



**NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY, APRIL 7, 2016 AT 10:00 A.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – City Attorney Cary Bovey**
- 3. Special Recognitions**
 - Fire Department Promotions & Badge Pinning**
 - **Brian Scheffer, Assistant Fire Chief**
 - **Brett Schroeder, Captain**
- 4. Citizens Comments**

CONSENT AGENDA

5. Statutory Consent Agenda

The Statutory Consent Agenda includes non-controversial and routine items that Council may act on with one single vote. A councilmember may pull any item from the Consent Agenda in order that the Council discuss and act upon it individually as part of the Regular Agenda.

5-a. Minutes from March 3, 2016 Regular City Council Meeting **Pages 1-7**

5-b. Ordinance No. O-16-007 on Its Second Reading Amending Chapter 6, Buildings and Structures, Article VI, International Plumbing Code, of the Code of Ordinances of the City of Brenham **Pages 8-9**

PUBLIC HEARING

6. **Public Hearing to Consider an Amendment of the City of Brenham’s “Envision 2020” Comprehensive Plan Future Land Use Map to Change the Designation From Single Family Residential Use to Commercial/Retail Use on Certain Land Described as Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Said Land Being Bounded on the North by Rucker Street, on the East by North Park Street, on the South by West Blue Bell Road, and on the West by Ewing Street in Brenham, Washington County, Texas** **Pages 10-15**
7. **Public Hearing to Consider an Amendment to the Official Zoning Map of the City of Brenham, to Change the Zoning District From a Single Family Residential Use (R-1) District to a Local Business/Residential Mixed Use (B-1) District on a Tract of Land Described as Lot 7A and Lot 11A, Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Located at the Southeast Intersection of Ewing Street and Rucker Street in Brenham, Washington County, Texas** **Pages 16-22**

WORK SESSION

8. **Discuss and Review the FY2015-16 First Quarter Financial Report** **Pages 23-35**

REGULAR SESSION

9. **Discuss and Possibly Act Upon Resolution No. R-16-013 Providing for an Amendment of the City of Brenham’s “Envision 2020” Comprehensive Plan Future Land Use Map to Change the Designation From Single Family Residential Use to Commercial/Retail Use on Certain Land Described as Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Said Land Being Bounded on the North by Rucker Street, on the East by North Park Street, on the South by West Blue Bell Road, and on the West by Ewing Street in Brenham, Washington County, Texas** **Pages 36-38**
10. **Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District From a Single Family Residential Use (R-1) District to a Local Business/Residential Mixed Use (B-1) District on a Tract of Land Described as Lot 7A and Lot 11A, Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Located at the Southeast Intersection of Ewing Street and Rucker Street in Brenham, Washington County, Texas** **Pages 39-43**
11. **Discuss and Possibly Act Upon Resolution No. R-16-014 Amending the Investment Policy for the City of Brenham** **Pages 44-74**

12. **Discuss and Possibly Act Upon an Addendum to the Online Auction Memo of Understanding Between the City of Brenham and GovDeals Inc. Related to the Terms of the Memo and Flexible Pricing Options and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 75-78**
13. **Discuss and Possibly Act Upon Bid No. 16-006 Related to Concrete Work for Old Mill Creek Lot Development Project and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 79-82**
14. **Discuss and Possibly Act Upon Quotation No. 11198244 from SHI Government Solutions for the Renewal of the Microsoft Enterprise Agreement Between the City of Brenham and Microsoft Corporation and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 83-90**
15. **Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Water Conservation Plan for the City of Brenham** **Pages 91-108**
16. **Discuss and Possibly Act Upon Resolution No. R-16-015 Authorizing the Submission of a Grant Application for 2016 Homeland Security Grant Funds, If Available, Through the Brazos Valley Council of Governments** **Pages 109-110**
17. **Discuss and Possibly Act Upon a Request for a Noise Variance from Annie Mae Sharp for the Graves Family Reunion at 906 Armbrister Street to be Held on Saturday, April 16, 2016 from 10:30 a.m – 11:00 p.m. and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 111-112**
18. **Discuss and Possibly Act Upon a Request for a Noise Variance from the Brenham Maifest Association for the 2016 Maifest Events to be Held on April 30, 2016, May 5, 2016, May 6, 2016 and May 7, 2016 and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 113-115**
19. **Administrative/Elected Officials Report**

Administrative/Elected Officials Reports: Reports from City Officials or City staff regarding items of community interest, including expression of thanks, congratulations or condolences; information regarding holiday schedules; honorary or salutory recognitions of public officials, public employees or other citizens; reminders about upcoming events organized or sponsored by the City; information regarding social, ceremonial, or community events organized or sponsored by a non-City entity that is scheduled to be attended by City officials or employees; and announcements involving imminent threats to the public health and safety of people in the City that have arisen after the posting of the agenda.

Adjourn

Executive Sessions: The City Council for the City of Brenham reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.071 – Consultation with Attorney, §551.072 – Real Property, §551.073 – Prospective Gifts, §551.074 - Personnel Matters, §551.076 – Security Devices, §551.086 - Utility Competitive Matters, and §551.087 – Economic Development Negotiation

CERTIFICATION

I certify that a copy of the April 7, 2016 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on April 4, 2016 at **9:30 AM.**

Kacey A. Weiss

Deputy City Secretary

Disability Access Statement: This meeting is wheelchair accessible. The accessible entrance is located at the Vulcan Street entrance to the City Administration Building. Accessible parking spaces are located adjoining the entrance. Auxiliary aids and services are available upon request (interpreters for the deaf must be requested twenty-four (24) hours before the meeting) by calling (979) 337-7567 for assistance.

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the _____ day of _____, 2016 at _____ AM PM.

Signature

Title

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on March 3, 2016 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Gloria Nix
Councilmember Andrew Ebel
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Mary E. Barnes-Tilley
Councilmember Weldon Williams, Jr.

Members absent:

None

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Rex Phelps, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager-Chief Financial Officer Carolyn Miller, Stacy Hardy, Susan Nienstedt, Sara Parker, Kaci Konieczny, Cynthia Longhofer, Tammy Jaster, Fire Chief Ricky Boeker, Police Chief Craig Goodman, Public Works Director Dane Rau, Bobby Branham, Assistant City Manager of Public Utilities Lowell Ogle, Development Services Manager Erik Smith, Kim Hodde, Lori Lakatos, Larry Moreno, Sergeant Jason Derrick, Sergeant Judson Hall, Angela Hahn, Captain Lloyd Powell, and Corporal Todd Ashorn

Citizens present:

Michael Riley, Michele Kwiatkowski, Lu Hollander, Alfred Robinson, Brian Uptmor and Clint Kolby

Media Present:

Arthur Hahn, Brenham Banner Press; and Codi Rynn, KWHI

1. Call Meeting to Order

2. Invocation and Pledges to the US and Texas Flags – Mayor Milton Tate

3. Proclamation

- **Geocaching Day in Brenham/Washington County**

4. Service Recognitions

- **Jason E. Derrick, Police Department 20 Years**
- **Lorenzo M. Moreno, Jr., Recycling Center 20 Years**

5. Citizens Comments

There were no citizen comments.

CONSENT AGENDA

6. Statutory Consent Agenda

6-a. Minutes from February 4, 2016 Regular City Council Meeting

6-b. Ordinance No. O-16-005 on Its Second Reading Authorizing the Placement of a Stop Sign on Key Street at Its Intersection with West Chauncy Street

6-c. Ordinance No. O-16-006 on Its Second Reading Authorizing the Placement of a Stop Sign on Key Street at Its Intersection with West Mansfield Street

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Herring to approve the Statutory Consent Agenda Items 6-a., 6-b. and 6-c. as presented.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

WORK SESSION

7. **Presentation of the First Quarter Report by the Washington County Convention and Visitors Bureau**

Lu Hollander, with the Washington County Convention and Visitors Bureau, presented this report. Hollander focused on the highlights featured in the *First Quarter Report: October-December 2015*, pointing out the visitor statistics, major tourism events, advertising placements, and editorial coverage.

REGULAR SESSION

8. **Discuss and Possibly Act Upon Resolution No. R-16-009 Authorizing the Execution of a Tax Phase-In Agreement Between the City of Brenham and Valmont Coatings, Inc.**

Project Manager with the Brenham Economic Development Foundation Clint Kolby presented this item. Kolby explained that Valmont Coatings plans to move forward with their original project from last year to locate a galvanizing plant in Brenham to serve the local Valmont Structures facility as well as secondary metal-based businesses in the region. Kolby advised that the use of the Tax Phase-In incentive will help Valmont Coatings invest in the necessary equipment and human capital to help offset the initial costs of locating this expansion project here. Kolby noted that this project would also provide a substantial, positive economic impact to the local Brenham economy. Michael Riley with Valmont Coatings was present to answer questions.

A motion was made by Councilmember Herring and seconded by Councilmember Ebel to approve Resolution No. R-16-009 authorizing the execution of a Tax Phase-In Agreement between the City of Brenham and Valmont Coatings, Inc.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

9. Discuss and Possibly Act Upon the Acceptance of the Audit from Seidel Schroeder for Fiscal Year 2015

Assistant City Manager-Chief Financial Officer Carolyn Miller and Auditor Partner from Seidel Schroeder, Michele Kwiatkowski, presented this item. Kwiatkowski advised Council that state law requires that all general-purpose local governments publish, within six months of the close of the fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Kwiatkowski advised the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Brenham, Texas. Kwiatkowski stated that pursuant to the requirements, and on behalf of the Finance Department, she would like to issue the comprehensive annual financial report (CAFR) of the City of Brenham for the fiscal year ended September 30, 2015.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Herring to accept the audit from Seidel Schroeder for Fiscal Year 2015.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|----------------|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Abstain |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

10. Discuss and Possibly Act Upon a Ground Space Lease Agreement with Alvin Miller, Jr. for Hangar Space at the Brenham Municipal Airport and Authorize the Mayor to Execute Any Necessary Documentation

Planning Technician Kim Hodde presented this item. Hodde explained that G. William Woods sold his hangar (3313 Aviation Way) to Alvin (Al) Miller, Jr. and therefore, a new lease agreement needs to be executed for Mr. Miller. Hodde advised that execution of this lease agreement with Al Miller, Jr. will cancel the previous agreement with G. William Woods.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Nix to approve a ground space lease agreement with Alvin Miller, Jr. for hangar space at the Brenham Municipal Airport and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

11. Discuss and Possibly Act Upon RFP No. 16-004 Related to Small Commercial Waste Collection Services for the City of Brenham and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that City Staff, along with the Purchasing Department has requested proposals for the small commercial waste services related to operations within City of Brenham limits. Rau advised that over the last 13 years this service has been handled by Texas Commercial Waste. Rau noted that there were 5 RFP's received. Rau explained that Progressive Waste Solutions met all of the proposal requirements and supplied all requested documentation. Rau noted that Progressive not only provided rates that were lower than the other proposals, but the rates submitted were also under the current rates that are being charged today. Rau advised that if awarded, this contract will take effect May 24, 2016 and will be a 5 year contract with an option to renew for an additional 5 years.

A motion was made by Councilmember Barnes-Tilley and seconded by Councilmember Ebel to approve a 5 year contract with Progressive Waste Solutions for Small Commercial Waste Collection Services for the City of Brenham beginning on May 24, 2016, and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

12. Discuss and Possibly Act Upon a Lease Agreement with Jeff Aubihl for the Lease of Approximately 9.45 Acres on Old Independence Road and Authorize the Mayor to Execute Any Necessary Documentation

Public Works Director Dane Rau presented this item. Rau explained that Staff has been approached by Jeff Aubihl, who is an adjacent property owner to the Municipal Airport. Rau stated that Mr. Aubihl's residence joins the 9.45 acre tract that was carved out of the airport property when the game fence was installed. Rau advised that Staff has verbally agreed on a rate that is identical to another 30 acre tract that the City of Brenham leases for livestock grazing to Mr. Spivey, which is down the road and is also airport property that is excluded from the main airport tract. Rau stated that the rate is \$30.15/acre, which equates this lease to \$284.91 annually.

Rau explained that Mr. Aubihl will be responsible for maintaining and erecting all perimeter fences along with shredding the 9.45 ac tract twice per year. Rau noted that this will save Staff some time as we are currently shredding the airport property.

A motion was made by Councilmember Herring and seconded by Councilmember Barnes-Tilley to approve a lease agreement in the amount of \$284.91 a year with Jeff Aubihl for the lease of approximately 9.45 acres on Old Independence Road as stated in the lease and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

13. Discuss and Possibly Act Upon a Request for a Noise Variance from Washington County Ministerial Alliance for a Good Friday Community Worship Service on March 25, 2016 from 11:00 a.m. – 6:00 p.m. at Hattie Mae Flowers Park and Authorize the Mayor to Execute Any Necessary Documentation

Deputy City Secretary Kacey Weiss presented this item. Weiss explained that Rev. John Stouffer with First United Methodist Church, representing the Washington County Ministerial Alliance, has requested a noise variance to hold a Good Friday Community Worship service on March 25, 2016 at Hattie Mae Flowers Park. Weiss stated that both the Police Department and the Fire Department have approved the noise variance request.

Councilmember Williams questioned how they are doing the meal as to whether it is free or will they be selling tickets. Weiss stated that she would contact Mr. Stouffer to find out and will let Mr. Williams know.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Nix to approve a request for a noise variance from Washington County Ministerial Alliance for a Good Friday Community Worship Service to be held on March 25, 2016 from 11:00 a.m. – 6:00 p.m. at Hattie Mae Flowers Park and authorize the Mayor to execute any necessary documentation.

Mayor Tate called for a vote. The motion passed with Council voting as follows:

| | |
|-------------------------------------|-----|
| Mayor Milton Y. Tate, Jr. | Yes |
| Mayor Pro Tem Gloria Nix | Yes |
| Councilmember Andrew Ebel | Yes |
| Councilmember Danny Goss | Yes |
| Councilmember Keith Herring | Yes |
| Councilmember Mary E. Barnes-Tilley | Yes |
| Councilmember Weldon Williams | Yes |

14. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- The Fire Department will host their Fish Fry on March 18th
- The Pre-Budget Meeting will be held on May 2nd

Tammy Jaster with the Blue Bell Aquatic Center reported on the following:

- The new Parks and Recreation Guide is complete
- Easter Eggstravaganza will be at Fireman's Park on March 23rd
- Carousel at Fireman's Park opens this weekend

Assistant City Manager – General Government Rex Phelps reported on the following:

- Completion of the new animal shelter is tentatively June 14th

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Kacey A. Weiss
Deputy City Secretary

ORDINANCE NO. O-16-007

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS AMENDING CHAPTER 6, BUILDINGS AND STRUCTURES, ARTICLE VI, INTERNATIONAL PLUMBING CODE, OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, CONCERNING NEW FEDERAL LAW GOVERNING ALLOWABLE LEAD CONTENT IN PIPES, PIPE FITTINGS, AND PLUMBING FITTINGS AND FIXTURES; PROVIDING FOR A REPEALER AND SAVINGS CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR AN EFFECTIVE DATE; AND PROVIDING FOR PROPER NOTICE AND OPEN MEETINGS

WHEREAS, pursuant to Texas Local Government Code, Section 51.001, the City has the authority to adopt ordinances and regulations that are for good government, peace and order of the City; and

WHEREAS, in order to enhance, promote and protect the health, safety and general welfare of the citizens of Brenham, Texas the City Council must from time to time amend and/or adopt new regulations; and

WHEREAS, the City Council desires to amend or modify certain provisions due to new federal law governing allowable lead content in pipes, pipe fittings, and plumbing fittings and fixtures as outlined in Chapter 6, Article VI, International Plumbing Code, of the Code of Ordinances; and

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

SECTION 1.

Chapter 6, Section 6-62, Cross-connection control program, subsection 6-62(c)(3)(d), of the Code of Ordinances of the City of Brenham, Texas, is hereby amended to read as follows:

Sec. 6-62. - Cross-connection control program.

(c) Customer service inspections.

(3) The customer service inspection must certify that:

d. No pipe or pipe fitting which contains more than 0.25 percent lead may be used for the installation or repair of plumbing at any connection that provides water for human use.

SECTION 2.
REPEALER AND SAVINGS CLAUSE

All provisions of any ordinance, resolution or other action of the City in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances, resolutions or other actions shall remain in full force and effect.

SECTION 3.
SEVERABILITY

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences and clauses and phrases remaining should any provision be declared unconstitutional or invalid.

SECTION 4.
EFFECTIVE DATE

This Ordinance shall become effective upon adoption and publication as required by law.

SECTION 5.
PROPER NOTICE AND MEETINGS

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

PASSED and APPROVED on its first reading this the 24th day of March, 2016.

PASSED and APPROVED on its second reading this the 7th day of April, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary



AGENDA ITEM 6

| | | | |
|--|--|--|--|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: March 31, 2016 | |
| DEPT. OF ORIGIN: Development Services | | SUBMITTED BY: Erik Smith | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: | |
| <input checked="" type="checkbox"/> REGULAR | <input checked="" type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING | |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING | |
| <input type="checkbox"/> EXECUTIVE SESSION | <input type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION | |
| | <input type="checkbox"/> WORK SESSION | | |
| AGENDA ITEM DESCRIPTION: Public Hearing to Consider an Amendment of the City of Brenham’s “Envision 2020” Comprehensive Plan Future Land Use Map to Change the Designation From Single Family Residential Use to Commercial/Retail Use on Certain Land Described as Block 9, Washington Terrace Addition, Our of the A. Harrington Survey, A-55, Said Land Being Bounded on the North by Rucker Street, on the East by North Park Street, on the South by West Blue Bell Road, and on the West by Ewing Street in Brenham, Washington County, Texas | | | |
| SUMMARY STATEMENT: This is a request for an amendment to the “Envision 20/20” Comprehensive Plan. The specific parcel is a tract of land located on the northwest corner of the intersection of North Park Street and West Blue Bell Road described as lots 1, 2, 4, 6, 8, 10, and 12, Block 9, out of the Washington Terrace subdivision plat and being lots 3A, 7A and 11A out of the replat of block “9” Washington Terrace Addition subdivision plat out of the A. Harrington Survey, A-55 in Brenham, Washington County, Texas. The current district as designated by the Comprehensive Plan is Single Family. The City of Brenham is requesting the Comprehensive Plan be amended to designate this block as a Commercial/Retail District. This would align the two documents for both existing zoning and a requested zoning amendment. The Comprehensive Plan is a document the City uses to help guide planning and future zoning changes for future growth. To follow best practices it would be ideal to change the comprehensive plan when a rezoning request is made so the two maps do not conflict with one another. | | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | | |
| A. PROS: Keeps the Comprehensive Plan Map and Zoning Map from conflicting with one another. | | | |
| B. CONS: | | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | | |
| ATTACHMENTS: (1) Plats; (2) Comp Plan Exhibit; and (3) Comprehensive Plan Future Land Use Map | | | |
| FUNDING SOURCE (Where Applicable): | | | |

RECOMMENDED ACTION: No action required – Public Hearing only

APPROVALS: Terry K. Roberts

Replat of Lots 3, 5, 7, 9, 8, 11, Block "9" Washington Terrace Addition

REPLAT OF LOTS 3, 5, 7, 9, 8 11, BLOCK "9" WASHINGTON TERRACE ADDITION



TO THESE LOTS AN EASEMENT BEING THE SAME LAND DESCRIBED IN THE DEED FROM AND TO DONOR, ET AL TO RECIPIENT HEREIN, DATED SEPTEMBER 7, 1974, AS RECORDED IN PUBLIC MAP, PAGE 944, IN THE DEED RECORDS OF WASHINGTON COUNTY, TEXAS.



LOCATION MAP

PLANNING COMMISSION APPROVAL

APPROVED THIS 18th day of September, 1974, BY THE PLANNING COMMISSION OF THE CITY OF WASHINGTON, TEXAS.

David J. Barnes
Chairman

Robert K. Kiser
Secretary

APPROVAL BY CITY COUNCIL

APPROVED THIS 19th day of September, 1974, BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, TEXAS.

Walter Schaefer
Mayor

Donald Steuker
City Clerk

OWNER ACKNOWLEDGEMENT

I, DONOR, ET AL, THE GRANTOR OF THE LAND DESCRIBED HEREIN AND WHOLE PART OF THEREOF HERETO, HEREBY ACKNOWLEDGE THIS DEED OF LOTS 3, 5, 7, 9, 8, 11, TO RECIPIENT AS DESCRIBED HEREIN, TO HAVE BEEN VOLUNTARILY MADE BY ME AND TO BE VALID AND EFFECTIVE AS TO THE LAND DESCRIBED HEREIN.

Donor Signature
DONOR

THE STATE OF TEXAS
COUNTY OF WASHINGTON

THIS INSTRUMENT HAS BEEN FILED FOR RECORD IN THE PUBLIC RECORDS OF WASHINGTON COUNTY, TEXAS, ON SEPTEMBER 19, 1974, AT 10:00 AM.

County Clerk Signature
COUNTY CLERK

COUNTY CLERK CERTIFICATE

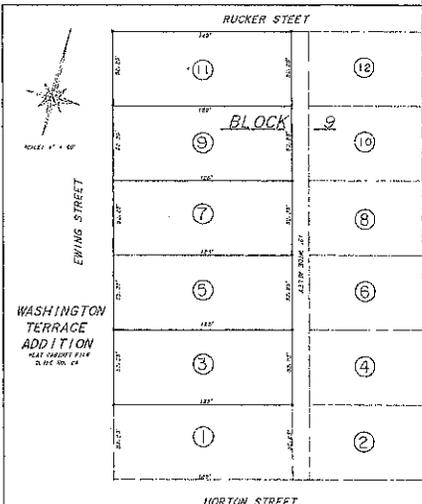
I, DONOR, COUNTY CLERK OF AND FOR THIS COUNTY HERETO, HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WAS FILED FOR RECORD IN THE PUBLIC RECORDS OF WASHINGTON COUNTY, TEXAS, ON SEPTEMBER 19, 1974, AT 10:00 AM, AND THAT THE SAME IS A TRUE AND CORRECT COPY OF THE ORIGINAL INSTRUMENT AS FILED IN THE PUBLIC RECORDS OF WASHINGTON COUNTY, TEXAS.

County Clerk Signature
COUNTY CLERK
WASHINGTON COUNTY, TEXAS

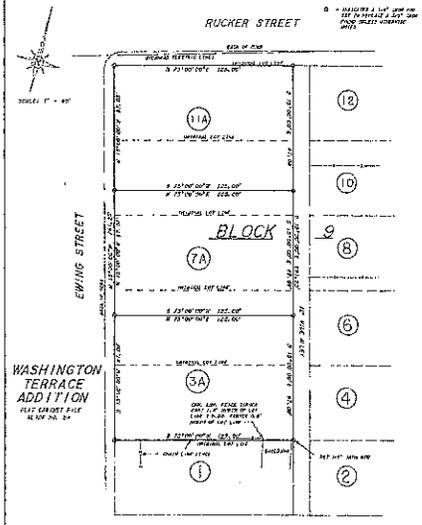
THE STATE OF TEXAS

I, A. A. STEEL, REGISTERED PROFESSIONAL LAND SURVEYOR NO. 1246 OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS MAP IS TRUE AND CORRECT AS SHOWN AND AS APPROVED BY ME ON SEPTEMBER 19, 1974, AT 10:00 AM, AND THAT THE SAME IS A TRUE AND CORRECT COPY OF THE ORIGINAL INSTRUMENT AS FILED IN THE PUBLIC RECORDS OF WASHINGTON COUNTY, TEXAS.

MADE THIS 19th DAY OF SEPTEMBER, 1974, A. D.

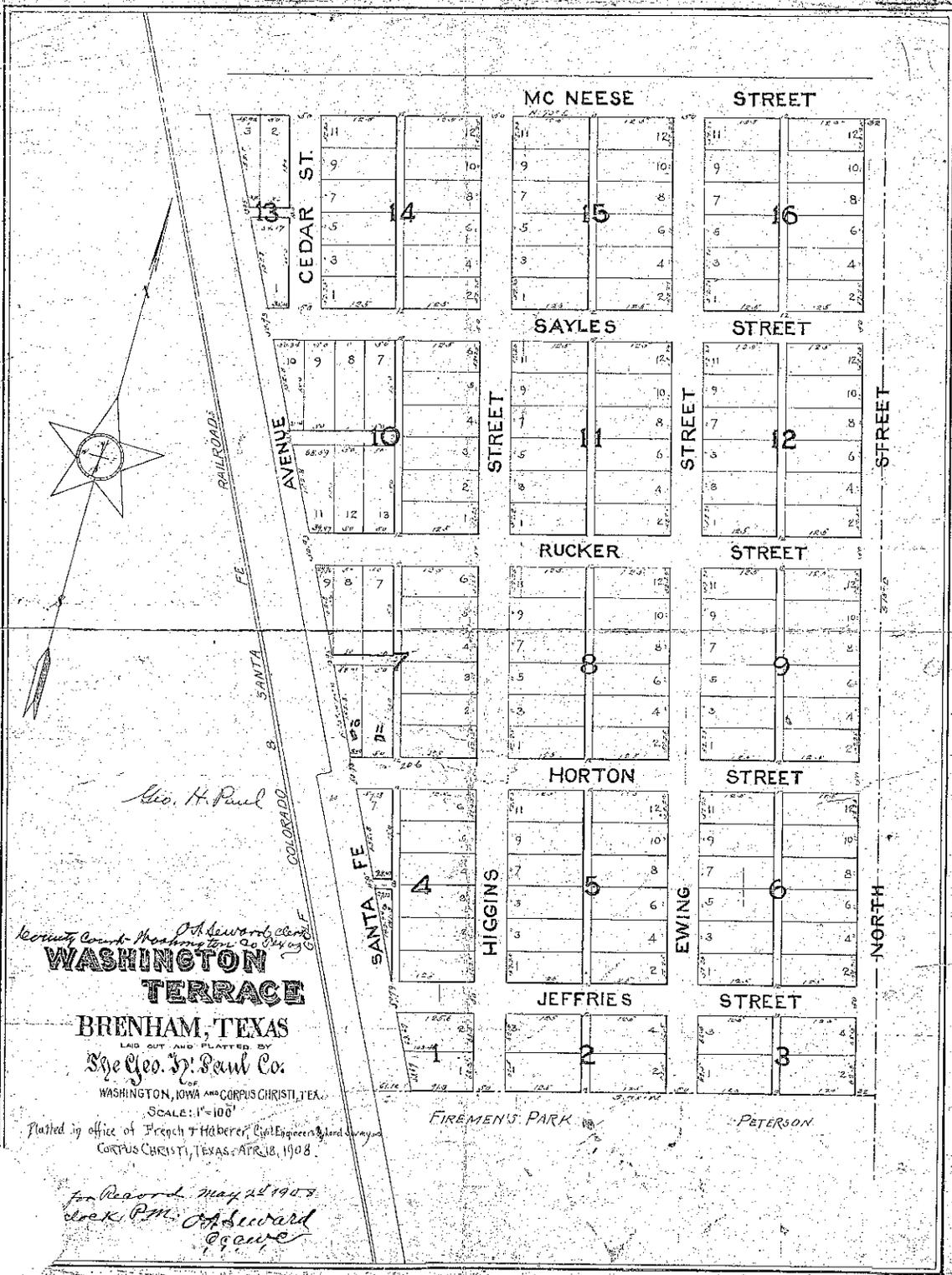


ORIGINAL LOTS/LOT LINES
A. HARRINGTON SURVEY, A-55
CITY OF WASHINGTON, WASHINGTON COUNTY, TEXAS



REPLAT
A. HARRINGTON SURVEY, A-55
CITY OF WASHINGTON, WASHINGTON COUNTY, TEXAS

NOTE:
ACCORDING TO FLOOD INSURANCE RATE MAP, FIRMAL CONTROLLED BY FEDERAL FLOOD INSURANCE ADMINISTRATION, F.L.A., LOCATED FROM THE WASHINGTON COUNTY, CITY OF WASHINGTON, WASHINGTON COUNTY, TEXAS, EFFECTIVE DATE OF AUGUST 16, 1971, NO PART OF THE FOREGOING INSTRUMENT LIES WITHIN THE 100 YEAR FLOOD INSURANCE



Geo. H. Paul

County Clerk - Washington Co. Texas
of the County Clerk

**WASHINGTON
TERRACE**

BRENHAM, TEXAS

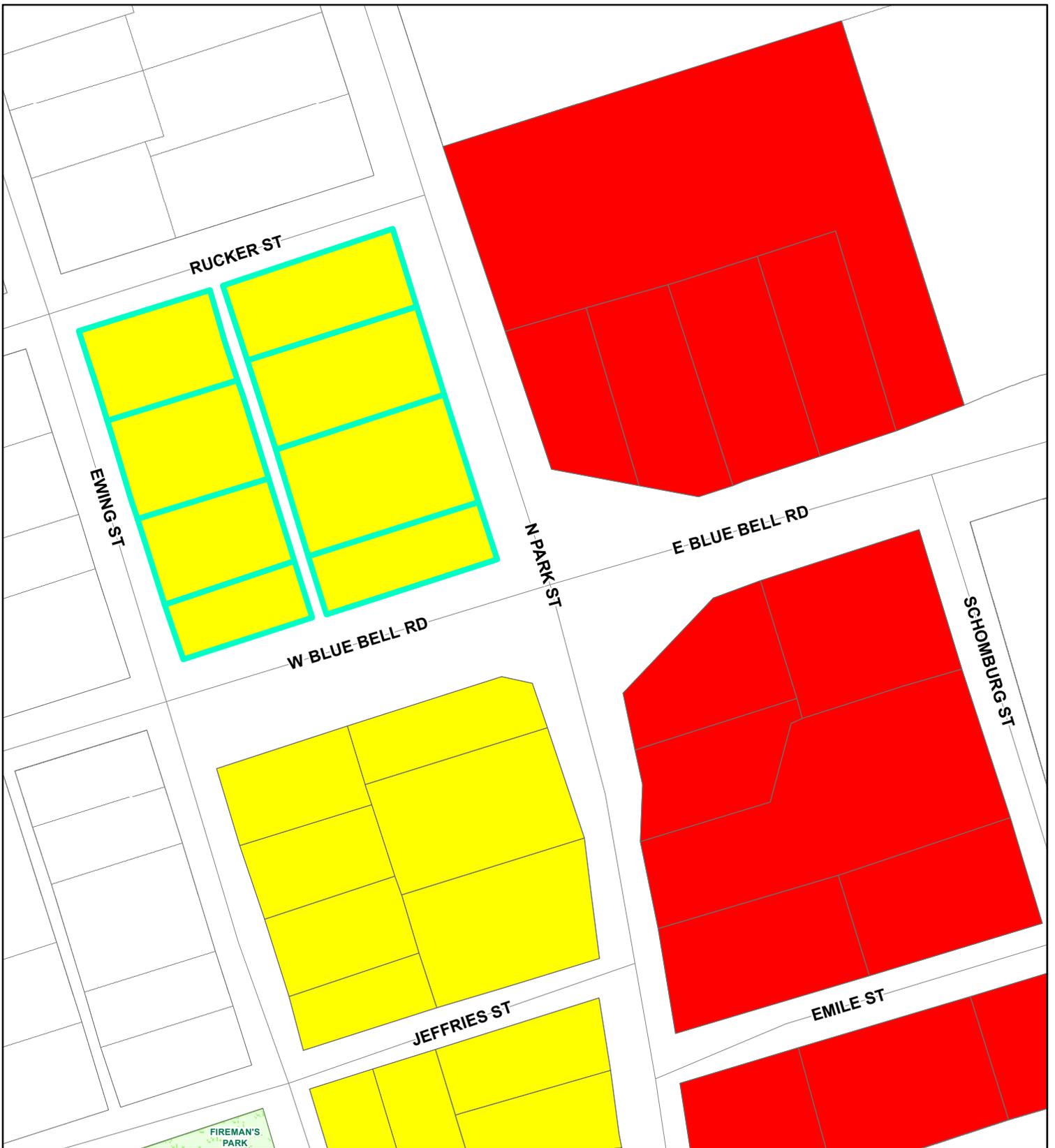
Laid out and Platted by
Geo. D. Paul Co.
 WASHINGTON, IOWA AND CORPUS CHRISTI, TEX.

SCALE: 1"=100'

Platted in office of French & Haberer, Civil Engineers & Land Surveyors
 CORPUS CHRISTI, TEXAS: APR 18, 1908.

for Record May 22 1908
clock P.M. Geo. D. Paul
Co. Secy

FIREMEN'S PARK PETERSON



Comprehensive Plan Amendment Residential Single Family to Commercial Retail

1 inch = 121 feet



- Commercial/ Retail
- Single Family
- Single Family to Commercial/Retail

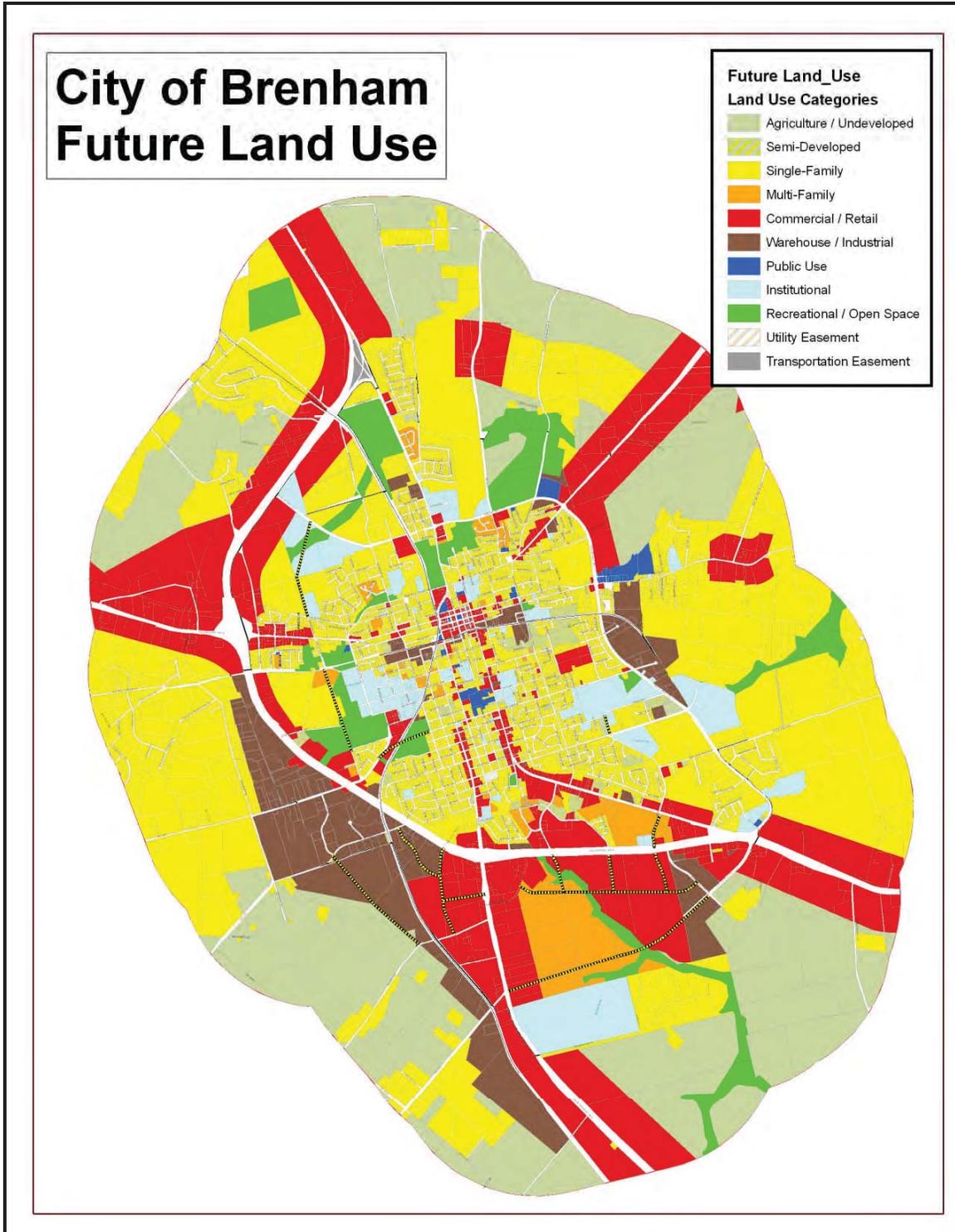


Illustration 6-5: The Future Land Use map for the City of Brenham illustrates desired growth patterns over the next 15 to twenty years.



AGENDA ITEM 7

| | | |
|---|--|--|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: March 31, 2016 |
| DEPT. OF ORIGIN: Development Services | | SUBMITTED BY: Erik Smith |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input checked="" type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| <p>AGENDA ITEM DESCRIPTION: Public Hearing to Consider an Amendment to the Official Zoning Map of the City of Brenham, to Change the Zoning District From a Single Family Residential Use (R-1) District to a Local Business/Residential Mixed Use (B-1) District on a Tract of Land Described as Lot 7A and Lot 11A, Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Located at the Southeast Intersection of Ewing Street and Rucker Street in Brenham, Washington County, Texas</p> | | |
| <p>SUMMARY STATEMENT: Kolkhorst Investments LLC has requested a rezoning of two tracts of land to be changed from the existing R-1 Single Family District to B-1 Local Business/Residential Mixed Use. The remainder of the lots on this particular block are all currently zoned B-1. Changing the remaining two lots would give the applicant the same type of zoning for the entire block and would allow them to develop the property under one zoning district. The biggest impact two districts would have on this applicant is the buffer separation of up to 30 feet from any use considered business.</p> <p><u>Comprehensive Plan Compliance</u> The Envision 20/20 Comprehensive Plan lists these lots as single family along with the entirety of the block. The current zoning for this property is R-1 – Single Family District. Staff has placed a comprehensive plan amendment on the agenda prior to this item to amend the document so there would not be a compatibility issue between the two documents. Both of these issues are on the agenda as requests to align the documents so there is not conflict.</p> <p><u>Thoroughfare Plan Compliance</u> Ewing Street is a local residential.</p> <p>Rucker Street is a local residential.</p> <p>W. Blue Bell Road is a minor arterial.</p> <p>N. Park Street is a minor arterial.</p> | | |

Public Concerns

Staff has received two phone calls from neighboring property owners who were opposed to this request. At the Planning and Zoning meeting there were additional residents that did show up to voice concern about this request. They asked about the process to file a protest in opposition of this request and staff provided them with that information. At the time of this staff report no protest has been received.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS: Continuous zoning district for a commercial block to allow for orderly development.

B. CONS: Neighboring property owners have voiced clear concern for the zoning change affecting their properties.

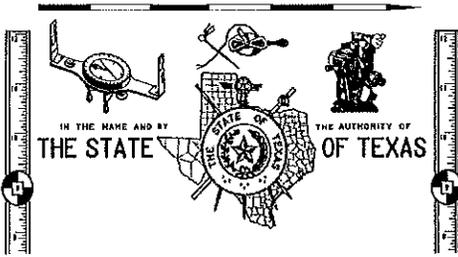
ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Cover Letter from Hodde & Hodde; (2) General Application (3) Site Survey; and (4) Zoning Exhibit

FUNDING SOURCE (Where Applicable): N/A

RECOMMENDED ACTION: No action - public hearing only

APPROVALS: Terry K. Roberts



**HODDE & HODDE
LAND SURVEYING, INC.**

Registered Professional Land Surveying

613 E. Blue Bell Road
Brenham, Texas 77833-2411

OFFICE PHONE: (979) 836-5681
FAX: (979) 836-5683
www.hoddesurveying.com
TEXAS FIRM REGISTRATION NO. 10018800

March 9, 2016

TO: City of Brenham
ATTN: Members of the Planning and Zoning Commission
200 West Vulcan Street
Brenham, Texas 77833
PHN: 979-337-7389

RE: Zoning Change

Dear Members,

The purpose of this letter is to formally request the approval of a Zone Change for Lots 7A and 11A, Block 9, of Washington Terrace Addition, being situated at the Southeast intersection of Ewing Street and Rucker Street. These lots are currently zoned R1 (Residential Single Family), and I am requesting the zone be changed to B1 (Local Business Mixed) to match other properties that are also included in a proposed development, so that the entire development is zoned B1. The replat for the development has been previously submitted to the City of Brenham under Case No. 16-12. I appreciate your time for consideration of approving the zone change for these properties.

Sincerely,

Richard W. Heiges, RPLS 6452
Hodde & Hodde Land Surveying, Inc.



For office use only

APPLICATION NO. _____

MEETING DATE: _____

DATE SUBMITTED: 3-9-16

FILING FEE: \$150.00 pd

100.00

CITY OF BRENHAM
GENERAL APPLICATION



Type of Application

- | | |
|---|--|
| <input type="checkbox"/> Variance from Appendix A: Zoning | <input checked="" type="checkbox"/> Zone Change |
| <input type="checkbox"/> Specific Use Permit | <input type="checkbox"/> Plan Review |
| <input type="checkbox"/> Preliminary Plat | <input type="checkbox"/> Final Plat/Replat/Amending Plat |
| <input type="checkbox"/> Variance from Chapter 21: Signs | <input type="checkbox"/> Other: _____ |

Property Owners Information

Name Kolkhorst Investments, LLC

Principal Officers (If Corporation) President Jim Kolkhorst

Secretary N/A

Address P. O. Box 410, Navasota, Texas 77868

Telephone Number _____ E-mail Address _____

Applicant Information

Name Richard W. Heiges

Address 613 East Blue Bell Road, Brenham, Texas 77833

Telephone Number 979-836-5681 E-mail Address richard@hoddesurveying.com

Agent or Engineer Information

Name (same as applicant)

Address _____

Telephone Number _____ E-mail Address _____

Location of Property

Street Address: Southeast intersection of Ewing St. and Rucker St. (see below for full site area)

Legal Description (attach metes and bounds description if not subdivided):

Subdivision: Washington Terrace Addn Block(s): 9 Lot(s): 7A & 11A

Zoning Information

Existing Zoning : R1 Residential Single Family

Proposed Zoning: B1 Local Business Mixed

Reasons for requesting zone change:* A portion of the property to be developed is zoned R1, and this change will allow the entire development area to fall under B1 zoning. The replat for the development has been previously submitted to the City under Case No. 16-12.

Variance Information

Section of Code from which variance is described:* N/A

Describe variance requested:* _____

Reasons for requesting variance:* _____

Proposed Property Use

Describe in detail the proposed operation at this location:*

New commercial development

Construction Value \$ _____

Site plans are required for variance, special use, and plan review requests; please see Ordinance No. 0-05-007 for minimum site plan requirements.

I, Richard W. Heiges, being the owner (or authorized agent) of the above described property, do hereby certify the information set forth above is true and correct. I further request that the Planning & Zoning Commission/Board of Adjustments/Plan Review Committee review this matter and take appropriate action.

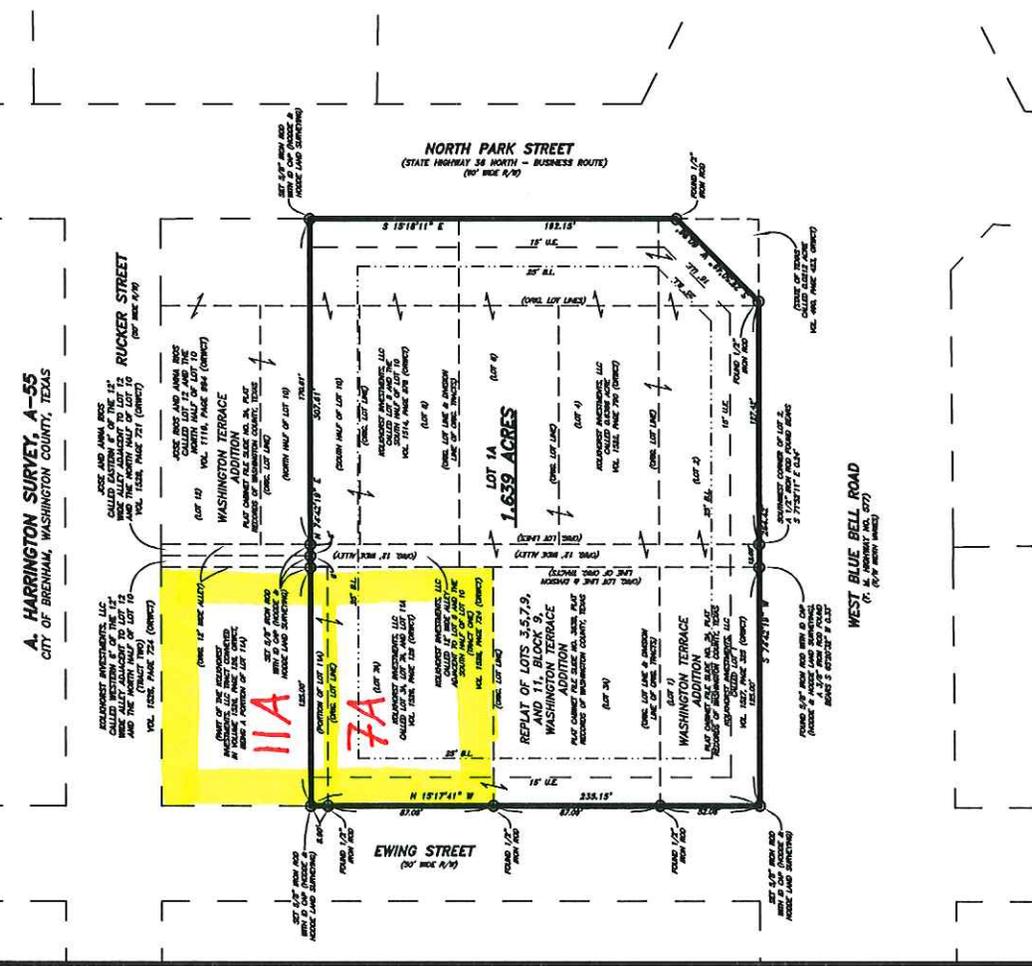
Owner
Richard W. Heiges
Agent



NOTES:

1. THE BEARINGS SHOWN HEREON ARE RELATIVE TO TRUE NORTH AS OBTAINED BY GPS OBSERVATIONS, OBSERVED AT LATITUDE: 30°19'43.5" N - LONGITUDE: 98°23'46.5" W (45-0-00).
2. NO. 171-000 HAS BEEN RECORDED ACCORDING TO THE FEDERAL INSURANCE RATE MAP (FIRM) AS COMPLETED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, WASHINGTON, DISTRICT OF COLUMBIA, 18, 2011, CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS.
3. SUBJECT TO EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS APPLICABLE TO THE CITY OF BRENHAM, TEXAS AND TO THE CITY OF BRENHAM, TEXAS, THE CITY OF BRENHAM, TEXAS, AND ANY OF RECORD WHICH MAY BE APPLICABLE.
4. THIS SURVEY WAS PERFORMED IN CONJUNCTION WITH WASHINGTON COUNTY ABSTRACT COMPANY (STEWART TITLE COMPANY) TITLE REPORT FILE REFERENCED AS WASHINGTON COUNTY ABSTRACT COMPANY (STEWART TITLE COMPANY) TITLE REPORT FILE NO. 150328, AND BEING AN UPDATED TITLE REPORT FOR WASHINGTON COUNTY ABSTRACT COMPANY TITLE COMMITMENT FILE NOS. 150327, AND 150111.
5. (CIVIL) DENOTES OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS. (P/M/C) DENOTES PLAT RECORDS OF WASHINGTON COUNTY, TEXAS.

SCALE: 1" = 40'



CERTIFICATION

THE STATE OF TEXAS
 COUNTY OF WASHINGTON

I, RICHARD W. HODDE, REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 6432 OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE IN ACCORDANCE WITH AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY PERSONAL DIRECTION AND SUPERVISION.

DATED THIS 17TH DAY OF FEBRUARY, 2016, A.D.

(PRELIMINARY)
 RICHARD W. HODDE, RP/LS NO. 6432
 613 E. BLUE BELL ROAD, BRENHAM, TEXAS 77833
 (979) 836-5881 (FAX) 979-836-5882
 WWW.HODDESURVEYING.COM

(PRELIMINARY)
 RICHARD W. HODDE, RP/LS NO. 6432
 613 E. BLUE BELL ROAD, BRENHAM, TEXAS 77833
 (979) 836-5881 (FAX) 979-836-5882
 WWW.HODDESURVEYING.COM

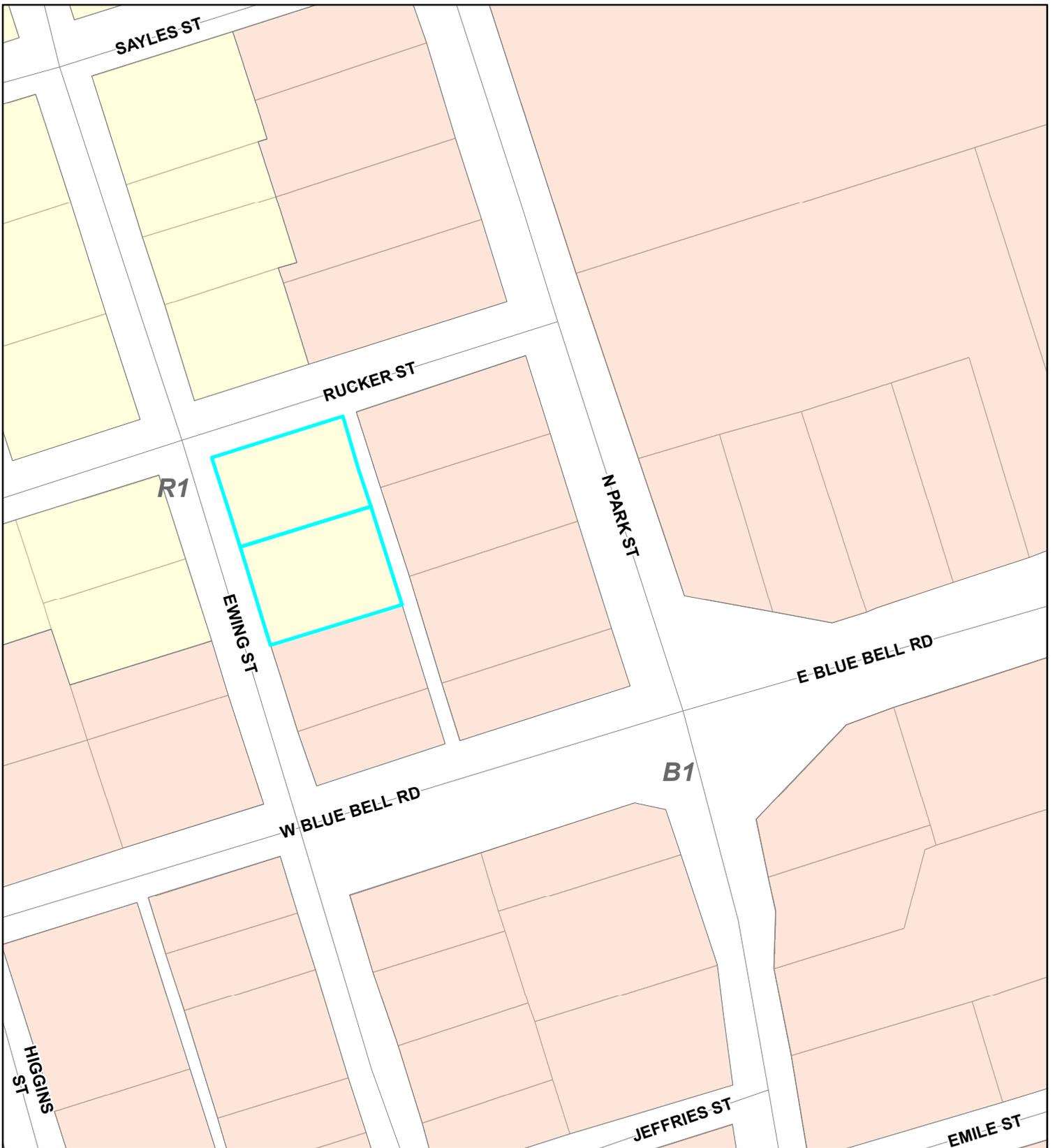
THIS SURVEY WAS MADE IN ACCORDANCE WITH AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY PERSONAL DIRECTION AND SUPERVISION.

REPLAT OF KOLKHORST SUBDIVISION
(FOR REPLAT LEGAL DESCRIPTION SEE "SURVEY MAP" SHOWN HEREIN)
CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS
 CONSISTING OF 1 COMMERCIAL LOT (1.639 ACRES)
 DATE: FEBRUARY 17, 2016

816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

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 613 E. Blue Bell Road, Brenham, Texas 77833
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 www.hoddesurveying.com

SHEET 1
OF 2



Requested Rezoning from R1 Residential Single Family to B1 Local Business Mixed

1 inch = 121 feet



- | | |
|---|--|
| B1 Local Business Mixed | P1 Planned Development |
| B2 Commercial Research and Technology | R1 Residential Single Family |
| B3 Historical and Central Business | R2 Mixed Residential |
| I Industrial | R3 Manufactured Home Residential |



AGENDA ITEM 8

| | | |
|--|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: March 29, 2016 | |
| DEPT. OF ORIGIN: Finance | SUBMITTED BY: Carolyn D. Miller | |
| MEETING TYPE: <input checked="" type="checkbox"/> REGULAR <input type="checkbox"/> SPECIAL <input type="checkbox"/> EXECUTIVE SESSION | CLASSIFICATION: <input type="checkbox"/> PUBLIC HEARING <input type="checkbox"/> CONSENT <input type="checkbox"/> REGULAR <input checked="" type="checkbox"/> WORK SESSION | ORDINANCE: <input type="checkbox"/> 1 ST READING <input type="checkbox"/> 2 ND READING <input type="checkbox"/> RESOLUTION |
| AGENDA ITEM DESCRIPTION: Discuss and Review FY2015-16 First Quarter Financial Report | | |
| SUMMARY STATEMENT: See attached Financial Performance Report and Financial Statements for General Fund and Five Utility Funds | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) FY2015-16 First Quarter Financial Report from CFO; and (2) Financial Performance Reports for General Fund and Five Utility Funds | | |
| FUNDING SOURCE (Where Applicable): | | |
| RECOMMENDED ACTION: No action required – discussion only | | |
| APPROVALS: Terry K. Roberts | | |



MEMORANDUM

To: Mayor, Council and City Manager

From: Carolyn D. Miller
Assistant City Manager - Chief Financial Officer

Subject: FY2015-16 First Fourth Quarter Financial Report

Date: March 29, 2016

The Finance Division is pleased to provide financial performance reports for the period ending December 31, 2015. The General Fund and the five major utility funds are presented. The General Fund includes a comparison of the first quarter actual versus the prior year and a comparison to budget. The utility funds include a first quarter comparison of actual to budget and a revised annual estimate for FY16.

Actual to Budget Comparison

Relative to budget, the City experienced favorable performance in the General, Electric, Gas and Sanitation Funds while the Water and Wastewater Funds were unfavorable to budget. Rainy weather conditions contributed to the Water Fund variance while the Wastewater Fund was impacted due to lower volumes from the delayed startup of Blue Bell. The City of Brenham’s financial performance continues to be positive and no unusual or unanticipated trends are noted.

FINANCIAL PERFORMANCE SUMMARY

| Fund | For Period Ending December 31, 2015 | | | | |
|-----------------|-------------------------------------|------------------|----------------------------|------------------------------|-----------------------------|
| | YTD Revenues | YTD Expenditures | Actual Net Revenues (Loss) | Budgeted Net Revenues (Loss) | Actual to Budget Comparison |
| General Fund | \$ 3,829,868 | \$ 3,678,734 | \$ 151,133 | \$ (116,655) | \$ 267,788 |
| Electric Fund | \$ 5,234,942 | \$ 4,646,690 | \$ 588,252 | \$ 367,314 | \$ 220,938 |
| Gas Fund | \$ 477,898 | \$ 505,963 | \$ (28,065) | \$ (86,735) | \$ 58,670 |
| Water Fund | \$ 1,037,827 | \$ 960,229 | \$ 77,597 | \$ 97,422 | \$ (19,825) |
| Wastewater Fund | \$ 781,723 | \$ 763,441 | \$ 18,283 | \$ 44,770 | \$ (26,487) |
| Sanitation Fund | \$ 645,810 | \$ 522,819 | \$ 122,991 | \$ 68,091 | \$ 54,899 |

GENERAL FUND

The General Fund posted actual net revenues of \$151,133, compared to a budgeted net loss of (\$116,655). Revenues are ahead of budget by \$132,852, and major variances are identified below:

- Property taxes are above budget by \$26,018;
- Sales taxes are ahead by \$97,533;
- Due to lower utility fund revenues, the franchise tax paid to the General Fund is behind by \$41,696;
- Miscellaneous revenues are ahead by \$52,434 due to sales of property.

Transfers from the utility funds for shared services are lower than budget by \$144,115 due to lower operating costs for these General Fund departments.

Operating expenditures were favorable to budget by \$276,563 and specific categories are detailed below:

- Over 70% of the variance is attributable to Personnel which is under budget by \$191,131 from vacant positions in the Fire Department, Information Technology, Human Resources, Parks, Aquatics, and the City Engineer;
- Supplies are under budget by \$29,765 due primarily to lower fuel costs;
- Sundry category is favorable by \$28,344 due to the balance remaining in the city manager's contingency account and savings from liability/casualty insurance renewal.

Capital expenditures are tracked in Fund 236 Equipment Fund and are presented in Exhibit I.

ELECTRIC FUND

The Electric Fund had favorable net revenues of \$588,252 for the first quarter as compared to budgeted performance of \$367,314. Although total revenues were lower than budget, the favorable position is due to reduced energy purchase costs and lower transfer to the General Fund. Detail information is provided below:

- We experienced lower electric purchase costs, due to falling natural gas prices, which meant that electric customers paid less than expected and therefore we experienced reduced revenues on lower pass-through costs to the customer;
- On the volume side, electric kwh sales (consumption) were lower than budget due to mild winter weather and the Blue Bell production ramp-up came later than projected;
- Distribution expenditures (or departmental expenditures) in the Electric Fund were slightly favorable to budget by \$64,389; and
- Transfers to General Fund for shared services were lower than budget by \$57,075.

GAS FUND

For the first quarter, the Gas Fund posted unfavorable net revenues of \$28,065 which was better compared to the budgeted loss of \$86,735. Although mild winter weather depressed total revenues which were lower than budget, the favorable net revenue position is due to reduced energy purchase costs and lower transfer to the General Fund. Significant components of the Gas Fund performance are noted below:

- We experienced lower gas purchase costs, due to falling natural gas prices, which meant that gas customers paid less per MCF than expected and therefore we experienced reduced revenues on lower pass-through costs to the customer;
- On the volume side, gas MCF sales (consumption) were lower than budget due to mild winter weather reducing heating needs and the Blue Bell production ramp-up came later than projected;
- Distribution (departmental) expenditures were lower than budget by \$4,029; and
- Transfers to General Fund for shared services were lower than budget by \$15,654.

WATER FUND

Although the Water Fund experienced positive net revenues of \$77,597 for the first quarter, it was lower than the budgeted performance of \$97,422. On the volume side, water consumption was lower than budget by 10.6 million gallons or 5% due to rainy weather conditions. Other variances are detailed below:

- Department expenditures were favorable to budget by \$19,554; and
- Transfers to General Fund for shared services were lower than budget by \$24,398.

WASTEWATER FUND

Net revenues for the Wastewater Fund were \$18,283 for the first quarter compared to budgeted performance of \$44,770. Although net revenues were positive, they were unfavorable to budget due to the following:

- Utility revenues were behind budget due to lower treated industrial effluent and lower surcharges caused by the delayed startup of Blue Bell;
- Departmental expenditures were lower than budget by \$27,160; and
- Transfers to General Fund for shared services were lower than budget by \$15,495.

SANITATION FUND

The combined operations of the Sanitation Fund posted favorable net revenues of \$122,991 for the first quarter compared to budgeted performance of \$68,091. In the Sanitation Fund, operating resources are derived from four business units: Residential Collections, Collection Station, Transfer Station and Recycling Center.

- Revenues were favorable to budget for the Transfer Station by \$1,084; Collection Station by \$15,436; and \$7,012 for Residential Collection; the Recycling Center was unfavorable by \$9,673 due to the timing of quantities we ship out and market prices;
- Combined departmental expenditures were favorable to budget by \$26,372; and
- Transfers to General Fund for shared services were lower than budget by \$13,506.

CONCLUSION

As noted in the opening paragraph, the actual to budget variance was favorable in the General, Electric, Gas and Sanitation Funds with weather and the delayed start-up of Blue Bell impacting the Water and Wastewater Funds. The City of Brenham's financial performance continues to be positive and no unusual or unanticipated trends are noted.

After you have reviewed this quarterly financial performance report, should you have any questions or comments prior to the council meeting, please do not hesitate to contact Terry Roberts, Lowell Ogle, Debbie Gaffey or me directly.

NOTE: The financial performance reports for the General Fund and five utility funds are attached to this memorandum, and are an integral part of the quarterly financial performance report.

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT A

TOTAL OPERATING RESOURCES

| ACTUAL VERSUS PRIOR YEAR | | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|------------------|-------------------------|------------------------------|----------------------|------------------|-------------------------|
| YTD ACT FY15 | YTD ACT FY16 | FAV/(UNFAV) VARIANCE | | YTD BUD FY16 | YTD ACT FY16 | FAV/(UNFAV) VARIANCE |
| REVENUES | | | | | | |
| 2,264,687 | 2,361,525 | 96,838 | PROPERTY TAX | 2,288,258 | 2,361,525 | 73,267 |
| (1,373,284) | (1,522,925) | (149,640) | - DEFERRED PROP TAX (1) | (1,475,676) | (1,522,925) | (47,249) |
| 1,222,206 | 1,237,616 | 15,410 | SALES TAX (2) | 1,140,083 | 1,237,616 | 97,533 |
| 657,193 | 536,920 | (120,273) | UTILITIES FRANCHISE TAX | 578,616 | 536,920 | (41,696) |
| 10,027 | 4,557 | (5,469) | OTHER TAXES | 6,820 | 4,557 | (2,262) |
| 2,780,828 | 2,617,694 | (163,134) | SUBTOTAL TAXES | 2,538,101 | 2,617,694 | 79,593 |
| 231,935 | 217,496 | (14,439) | LICENSES, PERMITS & FEES | 216,660 | 217,496 | 835 |
| 61,073 | 145,468 | 84,395 | MISCELLANEOUS | 93,033 | 145,468 | 52,434 |
| 16,182 | 16,631 | 449 | AQUATICS | 16,407 | 16,631 | 224 |
| 6,314 | 5,008 | (1,306) | ANIMAL CONTROL | 5,242 | 5,008 | (234) |
| 3,096,332 | 3,002,296 | (94,035) | TOTAL REVENUES | 2,869,444 | 3,002,296 | 132,852 |
| 922,538 | 740,301 | (182,237) | TRANSFERS-IN | 884,416 | 740,301 | (144,115) |
| 122,544 | 87,271 | (35,273) | INTERLOCAL AGREEMENTS | 87,782 | 87,271 | (511) |
| 4,141,413 | 3,829,868 | (311,545) | TOTAL OP RESOURCES | 3,841,642 | 3,829,868 | (11,775) |

(1) Approximately 70% of property tax revenue is collected in the first quarter. A portion is deferred to cover operating expenditures later in the year.

(2) Reflects October 2015 to December 2015 sales tax collected in December 2015 to February 2016.

EXHIBIT B

TOTAL USES OF OPERATING RESOURCES

| ACTUAL VERSUS PRIOR YEAR | | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|------------------|-------------------------|--------------------------------|----------------------|------------------|-------------------------|
| YTD ACT FY15 | YTD ACT FY16 | FAV/(UNFAV) VARIANCE | | YTD BUD FY16 | YTD ACT FY16 | FAV/(UNFAV) VARIANCE |
| EXPENDITURES | | | | | | |
| 3,319,161 | 3,552,389 | (233,228) | OPERATING DEPTS | 3,825,062 | 3,552,389 | 272,673 |
| 118,142 | 118,455 | (314) | NON-DEPT DIRECT | 118,713 | 118,455 | 258 |
| 12,936 | 7,890 | 5,046 | NON-DEPT MISC (3) | 14,522 | 7,890 | 6,632 |
| 3,450,239 | 3,678,734 | (228,495) | TOTAL EXPENDITURES | 3,958,297 | 3,678,734 | 279,563 |
| 0 | 0 | 0 | TRANSFERS-OUT | 0 | 0 | 0 |
| 3,450,239 | 3,678,734 | (228,495) | TOTAL USES OP RESOURCES | 3,958,297 | 3,678,734 | 279,563 |

(3) Excludes uncollectible accounts.

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT F

DEPARTMENT EXPENDITURES BY CATEGORY

| ACTUAL VERSUS PRIOR YEAR | | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|-----------|-------------|------------------|----------------------|-----------|-------------|
| YTD | YTD | FAV/(UNFAV) | | YTD | YTD | FAV/(UNFAV) |
| ACT FY15 | ACT FY16 | VARIANCE | EXPENSE CATEGORY | BUD FY16 | ACT FY16 | VARIANCE |
| 2,032,347 | 2,397,578 | (365,231) | PERSONNEL | 2,588,709 | 2,397,578 | 191,131 |
| 165,492 | 181,469 | (15,977) | SUPPLIES | 211,234 | 181,469 | 29,765 |
| 242,201 | 153,062 | 89,139 | MAINTENANCE | 154,374 | 153,062 | 1,312 |
| 528,589 | 498,235 | 30,354 | SERVICES | 518,462 | 498,235 | 20,227 |
| 74,791 | 31,855 | 42,936 | CAPITAL | 33,750 | 31,855 | 1,895 |
| 275,740 | 290,190 | (14,449) | SUNDRY | 318,534 | 290,190 | 28,344 |
| 3,319,161 | 3,552,389 | (233,228) | TOTAL | 3,825,062 | 3,552,389 | 272,673 |

EXHIBIT G

DEPARTMENT EXPENDITURES BY DEPARTMENT

| ACTUAL VERSUS PRIOR YEAR | | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|-----------|-------------|------------------------------------|----------------------|-----------|-------------|
| YTD | YTD | FAV/(UNFAV) | | YTD | YTD | FAV/(UNFAV) |
| ACT FY15 | ACT FY16 | VARIANCE | DEPARTMENT | BUD FY16 | ACT FY16 | VARIANCE |
| 265,404 | 242,443 | 22,961 | DEPT 121 - ADMINISTRATION | 264,461 | 242,443 | 22,017 |
| 104,947 | 102,868 | 2,078 | DEPT 122 - COMMUNITY DEVELOPMENT | 102,952 | 102,868 | 83 |
| 33,099 | 33,751 | (652) | DEPT 123 - HUMAN RESOURCES | 49,757 | 33,751 | 16,006 |
| 18,042 | 31,724 | (13,683) | DEPT 125 - MAIN STREET | 31,858 | 31,724 | 133 |
| 0 | 6,914 | (6,914) | DEPT 128 - ENGINEERING SERVICES | 46,565 | 6,914 | 39,651 |
| 109,978 | 145,173 | (35,195) | DEPT 131 - MAINTENANCE | 157,473 | 145,173 | 12,301 |
| 219,639 | 237,134 | (17,495) | DEPT 133 - FINANCE | 248,191 | 237,134 | 11,057 |
| 60,419 | 70,185 | (9,766) | DEPT 135 - PURCHASING/WAREHOUSE | 70,406 | 70,185 | 222 |
| 420,779 | 274,671 | 146,109 | DEPT 141 - STREETS | 298,324 | 274,671 | 23,653 |
| 210,981 | 231,779 | (20,798) | DEPT 144 - PARKS | 263,867 | 231,779 | 32,089 |
| 86,023 | 92,112 | (6,089) | DEPT 146 - LIBRARY | 94,490 | 92,112 | 2,378 |
| 33,737 | 17,130 | 16,607 | DEPT 148 - AIRPORT | 20,720 | 17,130 | 3,590 |
| 61,356 | 68,865 | (7,510) | DEPT 049 - COMMUNITY PRGRMS/MKTING | 72,039 | 68,865 | 3,173 |
| 100,686 | 126,771 | (26,084) | DEPT 149 - AQUATIC CENTER | 143,527 | 126,771 | 16,756 |
| 185,238 | 196,462 | (11,224) | DEPT 050 - CITY COMMUNICATIONS | 198,104 | 196,462 | 1,642 |
| 802,706 | 913,049 | (110,343) | DEPT 151 - POLICE | 964,223 | 913,049 | 51,174 |
| 332,555 | 399,857 | (67,302) | DEPT 152 - FIRE | 403,395 | 399,857 | 3,539 |
| 65,062 | 74,031 | (8,969) | DEPT 154 - ANIMAL SHELTER/CONTROL | 79,497 | 74,031 | 5,466 |
| 91,503 | 109,125 | (17,622) | DEPT 155 - MUNICIPAL COURT | 111,830 | 109,125 | 2,705 |
| 33,581 | 64,739 | (31,158) | DEPT 167 - GENERAL GOVT SERVICES | 72,022 | 64,739 | 7,283 |
| 83,427 | 113,607 | (30,180) | DEPT 172 - INFORMATION TECHNOLOGY | 131,360 | 113,607 | 17,753 |
| 3,319,161 | 3,552,389 | (233,228) | TOTAL | 3,825,062 | 3,552,389 | 272,673 |

**GENERAL FUND
1ST QUARTER PERFORMANCE**



EXHIBIT H

CAPITAL EXPENDITURE DETAIL

| ACTUAL VERSUS PRIOR YEAR | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|----------|-------------|----------------------|----------|-------------|
| YTD | YTD | FAV/(UNFAV) | YTD | YTD | FAV/(UNFAV) |
| ACT FY15 | ACT FY16 | VARIANCE | BUD FY16 | ACT FY16 | VARIANCE |
| ITEM | | | | | |
| 66,215 | 0 | 66,215 | 0 | 0 | 0 |
| 5,031 | 0 | 5,031 | 0 | 0 | 0 |
| 3,545 | 0 | 3,545 | 0 | 0 | 0 |
| 0 | 30,978 | (30,978) | 33,750 | 30,978 | 2,772 |
| 0 | 878 | (878) | 0 | 878 | (878) |
| 74,791 | 31,855 | 42,936 | 33,750 | 31,855 | 1,895 |
| TOTAL | | | | | |

EXHIBIT I

CAPITAL EXPENDITURE DETAIL - FUND 236 EQUIPMENT FUND

| ACTUAL VERSUS PRIOR YEAR | | | ACTUAL VERSUS BUDGET | | |
|--------------------------|----------|-------------|----------------------|----------|-------------|
| YTD | YTD | FAV/(UNFAV) | YTD | YTD | FAV/(UNFAV) |
| ACT FY15 | ACT FY16 | VARIANCE | BUD FY16 | ACT FY16 | VARIANCE |
| ITEM | | | | | |
| 10,780 | 0 | 10,780 | 0 | 0 | 0 |
| 29,936 | 0 | 29,936 | 0 | 0 | 0 |
| 23,206 | 0 | 23,206 | 0 | 0 | 0 |
| 24,321 | 0 | 24,321 | 0 | 0 | 0 |
| 0 | 6,878 | (6,878) | 150,000 | 6,878 | 143,122 |
| 0 | 909 | (909) | 0 | 909 | (909) |
| 0 | 43,676 | (43,676) | 200,000 | 43,676 | 156,324 |
| 88,243 | 51,463 | 36,780 | 350,000 | 51,463 | 298,537 |
| TOTAL | | | | | |

**CITY OF BRENHAM
ELECTRIC FUND FINANCIAL RESULTS
DECEMBER 31, 2015**

| 1ST QTR FY16 | | | ANNUAL FY16 | | |
|---|------------|-----------------|-------------|-------------|-----------------|
| BUDGET \$ | ACTUAL \$ | FAV/ (UNFAV) | BUDGET \$ | RAE \$ | FAV/ (UNFAV) |
| FUNDING RESOURCES FROM CURRENT OPERATIONS | | | | | |
| REVENUES | | | | | |
| 1,486,696 | 1,453,843 | (32,853) | 6,392,048 | 6,257,703 | (134,345) |
| 4,012,186 | 3,649,225 | (362,960) | 17,463,711 | 15,845,236 | (1,618,475) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 5,498,882 | 5,103,068 | (395,813) | 23,855,760 | 22,102,939 | (1,752,820) |
| 140,209 | 131,874 | (8,335) | 588,277 | 559,010 | (29,267) |
| 5,639,091 | 5,234,942 | (404,149) | 24,444,037 | 22,661,949 | (1,782,088) |
| TRANSFERS-IN (FOR SHARED SERVICES) | | | | | |
| TOTAL FUNDING RESOURCES | | | | | |
| USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| OPERATING EXPENDITURES | | | | | |
| DEPARTMENT EXPENDITURES (DEPTS 100, 110, 132, 160 & 161) | | | | | |
| 484,363 | 467,780 | 16,583 | 2,026,137 | 2,011,550 | 14,587 |
| 39,081 | 33,468 | 5,613 | 155,400 | 159,661 | (4,261) |
| 16,790 | 10,478 | 6,312 | 98,450 | 95,094 | 3,356 |
| 45,452 | 52,718 | (7,266) | 355,306 | 358,839 | (3,533) |
| 12,300 | 12,584 | (284) | 40,550 | 40,334 | 216 |
| 32,881 | 33,848 | (967) | 166,365 | 170,268 | (3,903) |
| 630,866 | 610,876 | 19,990 | 2,842,208 | 2,835,746 | 6,462 |
| 376,653 | 348,141 | 28,512 | 1,632,510 | 1,508,458 | 124,052 |
| 3,692,398 | 3,186,368 | 506,030 | 17,449,025 | 15,827,044 | 1,621,981 |
| 484,596 | 427,521 | 57,075 | 1,730,857 | 1,618,352 | 112,504 |
| 5,184,513 | 4,572,906 | 611,607 | 23,654,600 | 21,789,600 | 1,865,000 |
| 3,188 | 3,188 | 0 | 9,564 | 9,564 | 0 |
| 5,187,701 | 4,576,094 | 611,607 | 23,664,164 | 21,799,164 | 1,865,000 |
| FRANCHISE FEE (7% UTILITY REVENUES) | | | | | |
| ENERGY PURCHASE COSTS (LCRA) | | | | | |
| TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES) | | | | | |
| TOTAL OPERATING EXPENDITURES | | | | | |
| DEBT SERVICE | | | | | |
| TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| NET FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| 131,602 | 195,991 | 64,389 | 765,187 | 844,593 | 79,406 |
| 319,788 | 462,857 | 143,069 | 14,686 | 18,192 | 3,507 |
| 451,389 | 658,848 | 207,459 | 779,873 | 862,785 | 82,912 |
| TOTAL NET FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| 84,075 | 70,596 | 13,479 | 776,000 | 750,166 | 25,834 |
| 367,314 | 588,252 | 220,937 | 3,873 | 112,619 | 108,746 |
| RESERVE ESTIMATE | | | | | |
| 7,333,176 | 7,333,176 | 0 | 7,333,176 | 7,333,176 | 0 |
| 367,314 | 588,252 | 220,937 | 3,873 | 112,619 | 108,746 |
| 7,700,490 | 7,921,428 | 220,937 | 7,337,049 | 7,445,795 | 108,746 |
| 3,411,091 | 3,008,939 | 402,153 | 3,890,000 | 3,583,424 | 306,575 |
| 63,676,129 | 59,513,154 | (4,162,975) | 277,159,315 | 265,542,295 | (11,617,020) |
| \$0.0796 | \$0.0783 | (\$0.0012) | \$0.0796 | \$0.0764 | (\$0.0032) |
| 63,623,960 | 59,420,130 | 4,203,830 | 291,220,520 | 279,642,716 | 11,577,804 |
| \$0.0580 | \$0.0536 | \$0.0044 | \$0.0599 | \$0.0566 | \$0.0033 |

**CITY OF BRENHAM
GAS FUND FINANCIAL RESULTS
DECEMBER 31, 2015**

| 1ST QTR FY16 | | | ANNUAL FY16 | | |
|--|-----------|-----------------|-------------|-----------|-----------------|
| BUDGET \$ | ACTUAL \$ | FAV/ (UNFAV) | BUDGET \$ | RAE \$ | FAV/ (UNFAV) |
| FUNDING RESOURCES FROM CURRENT OPERATIONS | | | | | |
| REVENUES | | | | | |
| 311,526 | 279,210 | (32,316) | 1,387,303 | 1,311,008 | (76,295) |
| 307,013 | 198,688 | (108,325) | 1,547,540 | 866,709 | (680,831) |
| 618,539 | 477,898 | (140,641) | 2,934,843 | 2,177,718 | (757,125) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 618,539 | 477,898 | (140,641) | 2,934,843 | 2,177,718 | (757,125) |
| TRANSFERS-IN (USUALLY NONE) | | | | | |
| TOTAL FUNDING RESOURCES | | | | | |
| USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| OPERATING EXPENDITURES | | | | | |
| DEPARTMENT EXPENDITURES (DEPTS 100, 110 & 162) | | | | | |
| 92,620 | 88,414 | 4,206 | 386,394 | 382,188 | 4,206 |
| 5,206 | 3,447 | 1,759 | 21,790 | 20,031 | 1,759 |
| 13,175 | 3,223 | 9,952 | 35,350 | 25,398 | 9,952 |
| 9,822 | 8,068 | 1,754 | 53,465 | 51,711 | 1,754 |
| 8,910 | 8,877 | 33 | 8,910 | 8,877 | 33 |
| 3,587 | 2,807 | 780 | 17,060 | 16,280 | 780 |
| 133,319 | 114,837 | 18,483 | 522,969 | 504,486 | 18,483 |
| 43,060 | 33,179 | 9,881 | 204,471 | 151,436 | 53,035 |
| 363,998 | 217,575 | 146,423 | 1,443,399 | 851,677 | 591,723 |
| 97,182 | 81,528 | 15,654 | 364,065 | 329,729 | 34,336 |
| 41,211 | 38,495 | 2,716 | 173,488 | 164,159 | 9,330 |
| 678,770 | 485,614 | 193,157 | 2,708,392 | 2,001,487 | 706,905 |
| 678 | 678 | 0 | 2,033 | 2,033 | 0 |
| 679,448 | 486,292 | 193,157 | 2,710,426 | 2,003,520 | 706,905 |
| FRANCHISE FEE (7% UTILITY REVENUES) | | | | | |
| NATURAL GAS PURCHASE COSTS (ENERGY TRANSFER) | | | | | |
| TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES) | | | | | |
| TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES) | | | | | |
| TOTAL OPERATING EXPENDITURES | | | | | |
| DEBT SERVICE | | | | | |
| TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| NET FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| (3,924) | 10,493 | 14,417 | 120,276 | 159,165 | 38,888 |
| (56,986) | (18,887) | 38,099 | 104,141 | 15,033 | (89,108) |
| (60,910) | (8,394) | 52,516 | 224,417 | 174,197 | (50,220) |
| 25,825 | 19,671 | 6,154 | 213,750 | 207,596 | 6,154 |
| (86,735) | (28,065) | 58,670 | 10,667 | (33,399) | (44,066) |
| RESERVE ESTIMATE | | | | | |
| 1,502,026 | 1,502,026 | 0 | 1,502,026 | 1,502,026 | 0 |
| (86,735) | (28,065) | 58,670 | 10,667 | (33,399) | (44,066) |
| 1,415,291 | 1,473,961 | 58,670 | 1,512,693 | 1,468,627 | (44,066) |
| 446,760 | 319,753 | 127,007 | 445,549 | 329,346 | 116,204 |
| 84,779 | 67,723 | (17,056) | 410,671 | 375,690 | (34,981) |
| \$5.38 | \$4.68 | (\$0.70) | \$5.56 | \$4.07 | (\$1.49) |
| 118,101 | 88,817 | 29,284 | 441,759 | 371,374 | 70,386 |
| \$3.08 | \$2.45 | \$0.63 | \$3.27 | \$2.29 | \$0.97 |

**CITY OF BRENHAM
WATER FUND FINANCIAL RESULTS
DECEMBER 31, 2015**

| 1ST QTR FY16 | | | ANNUAL FY16 | | |
|--|-------------|-----------------|-------------|-------------|-----------------|
| BUDGET \$ | ACTUAL \$ | FAV/ (UNFAV) | BUDGET \$ | RAE \$ | FAV/ (UNFAV) |
| FUNDING RESOURCES FROM CURRENT OPERATIONS | | | | | |
| REVENUES | | | | | |
| 1,094,825 | 1,037,827 | (56,999) | 4,220,874 | 3,923,682 | (297,192) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 1,094,825 | 1,037,827 | (56,999) | 4,220,874 | 3,923,682 | (297,192) |
| USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| OPERATING EXPENDITURES | | | | | |
| <i>DEPARTMENT EXPENDITURES (DEPTS 100, 110, 163, 164)</i> | | | | | |
| 164,051 | 161,244 | 2,808 | 685,933 | 675,297 | 10,636 |
| 92,204 | 90,017 | 2,187 | 327,350 | 325,163 | 2,187 |
| 73,763 | 89,603 | (15,840) | 256,439 | 272,279 | (15,840) |
| 66,410 | 63,943 | 2,467 | 300,952 | 298,485 | 2,467 |
| 39,188 | 13,411 | 25,777 | 40,788 | 15,012 | 25,777 |
| 9,175 | 7,019 | 2,156 | 32,400 | 30,243 | 2,156 |
| 444,792 | 425,238 | 19,554 | 1,643,862 | 1,616,480 | 27,382 |
| 74,527 | 70,720 | 3,807 | 286,983 | 266,363 | 20,621 |
| 74,025 | 74,025 | 0 | 296,100 | 296,100 | 0 |
| 101,559 | 77,161 | 24,398 | 386,260 | 341,933 | 44,327 |
| 52,003 | 49,185 | 2,818 | 217,594 | 206,496 | 11,098 |
| 746,906 | 696,329 | 50,577 | 2,830,799 | 2,727,372 | 103,427 |
| 204,996 | 204,996 | 0 | 818,886 | 818,886 | 0 |
| 951,901 | 901,325 | 50,577 | 3,649,685 | 3,546,258 | 103,427 |
| 142,924 | 136,502 | (6,422) | 571,188 | 377,424 | (193,765) |
| 45,501 | 58,904 | (13,403) | 1,219,081 | 1,232,483 | (13,403) |
| 97,422 | 77,598 | (19,825) | (647,892) | (855,060) | (207,167) |
| RESERVE ESTIMATE | | | | | |
| 1,702,771 | 1,702,771 | 0 | 1,702,771 | 1,702,771 | 0 |
| 97,422 | 77,598 | (19,825) | (647,892) | (855,060) | (207,167) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 1,800,193 | 1,780,369 | (19,825) | 1,054,879 | 847,711 | (207,167) |
| 625,908 | 592,652 | 33,256 | 599,948 | 582,947 | 17,002 |
| 207,570,146 | 196,960,600 | (10,609,546) | 804,681,753 | 751,208,235 | (53,473,518) |

**CITY OF BRENHAM
WASTEWATER FUND FINANCIAL RESULTS
DECEMBER 31, 2015**

| 1ST QTR FY16 | | | ANNUAL FY16 | | |
|---|-----------|-----------------|-------------|-----------|-----------------|
| BUDGET \$ | ACTUAL \$ | FAV/ (UNFAV) | BUDGET \$ | RAE \$ | FAV/ (UNFAV) |
| FUNDING RESOURCES FROM CURRENT OPERATIONS | | | | | |
| REVENUES | | | | | |
| 854,981 | 781,723 | (73,258) | 3,435,622 | 3,259,138 | (176,484) |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 854,981 | 781,723 | (73,258) | 3,435,622 | 3,259,138 | (176,484) |
| TRANSFERS-IN | | | | | |
| TOTAL FUNDING RESOURCES | | | | | |
| USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| OPERATING EXPENDITURES | | | | | |
| DEPARTMENT EXPENDITURES <i>(DEPTS 100, 110, 165, 166)</i> | | | | | |
| 109,307 | 97,248 | 12,059 | 454,230 | 442,171 | 12,059 |
| 33,831 | 30,079 | 3,752 | 131,955 | 128,203 | 3,752 |
| 60,340 | 51,068 | 9,272 | 175,600 | 166,328 | 9,272 |
| 91,311 | 89,601 | 1,710 | 576,215 | 574,505 | 1,710 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 21,900 | 21,532 | 368 | 33,300 | 32,932 | 368 |
| 316,689 | 289,529 | 27,160 | 1,371,300 | 1,344,140 | 27,160 |
| FRANCHISE FEE <i>(7% UTILITY REVENUES)</i> | | | | | |
| 57,727 | 52,255 | 5,472 | 232,362 | 219,905 | 12,457 |
| TRANSFERS TO GENERAL FUND <i>(FOR SHARED SERVICES)</i> | | | | | |
| 64,256 | 48,761 | 15,495 | 244,426 | 216,319 | 28,106 |
| TRANSFERS TO ELECTRIC FUND <i>(FOR SHARED SERVICES)</i> | | | | | |
| 28,148 | 26,623 | 1,525 | 117,780 | 111,773 | 6,007 |
| 466,820 | 417,168 | 49,652 | 1,965,868 | 1,892,137 | 73,731 |
| TOTAL OPERATING EXPENDITURES | | | | | |
| 336,392 | 336,392 | 0 | 1,344,297 | 1,344,297 | 0 |
| DEBT SERVICE | | | | | |
| 803,211 | 753,560 | 49,652 | 3,310,165 | 3,236,434 | 73,731 |
| TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| 51,770 | 28,164 | (23,606) | 125,457 | 22,704 | (102,753) |
| NET FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| 7,000 | 9,881 | (2,881) | 129,693 | 132,574 | (2,881) |
| CAPITAL FUNDING REQUIREMENTS | | | | | |
| NET FUNDING RESOURCES ABOVE/(BELOW) CAPITAL REQUIREMENTS | | | | | |
| 44,770 | 18,283 | (26,487) | (4,236) | (109,870) | (105,634) |
| RESERVE ESTIMATE | | | | | |
| BEGINNING BALANCE <i>(BEGINNING ON A WORKING CAPITAL BASIS, OCT 1, 2015)</i> | | | | | |
| 315,346 | 315,346 | 0 | 315,346 | 315,346 | 0 |
| NET FUNDING RESOURCES ABOVE/(BELOW) CAPITAL REQUIREMENTS | | | | | |
| 44,770 | 18,283 | (26,487) | (4,236) | (109,870) | (105,634) |
| ENDING BALANCE | | | | | |
| 360,116 | 333,629 | (26,487) | 311,110 | 205,476 | (105,634) |
| 60-DAY RESERVE CALC <i>(TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL/365 X</i> | | | | | |
| 528,139 | 495,491 | 32,648 | 544,137 | 532,017 | 12,120 |

**CITY OF BRENHAM
SANITATION FUND FINANCIAL RESULTS
DECEMBER 31, 2015**

| 1ST QTR FY16 | | | ANNUAL FY16 | | |
|---|-----------|-----------------|-------------|-----------|-----------------|
| BUDGET \$ | ACTUAL \$ | FAV/ (UNFAV) | BUDGET \$ | RAE \$ | FAV/ (UNFAV) |
| FUNDING RESOURCES FROM CURRENT OPERATIONS | | | | | |
| REVENUES | | | | | |
| 254,948 | 256,032 | 1,084 | 1,019,789 | 1,023,933 | 4,144 |
| 105,367 | 120,803 | 15,436 | 433,475 | 481,722 | 48,247 |
| 29,014 | 19,341 | (9,673) | 122,057 | 101,219 | (20,838) |
| 242,622 | 249,634 | 7,012 | 969,906 | 991,464 | 21,558 |
| 631,951 | 645,810 | 13,859 | 2,545,228 | 2,598,337 | 53,109 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 631,951 | 645,810 | 13,859 | 2,545,228 | 2,598,337 | 53,109 |
| TRANSFERS-IN | | | | | |
| TOTAL FUNDING RESOURCES | | | | | |
| USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| OPERATING EXPENDITURES | | | | | |
| DEPARTMENT EXPENDITURES (DEPTS 100, 110, 042, 043, 140, 142) | | | | | |
| 146,092 | 145,226 | 866 | 610,765 | 599,823 | 10,942 |
| 37,487 | 29,550 | 7,937 | 269,659 | 262,704 | 6,955 |
| 33,225 | 23,947 | 9,278 | 140,050 | 130,772 | 9,278 |
| 201,391 | 192,530 | 8,861 | 843,338 | 834,477 | 8,861 |
| 15,000 | 15,530 | (530) | 15,000 | 15,530 | (530) |
| 12,000 | 12,040 | (40) | 19,850 | 19,890 | (40) |
| 445,195 | 418,824 | 26,372 | 1,898,662 | 1,863,197 | 35,465 |
| 14,798 | 14,911 | (113) | 59,150 | 60,150 | (1,000) |
| 83,836 | 70,330 | 13,506 | 314,068 | 284,446 | 29,622 |
| 18,847 | 17,571 | 1,276 | 79,415 | 75,111 | 4,304 |
| 562,676 | 521,636 | 41,040 | 2,351,295 | 2,282,904 | 68,391 |
| 1,183 | 1,183 | 0 | 3,550 | 3,550 | 0 |
| 563,860 | 522,819 | 41,040 | 2,354,845 | 2,286,453 | 68,391 |
| 68,091 | 122,991 | 54,899 | 190,383 | 311,884 | 121,501 |
| 0 | 0 | 0 | 314,500 | 314,500 | 0 |
| 68,091 | 122,991 | 54,899 | (124,117) | (2,616) | 121,501 |
| DEBT SERVICE | | | | | |
| TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| NET FUNDING RESOURCES BEFORE CAPITAL REQUIREMENTS | | | | | |
| CAPITAL FUNDING REQUIREMENTS | | | | | |
| NET FUNDING RESOURCES ABOVE/(BELOW) CAPITAL REQUIREMENTS | | | | | |
| RESERVE ESTIMATE | | | | | |
| 968,346 | 968,346 | 0 | 968,346 | 968,346 | 0 |
| 68,091 | 122,991 | 54,899 | (124,117) | (2,616) | 121,501 |
| 1,036,437 | 1,091,337 | 54,899 | 844,229 | 965,730 | 121,501 |
| 370,757 | 343,772 | 26,985 | 387,098 | 375,855 | 11,242 |



AGENDA ITEM 9

| | | |
|--|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: March 31, 2016 | |
| DEPT. OF ORIGIN: Development Services | SUBMITTED BY: Erik Smith | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input checked="" type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-16-013 Providing for an Amendment to the City of Brenham’s “Envision 2020” Comprehensive Plan Future Land Use Map to Change the Designation from Single Family Residential Use to Commercial/Retail Use on Certain Land Described Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Said Land Being Bounded on the North by Rucker Street, on the East by North Park Street, on the South by West Blue Bell Road, and on the West by Ewing Street, in Brenham, Washington County, Texas | | |
| SUMMARY STATEMENT: This is a request for an amendment to the “Envision 20/20” Comprehensive Plan. The specific parcel is a tract of land located on the northwest corner of the intersection of North Park Street and West Blue Bell Road described as lots 1, 2, 4, 6, 8, 10, and 12, Block 9, out of the Washington Terrace subdivision plat and being lots 3A, 7A and 11A out of the replat of block “9” Washington Terrace Addition subdivision plat out of the A. Harrington Survey, A-55 in Brenham, Washington County, Texas. The current district as designated by the Comprehensive Plan is Single Family. The City of Brenham is requesting the Comprehensive Plan be amended to designate this block as a Commercial/Retail District. This would align the two documents for both existing zoning and a requested zoning amendment. The Comprehensive Plan is a document the City uses to help guide planning and future zoning changes for future growth. To follow best practices it would be ideal to change the comprehensive plan when a rezoning request is made so the two maps do not conflict with one another. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: Keeps the Comprehensive Plan Map and Zoning Map from conflicting with one another. | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Resolution No. R-16-013 | | |
| FUNDING SOURCE (Where Applicable): | | |

RECOMMENDED ACTION: Approve Resolution No. R-16-013 providing for an amendment to the City of Brenham's "Envision 2020" Comprehensive Plan Future Land Use Map to change the designation from Single Family Residential Use to Commercial/Retail Use on certain land described Block 9, Washington Terrace Addition, out of the A. Harrington Survey, A-55, said land being bounded on the North by Rucker Street, on the East by North Park Street, on the South by West Blue Bell Road, and on the West by Ewing Street, in Brenham, Washington County, Texas

APPROVALS: Terry K. Roberts

RESOLUTION NO. R-16-013

RESOLUTION PROVIDING FOR THE AMENDMENT OF THE FUTURE LAND USE MAP OF THE CITY OF BRENHAM ENVISION 2020 COMPREHENSIVE PLAN.

WHEREAS, the City of Brenham currently has a comprehensive plan entitled City of Brenham “Envision 2020” Comprehensive Plan; and

WHEREAS, the Envision 2020 Comprehensive Plan includes a Future Land Use Map which guides future development of the City; and

WHEREAS, certain land described as Block 9, Washington Terrace Addition, out of the A. Harrington Survey, A-55, is designated as single family residential use on the Future Land Use Map;

WHEREAS, the City of Brenham desires to amend the Future Land Use Map to designate said property described as Block 9, Washington Terrace Addition, out of the A. Harrington Survey, A-55, as commercial/retail use for future development;

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

1. That the City of Brenham Envision 2020 Comprehensive Plan Future Land Use Map is hereby amended to designate the land described as Block 9, Washington Terrace Addition, out of the A. Harrington Survey, A-55, as commercial/retail use for future development, said land being bounded on the north by Rucker Street, on the east by North Park Street, on the south by West Blue Bell Street, and on the west by Ewing Street in Brenham, Washington County, Texas
2. That the Mayor is authorized to execute any documentation necessary to implement this Resolution.

ADOPTED this _____ day of _____, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary



AGENDA ITEM 10

| | | |
|--|---|---|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: March 31, 2016 |
| DEPT. OF ORIGIN: Development Services | | SUBMITTED BY: Erik Smith |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input checked="" type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District From a Single Family Residential Use (R-1) District to a Local Business/Residential Mixed Use (B-1) District on a Tract of Land Described as Lot 7A and Lot 11A, Block 9, Washington Terrace Addition, Out of the A. Harrington Survey, A-55, Located at the Southeast Intersection of Ewing Street and Rucker Street in Brenham, Washington County, Texas | | |
| SUMMARY STATEMENT: Kolkhorst Investments LLC has requested a rezoning of two tracts of land to be changed from the existing R-1 Single Family District to B-1 Local Business/Residential Mixed Use. The remainder of the lots on this particular block are all currently zoned B-1. Changing the remaining two lots would give the applicant the same type of zoning for the entire block and would allow them to develop the property under one zoning district. The biggest impact two districts would have on this applicant is the buffer separation of up to 30 feet from any use considered business. | | |
| <u>Comprehensive Plan Compliance</u> The Envision 20/20 Comprehensive Plan lists these lots as single family along with the entirety of the block. The current zoning for this property is R-1 – Single Family District. Staff has placed a comprehensive plan amendment on the agenda prior to this item to amend the document so there would not be a compatibility issue between the two documents. Both of these issues are on the agenda as requests to align the documents so there is not conflict. | | |
| <u>Thoroughfare Plan Compliance</u> Ewing Street is a local residential. Rucker Street is a local residential. W. Blue Bell Road is a minor arterial. N. Park Street is a minor arterial. | | |

Public Concerns

Staff has received two phone calls from neighboring property owners who were opposed to this request. At the Planning and Zoning meeting there were additional residents that did show up to voice concern about this request. They asked about the process to file a protest in opposition of this request and staff provided them with that information. At the time of this staff report no protest has been received.

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS: Continuous zoning district for a commercial block to allow for orderly development.

B. CONS: Neighboring property owners have voiced clear concern for the zoning change affecting their properties.

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: (1) Ordinance

FUNDING SOURCE (Where Applicable): N/A

RECOMMENDED ACTION: Approve an Ordinance on its first reading amending the official Zoning Map of the City of Brenham, to change the Zoning District from a Single Family Residential Use (R-1) District to a Local Business/Residential Mixed Use (B-1) District on a tract of land described as Lot 7A and Lot 11A, Block 9, Washington Terrace Addition, out of the A. Harrington Survey, A-55, located at the southeast intersection of Ewing Street and Rucker Street in Brenham, Washington County, Texas

APPROVALS: Terry K. Roberts

ORDINANCE NO. _____

AN ORDINANCE AMENDING APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, CHANGING THE OFFICIAL ZONING MAP FROM A RESIDENTIAL (R-1) DISTRICT TO A LOCAL BUSINESS/RESIDENTIAL MIXED USE (B-1) DISTRICT FOR LOT 7A AND LOT 11A, BLOCK 9, WASHINGTON TERRACE ADDITION REPLAT OF LOTS 3, 5, 7, 9, & 11, OUT OF THE A. HARRINGTON SURVEY, A-55, IN BRENHAM, WASHINGTON COUNTY, TEXAS.

WHEREAS, the City of Brenham has adopted Appendix A – “Zoning” of the City of Brenham Code of Ordinances, as amended, which divides the City of Brenham into various zoning districts; and

WHEREAS, Appendix A – “Zoning” of the City of Brenham Code of Ordinance authorizes the City Council to grant zoning amendments within the various zoning districts; and

WHEREAS, this amendment was recommended for approval by the City of Brenham Planning and Zoning Commission during its regular meeting on March 28, 2016; and

WHEREAS, this amendment is in compliance with the City of Brenham’s “Envision 2020” Comprehensive Plan; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF BRENHAM, TEXAS, THAT APPENDIX A - "ZONING" OF THE CODE OF ORDINANCES OF THE CITY OF BRENHAM, TEXAS, AND THE OFFICIAL ZONING MAP BE AMENDED IN THE FOLLOWING MANNER:

SECTION 1. That Appendix A - "Zoning" of the Code of Ordinances of the City of Brenham, Texas, and the Official Zoning Map of the City of Brenham is hereby amended by changing the zoning from a Residential (R-1) District to a Local/Residential Mixed Use (B-1) District for Lot 7A and Lot 11A, Block 9, Washington Terrance Addition Replat of Lots 3, 5, 7, 9 & 11, out of the A. Harrington Survey, A-55, in Brenham, Washington County, Texas, said land being more particularly described on Exhibit “A” attached hereto and incorporated herein for all purposes.

SECTION 2. This Ordinance shall take effect as provided by the Charter of the City of Brenham, Texas.

PASSED and APPROVED on its first reading this the 7th day of April, 2016.

PASSED and APPROVED on its second reading this the 21st day of April, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

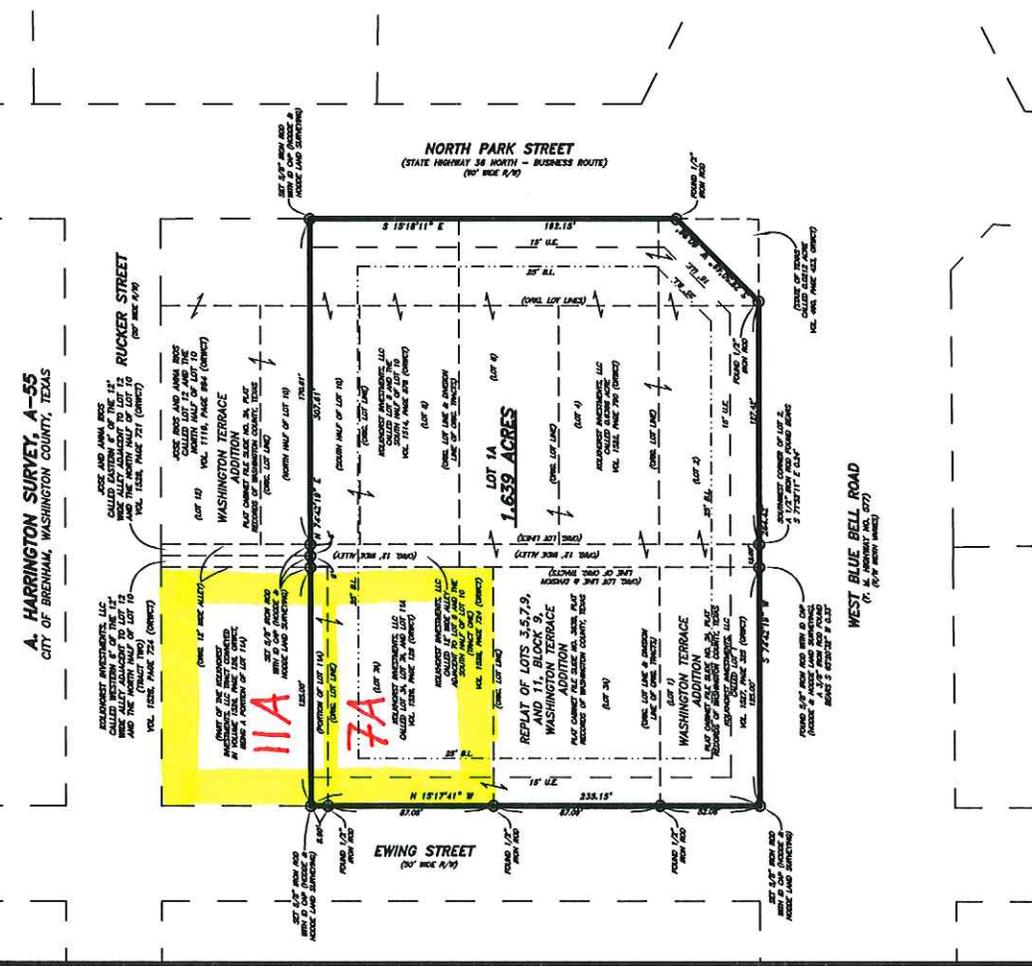
Jeana Bellinger, TRMC
City Secretary



NOTES:

1. THE BEARINGS SHOWN HEREON ARE RELATIVE TO TRUE NORTH AS OBTAINED BY GPS OBSERVATIONS, OBSERVED AT LATITUDE: 30°19'43.5" N - LONGITUDE: 98°23'56.5" W (45-0-00).
2. ALL LOTS ARE TO BE CONVEYED TO THE BUYER WITH A 10% INSURANCE RATE MAP (IRM) AS COMPILED BY THE FEDERAL BUREAU OF SURVEYING, WASHINGTON, D.C., ON OR AFTER AUGUST 18, 2011, CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS.
3. SUBJECT TO EASEMENTS, CONDITIONS, COVENANTS AND RESTRICTIONS APPLICABLE TO THE CITY OF BRENHAM, TEXAS AND TO THE CITY OF BRENHAM, TEXAS, THE CITY OF BRENHAM, TEXAS, AND ANY OF RECORD WHICH MAY BE APPLICABLE.
4. THIS SURVEY WAS PERFORMED IN CONJUNCTION WITH WASHINGTON COUNTY ABSTRACT COMPANY (STEWART TITLE COMPANY) TITLE REPORT FILE REFERENCED AS WASHINGTON COUNTY ABSTRACT COMPANY (STEWART TITLE COMPANY) TITLE REPORT FILE NO. 150328, AND BEING AN UPDATED TITLE REPORT FOR WASHINGTON COUNTY ABSTRACT COMPANY TITLE COMMITMENT FILE NOS. 150327, AND 150111.
5. (CIVIL) DENOTES OFFICIAL RECORDS OF WASHINGTON COUNTY, TEXAS. (P/M/C) DENOTES PLAT RECORDS OF WASHINGTON COUNTY, TEXAS.

SCALE: 1" = 40'



CERTIFICATION

THE STATE OF TEXAS
COUNTY OF WASHINGTON

I, RICHARD W. HODDE, REGISTERED PROFESSIONAL LAND SURVEYOR, NO. 6432 OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS SURVEY WAS MADE IN ACCORDANCE WITH AN ACTUAL SURVEY MADE ON THE GROUND UNDER MY PERSONAL DIRECTION AND SUPERVISION.

DATED THIS 17TH DAY OF FEBRUARY, 2016, A.D.

(PRELIMINARY)
RICHARD W. HODDE, RP/LS NO. 6432
10010800
HODDE & HODDE LAND SURVEYING, INC.
613 E. BLUE BELL ROAD, BRENHAM, TEXAS 77833
(979)-836-5881 (Fax)
(979)-836-5881 (Cell)
TELEPHONE NO. 10010800

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TELEPHONE NO. 10010800

REPLAT OF KOLKHORST SUBDIVISION
(FOR REPLAT LEGAL DESCRIPTION SEE "SURVEY MAP" SHOWN HEREIN)
CITY OF BRENHAM, WASHINGTON COUNTY, TEXAS
CONSISTING OF 1 COMMERCIAL LOT (1.639 ACRES)
DATE: FEBRUARY 17, 2016

816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

Hodde & Hodde Land Surveying, Inc.
Professional Land Surveying
613 E. Blue Bell Road, Brenham, Texas 77833
979-836-5881 • 979-836-5883 (Fax)
www.hoddesurveying.com



AGENDA ITEM 11

| | | |
|--|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: March 30, 2016 | |
| DEPT. OF ORIGIN: Finance | SUBMITTED BY: Carolyn D. Miller | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input checked="" type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-16-014 Amending the Investment Policy for the City of Brenham | | |
| <p>SUMMARY STATEMENT: In working with our new depository bank, Bank of Brenham, and with Linda Patterson of Patterson & Associates, we identified several revisions to our Investment Policy. The sections and changes are noted below.</p> <p>Section VI. Suitable and Authorized Investments <u>Authorized Investments</u> – this section is being revised to remove more sophisticated investments that do not match the City’s practices.</p> <p>Section VII. Investment Parameters <u>Diversification</u> – this section is being revised to remove the diversification percentages to allow the City flexibility to allocate funds between the authorized investments.</p> <p>Section VIII. Selection of Banks and Dealers <u>Depository</u> – this section is being revised for the recent amendment to the City of Brenham Charter whereby the selection of a depository bank was changed from every two (2) years to every five (5) years.</p> <p>We are asking Council to reauthorize the proposed policy with changes as noted.</p> | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Redline Version of Policy; and Resolution No. R-16-014 | | |

FUNDING SOURCE (Where Applicable):

RECOMMENDED ACTION: Approve Resolution No. R-16-014 amending the Investment Policy for the City of Brenham dated April 7, 2016.

APPROVALS: Terry K. Roberts



INVESTMENT POLICY

I. POLICY

It is the policy of the City of Brenham that all available funds shall be invested in conformance with these legal and administrative guidelines with consideration for anticipated cash flow requirements and consideration of the safety and risk of investments. The City shall seek to optimize interest earnings to the extent possible based on these risk parameters.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to City of Brenham funds. The City of Brenham's investment portfolio shall be designed and managed in a manner designed to obtain the highest reasonable earnings from this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the primary objectives of:

- **Safety** and preservation of principal
- Maintenance of sufficient **liquidity** to meet operating needs
- Diversification to avoid concentrated risk
- **Public trust** from prudent investment activities
- Optimization of **interest earnings** on the portfolio

The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City of Brenham's funds. This Policy serves to satisfy the statutory requirements of the Public Funds Investment Act, the "Act", (Texas Government Code, Chapter 2256) in defining and adopting a formal investment policy and strategy. The policy and strategy shall be reviewed by the Audit / Investment Committee and adopted by resolution of the City Council no less than annually. Any modifications to the Policy will be noted in the written resolution.

II. SCOPE

This Investment Policy shall govern the investment of all financial assets of the City of Brenham. These funds are accounted for in the City of Brenham's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Enterprise Funds
- Trust and Agency Funds, to the extent not required by law or existing contract to be kept segregated and managed separately
- Debt Service Funds, including reserves and sinking funds, to the extent not required by law or existing contract to be kept segregated and managed separately
- Brenham Community Development Corporation Funds
- Internal Service Funds
- Self-Insurance Funds
- Any new fund created by the City of Brenham, unless specifically exempted from this Policy by the City Council or by law.

The City of Brenham may consolidate cash balances from all funds for investment purposes and efficiencies. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The consolidated portfolio will address the varying needs, goals, and objectives of each fund.

This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds. However, this Policy does not apply to the assets administered for the benefit of the City of Brenham by outside agencies or under deferred compensation programs.

III. INVESTMENT OBJECTIVES

The City of Brenham shall manage and invest its cash with five primary objectives, listed in order of priority: **safety, liquidity, diversification, public trust, and yield**. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The City of Brenham shall maintain a comprehensive cash management program, which includes timely collection of account receivables, vendor payments in accordance with invoice terms, and prudent investment of funds. Cash management is defined as the process of managing monies in order to ensure cash availability and reasonable market earnings on the City's assets.

INVESTMENT POLICY

SAFETY

Safety of principal is the foremost objective of the investment program. Investments of the City of Brenham shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Competitive bidding and perfected ownership of investments will be in place at all times. The objective will be to mitigate credit and interest rate risk. Each investment transaction shall be conducted in a manner to control the risk of capital loss by investing in high credit quality securities.

- Credit Risk – The Entity will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:
 - Limiting investments to the highest credit quality investments
 - Pre-qualifying the financial institutions and broker/dealers with which the City of Brenham transacts business
 - Perfecting City ownership by delivery versus payment settlement, and
 - Diversifying the investment portfolio so that potential credit or market risk is minimized.
- Market Risk – the City will minimize the risk from interest rate volatility by:
 - Structuring the investment portfolio to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
 - Investing operating funds in laddered securities and maintaining a liquidity portion to cover unanticipated expenses.

LIQUIDITY

The City of Brenham investment portfolio shall be structured in a ladder of maturities to match expected liabilities along with a liquidity portion to meet unanticipated liabilities. Securities will have active secondary markets.

PUBLIC TRUST

All participants in the City of Brenham’s investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City of Brenham’s ability to govern effectively.

DIVERSIFICATION

The portfolio will be diversified by market sector and maturity based on the cash flow and risk tolerances of the City.

YIELD

The City of Brenham investment portfolio shall be designed with the objective of attaining a reasonable market yield throughout budgetary and economic cycles, taking into account the City’s investment risk constraints and the cash flow characteristics of the portfolio. Yield is secondary to the safety and liquidity objectives described above.

INVESTMENT POLICY

Based upon the cash flow of the City the maximum dollar- weighted average maturity of the consolidated portfolio shall be six months. The benchmark used to determine whether reasonable yields are being achieved shall be the six month U.S. Treasury Bill.

IV. INVESTMENT STRATEGY

The City of Brenham maintains a consolidated portfolio which is designed to address the unique characteristics of the fund groups represented in the portfolio.

Operating Funds: The primary objective for operating funds is to assure anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high credit quality, short to medium term securities in a ladder structure. The maximum dollar weighted average maturity of six months reflects the expenditure cash flow of operating funds and will be calculated using the stated final maturity dates of each security.

Capital Project Funds: Funds for capital projects or special purposes should be invested based on anticipated cash flows and allow for flexibility and unanticipated project outlays. At no time will the stated final maturity dates of investments exceed the estimated project completion date on capital project funds.

Debt Service Funds: Debt service funds shall be invested with the primary objective of funding debt service obligations on the required payment date. Priority will be given to funding the next debt service due before any extensions are made in the funds.

Debt Service Reserve Funds: Debt Service Reserves should be invested to generate a dependable revenue stream from securities with a low degree of volatility. Securities should be short to medium term maturities and of high credit quality.

The City primarily utilizes a passive “buy and hold” portfolio strategy. Maturity dates are primarily matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- Cash flow needs require that the investment be liquidated.
- Market conditions present an opportunity to benefit from the trade.

INVESTMENT POLICY

V. RESPONSIBILITY AND CONTROL

CITY COUNCIL RESPONSIBILITIES

The City Council, in accordance with the Act, shall:

- Designate Investment Officers by resolution
- Receive and review quarterly investment reports
- Annually review and approve the City's broker/financial institution certification list – *As noted in Section VIII, the governing body has designated this responsibility to the Audit & Investment Committee*
- Review and adopt the investment policy and strategy at least annually
- Provide for investment training for investment officers

INVESTMENT OFFICERS

The Chief Financial Officer and the City Manager are hereby designated as "Investment Officers" pursuant to the Act. Investment Officers are delegated authority to invest the funds on behalf of the City and such authorization shall remain in effect until rescinded by the City Council or until the Officer resigns or is terminated. The Investment Officers are authorized to execute investment transactions on behalf of the City. No person may engage in an investment transaction or the management of City of Brenham funds except as provided under the terms of this Investment Policy as approved by the City Council.

Investment Officers shall:

- Obtain training as defined by the Act and this Policy
- Prepare, sign, and submit quarterly investment reports to Council
- Maintain compliance files on all counter-parties (brokers) and provide the list for Council approval at least annually
- Provide for competitive bidding
- Disclose personal business relationships in accordance with policy
- Maintain full and complete records of the City's portfolio and transactions.

QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT

The Investment Officers shall obtain training in investments. The seminars should be offered by professional organizations, associations, and other independent sources approved by Council. The training is to insure the quality and capability of investment management in compliance with the Act.

In accordance with the Act, the designated Investment Officers shall attend 10 hours of investment training session within 12 months of their designation and every successive two fiscal years shall attend eight hours of training. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within twelve months of the date the officer took office or assumed the officer's duties. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom the City of Brenham may engage in an investment transaction.

INTERNAL CONTROLS

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Chief Financial Officer shall establish a process for a compliance audit on policies and procedures. The internal controls shall address the following points at a minimum.

- Control of collusion.
- Separation of transactions authority from accounting and record keeping.
- Custodial safekeeping.
- Clear delegation of authority to subordinate staff members.
- Written confirmation for all transactions for investments and wire transfers.
- Review of wire transfer agreements with the depository bank or third party custodian.
- Review of compliance with the Act and this Policy.

The Chief Financial Officer shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within three days after notification of the loss of the required rating.

PRUDENCE

The standard of prudence to be applied to all transactions shall be the "prudent person rule". This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the City's control, over which the Officer had responsibility rather than a consideration as to the prudence of a single investment.
- Whether the investment decision was consistent with the written approved Investment Policy of the City.

INVESTMENT POLICY

INDEMNIFICATION

The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally liable for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively. Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions.

Council members, employees and Investment Officers shall disclose to the Texas Ethics Commission and the City Manager, and the City Manager discloses to the City Council if:

- a) The officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
- b) The officer is related within the second degree by affinity of consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City; or
- c) The officer has any material interests in financial institutions with which they conduct business; or
- d) The officer has any personal financial/investment positions that could be related to the performance of the investment portfolio.

Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City of Brenham.

VI. SUITABLE AND AUTHORIZED INVESTMENTS

City funds may be invested only in the instruments described below, all of which are authorized and further defined by the Act. The City will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

I. AUTHORIZED INVESTMENTS

1. Obligations of the United States of America, its agencies and instrumentalities with stated maturities not to exceed three (3) excluding mortgage backed securities.
2. Obligations of the this State or any State or agency thereof including political subdivisions having been rated as investment quality by two nationally recognized investment rating firm, and having received a rating of not less that "AA" or its equivalent with maturities not to exceed three (3) years.

INVESTMENT POLICY

3. Fully insured or collateralized Certificates of Deposit issued by a bank doing business in Texas insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner provided for by this Policy and state law with maturities not to exceed 12 months.

4. Constant dollar, local government investment pools, which 1) are created under and conform to the requirements of the Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, 3) seek to maintain a \$1.00 net asset value, and 4) are authorized by resolution or ordinance by the City Council.

5. Fully insured or collateralized interest bearing or money market account in any bank in Texas.

II. UN-AUTHORIZED INVESTMENTS

The Act and this Policy prohibits investment in the following investment instruments:

- Obligations whose payment represents the coupon payments of the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal (Interest Only mortgage backed securities);
- Obligations whose payment represents the principal stream of cash flow from underlying mortgage-backed security collateral and bear no interest (Principal only mortgage backed securities);
- Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years;
- Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index; and

The practice of “leveraging” whereby funds are borrowed for the sole purpose of investing is prohibited.

VII. INVESTMENT PARAMETERS

MAXIMUM MATURITIES

The longer the maturity of investments, the greater their price volatility; therefore, it is the City’s policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

The City shall attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than three (3) years from the date of purchase; however, the above described obligations, certificates, or agreements may be collateralized using longer dated investments.

Deleted: <#>Fully collateralized direct repurchase agreements as defined by the Act with a defined termination date. Collateral shall be pledged to the City, held in the City’s name, and deposited with a third party approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Bond market Association Master Repurchase Agreement must be executed prior to investment. All repurchase agreement transactions will be on a delivery vs. payment basis. Securities received for repurchase agreements must have a continuous market value equal to or greater than 102%. Repurchase agreements shall not have maturities over 3 months. Flex repurchase agreements used exclusively for capital project funds may exceed three months but may not be for a period longer than the expected expenditure of the bond proceeds.¶

Deleted: <#>AAA-rated money market mutual funds that are 1) registered and regulated by the Securities and Exchange Commission, 2) have a dollar weighted average stated maturity of 60 days or less, 3) are rated AAA by at least one nationally recognized rating service, and 4) seek to maintain a net asset value of \$1.00 per share.¶

INVESTMENT POLICY

The consolidated portfolio will have a maximum dollar-weighted average maturity of six months. This dollar-weighted average will be calculated using the stated final maturity dates of each security.

DIVERSIFICATION

The City of Brenham recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid over concentration in investments from a specific issuer or business,
- Limiting investment in investments that have higher credit risks
- Investing in investments with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

VIII. SELECTION OF BANKS AND DEALERS

DEPOSITORY

As required by the City of Brenham Charter, every ~~five (5)~~ years a banking services depository shall be selected through a competitive process, which shall include a formal request for proposal (RFP) and be consistent with state law. The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.
- The ability to provide required services.
- The ability to meet all requirements in the banking RFP.
- The lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

All banks will execute a written depository agreement in accordance with FIRREA¹ designating authorized collateral.

¹The Financial Institutions Resource and Recover Enforcement Act governs the actions of the FDIC in cases of bank default.

Deleted: The following maximum limits, by instrument, are established for the City of Brenham's total portfolio:

¶
<#>U.S. Treasury Securities . 90 %¶
<#>Agencies and Instrumentalities . 80 %¶
<#>Certificates of Deposit . 20 %¶
<#>Repurchase Agreements* . 80 %¶
<#>Money Market Mutual Funds . 20 %¶
<#>Authorized Pools . 100 %¶

*Excluding flexible repurchase agreements for bond proceeds investments¶

Deleted: two

Deleted: 2

INVESTMENT POLICY

AUTHORIZED BROKERS/DEALERS

The City Audit/Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions (banks and pools) authorized to engage in securities transactions with the City. Those firms that request to become qualified bidders for securities transactions will be required to provide information for the City's questionnaire that provides information regarding creditworthiness, contact information, and experience; and 2) the City's certification stating the firm has received, read and understood the City of Brenham's Investment Policy and have in place controls to prohibit selling the City any security not authorized by that Policy.

The City shall have a minimum of three broker/dealers to assure competitive bidding. Authorized firms may include primary dealers or regional dealers and qualified depositories. All investment providers, including financial institutions, banks, and local government investment pools, must sign the City's certification.

COMPETITIVE BIDS

All transactions will be made on a competitive basis. The Chief Financial Officer shall develop and maintain procedures for ensuring a competition in the investment of the City funds.

INVESTMENT POLICY

DELIVERY VS. PAYMENT

Securities shall be purchased only using the **delivery vs. payment** method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received by the custodian.

IX. SAFEKEEPING OF SECURITIES AND COLLATERAL

SAFEKEEPING AND CUSTODIAN AGREEMENTS

The City of Brenham shall contract with a depository for the safekeeping of securities owned by the City of Brenham as part of its investment portfolio or approve the custodial agreement for collateral to secure demand or time deposits. Securities owned by the City of Brenham shall be held in the City's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by an independent third party custodian outside of the pledging bank and evidenced by original safekeeping receipts of the pledging institution with which the collateral is deposited. Original safekeeping receipts and monthly collateral reports shall be delivered to the City.

COLLATERAL POLICY

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require collateralization of City funds in time and demand deposit with any depository bank. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC. At its discretion, the City of Brenham may require a higher level of collateralization for certain investment securities.

Securities pledged as collateral shall be held by an independent third party outside the holding company of the pledging bank with whom the City has a current custodial agreement. The Chief Financial Officer is responsible for entering into or approving collateralization agreements with custodians. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to and retained by the City. Collateral shall be priced weekly at a minimum and to assure that the market value of the pledged securities is adequate.

Any substitution of collateral shall require prior City approval. The substituted security's market value will be equal to or greater than the required security value. Written notification of the substitution must be provided to the bank or safekeeping agent prior to any security release.

COLLATERAL DEFINED

The Entity shall accept only the following types of collateral:

- Obligations of the United States or its agencies and instrumentalities including mortgage backed securities
- Direct obligations of the state of Texas or its agencies and instrumentalities rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent

SUBJECT TO AUDIT

All collateral shall be subject to inspection and audit by the Chief Financial Officer or the City of Brenham's independent auditors.

X. PERFORMANCE

PERFORMANCE STANDARDS

The City of Brenham's investment portfolio will be managed in accordance with the parameters specified within this Policy. The portfolio shall be designed with the objective of obtaining a reasonable yield throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the City.

PERFORMANCE BENCHMARK

It is the policy of the City of Brenham to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the City shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a monthly basis on all securities owned and compared to current book value. The City of Brenham's portfolio shall be designed with the objective of regularly meeting or exceeding the period average yield on the six month U.S. Treasury Bill which is comparable to the City's maximum weighted average maturity in days based on its cash flow analysis.

INVESTMENT POLICY

XI. REPORTING

METHODS

The Investment Officer shall prepare an internal investment report on a monthly basis and on a quarterly basis for Council that summarizes investment strategies employed in the most recent quarter and describes the portfolio in terms of investment securities, maturities including the yield for the quarter.

The quarterly investment report shall be in compliance with the Act and include a summary statement of investment activity prepared in compliance with generally accepted accounting principles. This summary will be prepared in a manner that will allow the City Audit/Investment Committee to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the City Council for review. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses as calculated on the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield of portfolio as compared to the City's benchmark.
- Listing of investments by maturity date.
- Fully accrued interest and earnings for the reporting period
- The percentage of the total portfolio that each type of investment represents.
- Any additional reporting information as required by the Act.
- Statement of compliance of the City of Brenham's Investment Policy and the Act.

Month-end market prices on each security are to be obtained from nationally recognized security databases (e.g., The Wall Street Journal, Bloomberg, etc.).

An independent auditor will perform an annual formal review of the quarterly reports with the results reported to the governing body.

MONITORING MARKET VALUE

Market value of all securities in the portfolio will be determined on a monthly basis. These values will be obtained from a reputable and independent source reported in the quarterly report.

XII. INVESTMENT POLICY ADOPTION

The City of Brenham’s Investment Policy shall be adopted no less than annually by resolution of the City Council. The City of Brenham’s Investment Policy shall be subject to revisions consistent with changing laws, regulations, and needs of the City but any such changes must be adopted by the Council before use. The resolution adopting the policy and strategies must include any changes or modifications to the Policy.

AUTHORITY/DATE ISSUED:

| | |
|------------------------------------|-------------------|
| City Council Resolution # R-07-026 | November 15, 2007 |
| City Council Resolution # R-08-037 | October 16, 2008 |
| City Council Resolution # R-09-024 | October 15, 2009 |
| City Council Resolution # R-10-025 | November 4, 2010 |
| City Council Resolution # R-11-020 | November 3, 2011 |
| City Council Resolution # R-12-021 | November 29, 2012 |
| City Council Resolution # R-13-017 | November 7, 2013 |
| City Council Resolution # R-14-022 | October 9, 2014 |
| City Council Resolution # R-15-024 | October 1, 2015 |

RESOLUTION NO. R-16-014

A RESOLUTION REAUTHORIZING AN INVESTMENT POLICY FOR THE CITY OF BRENHAM

WHEREAS, in the 1987 session the Texas Legislature adopted the Public Funds Investment Act, “the Act”, which established guidelines for local government investments; and

WHEREAS, the Act requires that a local government adopt a written investment policy; and

WHEREAS, the Act requires the governing body of a local government to reauthorize the written investment policy annually; and

WHEREAS, the amended policy dated April 7, 2016 complies with the provision of the Act; and

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

Section 1: The City of Brenham Investment Policy attached hereto as “Exhibit A” is hereby reauthorized as the investment policy of the City of Brenham effective April 7, 2016.

Section 2: This Resolution shall take effect immediately upon its passage.

APPROVED on this _____ day of _____, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary



EXHIBIT A
INVESTMENT POLICY

I. POLICY

It is the policy of the City of Brenham that all available funds shall be invested in conformance with these legal and administrative guidelines with consideration for anticipated cash flow requirements and consideration of the safety and risk of investments. The City shall seek to optimize interest earnings to the extent possible based on these risk parameters.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to City of Brenham funds. The City of Brenham’s investment portfolio shall be designed and managed in a manner designed to obtain the highest reasonable earnings from this revenue source, to be responsive to public trust, and to be in compliance with legal requirements and limitations.

Investments shall be made with the primary objectives of:

- **Safety** and preservation of principal
- Maintenance of sufficient **liquidity** to meet operating needs
- Diversification to avoid concentrated risk
- **Public trust** from prudent investment activities
- Optimization of **interest earnings** on the portfolio

The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City of Brenham’s funds. This Policy serves to satisfy the statutory requirements of the Public Funds Investment Act, the “Act”, (Texas Government Code, Chapter 2256) in defining and adopting a formal investment policy and strategy. The policy and strategy shall be reviewed by the Audit / Investment Committee and adopted by resolution of the City Council no less than annually. Any modifications to the Policy will be noted in the written resolution.

II. SCOPE

This Investment Policy shall govern the investment of all financial assets of the City of Brenham. These funds are accounted for in the City of Brenham's Comprehensive Annual Financial Report (CAFR) and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Enterprise Funds
- Trust and Agency Funds, to the extent not required by law or existing contract to be kept segregated and managed separately
- Debt Service Funds, including reserves and sinking funds, to the extent not required by law or existing contract to be kept segregated and managed separately
- Brenham Community Development Corporation Funds
- Internal Service Funds
- Self-Insurance Funds
- Any new fund created by the City of Brenham, unless specifically exempted from this Policy by the City Council or by law.

The City of Brenham may consolidate cash balances from all funds for investment purposes and efficiencies. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles. The consolidated portfolio will address the varying needs, goals, and objectives of each fund.

This Investment Policy shall apply to all transactions involving the financial assets and related activity for all the foregoing funds. However, this Policy does not apply to the assets administered for the benefit of the City of Brenham by outside agencies or under deferred compensation programs.

III. INVESTMENT OBJECTIVES

The City of Brenham shall manage and invest its cash with five primary objectives, listed in order of priority: **safety, liquidity, diversification, public trust, and yield**. The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The City of Brenham shall maintain a comprehensive cash management program, which includes timely collection of account receivables, vendor payments in accordance with invoice terms, and prudent investment of funds. Cash management is defined as the process of managing monies in order to ensure cash availability and reasonable market earnings on the City's assets.

INVESTMENT POLICY

SAFETY

Safety of principal is the foremost objective of the investment program. Investments of the City of Brenham shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. Competitive bidding and perfected ownership of investments will be in place at all times. The objective will be to mitigate credit and interest rate risk. Each investment transaction shall be conducted in a manner to control the risk of capital loss by investing in high credit quality securities.

- Credit Risk – The Entity will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by:
 - Limiting investments to the highest credit quality investments
 - Pre-qualifying the financial institutions and broker/dealers with which the City of Brenham transacts business
 - Perfecting City ownership by delivery versus payment settlement, and
 - Diversifying the investment portfolio so that potential credit or market risk is minimized.
- Market Risk – the City will minimize the risk from interest rate volatility by:
 - Structuring the investment portfolio to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity.
 - Investing operating funds in laddered securities and maintaining a liquidity portion to cover unanticipated expenses.

LIQUIDITY

The City of Brenham investment portfolio shall be structured in a ladder of maturities to match expected liabilities along with a liquidity portion to meet unanticipated liabilities. Securities will have active secondary markets.

PUBLIC TRUST

All participants in the City of Brenham’s investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City of Brenham’s ability to govern effectively.

DIVERSIFICATION

The portfolio will be diversified by market sector and maturity based on the cash flow and risk tolerances of the City.

YIELD

The City of Brenham investment portfolio shall be designed with the objective of attaining a reasonable market yield throughout budgetary and economic cycles, taking into account the City’s investment risk constraints and the cash flow characteristics of the portfolio. Yield is secondary to the safety and liquidity objectives described above.

Based upon the cash flow of the City the maximum dollar-weighted average maturity of the consolidated portfolio shall be six months. The benchmark used to determine whether reasonable yields are being achieved shall be the six month U.S. Treasury Bill.

IV. INVESTMENT STRATEGY

The City of Brenham maintains a consolidated portfolio which is designed to address the unique characteristics of the fund groups represented in the portfolio.

Operating Funds: The primary objective for operating funds is to assure anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high credit quality, short to medium term securities in a laddered structure. The maximum dollar weighted average maturity of six months reflects the expenditure cash flow of operating funds and will be calculated using the stated final maturity dates of each security.

Capital Project Funds: Funds for capital projects or special purposes should be invested based on anticipated cash flows and allow for flexibility and unanticipated project outlays. At no time will the stated final maturity dates of investments exceed the estimated project completion date on capital project funds.

Debt Service Funds: Debt service funds shall be invested with the primary objective of funding debt service obligations on the required payment date. Priority will be given to funding the next debt service due before any extensions are made in the funds.

Debt Service Reserve Funds: Debt Service Reserves should be invested to generate a dependable revenue stream from securities with a low degree of volatility. Securities should be short to medium term maturities and of high credit quality.

The City primarily utilizes a passive “buy and hold” portfolio strategy. Maturity dates are primarily matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal.
- Cash flow needs require that the investment be liquidated.
- Market conditions present an opportunity to benefit from the trade.

INVESTMENT POLICY

V. RESPONSIBILITY AND CONTROL

CITY COUNCIL RESPONSIBILITIES

The City Council, in accordance with the Act, shall:

- Designate Investment Officers by resolution
- Receive and review quarterly investment reports
- Annually review and approve the City's broker/financial institution certification list – *As noted in Section VIII, the governing body has designated this responsibility to the Audit & Investment Committee*
- Review and adopt the investment policy and strategy at least annually
- Provide for investment training for investment officers

INVESTMENT OFFICERS

The Chief Financial Officer and the City Manager are hereby designated as "Investment Officers" pursuant to the Act. Investment Officers are delegated authority to invest the funds on behalf of the City and such authorization shall remain in effect until rescinded by the City Council or until the Officer resigns or is terminated. The Investment Officers are authorized to execute investment transactions on behalf of the City. No person may engage in an investment transaction or the management of City of Brenham funds except as provided under the terms of this Investment Policy as approved by the City Council.

Investment Officers shall:

- Obtain training as defined by the Act and this Policy
- Prepare, sign, and submit quarterly investment reports to Council
- Maintain compliance files on all counter-parties (brokers) and provide the list for Council approval at least annually
- Provide for competitive bidding
- Disclose personal business relationships in accordance with policy
- Maintain full and complete records of the City's portfolio and transactions.

QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT

The Investment Officers shall obtain training in investments. The seminars should be offered by professional organizations, associations, and other independent sources approved by Council. The training is to insure the quality and capability of investment management in compliance with the Act.

In accordance with the Act, the designated Investment Officers shall attend 10 hours of investment training session within 12 months of their designation and every successive two fiscal years shall attend eight hours of training. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within twelve months of the date the officer took office or assumed the officer's duties. For purposes of this policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom the City of Brenham may engage in an investment transaction.

INTERNAL CONTROLS

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Chief Financial Officer shall establish a process for a compliance audit on policies and procedures. The internal controls shall address the following points at a minimum.

- Control of collusion.
- Separation of transactions authority from accounting and record keeping.
- Custodial safekeeping.
- Clear delegation of authority to subordinate staff members.
- Written confirmation for all transactions for investments and wire transfers.
- Review of wire transfer agreements with the depository bank or third party custodian.
- Review of compliance with the Act and this Policy.

The Chief Financial Officer shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by Policy, the Investment Officer shall notify the City Manager of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, within three days after notification of the loss of the required rating.

PRUDENCE

The standard of prudence to be applied to all transactions shall be the "prudent person rule". This rule states that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- The investment of all funds, or funds under the City's control, over which the Officer had responsibility rather than a consideration as to the prudence of a single investment.
- Whether the investment decision was consistent with the written approved Investment Policy of the City.

INVESTMENT POLICY

INDEMNIFICATION

The Investment Officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally liable for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

ETHICS AND CONFLICTS OF INTEREST

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively. Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions.

Council members, employees and Investment Officers shall disclose to the Texas Ethics Commission and the City Manager, and the City Manager discloses to the City Council if:

- a) The officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City; or
- b) The officer is related within the second degree by affinity of consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the City; or
- c) The officer has any material interests in financial institutions with which they conduct business; or
- d) The officer has any personal financial/investment positions that could be related to the performance of the investment portfolio.

Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City of Brenham.

VI. SUITABLE AND AUTHORIZED INVESTMENTS

City funds may be invested only in the instruments described below, all of which are authorized and further defined by the Act. The City will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

I. AUTHORIZED INVESTMENTS

1. Obligations of the United States of America, its agencies and instrumentalities with stated maturities not to exceed three (3) excluding mortgage backed securities.
2. Obligations of the this State or any State or agency thereof including political subdivisions having been rated as investment quality by two nationally recognized investment rating firm, and having received a rating of not less that "AA" or its equivalent with maturities not to exceed three (3) years.

3. Fully insured or collateralized Certificates of Deposit issued by a bank doing business in Texas insured by the Federal Deposit Insurance Corporation or its successor or secured by obligations in a manner provided for by this Policy and state law with maturities not to exceed 12 months.
4. Constant dollar, local government investment pools, which 1) are created under and conform to the requirements of the Act, 2) are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, 3) seek to maintain a \$1.00 net asset value, and 4) are authorized by resolution or ordinance by the City Council.
5. Fully insured or collateralized interest bearing or money market account in any bank in Texas.

II. UN-AUTHORIZED INVESTMENTS

The Act and this Policy prohibits investment in the following investment instruments:

- Obligations whose payment represents the coupon payments of the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal (Interest Only mortgage backed securities);
- Obligations whose payment represents the principal stream of cash flow from underlying mortgage-backed security collateral and bear no interest (Principal only mortgage backed securities);
- Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years;
- Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index; and

The practice of “leveraging” whereby funds are borrowed for the sole purpose of investing is prohibited.

VII. INVESTMENT PARAMETERS

MAXIMUM MATURITIES

The longer the maturity of investments, the greater their price volatility; therefore, it is the City’s policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

The City shall attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than three (3) years from the date of purchase; however, the above described obligations, certificates, or agreements may be collateralized using longer dated investments.

INVESTMENT POLICY

The consolidated portfolio will have a maximum dollar-weighted average maturity of six months. This dollar-weighted average will be calculated using the stated final maturity dates of each security.

DIVERSIFICATION

The City of Brenham recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Risk is controlled through portfolio diversification that shall be achieved by the following general guidelines:

- Limiting investments to avoid over concentration in investments from a specific issuer or business,
- Limiting investment in investments that have higher credit risks
- Investing in investments with varying maturities, and
- Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), or money market funds to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

VIII. SELECTION OF BANKS AND DEALERS

DEPOSITORY

As required by the City of Brenham Charter, every five (5) years a banking services depository shall be selected through a competitive process, which shall include a formal request for proposal (RFP) and be consistent with state law. The selection of a depository will be determined by competitive bid and evaluation of bids will be based on the following selection criteria:

- The ability to qualify as a depository for public funds in accordance with state law.
- The ability to provide required services.
- The ability to meet all requirements in the banking RFP.
- The lowest net banking service cost, consistent with the ability to provide an appropriate level of service.
- The credit worthiness and financial stability of the bank.

All banks will execute a written depository agreement in accordance with FIRREA¹ designating authorized collateral.

¹The Financial Institutions Resource and Recover Enforcement Act governs the actions of the FDIC in cases of bank default.

AUTHORIZED BROKERS/DEALERS

The City Audit/Investment Committee shall, at least annually, review, revise, and adopt a list of qualified broker/dealers and financial institutions (banks and pools) authorized to engage in securities transactions with the City. Those firms that request to become qualified bidders for securities transactions will be required to provide information for the City's questionnaire that provides information regarding creditworthiness, contact information, and experience; and 2) the City's certification stating the firm has received, read and understood the City of Brenham's Investment Policy and have in place controls to prohibit selling the City any security not authorized by that Policy.

The City shall have a minimum of three broker/dealers to assure competitive bidding. Authorized firms may include primary dealers or regional dealers and qualified depositories. All investment providers, including financial institutions, banks, and local government investment pools, must sign the City's certification.

COMPETITIVE BIDS

All transactions will be made on a competitive basis. The Chief Financial Officer shall develop and maintain procedures for ensuring a competition in the investment of the City funds.

INVESTMENT POLICY

DELIVERY VS. PAYMENT

Securities shall be purchased only using the **delivery vs. payment** method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received by the custodian.

IX. SAFEKEEPING OF SECURITIES AND COLLATERAL

SAFEKEEPING AND CUSTODIAN AGREEMENTS

The City of Brenham shall contract with a depository for the safekeeping of securities owned by the City of Brenham as part of its investment portfolio or approve the custodial agreement for collateral to secure demand or time deposits. Securities owned by the City of Brenham shall be held in the City's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by an independent third party custodian outside of the pledging bank and evidenced by original safekeeping receipts of the pledging institution with which the collateral is deposited. Original safekeeping receipts and monthly collateral reports shall be delivered to the City.

COLLATERAL POLICY

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of the City to require collateralization of City funds in time and demand deposit with any depository bank. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits or investments less an amount insured by the FDIC. At its discretion, the City of Brenham may require a higher level of collateralization for certain investment securities.

Securities pledged as collateral shall be held by an independent third party outside the holding company of the pledging bank with whom the City has a current custodial agreement. The Chief Financial Officer is responsible for entering into or approving collateralization agreements with custodians. The agreements are to specify the acceptable investment securities for collateral, including provisions relating to possession of the collateral, the substitution or release of investment securities, ownership of securities, and the method of valuation of securities. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to and retained by the City. Collateral shall be priced weekly at a minimum and to assure that the market value of the pledged securities is adequate.

Any substitution of collateral shall require prior City approval. The substituted security's market value will be equal to or greater than the required security value. Written notification of the substitution must be provided to the bank or safekeeping agent prior to any security release.

COLLATERAL DEFINED

The Entity shall accept only the following types of collateral:

- Obligations of the United States or its agencies and instrumentalities including mortgage backed securities
- Direct obligations of the state of Texas or its agencies and instrumentalities rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent
- Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than A or its equivalent

SUBJECT TO AUDIT

All collateral shall be subject to inspection and audit by the Chief Financial Officer or the City of Brenham's independent auditors.

X. PERFORMANCE

PERFORMANCE STANDARDS

The City of Brenham's investment portfolio will be managed in accordance with the parameters specified within this Policy. The portfolio shall be designed with the objective of obtaining a reasonable yield throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of the City.

PERFORMANCE BENCHMARK

It is the policy of the City of Brenham to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, the City shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a monthly basis on all securities owned and compared to current book value. The City of Brenham's portfolio shall be designed with the objective of regularly meeting or exceeding the period average yield on the six month U.S. Treasury Bill which is comparable to the City's maximum weighted average maturity in days based on its cash flow analysis.

INVESTMENT POLICY

XI. REPORTING

METHODS

The Investment Officer shall prepare an internal investment report on a monthly basis and on a quarterly basis for Council that summarizes investment strategies employed in the most recent quarter and describes the portfolio in terms of investment securities, maturities including the yield for the quarter.

The quarterly investment report shall be in compliance with the Act and include a summary statement of investment activity prepared in compliance with generally accepted accounting principles. This summary will be prepared in a manner that will allow the City Audit/Investment Committee to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The report will be provided to the City Council for review. The report will include the following:

- A listing of individual securities held at the end of the reporting period.
- Unrealized gains or losses as calculated on the beginning and ending book and market value of securities for the period.
- Additions and changes to the market value during the period.
- Average weighted yield of portfolio as compared to the City's benchmark.
- Listing of investments by maturity date.
- Fully accrued interest and earnings for the reporting period
- The percentage of the total portfolio that each type of investment represents.
- Any additional reporting information as required by the Act.
- Statement of compliance of the City of Brenham's Investment Policy and the Act.

Month-end market prices on each security are to be obtained from nationally recognized security databases (e.g., The Wall Street Journal, Bloomberg, etc.).

An independent auditor will perform an annual formal review of the quarterly reports with the results reported to the governing body.

MONITORING MARKET VALUE

Market value of all securities in the portfolio will be determined on a monthly basis. These values will be obtained from a reputable and independent source reported in the quarterly report.

XII. INVESTMENT POLICY ADOPTION

The City of Brenham’s Investment Policy shall be adopted no less than annually by resolution of the City Council. The City of Brenham’s Investment Policy shall be subject to revisions consistent with changing laws, regulations, and needs of the City but any such changes must be adopted by the Council before use. The resolution adopting the policy and strategies must include any changes or modifications to the Policy.

AUTHORITY/DATE ISSUED:

| | |
|------------------------------------|-------------------|
| City Council Resolution # R-07-026 | November 15, 2007 |
| City Council Resolution # R-08-037 | October 16, 2008 |
| City Council Resolution # R-09-024 | October 15, 2009 |
| City Council Resolution # R-10-025 | November 4, 2010 |
| City Council Resolution # R-11-020 | November 3, 2011 |
| City Council Resolution # R-12-021 | November 29, 2012 |
| City Council Resolution # R-13-017 | November 7, 2013 |
| City Council Resolution # R-14-022 | October 9, 2014 |
| City Council Resolution # R-15-024 | October 1, 2015 |



AGENDA ITEM 12

| | | |
|---|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: March 29, 2016 | |
| DEPT. OF ORIGIN: Purchasing | SUBMITTED BY: Sara Parker | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Addendum to the Online Auction Memo of Understanding Between the City of Brenham and GovDeals Inc. Related to the Terms of the Memo and Flexible Pricing Options and Authorize the Mayor to Execute Any Necessary Documentation | | |
| SUMMARY STATEMENT: In 2011, Council approved a Memo of Understanding with GovDeals Inc. for the online auction of surplus assets and inventory for the City. The Pricing Option selected at that time assigned the 12.5% charged by GovDeals on sales as a 7.5% Administrative Fee charged to the City and a 5% Buyer's Premium charged to the Buyer. The City has since sold approximately \$497,000 in surplus assets and inventory. The City's fees for these sales were approximately \$37,600. GovDeals has pointed out that many of their clients, including Blinn College and the cities of Bryan and College Station have changed the Pricing Option so that all fees and premiums are paid by the Buyer. They have seen no negative impact on successful sales after the change. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: Increased revenue to the City. | | |
| B. CONS: None | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Exhibit A-Online Auction Memo of Understanding; and (2) Addendum to an Online Auction Memo of Understanding | | |
| FUNDING SOURCE (Where Applicable): | | |

RECOMMENDED ACTION: Approve the Addendum to the Online Auction Memo of Understanding between the City of Brenham and GovDeals Inc. and authorize the Mayor to execute any necessary documentation

APPROVALS: Terry K. Roberts

EXHIBIT A - Online Auction Memo of Understanding

Flexible Pricing Options (FPO)

The Client has the option to choose from the following alternative plans:

A - Client Collects Proceeds

Option A1: The Client pays a 7.5%* fee which will be reduced according to the Tiered Fee Reduction Schedule (described below). GovDeals will invoice the client each month for fees on items sold in the previous month. The client is allowed thirty (30) calendar days from date of invoice receipt to remit payment.

Option A2: The Client pays a 7.5%* fee but is given the capability to easily pass the entire fee on to the winning bidder as an Administrative Fee. The client is only allowed to pass on to the winning bidder the amount charged to them based on the tiered pricing schedule above. The amount invoiced to the winning bidder will include the gross sale amount of the item, the administrative fee, any special fees and sales taxes, if any. By passing this fee on to the winning bidder, the client's effective fee is zero percent (0%). GovDeals will invoice the client each month for fees on items sold in the previous month. The client is allowed thirty (30) calendar days from date of invoice receipt to remit payment.

B - Client Elects GovDeals Financial Settlement Services (FSS) allowing GovDeals to Collect Proceeds. Only one option below can be used and once this option is chosen, it cannot be changed for twelve (12) months.

Option B1: The Client pays a 7.5%* fee and the winning bidder pays a 5% Buyers Premium. **

Option B2: The Client pays a 5%* fee and the winning bidder pays a 7.5% Buyers Premium.

Option B3: The Client pays a 2.5%* fee and the winning bidder pays a 10% Buyers Premium.

Option B4: The Client pays zero percent fees (0%) and the winning bidder pays a 12.50% Buyers Premium.

Tiered Fee Reduction Schedule

GovDeals' **Tiered Fee Reduction Schedule** below explains how the base auction fee of 7.5% is reduced for assets that sell in excess of \$100,000 on www.govdeals.com.

- 1. When an asset sells for up to \$100,000 in a winning bid, the GovDeals fee is seven and one-half percent (7.5%*) of the winning bid, but not less than \$5.00.**
- 2. Where an asset sells for more than \$100,000, but less than \$500,000 the GovDeals fee is seven and one-half percent (7.5%) of the winning bid up to \$100,000, plus five and one-half percent (5.5%) of the winning bid for auction proceeds in excess of \$100,000 up to \$500,000.**
- 3. Where an asset sells for greater than \$500,000 the GovDeals fee is seven and one-half percent (7.5%) of the first \$100,000 of the winning bid, plus a fee of five and one-half percent (5.5%) of the next \$400,000 of the winning bid, plus a fee of three and one-half percent (3.5%) of the bid amount in excess of \$500,000.**

*Subject to a minimum per asset/lot fee of \$5.00.

If the Client chooses to pay the full 7.5% fee, they will have access to the **Tiered Fee Reduction Schedule.



ADDENDUM to an Online Auction Memo of Understanding executed on January 24, 2011 between the City of Brenham, having its principal place of business at 200 West Vulcan Street, Brenham, Texas 77833, and GovDeals, Inc., a Delaware corporation having its principal place of business at 5907 Carmichael Place, Montgomery, Alabama, 36117.

It is the wish and intention of the City of Brenham that the City elects to CHANGE the Flexible Pricing Option (FPO) as specified in Exhibit A of the original Memo of Understanding from **Option B1** to **Option B4**. The City understands that this option calls for the City, as Client to pay zero percent fees (0%) fees and the winning bidder to pay a 12.50% Buyers Premium.

The City further understands that under Option B4 the City will no longer have access to the Tiered Fee Reduction Schedule.

Agreed and acknowledged by:

GovDeals, Inc.

Client: City of Brenham

Signature: _____

Signature: _____

Print Name: _____

Print Name: Milton Y. Tate, Jr.

Title: _____

Title: Mayor

Date: _____

Date _____



AGENDA ITEM 13

| | | |
|--|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: March 30, 2016 | |
| DEPT. OF ORIGIN: Public Works | SUBMITTED BY: Dane Rau | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Bid No. 16-006 Related to Concrete Work for Old Mill Creek Lot Development Project and Authorize the Mayor to Execute Any Necessary Documentation | | |
| SUMMARY STATEMENT: On March 31, 2016 the Purchasing Dept. opened bids related to miscellaneous concrete work for the Old Mill Creek Lot Development. There were 3 bid packets sent out with 2 bids received. The work bid out consisted of concrete curb and gutter, concrete flat work and installation of concrete drainage boxes. Based off of the bids, Collier Construction submitted the lowest bid related to the Old Mill Creek Lot Development for the proposed work at \$46,044.00. Staff has allocated \$150,000 for lot preparation on the Old Mill Creek road extensions in order to prepare these lots for resale. This includes concrete work, drainage improvements, engineering, surveying, asphalt, and utility extensions. Based off of the bids, staff recommends awarding the bid to Collier Construction in the amount shown on the bid tab for each unit price for the concrete work to be performed on the Old Mill Creek Lot Development project. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: Good competitive bids | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Bid Information Sheet | | |
| FUNDING SOURCE (Where Applicable): 101-5-100-803.00 | | |

RECOMMENDED ACTION: Approve Bid # 16-006 to Collier Construction in the amount of \$46,044.00 related to concrete work for the Old Mill Creek Lot Development Project and authorize the Mayor to execute any necessary documentation

APPROVALS: Terry K. Roberts



Bid Information Sheet

March 31, 2016

IFB #16-006

For: Concrete Work for Old Mill Creek Subdivision

Purchase not to exceed budgeted funds.

Number of completed bids returned to Purchasing: 2

**CONCRETE WORK FOR OLD MILL CREEK SUBDIVISION
IFB #16-006**

| ESTIMATED QUANTITY | UNIT OF MEASURE | DESCRIPTION | COLLIER CONSTRUCTION | | LEGACY CONCRETE WORKS, LLC | |
|--------------------|-----------------|---|----------------------|------------------|----------------------------|------------------|
| | | | UNIT PRICE | EXTENDED PRICE | UNIT PRICE | EXTENDED PRICE |
| 1088 | Linear Ft. | Furnish labor & materials and construct standard curb and gutter, complete in place, for the unit price of: | 18.00 | 19,584.00 | 28.00 | 30,464.00 |
| 245 | Sq. Ft. | Furnish labor & materials and concrete driveway, complete in place, for the unit price of: | 8.00 | 1,960.00 | 12.25 | 3,001.25 |
| 200 | Sq. Ft. | Furnish labor & materials and construct concrete flume, 5' wide, complete in place, for the unit price of: | 10.00 | 2,000.00 | 12.00 | 2,400.00 |
| 1 | Each | Furnish labor & materials and construct 10" curb inlet with 5' extension, in place, for the unit price of: | 7,000.00 | 7,000.00 | 6,000.00 | 6,000.00 |
| 1 | Each | Furnish labor & materials and construct 5' curb inlet with 5' extension, in place, for the unit price of: | 5,500.00 | 5,500.00 | 4,500.00 | 4,500.00 |
| 1 | Each | Furnish labor & materials and construct 30" 6" 1 S.E.T., in place, for the unit price of: | 3,500.00 | 3,500.00 | 2,400.00 | 2,400.00 |
| 1 | Each | Furnish labor and materials and construct 24" 6" 1 S.E.T., in place, for the unit price of: | 3,500.00 | 3,500.00 | 2,000.00 | 2,000.00 |
| 1 | Each | Furnish labor and materials and construct 4' junction box, in place, for the unit price of: | 3,000.00 | 3,000.00 | 2,800.00 | 2,800.00 |
| | | Days to complete: | | 30 Days | | 14 Days |
| | | TOTAL | | 46,044.00 | | 53,565.25 |



AGENDA ITEM 14

| | | |
|---|---|--|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: March 30, 2016 |
| DEPT. OF ORIGIN: Information Technology | | SUBMITTED BY: Kevin Schmidt |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Quotation No. 11198244 from SHI Government Solutions for the Renewal of the Microsoft Enterprise Agreement Between the City of Brenham and Microsoft Corporation and Authorize the Mayor to Execute Any Necessary Documentation | | |
| SUMMARY STATEMENT: The Microsoft Enterprise Agreement is a three year contract allowing the City of Brenham to legally use the Microsoft software and licenses. This is the 3 rd renewal of the original MEA, which was signed in 2007. IT has already budgeted for this expense, as we do every year. The total cost is \$74,392.70 per year for three years. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| <p>A. PROS: Renewing the MEA will allow the City to continue to use existing Microsoft software and licenses with continued upgrade support for new versions as they are released. Payment for the continued Software Assurance is broken into three annual payments.</p> <p>B. CONS: If the City does not renew the MEA we can still use existing software but must re-purchase new versions of all Microsoft software and licenses as they become available. The costs of doing this will greatly exceed the cost of the three-year contract.</p> | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) SHI Renewal Quote; (2) Program Signature Form; and (3) Enterprise Enrollment Product Selection Form | | |
| FUNDING SOURCE (Where Applicable): IT Department Annual Budget | | |

RECOMMENDED ACTION: Approve Quotation No. 11198244 from SHI Government Solutions for a three year contract renewal in the amount of \$74,392.70 per year for the Microsoft Enterprise Agreement between the City of Brenham and Microsoft Coporation and authorize the Mayor to execute any necessary documentation

APPROVALS: Terry K. Roberts



Pricing Proposal
 Quotation #: 11189244
 Created On: 3/9/2016
 Valid Until: 3/31/2016

City of Brenham TX

Account Representative

Kevin Schmidt

200 W. Vulcan
 Brenham, Texas 77833
 UNITED STATES
 Phone: (979) 337-7288
 Fax:
 Email: kschmidt@cityofbrenham.org

Kerri Fitzmorris

1301 South Mo-Pac Expressway
 Suite 375
 Austin, TX 78746
 Texas@shi.com*
 Phone: 1-800-870-6079
 Fax: 512-732-0232
 Email: Kerri_Fitzmorris@shi.com

All Prices are in US Dollar (USD)

| Product | Qty | Your Price | Total |
|---|-----|------------|-------------|
| 1 EntCAL ALNG SA MVL Pltfrm UsrCAL wSrvcs Microsoft - Part#: 76A-00016 | 245 | \$95.50 | \$23,397.50 |
| 2 ExchgSvrEnt ALNG SA MVL Microsoft - Part#: 395-02504 | 1 | \$653.90 | \$653.90 |
| 3 OfficeProPlus ALNG SA MVL Pltfrm Microsoft - Part#: 269-12442 | 290 | \$79.80 | \$23,142.00 |
| 4 Prjct ALNG SA MVL Microsoft - Part#: 076-01912 | 1 | \$106.20 | \$106.20 |
| 5 SQLCAL ALNG SA MVL DvcCAL Microsoft - Part#: 359-00792 | 90 | \$33.80 | \$3,042.00 |
| 6 SQLSvrStd ALNG SA MVL Microsoft - Part#: 228-04433 | 6 | \$144.80 | \$868.80 |
| 7 SysCtrDatactr ALNG SA MVL 2Proc Microsoft - Part#: T6L-00238 | 2 | \$388.30 | \$776.60 |
| 8 SysCtrStd ALNG SA MVL 2Proc Microsoft - Part#: T9L-00223 | 1 | \$143.20 | \$143.20 |
| 9 VisioPro ALNG SA MVL Microsoft - Part#: D87-01159 | 13 | \$90.50 | \$1,176.50 |
| 10 WinSvrDataCtr ALNG SA MVL 2Proc Microsoft - Part#: P71-07282 | 8 | \$994.50 | \$7,956.00 |
| 11 WinSvrStd ALNG SA MVL 2Proc Microsoft - Part#: P73-05898 | 20 | \$143.20 | \$2,864.00 |

| | | | | |
|----|---|-----|---------|-------------|
| 12 | WINENT ALNG SA MVL Pltfrm Microsoft - Part#: KV3-00353 | 290 | \$35.40 | \$10,266.00 |
|----|---|-----|---------|-------------|

| | |
|----------|-------------|
| Subtotal | \$74,392.70 |
| Shipping | \$0.00 |
| Total | \$74,392.70 |

Additional Comments

DIR-SDD-2503

Yearly pricing for 3 years.

Good afternoon. Here is the price quote you requested.

Please provide end-user contact information (first name, last name, and email address) for all orders. Not including this information may result in a delay in order processing.

Also, please include SHI quote number on your PO. Please contact me if you have any questions.

Thank You for choosing SHI-GS! To ensure the best level of service, please provide End User Name, Phone Number, and E-Mail Address when submitting a Purchase Order. For any additional information including Hardware and Software Contract Numbers, please contact an SHI-GS Sales Representative at 800-870-6079.

The Products offered under this proposal are subject to the SHI Return Policy posted at www.shi.com/returnpolicy, unless there is an existing agreement between SHI and the Customer.

Program Signature Form

| | | |
|------------------|----------------------|----------------------|
| MBA/MBSA number | <input type="text"/> | <input type="text"/> |
| Agreement number | 01E73535 | |

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

| Contract Document | Number or Code |
|----------------------------------|-----------------|
| Enterprise Enrollment (Indirect) | X20-12057 |
| Product Selection Form | 0445949.003_PSF |

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

| Customer |
|--|
| Name of Entity (must be legal entity name)* City of Brenham |
| Signature* _____ |
| Printed First and Last Name* _____ |
| Printed Title _____ |
| Signature Date* _____ |
| Tax ID _____ |

** indicates required field*

| Microsoft Affiliate |
|--|
| Microsoft Corporation |
| Signature _____ |
| Printed First and Last Name _____ |
| Printed Title _____ |
| Signature Date <small>(date Microsoft Affiliate countersigns)</small> |
| Agreement Effective Date <small>(may be different than Microsoft's signature date)</small> |

Optional 2nd Customer signature or Outsourcer signature (if applicable)

| Customer |
|--|
| Name of Entity (must be legal entity name)* |
| Signature* _____ |
| Printed First and Last Name* |
| Printed Title |
| Signature Date* |

** indicates required field*

| Outsourcer |
|--|
| Name of Entity (must be legal entity name)* |
| Signature* _____ |
| Printed First and Last Name* |
| Printed Title |
| Signature Date* |

** indicates required field*

If Customer requires physical media, additional contacts, or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation
Dept. 551, Volume Licensing
6100 Neil Road, Suite 210
Reno, Nevada 89511-1137
USA

Proposal ID

0445949.003

Enrollment Number

Language: English (United States)

| Enrolled Affiliate's Enterprise Products and Enterprise Online Services summary for the initial order: | | | | | |
|--|-------------------|-----------------|---------------------|-----------------------------|---------------------|
| Profile | Qualified Devices | Qualified Users | Device / User Ratio | Enterprise Product Platform | CAL Licensing Model |
| Enterprise | 290 | 245 | 1.2 | Yes | User Licenses |

| Products | Enterprise Quantity |
|------------------------------------|---------------------|
| Office Professional Plus | |
| Office Professional Plus | 290 |
| Client Access License (CAL) | |
| Enterprise CAL | |
| Enterprise CAL | 245 |
| Windows Desktop | |
| Windows Enterprise OS Upgrade | 290 |

| Enrolled Affiliate's Product Quantities: | | | | |
|--|---|---|---|--|
| Price Group | 1 | 2 | 3 | 4 |
| Enterprise Products | Office Professional Plus + Office 365 ProPlus + Office 365 (Plans E3, E4 and E5) + Enterprise Cloud Suite USL | Client Access License + Office 365 (Plans E1, E3, E4 and E5) + Enterprise Cloud Suite USL | Client Access License + Windows Intune + EMS USL + Enterprise Cloud Suite USL | Win Enterprise Upgrade + Win VDA + Win SA per User USL + Win VDA per User USL + Enterprise Cloud Suite USL |
| Quantity | 290 | 245 | 245 | 290 |

| Enrolled Affiliate's Price Level: | |
|--|-------------|
| Product Offering / Pool | Price Level |
| Enterprise Products and Enterprise Online Services USLs: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Groups 1 through 4. | D |
| Additional Product Application Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 1. | D |
| Additional Product Server Pool: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Group 2 or 3. | D |
| Additional Product Systems Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 4. | D |

| NOTES | |
|--|-------------|
| <p>Unless otherwise indicated in the associated contract documents, the price level for each Product offering / pool is set as described above, based upon the quantity to price level mapping below:</p> | |
| Quantity of Licenses and Software Assurance | Price Level |
| 2,399 and below | A |
| 2,400 to 5,999 | B |
| 6,000 to 14,999 | C |
| 15,000 and above | D |
| <p>Note 1: Enterprise Online Services may not be available in all locations. Please see the Product List for a list of locations where these may be purchased.</p> | |
| <p>Note 2: Unless otherwise indicated in associated Agreement documents, the CAL selection must be the same across the Enterprise for each Profile.</p> | |
| <p>Note 3: Enrolled Affiliate acknowledges that in order to use a third party to reimage the Windows Operating System Upgrade, Enrolled Affiliate must certify that it has acquired qualifying operating system licenses. The requirement applies to Windows Enterprise OS Upgrade. See the Product List for details.</p> | |
| <p>Note 4: Enrolled Affiliate acknowledges that in order to use a third party to reimage the Windows Operating System Upgrade, Enrolled Affiliate must certify that it has acquired qualifying operating system licenses. See the Product List for details.</p> | |
| <p>Note 5: If Enrolled Affiliate does not order an Enterprise Product or Enterprise Online Service associated with an applicable Product pool, the price level for Additional Products in the same pool will be price level "A" throughout the term of the Enrollment. Refer to the Qualifying Government Entity Addendum pricing provision for more details on price leveling.</p> | |



AGENDA ITEM 15

| | | |
|--|---|--|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: April 1, 2016 |
| DEPT. OF ORIGIN: Public Utilities | | SUBMITTED BY: Debra Gaffey |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Water Conservation Plan for the City of Brenham | | |
| SUMMARY STATEMENT: This ordinance pertains to the City of Brenham Water Conservation Plan. This plan is mandated by the Texas Commission on Environmental Quality (TCEQ) and is required to be revised and adopted every five (5) years. Revisions include: <ol style="list-style-type: none"> 1. Separation of the Water Conservation Plan from the Drought Contingency Plan because they are on different revision cycles. 2. Updated the Utility Profile which is used to identify water conservation opportunities and potential targets and goals. 3. Updated 5-year (2020) and 10-year (2025) water saving goals and targets which align with the Brazos River Authority’s goals and targets for municipal customers located within the Brazos G Regional Water Planning Area. <ol style="list-style-type: none"> a. Established water consumption goals based on gallons per capita per day (GPCD) for total supply, total retail, and total residential customers. b. Established water loss goals as a ratio of total supply and on gallons per capita per day (GPCD). 4. Updated supporting maps and documents as needed. <p>An entire copy of the revised 2016-2020 Water Conservation Plan is available in the City Secretary’s office for further review.</p> | | |

| |
|--|
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Have a current Water Conservation Plan in place. B. CONS: |
| ALTERNATIVES (In Suggested Order of Staff Preference): |
| ATTACHMENTS: (1) Ordinance; and (2) City of Brenham Water Conservation Plan |
| FUNDING SOURCE (Where Applicable): NA |
| RECOMMENDED ACTION: Approve an Ordinance on its first reading amending the Water Conservation Plan for the City of Brenham |
| APPROVALS: Terry K. Roberts |

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BRENHAM, TEXAS, ADOPTING A REVISED WATER CONSERVATION PLAN; ESTABLISHING CRITERIA FOR IMPLEMENTATION AND ENFORCEMENT; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Brenham, Texas (the “City”), recognizes that the amount of water available to its water customers is limited; and

WHEREAS, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

WHEREAS, the City has determined an urgent need exists and it is in the best interest of the public to adopt a Water Conservation Plan; and

WHEREAS, pursuant to Chapter 54 of the Texas Local Government Code and Chapter 11 of the Texas Water Code, the City is authorized to adopt such Ordinances necessary to preserve and conserve its water resources; and

WHEREAS, on June 2, 2011 the City Council adopted Ordinance No. O-11-006 approving a Water Conservation Plan; and

WHEREAS, the City Council of the City of Brenham desires to adopt a revised Water Conservation Plan;

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

SECTION 1.

That the City of Brenham, Texas Water Conservation Plan, as revised, attached hereto as Exhibit “A” and made part hereof for all purposes be, and the same is hereby, adopted as the official Water Conservation Plan of the City.

SECTION 2.
SAVINGS CLAUSE

All provisions of any ordinance, resolution or other action of the City in conflict with this Ordinance are hereby repealed to the extent they are in conflict. Any remaining portions of said ordinances, resolutions or other actions shall remain in full force and effect.

SECTION 3.
SEVERABILITY

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Council hereby declares that it would have passed this Ordinance, and each section, subsection, sentences and clauses and phrases remaining should any provision be declared unconstitutional or invalid.

SECTION 4.
REPEALER

The provisions of Ordinance No. O-11-006, adopted on June 2, 2011, related to the City of Brenham's Water Conservation Plan are hereby repealed. All other provisions in said Ordinance No. O-11-006 not in conflict with this Ordinance shall remain in effect.

SECTION 5.
EFFECTIVE DATE

This Ordinance shall become effective upon adoption and publication as required by law.

SECTION 6.
PROPER NOTICE AND MEETINGS

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

PASSED AND APPROVED, on its first reading on this the 7th day of April, 2016.

PASSED AND APPROVED, on its second reading on this the 21st day of April, 2016.

Milton Y. Tate, Jr.
Mayor

ATTEST:

Jeana Bellinger, TRMC
City Secretary



City of Brenham Water Conservation Plan

April - 2016

September - 1999
Revised July - 2001
Revised September - 2005
Revised April - 2011

Prepared by:
Pledger Kalkomey, Consulting Engineer: September – 1999
City of Brenham: Revisions July 2001
O'Malley Engineers: Revisions September 2005
City of Brenham: Revisions April 2011
City of Brenham: Revisions April 2016

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APPENDICES

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WATER CONSERVATION PLAN

**CITY OF BRENHAM
1105 SOUTH AUSTIN STREET
BRENHAM, TEXAS 77833
PWS # 2390001
CCN # 10343**

APRIL – 2016

SECTION 1

INTRODUCTION

Water supply has always been a key issue in the development of Texas. The growing population and development has led to increasing demands for water supplies. The purpose of this Water Conservation Plan (the Plan) is to improve the efficiency in the use of water through practices and techniques that will reduce the consumption of water, reduce the loss of water and increase the reuse of water.

The Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation plans. The City of Brenham (the City) has developed this water conservation plan in accordance with the TCEQ guide lines and requirements. This Plan is designed to meet Title 30, Part 1, Chapter 288, Subchapter A Rule 288.2 of the Texas Administrative Code (TAC).

SECTION 2

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) RULES

TCEQ rules governing the development of water conservation plans for Municipal Uses by Public Water Suppliers, such as Brenham, are contained in Title 30, Part 1, Chapter 288, Subchapter A Rule 288.2 of the Texas Administrative Code (TAC). A copy of these rules is included in Appendix A. The elements in the TCEQ water conservation rules covered in the conservation plan are listed below.

Minimum Conservation Plan Requirements

TCEQ definitions, guidelines and requirements pertaining to Water Conservation Plans and Water Conservation Plans for Municipal Uses by Public Water Suppliers are provided in Appendix A. Minimum plan requirements are addressed in the following sections:

| <u>Rule</u> | <u>Subject</u> | <u>Section</u> |
|----------------|--|----------------|
| 288.2(a)(1)(A) | Utility Profile | Section 3 |
| 288.2(a)(1)(B) | A Record Management System | Section 4 |
| 288.2(a)(1)(C) | Specific, Quantified 5 & 10 Year Goals & Targets | Section 5 |
| 288.2(a)(1)(D) | Metering Devices – Source Supply | Section 6 |
| 288.2(a)(1)(E) | Universal Metering | Section 7 |
| 288.2(a)(1)(F) | Measures to Determine and Control of Water Loss | Section 8 |
| 288.2(a)(1)(G) | Public Education and Information Program | Section 9 |
| 288.2(a)(1)(H) | Water Rate Structure | Section 10 |
| 288.2(a)(1)(I) | Reservoir System Operation Plan | Section 11 |
| 288.2(a)(1)(J) | Means of Implementation and Enforcement | Section 12 |
| 288.2(a)(1)(K) | Coordination with Regional Water Planning Group | Section 13 |
| 288.2(c) | Review and Update of plan | Section 16 |

Additional Requirements (Population over 5,000)

The TCEQ includes additional requirements for water conservation plans for drinking water supplies serving a population over 5,000:

| | | |
|----------------|---|------------|
| 288.2(a)(2)(A) | Leak Detection, Repair and Water Loss | Section 14 |
| 288.2(a)(2)(B) | Wholesale Customer Requirements (if applicable) | Section 14 |

Additional Conservation Strategies

The TCEQ lists additional conservation strategies, which may be adopted by suppliers but are not required. Additional strategies are as follows:

| | | |
|----------------|--------------------------------------|------------|
| 288.2(a)(3)(A) | Conservation oriented water rates | Section 15 |
| 288.2(a)(3)(B) | Ordinances, Plumbing Codes and Rules | Section 15 |
| 288.2(a)(3)(C) | Retrofit Program | Section 15 |
| 288.2(a)(3)(D) | Reuse and Recycling of Wastewater | Section 15 |
| 288.2(a)(3)(F) | Water Conserving Landscape | Section 15 |

SECTION 3

WATER UTILITY PROFILE

The utility profile is in accordance with the Texas Water Use Methodology and includes information regarding population, customer data, water use data, water supply system data and wastewater system data. A copy of Brenham's Utility Profile for Retail Water Supplier is provided in Appendix B. The water system description and map is included in Appendix C. The wastewater system description and map is included in Appendix D.

SECTION 4

RECORD MANAGEMENT SYSTEM

The City maintains a record management system for billing and reporting that shows metered-billed and metered-unbilled monthly water consumption. Meter-billed water consumption is segregated into water classes aligned with the City's rate tariffs. The primary classes are residential and commercial. At the end of 2015, the City added a second report to the billing system to aid in the analysis of data pertaining to water conservation efforts. The new report realigns the billing data into the following sectors:

- Residential
- Single family
- Multi-family
- Commercial
- Institutional
- Industrial
- Agricultural

The Section II, System Data contained in the Utility Profile reflects the new sector realignment for current and prior years (historical) accounting information.

SECTION 5

SPECIFIC, QUANTIFIED 5 & 10 YEAR GOALS & TARGETS

TCEQ rules require the adoption of specific, quantified water conservations goals and targets as part of the Plan. The City of Brenham has developed 5-year and 10-year municipal water saving goals and targets which align with the Brazos River Authority's (BRA) goals and targets for municipal customers located within the Brazos G Regional Water Planning Area. The City's annual reduction goals in terms of total GPCD and residential GPCD satisfy the 1 percent reduction minimum in the BRA plan. The specific, quantified goal for the City of Brenham's total GPCD and residential GPCD is:

- A minimum of 1% reduction in GPCD per year for the next 10 years.

The targets for this goal are established under normalized weather patterns. Actual GPCD results may be higher in drought conditions and lower in years with significant, above average rainfall. Table 5-1 specifies GPCD yearly targets for total supply, residential-single, residential-multi and total residential customers.

Table 5-1

| Year | Total Supply | Resid-Single | Resid-Multi | Resid-Total |
|---------------|---------------------|---------------------|--------------------|--------------------|
| 2011-2015 Avg | 182 | 95 | 77 | 92 |
| 2016 | 175 | 90 | 73 | 87 |
| 2017 | 172 | 89 | 72 | 86 |
| 2018 | 169 | 88 | 71 | 85 |
| 2019 | 166 | 87 | 70 | 84 |
| 2020 | 164 | 86 | 69 | 83 |
| 2021 | 162 | 85 | 68 | 82 |
| 2022 | 160 | 84 | 67 | 81 |
| 2023 | 158 | 83 | 66 | 80 |
| 2024 | 156 | 82 | 65 | 79 |
| 2025 | 154 | 81 | 64 | 78 |

The maximum acceptable water loss goal for distribution systems within the BRA's service area is 12 percent. The City of Brenham's water loss experience is well below this maximum. The specific, quantified goal for the City of Brenham's water loss is:

- Reduce the water loss ratio and water loss GPCD each year for the next 10 years.

The targets for this goal are shown in Table 5-2. The water loss in GPCD is based on projected water demands for the next 10 years.

Table 5-2

| Year | Water Loss % | Water Loss GPCD |
|---------------|---------------------|------------------------|
| 2011-2015 Avg | 5.6 | 10 |
| 2016 | 6.5 | 11 |
| 2017 | 6.4 | 11 |
| 2018 | 6.3 | 11 |
| 2019 | 6.2 | 10 |
| 2020 | 6.1 | 10 |
| 2021 | 6.0 | 10 |
| 2022 | 5.9 | 9 |
| 2023 | 5.8 | 9 |
| 2024 | 5.7 | 9 |
| 2025 | 5.6 | 9 |

SECTION 6

METERING DEVICES- SOURCE OF SUPPLY

The City meters the amount of raw water diverted from the source of supply, Lake Somerville. The meter measures within a 5% accuracy and meets the requirements of TAC 304.13. The meter is calibrated annually and is continuously monitored by the City's SCADA system.

SECTION 7

PROGRAM FOR UNIVERSAL METERING, METER TESTING, REPAIR & REPLACEMENT

Over 88% of water usage within the City of Brenham's system is metered, including both customer and public uses of water. Meters measuring water usage within the water treatment plant are calibrated annually and continuously monitored via SCADA. Some water used for municipal purposes (e.g. park irrigation) is metered but unbilled. Between the years 2011 to 2014, the City replaced all of its customer water meters as part of an AMI initiative. Therefore, most of the meters in the customer system are less than five years old. The AMI meters are integrated with the City's billing system which uses historical data to identify potential customer meter issues. Meters registering any unusual or questionable readings are tested for accuracy. The City's practice is to replace versus repair malfunctioning water meters. Regardless of accuracy, Brenham replaces meters at 10-15 year intervals depending on meter size.

SECTION 8

MEASURES TO DETERMINE AND CONTROL WATER LOSS

Water loss is the difference between the amount of water taken from the Somerville Reservoir and the amount of water authorized for consumption, including metered water (billed or unbilled) delivered to retail, public and governmental users plus authorized but unmetered uses. Examples of authorized but unmetered uses include:

- Water line and fire hydrant flushing
- Fire hydrant testing and firefighting usage
- Street work

Measures to control water loss are part of the routine operations of Brenham. Field crews and other personnel are expected to look for and report evidence of leaks in the water distribution system. Personnel also watch for and report signs of illegal connections so they can be quickly addressed. Table 8-1 summarizes water loss control measures based on water loss cause.

Table 8-1

| Water Loss Cause | Water Loss Control Measures |
|----------------------------------|---|
| Breaks and Leaks | <ul style="list-style-type: none"> • Annual leak survey – The City surveys 25% of the water system each year to identify and repair unreported water leaks. • AC pipe replacement program – The City replaces a portion of old AC pipe each year. |
| Meter Inaccuracies | <ul style="list-style-type: none"> • AMI integration with billing system allows identification of unusual water consumption that may be due to a faulty meter. • The City has adopted a meter replacement program that systematically replaces old meters that tend to lose accuracy with age. • Purchased water and plant meters are calibrated annually and monitored continuously through the SCADA system. |
| Unauthorized Consumption (Theft) | <ul style="list-style-type: none"> • Meter activity on inactive accounts is easily identified with the AMI system. • The City provides all utilities (electric, gas, water and sewer) and personnel are trained to look for and report suspicious activity, including potential water theft. |

Water loss is monitored in accordance with goals established in the water utility profile in Appendix B. With the measures described in the Plan, the goal for Brenham, is to maintain its water loss below 7%. If water loss exceeds the goal, Brenham will look at its water distribution system to determine the source(s) of and reduce the water loss. A copy of the Water Conservation Plan Annual Report is in Appendix E.

SECTION 9

A PROGRAM OF CONTINUING PUBLIC EDUCATION AND INFORMATION

The City supports a continuing public education and information campaign on water conservation. Appendix F contains samples of brochures and website information used in the program.

- The City maintains a supply of water conservation brochures at locations where water bills are paid and where new water accounts are setup. The following TWDB brochures are available for customer selection:
 - “Water Conserving Tips”
 - “Conserving Water Indoors”
 - “Conserving Water Outdoors”
- Water conservation tips “Use Water Wisely” can be downloaded from the City’s website.
- The Water Conservation Plan is available on the City’s website.

SECTION 10

WATER RATE STRUCTURE

The City has adopted a rate structure which is cost-based and does not encourage the excessive use of water. The inclining block rate structure is shown in the tables below.

| RESIDENTIAL WATER RATES IN CITY LIMITS | | RESIDENTIAL WATER RATES OUT OF CITY LIMITS | |
|---|--------------------------|---|--------------------------|
| First 3,000 gallons or less | \$17.23 | First 3,000 gallons or less | \$19.81 |
| 3,001 - 10,000 gallons | \$3.78 per 1,000 gallons | 3,001 - 10,000 gallons | \$4.35 per 1,000 gallons |
| 10,001 - 25,000 gallons | \$4.73 per 1,000 gallons | 10,001 - 25,000 gallons | \$5.44 per 1,000 gallons |
| 25,001 and above | \$5.91 per 1,000 gallons | 25,001 and above | \$6.80 per 1,000 gallons |

| COMMERCIAL AND INDUSTRIAL IN CITY LIMITS | | COMMERCIAL AND INDUSTRIAL OUT OF CITY LIMITS | |
|---|--------------------------|---|--------------------------|
| First 3,000 gallons or less | \$17.23 | First 3,000 gallons or less | \$19.81 |
| 3,001 - 10,000 gallons | \$2.37 per 1,000 gallons | 3,001 - 10,000 gallons | \$2.73 per 1,000 gallons |
| 10,001 - 25,000 gallons | \$2.96 per 1,000 gallons | 10,001 - 25,000 gallons | \$3.41 per 1,000 gallons |
| 25,001 and above | \$3.70 per 1,000 gallons | 25,001 and above | \$4.26 per 1,000 gallons |

| IRRIGATION SYSTEM SERVICE IN CITY LIMITS | |
|---|--------------------------|
| 0 – 10,000 gallons | \$4.09 per 1,000 gallons |
| 10,001 – 25,000 gallons | \$5.11 per 1,000 gallons |
| 25,001 and above | \$6.39 per 1,000 gallons |

| IRRIGATION SYSTEM SERVICE OUT OF CITY LIMITS | |
|---|--------------------------|
| 0 – 10,000 gallons | \$4.09 per 1,000 gallons |
| 10,001 – 25,000 gallons | \$5.11 per 1,000 gallons |
| 25,001 and above | \$6.39 per 1,000 gallons |

| FIRE LINE SERVICE IN CITY LIMITS | |
|-------------------------------------|--------------------|
| 4 inch | \$20.56 flat rate |
| 6 inch | \$59.72 flat rate |
| 8 inch | \$127.27 flat rate |
| 10 inch | \$228.87 flat rate |
| 12 inch | \$369.69 flat rate |

| RESIDENTIAL WATER RATES OUT OF CITY LIMITS | |
|---|--------------------|
| 4 inch | \$23.64 flat rate |
| 6 inch | \$68.68 flat rate |
| 8 inch | \$146.36 flat rate |
| 10 inch | \$263.20 flat rate |
| 12 inch | \$425.14 flat rate |

| CONSTRUCTION SERVICE TEMPORARY | |
|-----------------------------------|--------------------------|
| First 3,000 gallons or less | \$17.23 |
| 3,001 - 10,000 gallons | \$5.01 per 1,000 gallons |
| 10,001 - 25,000 gallons | \$6.26 per 1,000 gallons |
| 25,001 and above | \$7.83 per 1,000 gallons |

SECTION 11

RESERVOIR SYSTEMS OPERATION PLAN

Not applicable to Brenham because Brenham does not own any reservoirs.

SECTION 12

IMPLEMENTATION AND ENFORCEMENT

The Mayor, or his/her designee, is hereby authorized and directed to implement the applicable provisions of the Plan upon determination that such implementation is necessary to protect public health, safety and welfare and to comply with applicable regulations.

Except as otherwise provided in the Plan, the Mayor, or his/her designee, shall have the authority to initiate, to enforce and to terminate the measures provided herein.

A copy of the ordinance is in Appendix G.

SECTION 13

COORDINATION WITH REGIONAL WATER PLANNING GROUP

The City will send a copy of this Plan, the ordinance adopting the Plan and the water utility profile to the Regional G Water Planning Group. A copy of the Brazos River Authority Water Conservation Plan is included in Appendix H.

SECTION 14

ADDITIONAL CONTENT REQUIREMENTS

LEAK DETECTION, REPAIR AND WATER LOSS

Most water leaks, illegal connections, abandoned water services or other means of water loss are discovered through visual observation of field crews other personnel or are reported by the public. Brenham trains its personnel (e.g., meter readers, maintenance crews, etc.) to look for and report evidence of water leaks in the water distribution system to the Public Utilities Department. Personnel are asked to watch for and report signs of illegal connections and abandoned services. All leaks are repaired as soon as possible and all illegal connections and abandoned services are investigation as soon as possible in order to maintain a sound water system. Areas of the water distribution system in which numerous leaks and line breaks occur are scheduled for replacement as funds are available.

WATER CONSERVATION PLANS BY WHOLESALE CUSTOMERS

Brenham would receive authorization from the Brazos River Authority prior to providing wholesale water services to any successive wholesale customers. Brenham will include language in its wholesale water supply contract with these entities requiring said entity to develop and implement a water conservation plan or water conservation measures using the applicable elements of Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.5 of the Texas Administrative Code.

SECTION 15

ADDITIONAL CONSERVATION STRATEGIES

CONSERVATION-ORIENTED WATER RATES

Brenham has adopted a rate structure which is cost based and does not encourage the excessive use of water. (Section 10)

ORDINANCES, PLUMBING CODES AND RULES

Brenham has adopted the 2012 International Plumbing Code which encourages the use of water conserving plumbing fixtures for residential and commercial construction. The State of Texas has required water-conserving fixtures in new construction and renovations since 1992.

RETROFIT PROGRAM

Retrofit of existing plumbing fixtures is being accomplished through the voluntary efforts of individual consumers and business owners. There is currently no rebate program for the replacement of existing commodes with low flush models.

REUSE

Brenham does currently use treated effluent daily for chlorination/de-chlorination and wash down at the wastewater plant. Brenham also has a reclaim station where commercial customers buy reuse water for construction and roads.

WATER CONSERVING LANDSCAPE

Brenham encourages its retail customer to incorporate Texas SmartScape principles into their respective landscapes. Texas SmartScape was developed through the North Central Texas Council of Governments in cooperation with cities, utilities and other agencies to educate citizens on the ecological, economic and aesthetic benefit of using landscape plants, shrubs, grasses and trees that are native or adapted to the regional climate and local conditions. Using Texas SmartScape principles can be both practical and beautiful, using earth-friendly techniques that conserve water resources and protect water quality.

SECTION 16

REVIEW AND UPDATE ADDITIONAL CONSERVATION STRATEGIES

The rules on minimum requirements for Water Conservation Plans can be found in Title 30 of the Texas Administrative Code (TAC), Chapter 288 (see Section 2). According to Rule 288.2 (c), a public water supplier for municipal use will review and update its water conservation plan every five (5) years to coincide with the regional water planning group process. The next review/update cycle that coincides with the regional water planning group process is **May 1, 2019**.

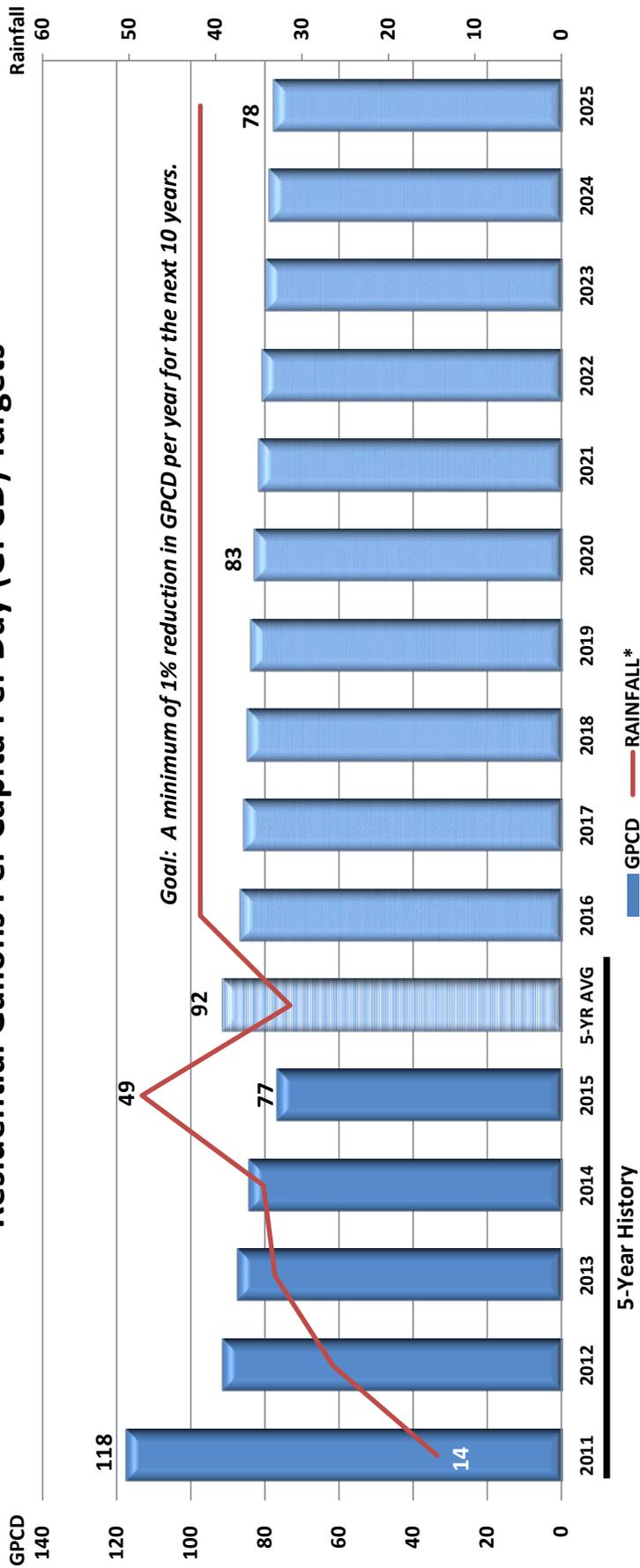
In order to synchronize with the regional water planning group, the City of Brenham will review, update and submit a revised plan by **May 1, 2019** and then every **five years** thereafter. Anytime the plan is revised it will be submitted within 90 days of adoption.

The City of Brenham is a municipal surface water right user of over 1,000 acre-feet and a retail public water supplier providing service to over 3,000 connections. Therefore, the updated Water Conservation Plan for the City of Brenham will be submitted to the TCEQ and a copy of the plan will be submitted to the TWDB.

Texas Commission on Environmental Quality (TCEQ)
Resource Protection Team
P.O. Box 13087 MC-160
Austin, Texas 78711-3087

Texas Water Development Board
1700 North Congress Avenue P.O. Box 13231
Austin, Texas 78711-3231

Residential Gallons Per Capita Per Day (GPCD) Targets



* 2016 to 2025 based on 30 year average rainfall of 42 inches.



AGENDA ITEM 16

| | | |
|---|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: 3-29-2016 | |
| DEPT. OF ORIGIN: Fire | SUBMITTED BY: Ricky Boeker | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input checked="" type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-16-015 Authorizing the Submission of a Grant Application for 2016 Homeland Security Grant Funds, If Available, Through the Brazos Valley Council of Governments | | |
| SUMMARY STATEMENT: The office of the Governor, Homeland Security Division has requested that all entities have a resolution approved by the governing body authorizing the submission of a grant application for 2016. We are asking that this resolution be passed so that it will be on file with the state and that City Council approves of an application if additional funds become available. We would still inform the Council of our intent to apply for any funds if any become available. These funds can only be used for approved Homeland Security items and must align with Brazos Valley Council of Government (BVCOG) regional priorities. At this time the major focus has been on interoperable communications within the region. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Resolution No. R-16-015 | | |
| FUNDING SOURCE (Where Applicable): | | |
| RECOMMENDED ACTION: Approve Resolution No. R-16-015 authorizing the submission of a grant application for 2016 Homeland Security Grant Funds, if available, through the Brazos Valley Council of Governments | | |
| APPROVALS: Terry K. Roberts | | |

RESOLUTION NO. R-16-015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRENHAM, TEXAS AUTHORIZING APPLICATION FOR GRANT FUNDING UNDER THE 2016 HOMELAND SECURITY GRANT PROGRAM

WHEREAS, the City of Brenham is located within the area covered by the Brazos Valley Council of Governments (“BVCOG”), a regional planning commission organized under provisions of Chapter 570, Acts, 59th Legislature, Regular Session 1965 (codified as Article 1011m, V.T.C.S.), which has been given area wide planning responsibility for Brazos, Burleson, Grimes, Leon, Madison, Robertson, and Washington counties; and

WHEREAS, the Office of the Governor, Homeland Security Division, has requested applications under the Homeland Security Grant Program for fiscal year 2016; and

WHEREAS, in the event these funds become available, these funds will be used to fund Homeland Security items for agencies of the Brazos Valley Council of Governments; and

WHEREAS, the City Council desires that the City of Brenham apply for grants funds under the Homeland Security Grant Program for fiscal year 2016 in the event funds become available;

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

1. That the Mayor is hereby authorized to submit a grant application under the State Homeland Security Program, to the Governor's Office, Homeland Security Division, on behalf of the City of Brenham with no match required;
2. That the City Council is authorized to accept, reject, alter, or terminate the grant funds should they be tendered in response to the aforementioned application;
3. That the City of Brenham hereby agrees that in the event of loss or misuse of the State Homeland Security Program grant funds, the City of Brenham assures that the funds will be returned to the Homeland Security Department in full;
4. That the Mayor is hereby authorized to execute any necessary documentation related to the grant application described herein; and
5. That this Resolution is effective upon its adoption.

PASSED AND APPROVED on this the 7th day of April, 2016.

ATTEST:

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC
City Secretary



AGENDA ITEM 17

| | | | |
|--|---|--|--|
| DATE OF MEETING: April 7, 2016 | | DATE SUBMITTED: March 28, 2016 | |
| DEPT. OF ORIGIN: Administration | | SUBMITTED BY: Kacey Weiss | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: | |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING | |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING | |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION | |
| | <input type="checkbox"/> WORK SESSION | | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Request for a Noise Variance from Annie Mae Sharp for the Graves Family Reunion at 906 Armbrister Street to be Held on Saturday, April 16, 2016 from 10:30 a.m. – 11:00 p.m. and Authorize the Mayor to Execute Any Necessary Documentation | | | |
| SUMMARY STATEMENT: Annie Mae Sharp is requesting a Noise Variance for a family reunion gathering at 906 Armbrister Street on April 16, 2016 from 10:30 a.m – 11:00 p.m. Set-up will be from 10:30 a.m. to 12:30 p.m., the event will be from 1:00 p.m. until 10:00 p.m. and clean-up will be from 10:00 p.m. to 11:00 p.m. They will have a DJ using speakers and a sound system, which requires a Noise Variance. The Brenham Police Department and the Brenham Fire Department have approved the noise variance request; therefore, I ask the City Council to approve the noise variance request. | | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | | |
| A. PROS: | | | |
| B. CONS: | | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | | |
| ATTACHMENTS: (1) Noise Variance Request form | | | |
| FUNDING SOURCE (Where Applicable): | | | |
| RECOMMENDED ACTION: Approve a request for a noise variance from Annie Mae Sharp for the Graves Family Reunion at 906 Armbrister Street to be held on Saturday, April 16, 2016 from 10:30 a.m. – 11:00 p.m and authorize the Mayor to execute any necessary documentation | | | |
| APPROVALS: Terry K. Roberts | | | |



AGENDA ITEM 18

| | | |
|---|---|--|
| DATE OF MEETING: April 7, 2016 | DATE SUBMITTED: April 1, 2016 | |
| DEPT. OF ORIGIN: Administration | SUBMITTED BY: Kacey Weiss | |
| MEETING TYPE: | CLASSIFICATION: | ORDINANCE: |
| <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> PUBLIC HEARING | <input type="checkbox"/> 1 ST READING |
| <input type="checkbox"/> SPECIAL | <input type="checkbox"/> CONSENT | <input type="checkbox"/> 2 ND READING |
| <input type="checkbox"/> EXECUTIVE SESSION | <input checked="" type="checkbox"/> REGULAR | <input type="checkbox"/> RESOLUTION |
| | <input type="checkbox"/> WORK SESSION | |
| AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon a Request for a Noise Variance from the Brenham Maifest Association for the 2016 Maifest Events to be Held on April 30, 2016, May 5, 2016, May 6, 2016 and May 7, 2016 and Authorize the Mayor to Execute Any Necessary Documentation | | |
| SUMMARY STATEMENT: The Maifest Royalty Run will be held on April 30, 2016, and will begin at 8:00 a.m. They will have a DJ playing music. The Maifest Celebration will be held May 5 th through May 7 th . Activities include a carnival, bands and the coronations. | | |
| STAFF ANALYSIS (For Ordinances or Regular Agenda Items): | | |
| A. PROS: | | |
| B. CONS: | | |
| ALTERNATIVES (In Suggested Order of Staff Preference): | | |
| ATTACHMENTS: (1) Noise Variance Request forms | | |
| FUNDING SOURCE (Where Applicable): | | |
| RECOMMENDED ACTION: Approve a request for a noise variance from the Brenham Maifest Association for the 2016 Maifest Events to be Held on April 30, 2016, May 5, 2016, May 6, 2016 and May 7, 2016 and authorize the Mayor to execute any necessary documentation | | |
| APPROVALS: Terry K. Roberts | | |

Paid 03/29/16
cash \$10.00
kw

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: Maifest (Maifest Royalty Run)
2. Name and address of individual making application on behalf of sponsoring organization: Brooke Huckert PO Box 1588 Brenham TX 77834
3. Purpose of the Event: Fundraiser + Community Fun
4. Location of Event: Hohlt Park + 5K Adams Angels Route
5. Date of the event: 4-30-16
6. Time of Event: 8:00 Am
7. Event Set-up: From: 7 Am To: 8:30 Am
Event Clean-up: From: 10 AM To: 10:30 Am
8. You are required to describe the following:
 - a) Types of Activities Planned and any additional information specific to this event: 5K Run + Kids Activity mile. Kids will run the track @ Hohlt + have Stations set up every quarter w/ Fun Activities.
 - b) Bands/Musical Instruments: DJ playing music
 - c) Sound amplification equipment: Amplifier
 - d) Cleanup provisions: ?

Brooke Huckert
Name of Applicant (Printed or Typed)
BHuckert
Applicant or Authorized Person's Signature

Date: 3/22/16
Phone: 979 836 5636

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes No. If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):

paid 03/28/16
cash \$10.00
kw

NOISE VARIANCE REQUEST

Application Fee \$10.00

1. Name of sponsoring organization: Brenham Maifest Association

2. Name and address of individual making application on behalf of sponsoring organization: Charlie Pyle 979-251-2375 (text or phone)

3. Purpose of the Event: Annual Maifest Celebration

4. Location of Event: Fireman's Park May 5th 5-11pm (carnival)
5. Date of the event: May 6th 2016 5pm to 12AM only

6. Time of Event: _____

7. Event Set-up: From: _____ To: _____

Event Clean-up: From: _____ To: _____

8. You are required to describe the following:

a) Types of Activities Planned and any additional information specific to this event: _____

Bands and Maifest Coronations
Carnival

b) Bands/Musical Instruments: Several

c) Sound amplification equipment: yes

d) Cleanup provisions: yes

Charlie Pyle
Name of Applicant (Printed or Typed)

Date: 3/28/16

Charlie Pyle by Dottie Schaefer
Applicant or Authorized Person's Signature

Phone: 979-251-2375

Have you ever been found guilty of a criminal offense involving crimes against property, moral turpitude, and/or a felony by any Court? Yes No. If "Yes", please identify the offense, State of conviction and penalty imposed (attach additional sheets if necessary):