operated entirely on private property.
(C) Public paid parking spaces may not be used for valet parking services other than as stated on the permit issued by the City. Parking shall not be permitted in spaces or on property for which the permit holder does not have an agreement or permission to park vehicles, and the permit holder or its contractor shall immediately cease to accept vehicles once it meets its capacity limits described in the agreement submitted as part of their application for use of off-street parking.

§ 34-224. – Valet Parking Permit Application.

(A) A person who provides on-street valet parking services to customers, guests, or other invitees on public right-of-way shall apply in writing to the director for a valet parking permit. The application must be made by the owner or lessee of the premises benefiting from the proposed valet parking service. To obtain or renew a valet parking permit a person must:

(1) submit a completed application to the Director on a form prescribed by the Director;
(2) pay the application fee for the permit; and
(3) pay the annual fee for parking spaces in the designated area.

(B) An application for a valet parking permit must include the following:

(1) the name, address, and phone number of the applicant;
(2) the name and location of the business to be served by a valet operator;
(3) a copy of the on-street valet operating license held by the person who will provide valet parking service for the applicant;
(4) documentation showing that the applicant has the required insurance policy; and
(5) the location of off-street parking to be used in connection with the valet operation and a signed agreement or other documentation that indicates the applicant has a legal right to park vehicles at that location, the number of parking spaces allowed to be used and describing other terms and conditions applicable to the use of the off-street parking location.

§ 34 - 225. – Temporary Permit.

(A) The department may issue a temporary valet parking permit to a person to operate a valet parking service for no more than four consecutive days.

(B) To obtain a temporary valet parking permit a person must:

(1) submit an application to the department on a form prescribed by the Director no later than five business days before the commencement of the valet parking services; and
(2) pay the fee for a temporary valet parking service permit and all other applicable fees; and
(3) obtain written approval from the businesses or residences directly adjacent to the public right-of-way proposed for valet service use.
(C) A temporary permit issued under this section is valid for the period indicated on the permit, and shall not exceed four consecutive calendar days.

(D) The holder of a temporary permit may use three parking spaces as a designated area. The Director may allow the permit holder to use additional spaces for the designated area if:
   (1) the Director determines that the use of the additional spaces will not create a safety hazard; and
   (2) the permit holder pays the fee for each additional space.

DIVISION 3. DENIAL OR REVOCATION OF LICENSE.

§ 34-224. – Issuance or denial of permit or license.

(A) The Director shall grant or deny an application for a permit or license under this Article not later than the 10th day after the day the application is received by the department.

(B) The Director shall deny an application for a permit or license under this Article if the applicant:
   (1) makes a false statement on the application; or
   (2) fails to meet the application requirements of this Article.

(C) The Director shall deny an application for a valet parking permit or license if the Director determines that the proposed valet parking service at the location may:
   (1) unreasonably interfere with normal traffic flow on a public street, alley, or other public property; or
   (2) create a hazard to public safety.

(D) If the Director denies an application for a permit or license under this Article, the department shall send notice of the denial to the applicant by certified mail, to the applicant's mailing address listed on the application. A notice mailed under this section is considered received on the 10th day after mailing.

§ 34-225. – Temporary suspension or modification of permit or license.

(A) The Director may temporarily suspend or modify a permit or license issued under this Article if:
   (1) a temporary street closure includes the designated area;
   (2) the Director determines that an emergency requires the suspension or modification; or
   (3) if requested in writing by the permittee or licensee; A request for an increase in the designated area shall require a new application and payment of required fees.

(B) If the Director suspends or modifies a permit or license, the Director may allow the permit or license holder to temporarily conduct valet parking operations at an alternate location.
§ 34 - 226. – Duration and renewal of permit or license.

(A) A permit or license issued under this Article is valid for a period of one year from its date of issuance, unless the permit or license is:
   (1) a temporary permit; or
   (2) revoked or suspended.

(B) A permit or license issued under this Article may be renewed by filing an application at least 30 days prior to expiration of the permit or license. To obtain renewal of a permit or license, a person must meet the application requirements in this Article, and the application shall be reviewed and approved as if it is a new application.

§ 34 - 227. – Revocation or modification of permit or license.

(A) The Director may revoke or modify a permit or license under this section based on the following reasons:
   (1) if the holder fails to comply or violates this Article at a service location on more than six separate days within a 12-month period;
   (2) if the Director determines that the applicant made a false statement on the permit application; or
   (3) the permit or license was issued through error; or
   (4) if the holder fails to comply or violates the rules adopted by the Director; or
   (5) there is an immediate threat to public health and safety.

(B) If the Director revokes or modifies a permit or license under this Article, the Director shall send notice of the revocation or modification to the permit or license holder by certified mail, to the holder's mailing address listed on the application. If the revocation is due to an immediate threat to public health and safety, the permit or license shall be considered revoked immediately without prior notice to the permittee or licensee. A notice mailed under this section is considered received on the 10th day after mailing.

§ 34 - 228. – Appeal.

(A) An applicant or a license or permit holder may appeal the denial of an application or the revocation or modification of a permit to the Director.

(B) The appeal must be submitted to the Director in writing not later than the 10th day after receipt of notice of the adverse action.

(C) The Director shall hold an informal hearing on the appeal not later than the 10th day after the appeal is received. At the hearing the formal rules of evidence do not apply. The Director shall decide the appeal on the basis of the preponderance of the evidence presented.
(D) The Director shall make a determination on the appeal not later than the 10th day after the hearing. The Director may affirm, reverse, or modify the Director's previous determination.

(E) The decision of the Director on appeal may be appealed to the City Manager, under the same procedure described above. The decision of the City Manager is final.

DIVISION 4. FEES AND ENFORCEMENT.

§ 34 – 229. Fees.

Fees shall be established as follows:

**Annual Permit base fees:**

1. a valet parking permit application - $250.00;
2. a valet operating license application - $500.00;
3. within the designated area: paid and non-paid parking space usage - $250.00 per space.
4. paid parking space: paid parking fee applicable during the requested hours of operation for each location in addition to the base fee(s).

**Temporary Permit base fees:**

1. a temporary permit application - $125.00 up to and including 3 parking spaces. Each additional approved parking space will be charged $50.00;
2. paid parking space: paid parking fee applicable during the requested hours of operation for each location, in addition to the base fee(s).


The Director, or any enforcement agency of the City, shall enforce this Article and rules adopted under this Article.

§ 34 – 231. Penalty.

(A) The City Council has determined that this Article is necessary to protect health, life, and property and to preserve good government, order, and security of the city and its inhabitants.

(B) An owner, operator, or employee commits an offense if the person violates this Article or fails to comply with a requirement of this Article.
(C) An offense under this Article is a Class C misdemeanor, punishable by a fine not to exceed five hundred dollars ($500.00) per offense. Each day shall constitute a separate offense.

(D) Proof of a culpable mental state is not required for a conviction of an offense under this Article.

(E) The provisions of this Article are cumulative of other remedies.

(F) Each day or portion of a day during which a violation occurs or continues constitutes a separate offense.

(G) The City may seek to enjoin violations of this Article, and may file suit for the recovery of all expenses incurred, including without limitation, administrative and legal expenses, attorneys’ fees, and costs, and for civil penalties as provided by law.

SECTION 3. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses and phrases of this Ordinance are severable and, if any phrase, clause, sentence, paragraph or section of this Ordinance should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance.

SECTION 4. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 5. In accordance with the provisions of Sections 12 and 13 of Article II of the City Charter this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 6. This Ordinance shall be and become effective on May 1, 2019, from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM:

DONNA M. FAIRWEATHER
ASSISTANT CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at its regular meeting held on __________, 2019, as the same appears in records of this office.
IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this _____ day of _____, 2019.

__________________________
Secretary for the City Council
Of the City of Galveston
ORDINANCE NO. 19-____________

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GALVESTON, TEXAS, AMENDING CHAPTER 7, “ANIMALS AND FOWL” OF THE “THE CODE OF THE CITY OF GALVESTON, 1982, AS AMENDED” BY ADDING ARTICLE VIII. “DOGS IN OUTDOOR DINING OR EATING AREAS”, TO ALLOW DOGS IN OUTDOOR DINING OR EATING AREAS AT FOOD ESTABLISHMENTS; TO PROVIDE A PENALTY PROVISION; MAKING VARIOUS FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Code of the City of Galveston 1982, as amended provides various regulations relating to animals; and,

WHEREAS, the City of Galveston recognizes that responsible dog owners desire the ability to bring their pet to food establishments where dogs are allowed; and,

WHEREAS, the City of Galveston does not currently have ordinances specifically regulating dogs at food establishments, with outside restaurant patios or outside dining areas; and,

WHEREAS, the Animal Advisory Committee and Staff recommends amending Chapter 7, “Animals and Fowl” to allow dogs in outdoor dining or eating areas, such as on restaurant patios as provided below; and,

WHEREAS, the City Council of the City of Galveston, Texas, deems it in the public interest to provide regulations allowing dogs in outdoor dining or eating areas and amending the code as proposed.

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

SECTION 1. The findings and recitations set out in the preamble to this Ordinance are found to be true and correct and they are adopted by the City Council and made a part hereof for all purposes.

SECTION 2. The Code of the City of Galveston 1982, as amended, Chapter 7 “Animals and Fowl”, is amended by adding Article VIII. “Dogs in Outdoor Dining or Eating Areas”, to read and provide as follows:

ARTICLE VIII. DOGS IN OUTDOOR DINING OR EATING AREAS

Sec. 7-50. Dogs in Outdoor Dining or Eating Areas. This Article allows a food establishment to permit dogs in outdoor dining or eating areas as permitted by the Texas Food Establishment Rules, state law and the requirements of this Article.
Sec. 7-51. Exemptions. The requirements described in this Article do not apply to a service animal, as defined by Health and Safety Code Section 437.023(e) or to K-9 police dogs.

Sec. 7-52. Standards. Pursuant to state law and this Article, food establishments may allow dogs on the premises of an outdoor patio or outdoor dining area, in accordance with the following standards and conditions:

1. A sign stating that dogs are permitted must be posted at the food establishment in a conspicuous location, so that it is easily visible to the public. The sign may state: "DOG FRIENDLY PATIO - DOG ACCESS ONLY THROUGH OUTDOOR PATIO";

2. No dog may enter or be present inside the food establishment;

3. The customer and dog must access the area directly from the exterior of the food establishment. An entrance may be provided from the outside of the food establishment to the outdoor patio or outdoor dining area so that a dog will have direct access to the patio without entering the interior of the food establishment;

4. No food preparation, including mixing drinks or serving ice, may be performed in the outdoor patio or outdoor dining area, except that a beverage glass may be filled from a pitcher or other container that has been filled or otherwise prepared inside the food establishment;

5. A dog must be kept on a leash or in a dog carrier and remain in the control of the owner while in the outdoor patio or outdoor dining area. The dog must be wearing a collar or harness with a current rabies tag attached to it;

6. A dog is not allowed on a seat, table, countertop, or similar surface;

7. The food establishment shall have hand sanitizer available at or near all entrances and exits to the outdoor patio or outdoor dining area;

8. The outdoor patio or outdoor dining area must be maintained free of visible dog hair, dog dander, and other dog-related waste or debris. Waste created from a dog's bodily functions must be cleaned up with animal friendly chemicals after each occurrence. All dog waste must be disposed of outside of the food establishment in an appropriate waste receptacle. Equipment used to clean the outdoor patio must be kept outside of the food establishment;

9. While on duty, wait staff or other food handlers at the food establishment, may not pet or have contact with any dog.

Sec. 7-53. Penalty.

1. An owner, officer, manager, or other person in charge of a food establishment commits an offense if, personally or through an employee or agent, violates, allows a violation of, or fails to comply with the provisions of this Article, state law or other applicable Texas Food Establishment Rules.
(2) A person who violates a provision of this Article shall upon conviction be deemed guilty of a Class C misdemeanor and shall be fined a sum not to exceed two hundred dollars ($200.00) for each offense.

(3) Each day that a violation continues shall constitute a separate offense.

SECTION 3. It is declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable. If any phrase, clause, sentence, paragraph, or section of this Ordinance should be declared invalid by a final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance.

SECTION 4. All Ordinances or parts thereof in conflict herewith are repealed to the extent of such conflict only.

SECTION 5. In accordance with the provisions of Sections 12 and 13 of Article II of the City Charter, this Ordinance has been publicly available in the office of the City Secretary for not less than 72 hours prior to its adoption; that this Ordinance may be read and published by descriptive caption only.

SECTION 6. This Ordinance shall be and become effective from and after its adoption and publication in accordance with the provisions of the Charter of the City of Galveston.

APPROVED AS TO FORM:

____________________
DONNA M. FAIRWEATHER
ASSISTANT CITY ATTORNEY

I, Janelle Williams, Secretary of the City Council of the City of Galveston, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the City Council of the City of Galveston at its regular meeting held on __________, 2019, as the same appears in records of this office.

IN TESTIMONY WHEREOF, I subscribe my name hereto officially under the corporate seal of the City of Galveston this ______ day of ________________, 2019.

____________________
Secretary for the City Council
of the City of Galveston
Policy on Public Comment Process For
Proposed Fare Increases and Major Service Reduction

Purpose:

To establish a policy for public participation regarding proposed increases to the basic fare structure or major service reduction of Island Transit services.

Public Comment Process Policy

1. This policy applies and must be implemented when a proposal is being considered for a fare increase of any single fare category and/or to make a major service reduction. This policy does not apply to an emergency or temporary change in fare or service for a special event, holiday or adverse weather event.

   A major service reduction is defined as any of the following:

   a) The elimination of an entire route OR 20 percent of route miles on a single route. The realignment of a route or elimination of 20 percent of a route when existing or new service will still be available within one-quarter mile of the previous alignment will not be considered as a major service reduction.

   b) A 20 percent reduction in the total service hours of a single route for an individual day type (weekday, Saturday or Sunday)

2. When a fare increase or major service reduction is considered by Island Transit, the following steps, at a minimum will be taken to ensure an adequate public comment process:

   a) Public notice will be advertised for a proposed major service reduction and/or fare increase. Prior to the start of the comment period, proposed changes will be displayed on the City of Galveston (City) website, Island Transit website and Galveston’s public TV Channel 16. Written notice will also be published in the local newspaper, Galveston County Daily News, as a paid advertisement of notice. The published notice will announce 1) the route(s) being evaluated for reduction or current fares to be increased, 2) the starting and ending dates of a minimum 14-day public comment period; 3) Island Transit office address for submitting comments and to review more information about the proposed changes and 4) the date of the public meeting to discuss and receive comment on proposed changes. Public notification will include posting the above listed information at all bus stops with shelters or a transfer point with an affected route and as Take-One flyers on all buses. Notices on the City and Island Transit websites, at all shelters and take-ones on buses will be written in Spanish consistent with Island Transit Limited English Proficiency Plan.
h) All forms of notice of a proposed fare increase or a major service reduction should include Island Transit physical address and website address for public review of details and reasons for proposed change(s). The document for review will be provided in Spanish. Comments cards will be made available with a hard copy of complete statement describing the proposed changes of major service reduction or fare increase.

c) The public meeting will be held in an ADA accessible facility that is accessible through the use of public transit services. The public meeting will be scheduled at times that transit services are available to facilitate attendance by transit users. This public meeting will be at the end of the 14-day comment period and will not be held on a day that a City Council meeting is scheduled.

d) The Galveston City Council will be notified of the comment period and proposed major service reduction or fare increase. Notification of City Council may occur prior to or during the public comment period. Following the completion of the comment period and the conduct of the public meeting, the proposed major service reduction or fare increase will be agendized at a meeting of City Council. The City Council meeting will be noticed according to City policy and with notices in vehicles and bus shelters as in paragraph “a,” above. Any comments received during the 14-day public comment period will be documented in a public comment summary, considered for the final policy and presented to City Council. The documentation must be available for public review and distributed to City Council prior to taking action. City Council will act on the proposed major service reduction or fare increase after consideration of public comments documented in the summary and made in public comment period of the City Council meeting.
Recommendations for additional cost savings

• Eliminate Weekend Service ($155,000 Annually) – Provide City Council notification at March 28th Workshop/Council meeting; begin 14-day Public Comment period beginning March 28th ending on Friday April 12th. Separate Public Meeting to be held 1st week of April. City Council to consider Public Input and recommended service and fare revisions at their April 25th Meeting.

• Consider increasing Fixed Route Fare from $1 to $2 Subject to Public Comment and Public Meeting schedule above.

• Consider increasing Dial-A-Ride Fare from $2 to $4 Subject to Public Comment and Public Meeting schedule above.

• Consider increasing Trolley Fare from $1 to $2.50 Not required at present, but recommended to follow same Public Comment and Public Meeting schedule above.

• Mobile Fare App/Google Transit implementation TBD – Island Transit Staff, Galveston.com, Office of the PIO and Information Technology to set follow up meeting(s).

• Transition balance of ADA Paratransit Program to Harris County RIDES to reduce per-trip costs (est. $246,000 savings Annually-based on 3,000 trips per month) Current contract ends May 8th; it is recommended to provide City Council with proposed contract extension at their April 25th Meeting.

• Limit Harris County RIDES trip times to new, limited service hours (no evenings) AND require 24-Hour Advanced Notice (Island Transit Staff working with RIDES to complete by Friday 03/08/19)

• Previously it was recommended that Re-Qualification of Individuals by a 3rd Party Non-Profit recommended for Eligibility Determination; however

• Staff has already begun process for Re-Qualification of ADA Paratransit Riders: (Additional letters to go out week of 03/04/19, with due date no later than 03/22/19.

  New Application process for Dial-A-Ride has already been implemented, and process of re-application by all applicants is underway (Application complete)

  Appeal Committee to review Dial-A-Ride denials has been established
February 15, 2019

The Honorable Jim Yarbrough
Mayor, City of Galveston
P.O. Box 779
Galveston, Texas 77553

Community: City of Galveston,
Galveston County,
Texas
Community No.: 485469
Map Panels Affected: See FIRM Index

Dear Mayor Yarbrough:

This is to formally notify you of the final flood hazard determination for the City of Galveston, Galveston County, Texas in compliance with Title 44, Chapter I, Part 67, Section 67.11, Code of Federal Regulations (44 CFR 67.11). This section requires that notice of final flood hazard determinations shall be sent to the Chief Executive Officer of the community, all individual appellants, and the State Coordinating Agency, and shall be published in the Federal Register. The flood hazard determinations for your community may include addition or modification to Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Areas (SFHAs), zone designations, and regulatory floodways. SFHAs are the areas subject to inundation by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood).

On December 6, 2002, the Department of Homeland Security’s Federal Emergency Management Agency (FEMA) issued a Flood Insurance Rate Map (FIRM) that identified the SFHAs in your community. Recently, FEMA completed a re-evaluation of flood hazards in your community. On September 27, 2012 and February 28, 2018, FEMA provided you with Preliminary and Revised Preliminary copies, respectively, of the Flood Insurance Study (FIS) report and FIRM that identify existing flood hazards in your community. A notification of the proposed flood hazard determinations for your community was published in the Daily News on June 20, 2013 and June 27, 2013, and in the Federal Register, at Part 67, Volume 78, Pages 28890 and 28891, on May 16, 2013.

The statutory 90-day appeal period, which was initiated on the second newspaper publication date cited above, has ended. FEMA did receive an appeal during that 90-day period. The technical data submitted in support of the appeal have been evaluated, and the appeal has been resolved. Therefore, the determination of the Agency as to the flood hazard information for your community is considered final. FEMA will publish a notice of final flood hazard determinations in the Federal Register as soon as possible. The FIRM for your community will become effective on August 15, 2019. Before the effective date, FEMA will send you final printed copies of the FIS report and FIRM.

Because the FIS establishing the flood hazard information for your community has been completed, certain additional requirements must be met under Section 1361 of the National Flood Insurance Act of 1968, as amended, within 6 months from the date of this letter. Prior to August 15, 2019, your community is required, as a condition of continued eligibility in the National Flood Insurance Program (NFIP), to adopt or show evidence of adoption of floodplain management regulations that meet the standards of Paragraph
60.3(e) of the NFIP regulations (44 CFR 59, etc.) by the effective date of the FIRM. These standards are the minimum requirements and do not supersede any State or local requirements of a more stringent nature.

It must be emphasized that all the standards specified in Paragraph 60.3(e) of the NFIP regulations must be enacted in a legally enforceable document. This includes adoption of the current effective FIS report and FIRM to which the regulations apply and other modifications made by this map revision. Some of the standards should already have been enacted by your community in order to establish initial eligibility in the NFIP. Your community can meet any additional requirements by taking one of the following actions:

1. Amending existing regulations to incorporate any additional requirements of Paragraph 60.3(e);

2. Adopting all the standards of Paragraph 60.3(e) into one new, comprehensive set of regulations; or

3. Showing evidence that regulations have previously been adopted that meet or exceed the minimum requirements of Paragraph 60.3(e).

Communities that fail to enact the necessary floodplain management regulations will be suspended from participation in the NFIP and subject to the prohibitions contained in Section 202(a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234) as amended.

In addition to your community using the FIS report and FIRM to manage development in the floodplain, FEMA will use the FIS report and FIRM to establish appropriate flood insurance rates. On the effective date of the revised FIRM, actuarial rates for flood insurance will be charged for all new structures and substantial improvements to existing structures located in the identified SFHAs. These rates may be higher if structures are not built in compliance with the floodplain management standards of the NFIP. In general, flood insurance rates increase as the lowest floor elevations (including basements) of new and substantially improved structures decrease in relation to the BFEs or base flood depths (if determined). This is an important consideration for new construction because building at a higher elevation can greatly reduce the cost of flood insurance.

To assist your community in maintaining the FIRM, we have enclosed a Summary of Map Actions (SOMA) to document previous Letter of Map Change (LOMC) actions (i.e., Letters of Map Amendment [LOMAs], Letters of Map Revision [LOMRs]) that will be superseded when the revised FIRM panels become effective. Information on LOMCs is presented in four categories: (1) LOMCs for which results have been included on the revised FIRM panels because of scale limitations or because the LOMC issued had determined that the lots or structures involved were outside the SFHA as shown on the FIRM; (2) LOMCs for which results could not be shown on the revised FIRM panels because of state limitations or because the LOMC issued had determined that the lots or structures involved were outside the SFHA as shown on the FIRM; (3) LOMCs for which results have not been included on the revised FIRM panels because the flood hazard information on which the original determinations were based is being superseded by new flood hazard information; and (4) LOMCs issued for multiple lots or structures where the determination for one or more of the lots or structures cannot be revalidated through an administrative process like the LOMCs in Category 2 above. LOMCs in Category 2 will be revalidated through a single letter that reaffirms the validity of a previously issued LOMC; the letter will be sent to your community shortly before the effective date of the revised FIRM and will become effective 1 day after the revised FIRM becomes effective. For the LOMCs listed in Category 4, we will review the data previously submitted for the LOMA or LOMR request and issue a new determination for the affected properties after the revised FIRM becomes effective.

The FIS report and FIRM for your community have been prepared in our countywide format, which means that flood hazard information for all jurisdictions within Galveston County has been combined into one
FIS report and FIRM. When the FIRM and FIS report are printed and distributed, your community will receive only those panels that present flood hazard information for your community. We will provide complete sets of the FIRM panels to county officials, where they will be available for review by your community.

The FIRM panels have been computer-generated. Once the FIS report and FIRM are printed and distributed, the digital files containing the flood hazard data for the entire county can be provided to your community for use in a computer mapping system. These files can be used in conjunction with other thematic data for floodplain management purposes, insurance purchase and rating requirements, and many other planning applications. Copies of the digital files or paper copies of the FIRM panels may be obtained by calling our FEMA Map Information eXchange (FMIX), toll free, at 1-877-FEMA MAP (1-877-336-2627). In addition, your community may be eligible for additional credits under our Community Rating System if you implement your activities using digital mapping files.

Our Regional Office staff would be happy to assist you with any difficulties you may encounter enacting the floodplain management ordinances. If you have questions regarding your application or any other questions, please feel free to contact one of the Regional contacts listed below for additional assistance:

<table>
<thead>
<tr>
<th>For questions concerning:</th>
<th>Name</th>
<th>Telephone Number</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering/Mapping</td>
<td>Mr. Larry Voice</td>
<td>(940) 898-5419</td>
<td><a href="mailto:larry.voice@fema.dhs.gov">larry.voice@fema.dhs.gov</a></td>
</tr>
<tr>
<td>Community Outreach</td>
<td>Ms. Cynthia Wirz</td>
<td>(940) 898-5164</td>
<td><a href="mailto:cynthia.wirz@fema.dhs.gov">cynthia.wirz@fema.dhs.gov</a></td>
</tr>
<tr>
<td>Insurance</td>
<td>Mr. Gilbert Giron</td>
<td>(940) 898-5594</td>
<td><a href="mailto:gilbert.giron@fema.dhs.gov">gilbert.giron@fema.dhs.gov</a></td>
</tr>
<tr>
<td>Compliance</td>
<td>Ms. Lauren Fulton</td>
<td>(940) 898-5474</td>
<td><a href="mailto:lauren.fulton@fema.dhs.gov">lauren.fulton@fema.dhs.gov</a></td>
</tr>
</tbody>
</table>

If there are further questions regarding the FIS report and FIRM for the community, please contact Mr. Michael Segner, CFM. Mr. Segner, the NFIP State Coordinator, is accessible by telephone at 512-463-3509, in writing at 1700 North Congress Avenue P.O. Box 13231, Austin, Texas 78711-3231, or by email at michael.segner@twdb.texas.gov.

Additional information and resources your community may find helpful regarding the NFIP and floodplain management, such as The National Flood Insurance Program Code of Federal Regulations, Answers to Questions About the National Flood Insurance Program, Frequently Asked Questions Regarding the Effects that Revised Flood Hazards have on Existing Structures, Use of Flood Insurance Study (FIS) Data as Available Data, and National Flood Insurance Program Elevation Certificate and Instructions, can be found on our website at https://www.fema.gov/letter-final-determination. Paper copies of these documents may also be obtained by calling our FMIX, toll free at the telephone number listed above.

Sincerely,

[Signature]

Luis Rodriguez, P.E., Director
Engineering and Modeling Division
Federal Insurance and Mitigation Administration

Enclosure:
Final SOMA
cc: Community Map Repository
    Mr. David Ewald, Floodplain Administrator and Building Official, City of Galveston
    Mr. Michael Segner, CFM, State NFIP Coordinator, Texas Water Development Board
    Ms. Jessica Baker, Regional Technical Coordinator, RSC 6
FINAL SUMMARY OF MAP ACTIONS

Community: GALVESTON, CITY OF Community No: 485469

To assist your community in maintaining the Flood Insurance Rate Map (FIRM), we have summarized below the effects of the enclosed revised FIRM panels(s) on previously issued Letter of Map Change (LOMC) actions (i.e., Letters of Map Revision (LOMRs), Letter of Map Revision based on Fill (LOMR-Fs), and Letters of Map Amendment (LOMAs)) that will be affected when the revised FIRM becomes effective on August 15, 2019.

1. LOMCs Incorporated

The modifications effected by the LOMCs listed below will be reflected on the revised FIRM. In addition, these LOMCs will remain in effect until the revised FIRM becomes effective.

<table>
<thead>
<tr>
<th>LOMC</th>
<th>Case No.</th>
<th>Date Issued</th>
<th>Project Identifier</th>
<th>Original Panel</th>
<th>Current Panel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>NO CASES RECORDED</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. LOMCs Not Incorporated

The modifications effected by the LOMCs listed below will not be reflected on the revised FIRM panels or will not be reflected on the revised FIRM panels because of scale limitations or because the LOMC issued had determined that the lot(s) or structure(s) involved were outside the Special Flood Hazard Area, as shown on the FIRM. These LOMCs will remain in effect until the revised FIRM becomes effective. These LOMCs will be revalidated free of charge 1 day after the revised FIRM becomes effective through a single revalidation letter that reaffirms the validity of the previous LOMCs.

2A. LOMCs on Revised Panels

<table>
<thead>
<tr>
<th>LOMC</th>
<th>Case No.</th>
<th>Date Issued</th>
<th>Project Identifier</th>
<th>Original Panel</th>
<th>Current Panel</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOMA</td>
<td>05-06-0781A</td>
<td>03/21/2005</td>
<td>TRIMBLE &amp; LINDSEY SECTION 1, LOT 166 -- 7820 SEAWALL BLVD</td>
<td>4854690024E</td>
<td>48167C0439G</td>
</tr>
<tr>
<td>LOMA</td>
<td>05-06-1907A</td>
<td>09/22/2005</td>
<td>CLARK SUBDIV, WHATABURGER -- 6327 STEWART ROAD</td>
<td>4854690024E</td>
<td>48167C0439G</td>
</tr>
<tr>
<td>LOMA</td>
<td>07-06-1644A</td>
<td>05/31/2007</td>
<td>GALVEZ SHOPPING CENTER; RESERVES H &amp; B -- 6202 &amp; 6228 BROADWAY STREET (TX)</td>
<td>4854690022E</td>
<td>48167C0437G</td>
</tr>
<tr>
<td>LOMA</td>
<td>11-06-0099A</td>
<td>11/04/2010</td>
<td>BUILDINGS 1-10 -- 3102 89TH STREET</td>
<td>4854690024E</td>
<td>48167C0439G</td>
</tr>
<tr>
<td>LOMA</td>
<td>18-06-0342A</td>
<td>12/13/2017</td>
<td>TRIMBLE &amp; LINDSEY SURVEY, SEC 1, LOTS 77, 88, 91, 100 -- 3052 89TH STREET (BUILDINGS A-N &amp; OFFICE)</td>
<td>4854690024E</td>
<td>48167C0439G</td>
</tr>
</tbody>
</table>
FINAL SUMMARY OF MAP ACTIONS

Community: GALVESTON, CITY OF
Community No: 485469

2B. LOMCs on Unrevised Panels

<table>
<thead>
<tr>
<th>LOMC</th>
<th>Case No.</th>
<th>Date Issued</th>
<th>Project Identifier</th>
<th>Original Panel</th>
<th>Current Panel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>NO CASES RECORDED</td>
<td></td>
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</tr>
</tbody>
</table>

3. LOMCs Superseded

The modifications effected by the LOMCs listed below have not been reflected on the Final revised FIRM panels because they are being superseded by new or revised flood hazard information or the information available was not sufficient to make a determination. The reason each is being superseded is noted below. These LOMCs will no longer be in effect when the revised FIRM becomes effective.

<table>
<thead>
<tr>
<th>LOMC</th>
<th>Case No.</th>
<th>Date Issued</th>
<th>Project Identifier</th>
<th>Reason Determination Will be Superseded</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOMR</td>
<td>11-08-3812P</td>
<td>08/10/2012</td>
<td>DIAMOND BEACH CONDOMINIUM</td>
<td>4</td>
</tr>
<tr>
<td>LOMR</td>
<td>17-08-2017P</td>
<td>02/05/2018</td>
<td>CLUB OF THE ISLES</td>
<td>4</td>
</tr>
</tbody>
</table>

1. Insufficient information available to make a determination.
2. Lowest Adjacent Grade and Lowest Finished Floor are below the proposed Base Flood Elevation.
3. Lowest Ground Elevation is below the proposed Base Flood Elevation.
4. Revised hydrologic and hydraulic analyses.
5. Revised topographic information.
6. Superseded by another LOMC.

4. LOMCs To Be Redetermined

The LOMCs in Category 2 above will be revalidated through a single revalidation letter that reaffirms the validity of the determination in the previously issued LOMC. For LOMCs issued for multiple lots or structures where the determination for one or more of the lots or structures is no longer valid, the LOMC cannot be revalidated through this administrative process. Therefore, we will review the data previously submitted for the LOMC requests listed below and if appropriate issue a new determination for the affected properties after the effective date of the revised FIRM.

<table>
<thead>
<tr>
<th>LOMC</th>
<th>Case No.</th>
<th>Date Issued</th>
<th>Project Identifier</th>
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<td></td>
<td>NO CASES RECORDED</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Good morning gentlemen,

So you have a few options in terms of map adoption. You can:

- Adopt the new FIS/FIRM now, but have the effective date of the ordinance/amendment/court order being the effective date of the new FIS/FIRM. This is what the majority of communities do.
- Adopt the new FIS/FIRM now, with it becoming effective immediately. This is allowable because the new FIS/FIRM is considered best available data. Keep in mind, however, that any flood insurance would still be based on the current effective map, until the effective date of the FIS/FIRM.
- Wait until right before the effective date to adopt the new FIS/FIRM. I strongly discourage this one as it leaves little time for FEMA’s review and if any issues come up there is the risk of not being compliant and the community being suspended.

Feel free to reach out to me if you have any further questions or concerns.

Thanks,

Lauren Fulton, CFM
Floodplain Management & Insurance Specialist
Floodplain Management & Insurance Branch
FEMA, Region 6
800 North Loop 288
Denton, TX 76209
O: (940) 898-5474
M: (202) 702-7044
Overview
The City of Galveston is authorized by federal law, Texas law and City Charter to issue long-term debt to finance the cost of public improvements over a period not to exceed the life of each improvement. The process of issuing debt, making debt payments, and reporting results is heavily regulated by state and federal law. The management of debt proceeds, including investment, appropriation, and spending is also heavily regulated and must be addressed to ensure transparency to the public, responsiveness to oversight and reporting agencies, as well as compliance with internal controls, records requirements and security for cash proceeds.

Purpose
The purpose of the City’s Debt Management Policy is to establish and maintain well-defined guidelines for issuing new debt, as well as managing outstanding debt. This Policy will ensure the City sustains a strong debt management program, achieves manageable borrowing costs, and maintains the greatest flexibility to meet the City’s needs.

Definitions
Long-Term debt may be issued to finance major capital improvements: i.e. to purchase facility/venue sites, to finance infrastructure improvements, construction of new facilities, significant expansions of existing facilities, extensive remodeling of existing structures and the equipping thereof. Depending upon the location of the facilities, one or more of the following options may apply:

1. **Public Improvement Bonds** – Also known as General Obligation bonds or GO’s; Used for the construction, acquisition, and equipping of buildings, and the purchase of necessary sites for buildings; Public Improvement bonds (GO’s) are intended to provide long-term financing for facilities payable by the City’s ad valorem taxes. GO bonds issued for refunding of existing bonds (see Debt Refunding below) do not require voter approval. Authority to issue GO bonds for new projects and repay the bonds using ad valorem (property) taxes must be approved by the voters prior to issuance.

2. **Certificates of Obligation** – Certificates of Obligation (CO’s) may be used to fund projects where both property taxes and revenues are pledged repayment sources for the same projects as GO bonds as well as equipment, including vehicles, computers, radios and major equipment and machinery that is not a part of a facility rebuild project. The use of CO’s may occur when a credit rating upgrade will be the result of the dual pledge of revenues. Certificates of Obligation may be approved by City Council after meeting special public notice requirements under State law regarding the sale.

3. **Revenue Bonds (Senior Lien and Junior Lien)** – Capital requirements for the construction, acquisition, and equipping of projects that are supported by revenues other than property tax revenues, such as Utility System or Wharves and Terminal Revenue Bonds.

4. **Self-Supporting debt** – Bonds issued with an underlying property tax pledge that are planned and administered so as pay all debt service with reliable revenues streams other than property taxes, including sales taxes, water and sewer revenue, special district assessments, tax increment reinvestment zones (TIRZs).
4. **Debt Refunding** – The refinancing and/or restructuring of existing debt is used in order to take advantage of lower interest rates and/or provide debt relief. Refunding transactions are usually considered practical if they produce a minimum amount of savings to the City.

5. **Variable Rate Bonds** – Variable rate debt is a bond issue that includes provisions by which interest rates can be adjusted after the time of sale using an agreed upon market based index at regular periodic intervals.

6. **Private Placement Loans (Bank Notes/Loans)** – Private placements are sold directly to financial institutions. These may be short-, medium- or long-term, fixed or floating rate. Private placements may be used in lieu of the preferred methods of sale for financing specific assets or programs or refunding of existing debt.

7. **Capital Lease** - A capital lease is a contract entitling a renter to the temporary use of an asset, and such a lease has the economic characteristics of asset ownership for accounting purposes. The capital lease requires a renter to book assets and liabilities associated with the lease if the rental contract meets specific requirements. In essence, a capital lease is considered a purchase of an asset, while an operating lease is handled as a true lease under generally accepted accounting principles (GAAP).

**Scope**

The City’s Debt Management Policy applies to all debt instruments directly or indirectly issued by the City regardless of the purpose for which issued or the funding source for repayment.

1. These instruments include but are not limited to Public Improvement Bonds, Certificates of Obligation, Utility System Revenue Bonds, Hotel Occupancy Tax Revenue Bonds, Wharves and Terminal Revenue Bonds, Sales Tax Revenue Bonds, Emergency Notes, as well as, equipment leasing where appropriate. Also included are refunding bonds of any of the above debt instruments, as well as, debt such as bank notes and loans that are privately placed with financial institutions.

2. This policy applies to all debt where such debt issuance requires formal approval of City Council for the City and/or its component units including but not limited to:
   a. The City of Galveston,
   b. The Industrial Development Corporation,
   c. The Galveston Wharves,
   d. The Galveston Port Facilities Corporation,
   e. The Galveston Housing Finance Corporation,
   f. The Galveston Property Finance Corporation, and, where applicable
   g. The Galveston Island Redevelopment Authority, Tax Increment Revitalization Zones, and Public Improvement Districts.

**Responsibilities**

The City Manager and/or the Manager’s designee will be responsible to present for approval and implement debt issuances in accordance with budgets and long-term plans approved by the City Council as well as the City Charter, State law, Federal law, and this policy.

**Policy Statements**

1. All bond sales will be conducted in accordance with the City Charter, State and federal law.
   a. Article VII, Section 14 of the charter states as follows:
“Section 14. General Obligation Bonds. The City shall have the power to borrow money on the credit of the City and to issue general obligation bonds for permanent public improvements or for any other public purpose not prohibited by the Constitution and Laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds of the City previously issued. All such bonds shall be authorized and issued in conformity with the Laws of the State of Texas.”

b. As required by Chapter 1331 of the State of Texas Government Code, the authority to issue tax supported bonds to construct and/or purchase permanent improvements (i.e. streets, drainage lines, buildings) shall be approved by a majority of the qualified voters of the city.

c. Chapter 1251 of the Government Code specifies the form of the ballot by which tax supported bonds are to be authorized and the means of publicizing the election as well as the maximum length of the repayment period, currently set at forty years;

d. The required bond election shall be conducted in accordance with provisions of the State of Texas Election Code: Chapter 41 (days, times and places of the election), Chapter 3 (means of ordering an election).

e. Refunding bonds are issued when (1) net present value savings is three percent or more of the par value of the refunded bonds as confirmed by the City’s Municipal Advisor and be based upon the same repayment schedule as the refunded bonds, or (2) the City Council approves of a restructuring of existing debt for purposes of debt relief.

2. Bond sales shall be based on specific projects:

a. Taken from the five-year Capital Improvements Plan (CIP) and the operating budget as approved by City Council through the annual financial planning process, generally including funds needed to cover actual scheduled contract awards, in house design and inspection costs, also considering available cash on hand;

b. Using funding amounts needed for specific CIP projects, including but not limited to design, engineering, site or right of way acquisition, construction, equipment and project management;

c. Providing funding for non-CIP projects that may be required for interlocal cooperation, public private partnerships or special districts, based on a complete project plan that includes all of the elements required for CIP projects;

d. Providing Certificate of Obligation sales shall be based on specific listings of vehicles, equipment and technology purchases required for City operations;

e. Providing Capital Leases are compared with COs to determine the most advantageous financing alternative for vehicles, equipment and technology.

f. Considering availability of funds to achieve a balance between adequate maintenance and operations, replacement or renewal of infrastructure, as well as, adequate future funding for debt service;

g. Limited by prior authorization of the voters for General Obligation bonds as required by State law and the City Charter; and

h. A limit on total general obligation debt payable from ad valorem taxes shall not exceed 1.5 percent of total taxable assessed valuation except in the event of an emergency requiring the use of an Emergency Note.

3. Bond sales shall be structured to:

a. Consider all possible structures for principal and interest payments which, allow for flexibility in meeting current and future needs, efficiently utilize available debt capacity, continue to emphasize credit considerations, and match well with the useful life of the assets for which debt is incurred;
b. Smooth and/or restructure the City’s total debt to accommodate financial administration as deemed necessary by City Council;
c. Provide for regular repayment of annual principal amounts and semi-annual interest amounts considering the revenue source or sources utilized to make payments, the timing of revenue receipts, and other cash flow needs financed with the same sources;
d. Incorporate payment schedules that provide for level payments (annual totals of principal and interest are equal throughout the life of the repayment period), level principal payments (annual principal payments are equal throughout the repayment period); a combination of the two aforementioned amortization approaches (level principal and level payments); and/or aggregation of scheduled payments over as much as a five year period for term bonds payable to bond holders but with annual payments by the bond issuer; and/or
e. Inclining payments or deferred principal payments for facility revenue bonds, Emergency Notes issued for disaster recovery, and or where a dedicated revenue stream has been guaranteed by a third party other than the City of Galveston.

4. Bond sales will be scheduled taking into consideration:
   a. The need to include new property tax supported debt service payments in the subsequent fiscal year’s budget through adjusting the debt service property tax rate to include new debt service payments; and
   b. Projected cash needs for at least a twelve month period sufficient to fund planned contracts for approved and/or planned projects and equipment.

5. Bonds may be sold by the City to achieve savings as required by the financial market and allowed by State law including:
   a. Competitive sales where sealed bids are accepted for the purchase of all of the bonds included in a sale, and the low overall bid using an agreed upon measure of total cost is accepted by a six vote supermajority of City Council;
   b. Negotiated sales where a group of bond underwriting firms are selected by the City, and bonds are priced using the current market, sold by each of the participating underwriting firms, with the results accepted on a preliminary basis by city officials as designated by City Council, and then accepted by a six vote supermajority of City Council; or
   c. Parameter sales by which bonds are refunded and the City Manager is designated by City Council to pick the most advantageous day in the financial markets within a time frame, dollar amount and interest savings as approved by City Council.

6. The City may consider issuing variable rate bonds during periods when variable short-term interest rates are historically lower than long-term fixed rates.
   a. As a general rule, the City will adhere to the bond rating agencies’ recommendation that variable rate debt not exceed 20 percent of total bonds outstanding.
   b. The City or its component units will issue variable rate debt to lower the cost of borrowing and provide a hedge against interest rate risk.
   c. Total variable debt will not exceed 20 percent of the City’s outstanding debt for each revenue source, including that issued by its component units.
   d. The City shall not pledge ad valorem (property) taxes for repayment of variable rate debt.

7. The City may consider issuing private placement loans (bank notes/loans) provided:
   a. The private placement provides reasonably comparable terms, has a reasonably acceptable risk structure, and project and financing circumstances warrant,
b. It is understood that private placements have a variety of risks not associated with bonds, such as termination and debt acceleration risk due to force majeure (acts of God) and covenant breaches, as well as counterparty risks.
c. Private placements do not constitute more than 20 percent for each revenue source.

8. The City shall retain the services of professionals chosen through competitive processes to provide advice and consent on debt issuances including:
   a. The Municipal Advisor (e.g. Financial Advisor) to:
      - Ensure that the City’s bonds are issued at the lowest possible interest cost and are structured in accordance with the City’s financing guidelines;
      - Assist with credit enhancements;
      - Evaluate the bids submitted and recommend that they be accepted or rejected;
      - Review draft closing documents and monitor the closing process;
      - Assist in the preparation of and submit the City’s Annual Disclosure Report in accordance with SEC Rule 15c2-12; and
      - Assist in establishing repayment schedules that complement existing requirements and maintain a repayment pace acceptable to credit rating agencies.
   b. The Bond Counsel to:
      - Certify that the City has the legal authority to issue bonds;
      - Prepare required orders, resolutions, and tax certificates;
      - Work with the U.S. Department of Justice-Voting Rights Section to obtain approval of all elections;
      - Work with the Attorney General to obtain approval of the bond issue;
      - Provide a legal opinion as to the enforceability and the federal income tax implications of the bonds;
      - Represent the City in negotiations related to the issuance of debt; and
      - Coordinate the closing transactions.
   c. The Disclosure Counsel to:
      - Compile information necessary to prepare offering documents, including but not limited to the Preliminary Official Statement prior to sale, the Official Statement after sale, and all necessary disclosure documentation required by federal law;
      - Provide independent verification of the City’s financial records and project information necessary to support the sale.
   i. Paying Agent/Trustee to:
      - Authenticate the bonds;
      - Send/receive transfers of money at closing;
      - Maintain a listing of bondholders and applicable addresses;
      - Receive principal and interest payments from the City and remit to bondholders; and
      - The Trustee may represent bondholders in case of default.
   j. Bond underwriters to:
      - Purchase negotiated or private placement debt and resell the debt to investors.

8. City issued bond proceeds shall be:
   a. Deposited in the City’s main bank account, and accounted for in the City’s financial accounting system through a separate fund or funds for each sale;
   b. Invested as a part of the City’s investment pool according to the City’s Investment Policy as provided for by the Texas Public Funds Investment Act;
c. Presented for City Council appropriation on a first in/first out basis (e.g. oldest bond proceeds used first) for contracted work on eligible projects according to the general purpose named in the Official Statement for the bond sale; and

d. Tracked and reported in annual and quarterly budget and financial reports.

9. Debt administration by the City and its component units will include the following considerations:

a. Designated reserves and/or unreserved fund balances will be maintained so as to cover scheduled debt service payments until dedicated revenue is available for deposit in the appropriate debt service fund for payment of the principal and interest scheduled to be paid.

b. The City’s General Debt Service fund balance will not exceed thirteen months of debt service payments as required by the Internal Revenue Service.

c. Project schedules and costs provided as the basis for an individual bond sale shall be based on the CIP and will not constitute the basis for continued commitment of bond proceeds for any specific project, contract or cost past the end of a fiscal year.

d. Capital project funds, including bond proceeds, that are unencumbered in a contract awarded by City Council as of the end of a fiscal year must be presented for contract awards in the subsequent fiscal year by City Council as eligible CIP projects are brought forward and before new bond sales are conducted.

e. The Finance Director is responsible for coordinating and analyzing the debt requirements as part of the annual budget and capital improvement plan preparation. This will include timing of debt, calculation of outstanding debt, debt limitation calculations and compliance, impact on future debt burdens, and current/future revenue requirements.

f. The Infrastructure and Debt Service Fund may be used through the annual Budget process to provide funds for debt service payments within the parameters outlined in 5(d).

10. The City shall maintain an emergency line of credit under the provisions of the Texas Government Code section 1431 and other state law provisions as applicable:

a. To provide emergency cash funding for operating, recovery and rebuilding costs necessitated by a federally or state declared disaster; and

b. Including options that allow for repayment of the emergency loan over a period of time and at such terms deemed beneficial to the City of Galveston and its residents by the Mayor and City Council.
### Capital Contributions Drive Values Up for Water, Sewer and Airports Capital Assets ($Mil)

<table>
<thead>
<tr>
<th>City</th>
<th>2017 Pop.</th>
<th>M&amp;O Property Tax Rate</th>
<th>I&amp;S Property Tax Rate</th>
<th>Total Property Tax Rate</th>
<th>Tax Paid and Supported Debt Per Capita</th>
<th>Utility Paid and Supported Debt Per Capita</th>
<th>Total Debt Per Capita</th>
<th>Total Capital Assets Per Capita</th>
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<tbody>
<tr>
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### Capital Assets Value Has Grown while Long-Term Debt Is Still Below Pre-Ike Level

- **Capital Assets Net of Depreciation**
- **Contributed Capital**