

**DRAFT**  
**MINUTES OF THE CITY COUNCIL OF THE CITY OF GALVESTON**  
**REGULAR MEETING - DECEMBER 13, 2018**

12/13/2018 - Minutes

1. DECLARATION OF A QUORUM AND CALL MEETING TO ORDER  
**With a quorum present, the meeting was called to order at 1:20 p.m.**
2. ROLL CALL  
**Present: Mayor James Yarbrough, Mayor Pro Tem Craig Brown, Council Member Amy Bly, Council Member David Collins, Council Member Jason Hardcastle, Council Member John Listowski, and Council Member Jackie Cole.**
3. INVOCATION  
**The invocation was given by Josh Dorrell, Reverend of Galveston Urban Ministries.**
4. PLEDGE OF ALLEGIANCE  
**The Pledge of Allegiance to the American Flag and Texas Flag were led by Mayor Yarbrough.**
5. CONFLICTS OF INTEREST  
**None.**
6. PRESENTATIONS/REPORTS OF COUNCIL, OFFICER BOARDS, AND CITY MANAGER
  - 6.A. Pursuant To Texas Government Code Section 551.0415, The City Council May Report On Any Of The Following Items:
    1. Expressions of thanks, gratitude, and condolences - **CM Collins expressed condolences to the family of Melba Puccetti.**
    2. Information regarding holiday schedules
    3. Recognition of individuals
    4. Reminders regarding City Council events
    5. Reminders regarding community events
    6. Health and safety announcement
7. COMMUNICATIONS AND PETITIONS  
**Claims: 18-106 - Rosa Salmeron; 18-107 - Sonya Walls; 18-108 - David Washington; and 18-109 - Nestor Diaz.**
8. PUBLIC HEARINGS
  - 8.A. Conduct A Public Hearing Regarding The City's DR-4332 Community Development Block Grant – Disaster Recovery (CDBG-DR) Application To The Texas General Land Office For Infrastructure Repairs And Improvements. (R. Blacketter)  
**Ross Blacketter provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed.**
  - 8.B. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Amending The 2015 Galveston Land Development Regulations (LDRs), As Amended, To Regulate Excavation And Boat Sales Or Rental Uses, Prohibiting Borrow Pits Within The City And Clarifying Sales Or Rentals Of Kayaks Is Not

Included In The Prohibition Of Boat Sales Or Rental; Making Various Findings And Provisions Related To The Subject; Planning Case Number 17ZA-004. (A. Montalvan)

**Ordinance No. 18-071 was read by caption. Adriel Montalvan provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by CM Cole, second by CM Listowski, to approve the ordinance. The motion passed 6-0; CM Collins was not present for the vote.**

- 8.C. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Amending The 2015 Galveston Land Development Regulations, Article 2: Table 2.201: Permitted Uses: Commercial Uses; To Reclassify The Medical Office/Clinic/Lab Land Use As Permitted (P) In Residential, Single-Family - Historic (R3) Zoning; Planning Case Number 18ZA-006; Making Various Findings And Provisions Related To The Subject. (D. Lunsford)

**Ordinance No. 18-072 was read by caption. Daniel Lunsford provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by MPT Brown, second by CM Cole, to approve the ordinance. Unanimously approved.**

- 8.D. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Prohibiting The Use Of Designated Groundwater As Potable From The Area Commonly Known As 4500 Old Port Industrial Road And Legally Described As "Being A 3.644 Acre (158,744 Square Feet) Tract Of Land Situated In The M.B.Menard Survey, Abstract No. 628, Located In Galveston County, Texas; Supporting Certification Of A Municipal Setting Designation For The Area By The Texas Commission On Environmental Quality (TCEQ); Providing A Penalty Clause; Providing A Severability Clause; Making Various Findings And Provisions Related To The Subject And Providing For An Effective Date. (D. Christodoss)

**Ordinance No. 18-073 was read by caption. Donna Fairweather provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by CM Cole, second by CM Hardcastle, to approve the ordinance. Unanimously approved.**

- 8.E. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Changing The Zoning From Residential, Single Family (R-1) To Commercial (C) Zoning District On Properties Commonly Known As 17516 San Luis Pass Road/FM 3005 And Adjacent Vacant Tract. The Property Is Legally Described As Hall And Jones Survey, Tract 59-1 0.644 Acres; And Hall And Jones Survey Tract 59-2, 1.377 Acres, In The City And County Of Galveston, Texas; Planning Case Number 18P-057; Making Various Findings And Provisions Related To The Subject (C. Gorman)

**Ordinance No. 18-074 was read by caption. Catherine Gorman provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by CM Hardcastle, second by CM Listowski, to approve the ordinance. Unanimously approved.**

- 8.F. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Designating The Property Located At 1316 24th Street And Legally Described As The Portion Of Northeast Block 17 (1000-8) Galveston Outlots, In The City And County Of Galveston, Texas As A Historically Or Archeological Significant Site In Need Of Tax Relief To Encourage Its Preservation; Granting A Substantial Rehabilitation For Historic Property Tax Exemption; Designating The City Manager To Execute Those Documents Necessary To Implement The Tax Incentive Program; Planning Case Number 18LC-073; , Making Various Findings And Provisions Related To The Subject. (C. Gorman)

**Ordinance No. 18-075 was read by caption. Catherine Gorman provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by MPT Brown, second by CM Hardcastle, to approve the ordinance. Unanimously approved.**

- 8.G. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Granting A Specific Use Permit To Place A Wireless Telecommunication Antenna On The Roof Of The Structure In A Central Business-Historic- Galveston Landmark, (C-H-GL), Zoning District, On Property Commonly Known As 2102-2104 Strand/Avenue B, And Legally Described As Lot 8, Block 681, In The City And County Of Galveston, Texas; Making Various Findings And Provisions Related To The Subject. Planning Case Number 18P-056.

**Ordinance No. 18-076 was read by caption. Janice Norman provided staff comments. The public hearing was opened; with no speakers, the public hearing was closed. Motion was made by CM Collins, second by CM Hardcastle, to approve the ordinance, with the removal of condition #3. Unanimously approved.**

9. PUBLIC COMMENT

**Non-Agenda Items - Adam Calabrese commented on government tyranny.**

10. ORDINANCES (NOT REQUIRING PUBLIC HEARINGS)

- 10.A. Consider For Approval 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; Making Various Findings And Provisions Related To The Subject; Providing For An Effective Date. (Legal)

**The Ordinance was read by caption. Motion was made by CM Collins, second by CM Brown, to approve the ordinance. After discussion, the motion and second were amended to defer the item until the January 24th meeting. Unanimously approved.**

- 10.B. Consider For Approval An Ordinance Amending The Operating Budget For Fiscal Year Ending September 30, 2018 By Adjusting Various Budgeted Accounts In The Total Amount Of \$829,500 To Adjust And Properly Record For Expenses In Connection With Exam Fees, Salary Reimbursements, Cost Of Living Distributions, In Street Department Overtime, Concrete And Aggregate, And Garage Charges, And Operating Transfers To The Island Transit And Technology Improvement Funds. (M. Loftin)

**Ordinance No. 18-077 was read by caption. Motion was made by MPT Brown, second by CM Bly, to approve the ordinance. Unanimously approved.**

11. CONSENT ITEMS

**The following items shall be considered for action as a whole, unless one or more Council Members objects. The City Manager is authorized to execute all necessary documents upon final approval by the City Attorney.**

**Items 11G and 11J were pulled from Consent Items for a separate vote, and Item 11BB was pulled and moved to the January meeting. Motion was made by CM Collins, second by MPT Brown, to approve Items 11A through 11F, 11H, 11I, 11K through 11O, and 11Q through 11JJ.**

- 11.A. Consider For Approval A Resolution Of The City Council Of The City Of Galveston, Texas, Approving And Authorizing The City Manager To Execute An Interlocal Agreement With Galveston County Emergency Communications District For The Use And Operation Of A Radio System; Providing For Findings Of Fact And Providing For An Effective Date. (R. Simmons)

**Resolution No. 18-054**

- 11.B. Consider For Approval The Federal Excess Personal Property Program (FEPP)/Texas Intrastate Fire Mutual Aid System (TIFMAS) FEPP/TIFMAS Vehicle Assignment Program Agreement. (M. Wisko)

- 11.C. Consider For Approval The Purchase Of Fire Hose From Metro Fire In The Amount Of \$15,510.00. (M. Wisko)

- 11.D. Consider For Approval The Engagement Of Tradition Energy To Perform Electricity Procurement Advisory Services And Assist With Pricing, Contractual Review And Negotiation Of Contract Terms And Conditions For Electrical Service For The City Of Galveston. (M. Loftin)

- 11.E. Consider Approving The Renewal Of IGM Technologies Gravity Cloud-Based Solution Tool For Preparing The Comprehensive Annual Financial Report (CAFR). (M. Loftin)

- 11.F. Consider For Approval Allowing The Police Department To Purchase .40 And .223 Caliber Training Ammunition From Precision Delta Corporation Through Texas SmartBuy Contract 680-A1 At A Cost Not To Exceed \$25,000.00. The Funding Source Is The Police Service Support Training Materials Account. (V. Hale)
- 11.G. Consider For Approval Allowing The Police Department To Utilize Paragon Southwest Waste Management Facility For The Destruction Of Property And Evidence At A Cost Not To Exceed \$25,000.00; Authorizing The City Manager, Or Designee, To Enter Into And Execute A Contract For This Service. (V. Hale)  
**Motion was made by CM Hardcastle, second by CM Bly, to approve the contract with Paragon Southwest Waste Management Facility. Unanimously approved.**
- 11.H. Consider For Approval Authorizing An Amount Not To Exceed \$40,000.00 To Cover Annual Boon Chapman Administrative Costs Associated With Management Of The Flex Spending Accounts And The Health Reimbursement Accounts For Health Plan Participants With Funding To Be Made From The City's Health Plan Fund For Plan Year January 1, 2019 Through December 31, 2019. (K. Etienne)
- 11.I. Consider For Approval The Allocation Of Funds For The Installation Of Decorative Streetlights Along East Beach Drive, Within City Council District 3 As Part Of The Neighborhood Improvement Projects And Initiatives. Funding For The Project Will Come From The Council Projects And Initiatives Fund In The Amount Of \$73,429.00. (P. Milburn)
- 11.J. Consider For Approval A Request Authorizing The City Manager To Execute An Assignment Of Lease Agreement Assigning The Lease Commencing November 27, 2009, Between The City Of Galveston And Lone Star Flight Museum, Inc. To 6702 Broadway, Ltd., Then Terminating The Lease Agreement And Approving A New Lease Agreement, Upon Final Approval By The City Attorney (M. Shahan).  
**Motion was made by Mayor Yarbrough, second by CM Hardcastle, authorizing the City Manager to execute an Assignment of Lease Agreement, terminating the Lease Agreement, and approving a new Lease Agreement. Unanimously approved.**
- 11.K. Removal Of The Incinerator (T. Fanning)
- 11.L. Consider For Approval Authorizing The City Manager To Execute A Contract For Professional Services From Design Workshop, Inc. In The Amount Of \$107,550 For A Project To Improve The Pedestrian Experience In The Downtown Area. (D. Anderson)
- 11.M. Consider For Approval A Contract For Construction Services To Pfeiffer & Son, LTD, Bid 19-002, For Traffic Signal Construction/Repair Services Within The City Of Galveston, For A Period Of Three (3) Years With The Option To Extend For Up To Two (2) Additional Years In One (1) Year Intervals. (K. Hockersmith)
- 11.N. Consider For Approval The Annual Maintenance Contract For Foxboro A2/PAC System And Equipment At The Main Wastewater Treatment Plant From Sole Source Provider Schneider-Electric Systems USA Inc. The Cost Of The Annual Contracts Are \$35,308.38 For 2019, \$36,351.99 For 2020 And \$37,426.44 For 2021. (A. Grasso)
- 11.O. Consider For Approval The Annual Maintenance Contracts For 3 Years On Foxboro A2/PAC System And Equipment At Supply Division Water Pump Stations And Various Elevated Storage Tank Facilities From Sole Source Provider Schneider-Electric Systems USA Inc. The Cost Of The Annual Contracts Are \$59,626.18 For 2019, \$67,231.09 For 2020 And \$69,571.06 For 2021. (A. Grasso)
- 11.P. Consider For Approval The Purchase Of Team Furmanite Insert Valves Kits With Plugs From Team Inc. At A Cost Of \$100,618.00. (A. Grasso)
- 11.Q. Consider For Approval The Teichman Road Waterline Design Proposal From Arceneaux Wilson And Cole, LLC (AWC) Of \$248,800.00. (D. Christodoss)

- 11.R. Consider For Approval Of Change Order No. 13 To The Contract With Cardinal Contractors, Inc., For The New 59th Street Pump Station Project, Increasing The Contract By \$36,473.40 To A New Total Amount Of \$17, 904,290.44, Authorizing The City Manager To Execute All Necessary Document Upon Final Approval By The City Attorney. (R. Blackketter)
- 11.S. Consider For Approval Of Engaging Traylor & Associates, Inc. For Community Development Block Grant – Disaster Recovery (CDBG-DR) Grant Administration Services Related To The DR-4332 CDBG-DR Allocation, In An Amount Not To Exceed \$50,880.00. (R. Blackketter)
- 11.T. Consider For Approval Of Change Order No. 4 To The Contract With Brunel Industrial & Pipeline Services, LLC, For The Rehabilitation Of Ground Storage Tanks At 59th Street Project, Increasing The Contract By \$44,362.37 From The Amount Of \$7,621,237.84 To A New Total Amount Of \$7,665,600.21. The Funding Source Will Be The CDBG Disaster Recovery Non-Housing Round 2.2 Program. Authorizing The City Manager To Execute All Necessary Documents Upon Final Approval By The City Attorney (R. Blackketter).
- 11.U. Consider For Approval Of A Contract With Main Lane Industries, Ltd., For The 45th Street Improvements From Broadway To Seawall Boulevard Project (RFP #19-03) In The Amount Of \$8,994,097.00 For The Base Bid Plus Alternate D (Estimated Total Cost Of Project Not To Exceed \$10,146,097.00). (R. Blackketter)
- 11.V. Receive And File The Following Documents:
- 11.W. Consider For Approval A Resolution Of The City Council Of The City Of Galveston, Texas, Establishing The Sister Cities Program Committee; Providing For The Committee's Duties, Term, Membership, Quorum, Voting, Meetings, And Rules Of Procedure; Providing For Findings Of Fact And Providing For An Effect Date. (J. Williams)  
**Resolution No. 18-055**
- 11.X. Consider For Approval Continued Participation In The League City OSSI GRID Consortium With Annual Renewal Fee Of \$ 31,599.02 To Maintain Off-Site System Servers, Allowing Full Access To The Multi Agency Records Management System (H.Dean)
- 11.Y. Consider For Approval Payment To Superior, Formally SunGard Public Sector, In The Amount Of \$ 111,631.22 For The Police Department's Annual Renewal Of The Police Records Management Software. The Renewal Provides Updates And Technical Support To Ensure That The OSSI Police Records Management System Is Kept In Optimal Running Condition (H. Dean)
- 11.Z. Consider Approving The Renewal Of The Kronos Software Maintenance And Support Agreement In The Amount Of \$ 33,684.96 (H. Dean)
- 11.AA. Consider For Approval Minutes Of The October 25, 2018 Workshop And Regular Meeting And The November 15, 2018 Workshop And Regular Meeting. (J. Williams)
- 11.BB. Consider For Approval An Ordinance Of The City Of Galveston, Texas, Amending "The Code Of The City Of Galveston 1982, As Amended," Chapter 20.5 "Mardi Gras" By Allowing Overnight Parking And/Or Overnight Camping On Seawall Blvd During The First Weekend Of Mardi Gras; Repealing All Other Ordinances Or Parts Of Ordinances In Conflict Herewith; Making Various Findings And Provisions Related To The Subject; And Providing For An Effective Date. (Yarbrough)  
**Pulled.**
- 11.CC. Consider For The Approval Allowing The Fleet Facility To Increase The Previously Approved Purchase Amount Of One Vacuum Truck From Rush Truck Center (Through Buy Board) From \$411,930 To \$441,930 In Order To Correct A Document Error, And Authorize The City Manager To Execute The Contract Upon Final Approval By The City Attorney. (D. Smith)

- 11.DD. Consider For The Approval Of A One Year Extension Of The Annual Bulk Fuel Contracts To The Responding Bidders That Conformed To The Specifications In Bid #17-007; SC Fuels, And Apache Oil, And Authorize The City Manager To Execute The Contract Upon Final Approval By The City Attorney. The Funding Source Is The Fleet Facilities Fuel And Lubricants Account. This Option Is Allowed As Defined In The Terms Of The Original Contract. (D. Smith)
- 11.EE. Consider For Approval The Sole Source Purchase From National Meter & Automation For Various Meters, Meter Parts And Other Ancillary Equipment In An Amount Not To Exceed \$150,000.00. (M. Loftin)
- 11.FF. Consider Approving Additional Testing And Repair Of Large Meters By Tipler Meter Testing/Accurate Meter For A Cost Not To Exceed \$80,000. (M. Loftin)
- 11.GG. Approval Of Application For Participation In The Local Government Investment Cooperative (LOGIC). (M. Loftin)
- 11.HH. The Investment Report For Quarter Ended September 30, 2018 Presented As Part Of The City Manager's Report. (M. Loftin)
- 11.II. Police Inventory Audit
- 11.JJ. Sales Tax Audit

12. ACTION ITEMS

**The meeting was recessed at 2:55 p.m. so the City Council could reconvene into Executive Session. The meeting reconvened at 3:10 p.m.**

- 12.A. Discuss And Consider For Action Recommendations Discussed During Executive Session On The Following Items (If Needed) - Legal

1. No. D-1-GN-002497 Texas General Land Office V. CDM Smith And The City Of Galveston, In The 201st District Court Of Travis County Texas and No. 13-CV-0844; CDM Smith Inc. v. City of Galveston, In the 56th Judicial District Court of Galveston County Texas

**Motion was made by Mayor Yarbrough, second by CM Hardcastle, to approve the settlement of Case No. 13-CV-0844, CDM Smith, Inc. v. City of Galveston, in the 56th Judicial Court of Galveston County, Texas, by entering an agreed judgement as follows: Council authorizes payment to CDM in the amount not to exceed \$13,910,000 within 90 days, the city releases all claims whatsoever against CDM, that the city dismiss its claims against CDM in Travis County, Texas, and that CDM dismissed all claims against the City except as contained in the settlement agreement providing for enforcement of the agreed judgement, the no disparagement of CDM will occur and the City will provide positive references as to CDM's work on request, that any recovery by the City against the GLO or HUD for the funds in excess of the settlement will be paid to CDM, the City Manager and City Attorney are authorized to sign all necessary paperwork to effect the settlement, and the City Manager is authorized to actually issue payment at the earliest possible time. Unanimously approved.**

2. Cardinal Construction Company and PSC Inc. v. City of Galveston vs Dannenbaum Engineering Company

**Motion was made by Mayor Yarbrough, second by MPT Brown, authorizing the City Manager to execute a Change Order with Cardinal Construction Company in the amount of \$2,960,000 and payment that amount prior to December 31, 2018, the funds coming from the Enterprise Water Account, and further authorize the City Manager to execute and assignment of claims against Dannenbaum Engineering and LJA Engineering to Cardinal with any recovery being split between Cardinal and the City with 75% of proceeds going the City on the first \$4 million**

of recovery and 10% going to the City on any recovery in excess of \$4 million, that the City and Cardinal proceed with their mediation with Dannenbaum at the end of January 2019, authorizing the City Manager to execute the necessary documents upon approval by the City Attorney. Unanimously approved.

- 12.B. Discuss And Consider For Action A Resolution By The City Council Of The City Of Galveston, Texas, Authorizing Publication Of Notice Of Intention To Issue Certificates Of Obligation; Approving The Preparation Of A Preliminary Official Statement And Notice Of Sale; And Approving Other Matters Incidental Thereto. (M. Loftin)

**Motion was made by CM Hardcastle, second by CM Listowski, to approve Resolution No. 18-056. Unanimously approved.**

- 12.C. Discuss And Consider Appointments To H-GAC's Transportation Policy Council And Technical Advisory Committee For 2019. (Yarbrough)

**Motion was made by Mayor Yarbrough, second by CM Bly, to reappoint MPT Brown and Rick Beverlin to the Transportation Policy Council, and to reappoint Kyle Hockersmith and Daniel Christodoss to the Technical Advisory Committee for 2019. Unanimously approved.**

13. ADJOURNMENT

**Mayor Yarbrough wished everyone a Merry Christmas and Happy Holidays.**

**The meeting was adjourned at 3:15 p.m.**

Janelle Williams, City Secretary

Date Approved: