

July 14, 2020
City Council
Regular Meeting
7:00 p.m.



SUPPLEMENTAL NOTICE OF MEETINGS BY TELEPHONE CONFERENCE:

In accordance with order of the Office of the Governor issued March 16, 2020, the City Council of the City of Dickinson, Texas will conduct the special workshop meeting scheduled at 6:00 p.m. and the regular meeting scheduled at 7:00 p.m. on Tuesday, July 14, 2020 at 4403 Highway 3, Dickinson, Texas 77539 by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). [There will be no public access to the location described above.]

This supplemental written notice, the meeting agenda, and the agenda packet, are posted online at <http://www.ci.dickinson.tx.us/agendacenter>.

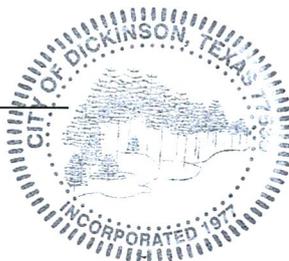
The public toll-free dial-in number to participate in the telephonic meetings is 833-403-1228, Conference ID: 767 876 583#.

The public will be permitted to offer public comments telephonically as provided by the agenda and as permitted by the presiding officer during the meeting.

A recording of the telephonic meeting will be made, and will be available to the public in accordance with the Open Meetings Act upon written request.



Alun W. Thomas, City Secretary



Julie Masters, Mayor
Charles Suderman, Mayor Pro Tem
Sean Skipworth
Walter Wilson

AGENDA
City of Dickinson
CITY COUNCIL
REGULAR MEETING

Wally Deats
Louis Decker
William H. King III
Chris Heard, City Administrator

July 14, 2020

NOTICE is hereby given of a **REGULAR MEETING** of the City Council for the City of Dickinson, County of Galveston, State of Texas, to be held on **Tuesday, July 14, 2020**, at **7:00 p.m.** at: 4403 Highway 3, Dickinson, Texas 77539 for the purpose of considering the following numbered items.

In accordance with order of the Office of the Governor issued March 16, 2020, the City Council of the City of Dickinson, Texas will **conduct the meeting by telephone conference** in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). **The public toll-free dial-in number to participate in the telephonic meeting is 833-403-1228, Conference ID: 767 876 583#.**

The City Council of the City of Dickinson, Texas, reserves the right to meet in a closed session on any of the below items should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM

ITEM 2.) INVOCATION

ITEM 3.) PLEDGE OF ALLEGIANCE

ITEM 4.) PROCLAMATIONS

ITEM 5.) ANNOUNCEMENTS AND PRESENTATIONS:

A. Council Comments.

ITEM 6.) REPORTS:

A. Update on Community Development Block Grant Project – Pin Oak.

B. Update on Community Development Block Grant Project – Nicholstone.

ITEM 7.) PUBLIC COMMENTS: At this time, any person with city-related business may speak to the Council. In compliance with the Texas Open Meetings Act, The City Council may not deliberate. **Comments from the public should be limited to a maximum of three (3) minutes per individual speaker.**

ITEM 8.) CONSENT AGENDA: CONSIDERATION AND POSSIBLE ACTION:

The following items are considered routine by the City Council and will be enacted by one motion. There will not be a separate discussion on these items unless a Council member requests, in which event, the item will be removed from the consent agenda and discussed after the consent agenda.

- A. Approval of the Minutes of the Regular Council Meeting of June 23, 2020.
- B. Approval of the Minutes of the Special Council Meeting of July 2, 2020.
- C. Resolution Number XXX-2020 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A WATER SAMPLING INTERLOCAL AGREEMENT BETWEEN THE CITY OF DICKINSON, TEXAS, AND GALVESTON COUNTY HEALTH DISTRICT FOR THE PROVISION OF WATER SAMPLING SERVICES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AUTHORIZING EXECUTION OF THE INTERLOCAL AGREEMENT BY THE MAYOR; AND PROVIDING AN EFFECTIVE DATE.**

ITEM 9.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Resolution Number XXX-2020 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, RESCINDING PRIOR NOTICE AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.**

ITEM 10.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Resolution Number XXX-2020 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF DICKINSON, TEXAS, AND GH PROCUREMENT, LLC; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.**

ITEM 11.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: The Dickinson Economic Development Corporation and City of Dickinson Employee Benefits and Administrative Services Interlocal Agreement.

ITEM 12.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Approval of Amended and Restated Bylaws of the Dickinson Economic Development Corporation.

ITEM 13.) EXECUTIVE SESSION: The City Council will now hold a closed executive meeting pursuant to the provision of Chapter 551, Government Code, Vernon's Texas Codes annotated, in accordance with the authority contained in:

A. Section 551.071 – Consultation with Attorney regarding pending litigation and matters in which the duty of the City Attorney requires to be discussed in closed meeting.

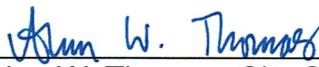
ITEM 14.) RECONVENE

ITEM 15.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters Discussed in Executive Session.

ITEM 16.) ADJOURN

CERTIFICATION

This is to certify that a copy of the Notice of the Regular City Council meeting for **Tuesday, July 14, 2020**, was posted on the bulletin board at City Hall, 4403 Highway 3, Dickinson, Texas, on this the 10th day of July 2020, prior to 7:00 p.m.


Alun W. Thomas, City Secretary



In compliance with the Americans with Disabilities Act, the City of Dickinson will provide reasonable accommodations for disabled persons attending City Council Meetings. Requests should be received at least 24 hours prior to the scheduled meeting, by contacting the City Secretary's office at 281-337-6217, or by FAX at 281-337-6190.

ITEM 1

**Call to Order and
Certification of a
Quorum**

**CITY OF DICKINSON, TEXAS
CITY COUNCIL MEETING
ATTENDANCE LIST**

**MEETING DATE: July 14, 2020
Regular Meeting**

| <u>MAYOR/COUNCIL</u> | <u>PRESENT</u> | <u>ABSENT</u> |
|--|-----------------------|----------------------|
| MAYOR JULIE MASTERS | _____ | _____ |
| POS. 1: COUNCILMEMBER CHARLES SUDERMAN | _____ | _____ |
| POS. 2: COUNCILMEMBER SEAN SKIPWORTH | _____ | _____ |
| POS. 3: COUNCILMEMBER WALTER WILSON | _____ | _____ |
| POS. 4: COUNCILMEMBER WALLY DEATS | _____ | _____ |
| POS. 5: COUNCILMEMBER LOUIS DECKER | _____ | _____ |
| POS. 6: COUNCILMEMBER WILLIAM KING | _____ | _____ |
| <u>ALSO IN ATTENDANCE:</u> | | |
| City Attorney David W. Olson | _____ | _____ |
| City Administrator Chris Heard | _____ | _____ |
| Interim Finance Director Rebecca Roseberry | _____ | _____ |
| City Secretary Alun W. Thomas | _____ | _____ |
| Director of Community Services Kola Olayiwola | _____ | _____ |
| Police Chief Ron Morales | _____ | _____ |
| EMS Director Derek Hunt | _____ | _____ |
| Fire Marshal Burt Heddles | _____ | _____ |
| Court Administrator Irma Rivera | _____ | _____ |
| Library Director Julianne Lane | _____ | _____ |
| Bayou Animal Services Manager Sarah Haywood | _____ | _____ |
| Assistant to the City Administrator Kerilyn Bascle | _____ | _____ |

ITEM 2

Invocation

ITEM 3

Pledge of Allegiance

ITEM 4

Proclamations

ITEM 5

Announcements and Presentations

ITEM 5A

Council Comments

ITEM 6

Reports

ITEM 6A

**Update on CDBG
Project: Pin Oak**

City of Dickinson
Pin Oak Storm Sewer Drainage Improvements
CDBG-DR

| ID | Task Mode | Task Name | Duration | Start | 3rd Quarter | | | 4th Quarter | | | 1st Quarter | | | 2nd Quarter | | | 3rd Quarter | | | 4th Q | | | |
|----|-----------|--|-----------------|---------------------|-------------|-----|-----|-------------|-----|-----|-------------|-----|-----|-------------|-----|-----|-------------|-----|-----|-------|--|--|--|
| | | | | | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | | | |
| 1 | | Pin Oak Storm Sewer Improvement | 263 days | Tue 9/1/20 | | | | | | | | | | | | | | | | | | | |
| 2 | | Final Design Submittal | 1 day | Tue 9/1/20 | | | | | | | | | | | | | | | | | | | |
| 3 | | Permitting | 10 days | Wed 9/2/20 | | | | | | | | | | | | | | | | | | | |
| 4 | | Bidding | 25 days | Wed 9/16/20 | | | | | | | | | | | | | | | | | | | |
| 5 | | Advertisement | 14 days | Wed 9/16/20 | | | | | | | | | | | | | | | | | | | |
| 6 | | Bid Opening | 1 day | Tue 10/6/20 | | | | | | | | | | | | | | | | | | | |
| 7 | | Evaluation of Bids | 5 days | Wed 10/7/20 | | | | | | | | | | | | | | | | | | | |
| 8 | | Council Award | 1 day | Tue 10/20/20 | | | | | | | | | | | | | | | | | | | |
| 9 | | Construction | 182 days | Wed 11/11/20 | | | | | | | | | | | | | | | | | | | |
| 10 | | Notice to Proceed | 1 day | Wed 11/11/20 | | | | | | | | | | | | | | | | | | | |
| 11 | | Construction Activities | 180 days | Thu 11/12/20 | | | | | | | | | | | | | | | | | | | |
| 12 | | Project Acceptance | 1 day | Thu 7/22/21 | | | | | | | | | | | | | | | | | | | |
| 13 | | Closeout | 30 days | Fri 7/23/21 | | | | | | | | | | | | | | | | | | | |

Project: Project1
Date: Wed 7/8/20

| | | | | | |
|--------------------|--|-----------------------|--|--------------------|--|
| Task | | Inactive Summary | | External Tasks | |
| Split | | Manual Task | | External Milestone | |
| Milestone | | Duration-only | | Deadline | |
| Summary | | Manual Summary Rollup | | Progress | |
| Project Summary | | Manual Summary | | Manual Progress | |
| Inactive Task | | Start-only | | | |
| Inactive Milestone | | Finish-only | | | |

ITEM 6B

**Update on CDBG
Project: Nicholstone**

City of Dickinson
Nicholstone Neighborhood Street Reconstruction Project



| ID | Task Mode | Task Name | Duration | Start | Finish | |
|----|-----------|---------------------------------|-----------------|--------------------|---------------------|--|
| 1 | | Final Design Submittal | 0 days | Wed 8/19/20 | Wed 8/19/20 | |
| 2 | | Bidding and Construction | 324 days | Thu 8/20/20 | Tue 11/16/21 | |
| 3 | | Advertising | 15 days | Thu 8/20/20 | Wed 9/9/20 | |
| 4 | | Bid Opening & Verification | 5 days | Thu 9/10/20 | Wed 9/16/20 | |
| 5 | | Council Award | 0 days | Tue 9/22/20 | Tue 9/22/20 | |
| 6 | | Contracting Period | 15 days | Wed 9/23/20 | Tue 10/13/20 | |
| 7 | | Pre Con Mtg & NTP | 5 days | Wed 10/14/20 | Tue 10/20/20 | |
| 8 | | Construction | 12 mons | Wed 10/21/20 | Tue 9/21/21 | |
| 9 | | Project Closeout | 2 mons | Wed 9/22/21 | Tue 11/16/21 | |

| | | | | | | |
|---|--------------------|--|-----------------------|--|--------------------|--|
| Project: Dickinson Street Recon Date: Wed 7/8/20 | Task | | Inactive Summary | | External Tasks | |
| | Split | | Manual Task | | External Milestone | |
| | Milestone | | Duration-only | | Deadline | |
| | Summary | | Manual Summary Rollup | | Progress | |
| | Project Summary | | Manual Summary | | Manual Progress | |
| | Inactive Task | | Start-only | | | |
| | Inactive Milestone | | Finish-only | | | |

ITEM 7

Public Comments

ITEM 8

Consent Agenda

ITEM 8A

Julie Masters, Mayor
Charles Suderman, Mayor Pro Tem
Sean Skipworth
Walter Wilson

MINUTES
City of Dickinson
CITY COUNCIL
REGULAR MEETING

Wally Deats
Louis Decker
William H. King III
Chris Heard, City Administrator

June 23, 2020

The Dickinson City Council met in a duly called and announced **REGULAR MEETING** on **Tuesday, June 23, 2020, at 7:00 p.m.** The meeting was held in the City Council Chambers located at 4403 Highway 3, Dickinson, Galveston County, Texas, and was held for the purpose of considering the following items:

ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM

Mayor Masters called the meeting to order at 7:05 p.m. City Secretary Alun Thomas called roll and certified a quorum. Council Members present were as follows: Mayor Julie Masters, Mayor Pro-Tem Charles Suderman, and Council Members Sean Skipworth, Walter Wilson, Wally Deats, Louis Decker, and William H. King, III. Also present were City Attorney David Olson, City Administrator Chris Heard, Director of Community Services Kola Olayiwola, Library Director Julianne Lane, Assistant Library Director Kathy Soehl, and Assistant to the Community Services Director Andrew Crawford.

ITEM 2.) INVOCATION

Council Member King gave the invocation.

ITEM 3.) PLEDGE OF ALLEGIANCE

Council Member Decker led the Pledge of Allegiance.

ITEM 4.) PROCLAMATIONS

None.

ITEM 5.) ANNOUNCEMENTS AND PRESENTATIONS:

A. Council Comments.

- Welcome to everyone attending the meeting.
- The next Knights of Columbus fish fry will be on July 3, from 5:00 to 7:30 p.m., and will be drive-through only.
- Condolences to the family of Sue Winkler on her recent passing-away.
- The number of confirmed cases of coronavirus (COVID-19) continues to increase. We all need to work together to minimize our exposure by wearing masks and maintaining social distance.

- Condolences to the family of Bennie Nipper on her recent passing-away. Ms. Nipper ran the Harbour Playhouse on Highway 3 and will be missed.
- Significant rainfall is forecast for tonight.
- Tree branches near the library block the view when pulling onto Highway 3, so need to be trimmed. There is also a dead tree there that needs to be removed.
- Juneteenth was celebrated last week. The day represents an important day of freedom for African Americans.
- Condolences to the Foster and Lewis families.
- Thank you to those who have been helping those in need during these times, including Mayor Masters, Galveston County Food Bank, and M.I. Lewis Social Service Center.
- Galveston Community Action Council provides help to people who are struggling to pay their rent or utility bills.
- Senior citizens who need help with air conditioning can receive up to \$5,000 in free assistance this summer.
- Thank you to Melissa Washington with the Texas General Land Office for attending this meeting.

B. Drainage Operations and Maintenance Plan (City Administrator Chris Heard).

City Administrator Chris Heard introduced the item, and Joe Myers, Vice President of Huitt-Zollars, the City's contract hydrological engineers, presented the plan. Mr. Myers explained that the plan will help make the City's operations better. Council Member Deats expressed his support for the plan and for the Fulcrum system, which is a geospatial data collection application. Mr. Heard said that he has been trying to implement a system but that he has been held back by everyone when he tries. Mr. Heard also said that the City staff is both limited and computer illiterate, which he would like to change. Mr. Heard also complained that previous street reconstruction projects undertaken by the City did not consider drainage needs.

Council Member Deats asked for an update on the staffing levels of the Public Works division of the Community Services department. Mr. Heard said that there are four employees there currently, but that interviews are underway for a street superintendent position. He plans for the division having either three crews of four people or four crews of three people within the next two or three months. The current staff, Mr. Heard said, does not know how to operate much of the equipment, so are accidentally damaging it. He said that the City does not have training programs or safety protocols for the division, and that it needs good leadership.

C. Comprehensive Plan Request for Qualifications (City Administrator Chris Heard).

City Administrator Chris Heard introduced the item, noting that Director of Community Services Kola Olayiwola produced the draft and that it needs more detail, but that it would go out to the public in mid-July. He said that the City has approximately \$100,000 to \$150,000 to spend on a new Comprehensive Plan. The Texas General Land Office's grant program for such plans will have its funding released in January 2021. In the meantime, Mr. Heard said, staff will be making the City's code more conducive to development, hopefully with the assistance of Galveston County Water Control and Improvement District No. 1.

Council discussed the timeframe for the new Comprehensive Plan, which Mr. Heard said will take one year to do properly. Council Member King stressed that the City did not need a weakened Comprehensive Plan, and Council Member Skipworth said that the draft Request for Qualifications looked quite good and asked that the City solicit input on it from the public.

D. Presentation and Acceptance of Fiscal Year 2018-2019 Audited Comprehensive Annual Financial Report and Federal Single Audit Report Prepared by Belt, Harris Pechacek, LLLP, Certified Public Accountants (Belt, Harris Pechacek, LLLP).

City Administrator Chris Heard discussed the reports and said that he worked with the auditors to remove the comment about the City not timely paying Texas Department of Transportation from the final document. Mr. Heard then addressed questions from Council about the identified deficiencies in the City's grant administration, saying that much of that issue is attributable to how the City managed its \$10,000,000 advance from Federal Emergency Management Agency (FEMA). FEMA, he said, changed its mind three times about how the City needed to handle the funds. Mr. Heard said that when the new Finance Director starts in July, the City can begin correcting its financial processes.

Council Member King made a motion to accept the Fiscal Year 2018-2019 Audited Comprehensive Annual Financial Report and Federal Single Audit Report, and Council Member Skipworth seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

ITEM 6.) REPORTS:

- A. Update on Activities of the Houston-Galveston Area Council (Council Member King).

Council Member King provided Council with an update on the June 16th meetings of the Houston-Galveston Area Council, including a discussion of job training and placement opportunities that are available for young people, and HGAC's Weather Aware program, which encourages people to have an evacuation plan in place for hurricane season.

- B. Update on Activities of the Dickinson Economic Development Corporation (Dickinson Economic Development Corporation Chief Executive Officer Scott Jones).

Dickinson Economic Development Corporation (DEDC) Chief Executive Officer Scott Jones presented to Council and discussed DEDC's programs and projects. He discussed a possible upcoming program to provide scholarships for Dickinson Independent School District graduates who live in the city limits of Dickinson.

Mr. Jones said that DEDC would like to have a strategic plan in place by next fiscal year. Mayor Masters said that the strategic plan should be done in coordination with the City's upcoming revisions to its Comprehensive Plan. Mr. Jones said that it would be better if DEDC did not have to wait another year before having a strategic plan to guide its activities. Mr. Jones concluded his report by saying that he would like more joint meetings between DEDC and City Council.

- C. City Administrator's Report and Update on Public Works Projects (City Administrator Chris Heard).

City Administrator Chris Heard said that, in the interest of time, he would not present the report this evening. The written report was made available to Council last week through its inclusion in the Council Packet.

ITEM 7.) PUBLIC COMMENTS: At this time, any person with city-related business may speak to the Council. In compliance with the Texas Open Meetings Act, The City Council may not deliberate. **Comments from the public should be limited to a maximum of three (3) minutes per individual speaker.**

John Dougan, 1009 Royal Oak Drive, Dickinson, Texas – Mr. Dougan questioned why City Administrator Chris Heard was still a board member of the Dickinson Economic Development Corporation (DEDC), noting that on May 26, 2020 Council Member Deats had asked for a City Council agenda

item to allow for Mr. Heard's removal from the board, and that such an item was never added to an agenda. He said that in the June 16, 2020 Joint Meeting of DEDC and City Council, Mayor Masters said that Mr. Heard was the City's liaison to DEDC, yet Mr. Heard seldom attends DEDC meetings and failed to attend the most recent one. City Council members also rarely attend DEDC meetings, although DEDC Chief Executive Officer Scott Jones does provide Council with frequent updates.

Mr. Dougan said that Council is "gaslighting" (a term used to refer to a specific type of manipulation where the manipulator is trying to get one or more other people to question their own reality, memory or perceptions), and that the truth is that the City has lost many employees because of Mr. Head. Now, Mr. Dougan believes, Mr. Heard is working to sabotage DEDC's relationship with a property developer. City Council, he said, needs to stop being weak and start doing what is in the best interests of the city. He also urged Council to remove Mr. Heard from the board of DEDC so that people need not work through Mr. Heard or Mayor Masters, who Mr. Dougan said have worked together to create a hostile work environment for staff. Mr. Dougan concluded his comments by asking where Mr. Heard's performance evaluation was; the City's response to Mr. Dougan's public information request for the record said that it was to be released to the public today.

ITEM 8.) CONSENT AGENDA: CONSIDERATION AND POSSIBLE ACTION:

The following items are considered routine by the City Council and will be enacted by one motion. There will not be a separate discussion on these items unless a Council member requests, in which event, the item will be removed from the consent agenda and discussed after the consent agenda.

- A. Approval of the Minutes of the Regular Council Meeting of June 9, 2020.
- B. Approval of the Minutes of the Joint Special Workshop Council Meeting of June 16, 2020.
- C. Resolution Number 1844-2020 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN AGREEMENT BY AND BETWEEN THE CITY OF DICKINSON, TEXAS ("CITY"), DICKINSON INDEPENDENT SCHOOL DISTRICT ("DISD"), AND GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 ("WCID#1") FOR A JOINT ELECTION FOR THE NOVEMBER 3, 2020, GENERAL ELECTION; AUTHORIZING THE MAYOR TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO EFFECTUATE SUCH AGREEMENT; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.**
- D. Resolution Number 1845-2020 – **A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, DESIGNATING**

AUTHORIZED SIGNATORIES FOR CONTRACTUAL DOCUMENTS AND DOCUMENTS FOR REQUESTING FUNDS PERTAINING TO THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (TxCDBG) CONTRACT NUMBER 7219110.

Council Member Wilson made a motion to approve the Consent Agenda, and Council Member King seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

- ITEM 9.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Ordinance Number 957-2020 – **AN ORDINANCE OF THE CITY OF DICKINSON, TEXAS, DELETING ARTICLE V, FLOOD HAZARD AREAS, OF CHAPTER 14, PLANNING AND DEVELOPMENT, OF THE CODE OF ORDINANCES AND ADOPTING A NEW ARTICLE V, FLOOD DAMAGE PREVENTION AND PROTECTION, OF CHAPTER 14, PLANNING AND DEVELOPMENT OF THE CODE OF ORDINANCES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; PROVIDING A PENALTY OF AN AMOUNT NOT TO EXCEED \$500 FOR EACH DAY OF VIOLATION HEREOF; AND PROVIDING A REPEALER CLAUSE, A SAVINGS CLAUSE, A SEVERABILITY CLAUSE AND AN EFFECTIVE DATE.** (Second of Three Readings)

Council Member Suderman made a motion to approve the Ordinance in two readings, and Council Member Wilson seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

- ITEM 10.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Resolution Number 1846-2020 – **A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS ACCEPTING THE COMMISSIONER'S COURT OF GALVESTON COUNTY INVITATION TO JOIN THE GULF COAST TRANSIT DISTRICT (GCTD) AND AUTHORIZING THE CITY ADMINISTRATOR TO FACILITATE THE TRANSFER OF EXISTING INTERLOCAL AGREEMENTS FOR TRANSIT SERVICES, AND OTHER RELATED AGREEMENTS, WITH THE GULF COAST CENTER TO THE GCTD.**

Council Member Suderman made a motion to approve the Resolution, and Council Member King seconded the motion. In response to a question, Mayor Masters confirmed that the Resolution includes appointing her as the City's representative to the Gulf Coast Transit District. There being no further discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

- ITEM 11.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Resolution Number 1847-2020 – **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, AUTHORIZING THE CITY ADMINISTRATOR TO ISSUE AN ORDER FOR TASK WORK AUTHORIZATION NUMBER 5 FOR DRAINAGE REPAIR AND CULVERT REPAIR ON PALM DRIVE, 43RD STREET, ANCHOR WAY, AND FALCO STREET; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.**

Council Member Wilson made a motion to approve the Resolution, and Council Member Decker seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

- ITEM 12.) EXECUTIVE SESSION:** The City Council will now hold a closed executive meeting pursuant to the provision of Chapter 551, Government Code, Vernon's Texas Codes annotated, in accordance with the authority contained in:

- A. Section 551.071 – Consultation with Attorney regarding pending litigation and matters in which the duty of the City Attorney requires to be discussed in closed meeting.

Mayor Masters recessed the regular meeting at 8:43 p.m.

- ITEM 13.) RECONVENE**

Mayor Masters reconvened the regular meeting at 9:33 p.m.

ITEM 14.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters Discussed in Executive Session.

None.

ITEM 15.) ADJOURN

Council Member Wilson made a motion to adjourn the meeting at 9:33 p.m., and Council Member Deats seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

PASSED, APPROVED AND ADOPTED this the 14th day of July, 2020.

Julie Masters, Mayor

ATTEST:

Alun W. Thomas, City Secretary

ITEM 8B

Julie Masters, Mayor
Charles Suderman, Mayor Pro Tem
Sean Skipworth
Walter Wilson

MINUTES
City of Dickinson
CITY COUNCIL
SPECIAL MEETING

Wally Deats
Louis Decker
William H. King III
Chris Heard, City Administrator

July 2, 2020

The Dickinson City Council met in a duly called and announced **SPECIAL MEETING** on **Thursday, July 2, 2020**, at **11:15 a.m.** In accordance with order of the Office of the Governor issued March 16, 2020, the City Council of the City of Dickinson, Texas conducted the meeting by telephone conference in order to advance the public health goal of limiting face-to-face meetings (also called “social distancing”) to slow the spread of the Coronavirus (COVID-19). The meeting was held for the purpose of considering the following items:

ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM

Mayor Masters called the meeting to order at 11:16 a.m. City Secretary Alun Thomas called roll and certified a quorum. Council Members present were as follows: Mayor Julie Masters, Mayor Pro-Tem Charles Suderman, and Council Members Sean Skipworth, Walter Wilson, Wally Deats, and William H. King, III. Council Member Louis Decker was not present at the time of the certification of a quorum, but arrived at 11:20 a.m. Also present were City Attorney David Olson, City Administrator Chris Heard, and Emergency Medical Services Director/Co-Emergency Management Coordinator Derek Hunt.

ITEM 2.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Ordinance Number 958-2020 – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, EXTENDING THE DECLARATION OF DISASTER ISSUED BY MAYORAL PROCLAMATION ON JUNE 28, 2020 IN RESPONSE TO COVID-19. (First and Only Reading)

Council Member Suderman made a motion to approve the Ordinance, and Council Member King seconded the motion. Council discussed the intention of the declaration, which Mayor Masters said was to allow her to issue an order requiring the use of face masks. Council Member Louis Decker arrived at 11:20 a.m. Council then discussed for how long it should extend the declaration and the proper way to enforce the mask order. City Attorney David Olson said that the city should encourage citizens to report violations of the order to the city or to business owners, and to not directly confront violators. Council Member Wilson asked if the City should provide businesses with signs to explain the mask order to their customers. City Administrator Chris Heard said that he would send something out to businesses in the city to help with this.

The City Council then discussed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) and its effect on the City. Mr. Heard explained

that the money that the City has expended to date related to the declaration will all be covered as pass-through dollars under the CARES Act, and that the spending falls within his \$50,000 spending limit. He said that the Council would be able to more fully discuss CARES Act funding, and be presented with an Ordinance related to the CARES Act, during the July 14, 2020 City Council meeting.

There being no further discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

ITEM 3.) ADJOURN

Council Member Wilson made a motion to adjourn the meeting at 11:41 a.m., and Council Member Suderman seconded the motion. There being no discussion, Mayor Masters called for the vote.

VOTE:

6 AYES (Suderman, Skipworth, Wilson, Deats, Decker, King)

0 NAYS

MOTION PASSED

PASSED, APPROVED AND ADOPTED this the 14th day of July, 2020.

Julie Masters, Mayor

ATTEST:

Alun W. Thomas, City Secretary

ITEM 8C

**Dickinson City Council
Agenda Item Data Sheet**

MEETING DATE July 14, 2020

| | |
|---------------|---|
| TOPIC: | <p>Resolution Number XXX-2020</p> <p>A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A WATER SAMPLING INTERLOCAL AGREEMENT BETWEEN THE CITY OF DICKINSON, TEXAS, AND GALVESTON COUNTY HEALTH DISTRICT FOR THE PROVISION OF WATER SAMPLING SERVICES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AUTHORIZING EXECUTION OF THE INTERLOCAL AGREEMENT BY THE MAYOR; AND PROVIDING AN EFFECTIVE DATE.</p> |
|---------------|---|

| | |
|--------------------|--|
| BACKGROUND: | <p>Under the City of Dickinson’s Storm Water Permit issued by the Texas Commission on Environmental Quality (“TCEQ”), the City is required to do some type of water testing of Dickinson Bayou. Since 2013, the City has contracted with Galveston County Health District (“GCHD”) to provide the services needed at the most cost effective price. GCHD also provides water sampling services to other cities in Galveston County.</p> <p>Under the Water Sampling Interlocal Agreement, GCHD would perform water sampling and will provide a written report to the City. The total cost of the water sampling services will be \$698.00, an increase of \$56 from the current fiscal year.</p> |
|--------------------|--|

| | |
|------------------------|--|
| RECOMMENDATION: | Staff recommends approval of the Resolution. |
|------------------------|--|

| | |
|---------------------|---|
| ATTACHMENTS: | <ul style="list-style-type: none"> • Letter from Galveston County Health District • Agreement • Resolution Number XXX-2020 |
|---------------------|---|

| | |
|-----------------------|---|
| FUNDING ISSUES | <input type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input checked="" type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - - |
|-----------------------|---|

| | |
|--------------------------------|------------------------------------|
| SUBMITTING STAFF MEMBER | CITY ADMINISTRATOR APPROVAL |
| Alun W. Thomas, City Secretary | |

| ACTIONS TAKEN | | |
|---|--|--------------|
| APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO | READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd | OTHER |

GALVESTON COUNTY HEALTH DISTRICT

Protecting and Promoting the Optimal Health and Well-Being of Galveston County

Ben G. Raimer, MD
Chair, United Board of Health

Philip Keiser, MD
Local Health Authority



Kathy Barroso, CPA
Chief Executive Officer

July 7, 2020

Mr. Kola Olayiwola
Director of Public Works
City of Dickinson
3120 Deats Road
Dickinson, Texas 77539

Dear Mr. Olayiwola:

Enclosed please find the FY2021 Water Pollution Control and Abatement Contract between the City of Dickinson and the Galveston County Health District. Should you wish to propose revisions to this Contract, please notify me by phone or via email. Please note that the total amount of the Contract has **increased** for the 2021 fiscal year.

Following your review and approval, please have your municipality's designated official sign the contract and remit an original copy by mail to: Galveston County Health District, Environmental Services, PO Box 939, La Marque, Texas 77568 or by scanning and emailing to kwilson@gchd.org

Once we receive the signed original copy, we will fully execute the contract and return a copy for your records. Should you have any additional questions or concerns, please feel free to contact me at 409-938-2310.

Sincerely,

A handwritten signature in black ink that reads "Katie Wilson".

Katie Wilson
Water Pollution Services Manager
Galveston County Health District

/KW
Enclosures

Public Health Services · Coastal Health & Wellness · Emergency Medical Services · Animal Resource Center

The Galveston County Health District (GCHD) is the local public health agency for Galveston County, Texas. GCHD provides services and programs that protect the everyday health and well-being of Galveston County.

P.O. Box 939 La Marque, Texas 77568 • (409) 938-7221

www.gchd.org



RESOLUTION NUMBER XXX-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING THE TERMS AND CONDITIONS OF A WATER SAMPLING INTERLOCAL AGREEMENT BETWEEN THE CITY OF DICKINSON, TEXAS, AND GALVESTON COUNTY HEALTH DISTRICT FOR THE PROVISION OF WATER SAMPLING SERVICES; PROVIDING FOR THE INCORPORATION OF PREAMBLE; AUTHORIZING EXECUTION OF THE INTERLOCAL AGREEMENT BY THE MAYOR; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes governmental entities to contract with each other to perform government functions and services under the terms thereof; and

WHEREAS, the City Council has before it a proposed Water Sampling Interlocal Agreement, (“the Agreement”), between the City of Dickinson, Texas and Galveston County Health District for the provision of water sampling services to be provided by Galveston County Health District to the City of Dickinson to assist the City of Dickinson in meeting the requirements of its Storm Water Permit, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

WHEREAS, upon full review and consideration of the Agreement and all related matters, the City Council finds that the City of Dickinson’s best interests are served, desires to approve the terms and conditions of the Agreement and to authorize the Mayor to execute the Agreement on behalf of the City of Dickinson.

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

Section 1. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. The City Council, after review of the terms and conditions thereof, hereby approves the attached Water Sampling Interlocal Agreement between the City of Dickinson, Texas and Galveston County Health District.

Section 3. The City Council also authorizes the Mayor to execute the Agreement on behalf of the City of Dickinson and all other documents in connection therewith.

Section 4. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED this the 14th day of July, 2020.

Julie Masters, Mayor
City of Dickinson, Texas

ATTEST:

APPROVED AS TO FORM AND CONTENT:

Alun W. Thomas, City Secretary
City of Dickinson, Texas

David W. Olson, City Attorney
City of Dickinson, Texas

EXHIBIT “A”

TO

RESOLUTION XXX-2020

Contractual Agreement
For the
City of Dickinson

| | |
|---------------------|---|
| THE STATE OF TEXAS | § |
| | § |
| COUNTY OF GALVESTON | § |
| | § |
| CITY OF DICKINSON | § |

THIS AGREEMENT is made and entered into by and between the City of Dickinson (hereinafter "CITY"), with its principal office at 4403 Highway 3, Dickinson, Galveston County, Texas 77539 and the Galveston County Health District, Office of Environmental Health Programs (hereinafter "PERFORMING PARTY"), with its principal office at 9850-D Emmett F. Lowry Expressway, Texas City, Galveston County, Texas 77591.

WITNESSETH

WHEREAS, the Interlocal Cooperation Act of the State of Texas provides that political subdivisions of the State may contract or agree with another local government to perform governmental functions and services in accordance with the provisions of the Act; and

WHEREAS, the PERFORMING PARTY and the CITY have agreed to contract surface water monitoring services; and

WHEREAS, the PERFORMING PARTY organized the Water Pollution Control and Abatement Program in 1972 and is charged with performing water quality monitoring and pollution abatement activities for Galveston County and its contracted political subdivisions, and is supported through the county general fund and contracted political subdivision contributions; and

WHEREAS, the CITY is a member of the Galveston County Health District and responsible for the quality of the water within its jurisdiction and has elected to contract for water quality services with the PERFORMING PARTY.

NOW, THEREFORE, for and in consideration of the mutual covenants expressed herein, the parties agree as follows:

ARTICLE I

STATEMENT OF SERVICES

The PERFORMING PARTY agrees to perform the following service for the CITY:

Surface Water Monitoring

- (1) The PERFORMING PARTY will perform two (2) separate surface water monitoring events at times mutually agreed upon by CITY and PERFORMING PARTY.
- (2) The surface water monitoring event includes field measurements, routine water chemistry and bacteriological analysis.
- (3) The PERFORMING PARTY will provide, upon request, a map to the CITY specifying the locations of all of the surface water monitoring sites located within the jurisdictional boundaries of the CITY.
- (4) The PERFORMING PARTY will submit all surface water samples to laboratories performing analysis that are routinely audited by their primary National Environmental Laboratory Accreditation Program (NELAP) accrediting body to evaluate the laboratory's compliance with the current NELAC Institute (TNI) Standard.
- (5) This statement of service does not include any re-sampling events if results of the water monitoring and testing exceed established standards.
- (6) This statement of service does not include any water monitoring in response to a citizen complaint.
- (7) This statement of service does not include any public notification of the results of the monitoring event.
- (8) Additional testing greater than the two (2) monitoring events listed in this statement of services can be negotiated between the CITY and the PERFORMING PARTY.

ARTICLE II

REPORTING

The PERFORMING PARTY agrees to provide reports to the CITY following each water monitoring event that, at a minimum, reflects the levels of each component identified. Such written report will be provided to the CITY within fifteen (15) business days following the PERFORMING PARTY'S receipt of the laboratory analysis by the PERFORMING PARTY.

ARTICLE III

EMPLOYEE TRAINING

The PERFORMING PARTY agrees to assure the proper training of its staff and shall remain responsible for ensuring that staff is sufficiently qualified to perform any and all designated tasks that could foreseeably arise under the scope of this AGREEMENT.

ARTICLE IV

COMPENSATION

For and in consideration of the services (Article I) to be rendered by the PERFORMING PARTY, the CITY shall pay, and the PERFORMING PARTY shall receive, compensation as hereinafter negotiated based on the amount of services chosen in Article I, Statement of Services (see Attachment A, Contract Pricing). All remittance by the CITY for such compensation shall either be mailed or delivered to the PERFORMING PARTY'S principle office.

Compensation for all services rendered by the PERFORMING PARTY under the scope of this AGREEMENT shall be made to the PERFORMING PARTY by the CITY in accordance with the following terms:

Payments for services rendered by the PERFORMING PARTY shall be submitted to the PERFORMING PARTY and upon receipt of the invoice.

ARTICLE V

TERMINATION

In connection with all the services outlined under the scope of this AGREEMENT, the CITY or the PERFORMING PARTY by providing written notice to the other party at least thirty (30) days prior to the date of the desired termination. Upon receipt of the contractual termination to the other party, all work being performed under this AGREEMENT shall immediately cease, unless such work can be completed within the thirty (30) days prior to the official date of termination.

Further, the PERFORMING PARTY shall be compensated in accordance with this AGREEMENT for all work provided to the date of the AGREEMENT's official termination.

All completed or partially completed reports prepared under this AGREEMENT shall be delivered to the CITY, which the CITY may subsequently use without constraint.

All rights, duties, liabilities and obligations accrued prior to such termination shall survive termination.

ARTICLE VI

ASSIGNMENT AND SUBCONTRACTS

This AGREEMENT shall not be assigned or subcontracted in whole or in part without the written consent of the CITY.

ARTICLE VII

NOTICES

All notices and communications under this AGREEMENT to be delivered to the CITY shall be sent via traditional postage, unless otherwise notified:

Attention: Kola Olayiwola
Director of Public Works
City of Dickinson
3120 Deats Road
Dickinson, Texas 77539

All notices and communications under this AGREEMENT to be delivered to the PERFORMING PARTY shall be sent traditional postage, unless otherwise notified:

Attention: Katie Wilson
Water Pollution Services Manager
Galveston County Health District
Office of Environmental Health Programs
PO Box 939
La Marque, Texas 77568

ARTICLE VIII

INSURANCE

During the entirety of this AGREEMENT, the PERFORMING PARTY shall maintain, and shall require its subcontractors to maintain:

- (1) Adequate general liability insurance for bodily injury and property damage in amounts satisfactory to the CITY; and,
- (2) Worker's compensation coverage for all of the PERFORMING PARTY'S employees.

ARTICLE IX

INDEMNIFICATION

The PERFORMING PARTY agrees to indemnify and hold the CITY harmless from and against any and all courses of legal action resulting from or arising out of the PERFORMING PARTY'S failure to maintain adequate general liability insurance or worker's compensation coverage as required by this AGREEMENT or as required by governing law.

ARTICLE X

EMPLOYMENT PRACTICES

The PERFORMING PARTY agrees not to discriminate against any employee or applicant for employment on the basis of race, religion, color, sex, age, disability or national origin. The PERFORMING PARTY agrees to comply with the Immigration Reform and Control Act of 1986 and the Americans with Disabilities Act of 1990. The CITY encourages the PERFORMING PARTY to provide equal opportunity to historically disadvantaged business enterprises if and when the PERFORMING PARTY is to subcontract services under the scope of this AGREEMENT.

ARTICLE XI

REPRESENTATION

The PERFORMING PARTY represents that no CITY officer, employee or agent has been compensated in any way with respect to this AGREEMENT and its consideration by the CITY. In no event will the PERFORMING PARTY pay a fee or provide any other form of compensation to any CITY officers, employees or agents in connection with the approval or performance of this AGREEMENT or terms herein. A breach of this ARTICLE shall result in automatic termination of the AGREEMENT and in accordance with this AGREEMENT. The CITY may use all reports prepared under this AGREEMENT as provided in ARTICLE VI, TERMINATION. Additionally, the PERFORMING PARTY shall be liable for all damages to the CITY occasioned by a termination under this Article.

ARTICLE XII

PRIOR AGREEMENTS SUPERSEDED

This AGREEMENT constitutes the sole terms and conditions permissible of the parties hereto in regards to pertinent matter and supersedes any prior understanding, oral or written agreements between the parties regarding the subject matter of this AGREEMENT.

ARTICLE XIII

GOVERNING LAW

The validity of this AGREEMENT and any terms or provisions, as well as the rights and duties hereunder, shall be governed by the laws of the State of Texas.

ARTICLE XIV

LAWS AND ORDINANCES

The PERFORMING PARTY shall at all times observe and comply with all federal, state and local laws, ordinances, rules, regulations and orders of any public authority, which in any manner affect this AGREEMENT.

ARTICLE XV

VENUE

In the event that any legal proceeding is brought to enforce this AGREEMENT, or any provision hereof, Galveston County is the venue for said action.

ARTICLE XVI

AMENDMENT

This AGREEMENT shall not be amended without the written consent of the other party. The Public Works Director or designee has the authority to make amendments to this AGREEMENT without subsequent City Council approval.

ARTICLE XVII

TERM OF AGREEMENT

This AGREEMENT shall be effective October 1, 2020 and shall continue in full force until September 30, 2021, but upon the CITY's determination, may be extended by written agreement. All payments and liabilities accrued prior to termination shall survive the termination.

IN WITNESS WHEREOF, the parties acting under the authority of their respective governing bodies have caused this AGREEMENT to be executed in several counterparts, each of which is deemed to be an original and as of the day and date first written above.

**GALVESTON COUNTY HEALTH
DISTRICT**

CITY OF DICKINSON

Kathy Barroso, CPA
Chief Executive Officer

Julie Masters
Mayor

Date

Date

Attachment A: Contract Pricing

| City of Dickinson October 1, 2020 - September 30, 2021 | | | |
|--|----------------------------|--------------------------|-------------------|
| Activity | Number of Units | Cost per Unit | Total Cost |
| Sample preparation, collection, submittal, and report writing | 2 | \$257 | \$514 |
| Biochemical Oxygen Demand | 4 | \$11 | \$44 |
| Total Suspended Solids | 4 | \$10 | \$40 |
| Ammonia | 4 | \$10 | \$40 |
| Bacteria | 4 | \$15 | \$60 |
| Total | | | \$698 |

ITEM 9

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTY OF GALVESTON §
CITY OF DICKINSON §

I, the undersigned City Secretary of the City of Dickinson, Texas (the "City"), hereby certify as follows:

1. The City Council of the City convened in a regular meeting on July 14, 2020, at the regular meeting place thereof, within the City, and the roll was called of the duly constituted officers and members of the City Council, to wit:

| | |
|------------------|----------------|
| Julie Masters | Mayor |
| Charles Suderman | Mayor Pro Tem |
| Sean Skipworth | Council Member |
| Walter Wilson | Council Member |
| Wally Deats | Council Member |
| Louis Decker | Council Member |
| William King III | Council Member |

and all of such persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, RESCINDING PRIOR NOTICE AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

(the "Resolution") was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, such motion, carrying with it the adoption of the Resolution, prevailed and carried by the following vote:

AYES: ___ NAYS: ___ ABSTENTIONS: ___

2. That a true, full and correct copy of the Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the City Council's minutes of such meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of such meeting pertaining to the adoption of the Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and subject of the aforesaid meeting, and that the Resolution

would be introduced and considered for adoption at such meeting, and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; that such meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of such meeting was given as required by the Open Meetings Law, Chapter 551, Texas Government Code.

SIGNED AND SEALED this _____, 2020

City Secretary
City of Dickinson, Texas

(SEAL)

RESOLUTION NUMBER XXX-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, RESCINDING PRIOR NOTICE AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION.

WHEREAS, the City Council (the “City Council”) of the City of Dickinson, Texas (the “City”), is authorized to issue certificates of obligation to pay contractual obligations to be incurred for the construction of public works, for the purchase of materials, supplies, equipment, machinery, buildings, land and rights-of-way for authorized needs and purposes, and for the payment of contractual obligations for professional services pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended; and

WHEREAS, the City Council has determined that it is in the best interests of the City and otherwise desirable to issue certificates of obligation styled “City of Dickinson, Texas, Certificates of Obligation, Series 2020” (the “Certificates”) for the construction of certain public works and the purchase of certain equipment for authorized needs and purposes and for the payment of contractual obligations for professional services; and

WHEREAS, in Resolution No. 1834-2020 the City Council previously authorized publication of notice of intention to issue the Certificates in a principal amount not to exceed \$1,600,000;

WHEREAS, the City Council desires to rescind such notice of intent and authorize such Certificates in a principal amount not to exceed \$2,850,000; and

WHEREAS, in connection with the Certificates, the City Council intends to publish notice of its intent to issue the Certificates (the “Notice”) in a newspaper of general circulation in the City;

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

Section 1. The facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 2. City Council hereby rescinds the notice of intention to issue certificates of obligation published pursuant to Resolution No. 1834-2020.

Section 3. The City Secretary is hereby authorized and directed to publish the Notice set forth in Exhibit “A” attached hereto on behalf of the City once a week for two (2) consecutive weeks in a newspaper which is of general circulation in the City, the date of the first publication to be at least forty-six (46) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the

issuance of the Certificates. In addition, the Notice shall be posted continuously on the City's website for at least forty-five (45) days before the date tentatively set in the Notice for the passage of the ordinance authorizing the issuance of the Certificates.

Section 3. The Mayor, City Secretary and other officers and agents of the City are hereby authorized and directed to do any and all things necessary or desirable to carry out the provisions of this Resolution.

Section 4. This Resolution shall take effect immediately upon its passage.

Section 5. It is officially found, determined and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered at such meeting, including this Resolution, was given all as required by the Texas Government Code, Chapter 551, as amended.

PASSED AND APPROVED on this the 14th day of July, 2020.

Julie Masters, Mayor
City of Dickinson, Texas

ATTEST:

Alun W. Thomas, City Secretary
City of Dickinson, Texas

EXHIBIT "A"

NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION

NOTICE IS HEREBY GIVEN that the City Council of the City of Dickinson, Texas (the "City") will meet at its regular meeting place at City Hall, 4403 Highway 3, Dickinson, Texas at 7:00 p.m. on September 8, 2020, and during such meeting will consider passage of an ordinance authorizing the issuance of the City's certificates of obligation (the "Certificates") in the maximum aggregate principal amount of \$2,850,000, for the purpose of evidencing the indebtedness of the City to pay all or any part of the contractual obligations to be incurred for (i) construction and improvement of streets, sidewalks, and related improvements, including drainage, landscaping, streetscaping, pedestrian seating, lighting, signage and traffic signalization incidental thereto, and the acquisition of land and rights-of-way therefor; (ii) the renovation, remodel, repair, construction, improvement and equipment of the Dickinson Public Library and the Public Works facility, and (iii) professional services rendered in connection with the above listed projects. The Certificates will be payable from ad valorem taxes and a limited, subordinate pledge of certain revenues of the solid waste management system of the City.

In accordance with the provisions of Texas Local Government Code, Section 271.049, (i) the current principal of all outstanding debt obligations of the City secured by and payable from ad valorem taxes is \$6,450,000, (ii) the current combined principal and interest required to pay all outstanding debt obligations of the City secured by and payable from ad valorem taxes on time and in full is \$7,753,055, (iii) the estimated combined principal and interest required to pay the proposed Certificates on time and in full is \$3,040,131, (iv) the maximum interest rate for the Certificates may not exceed the maximum interest rate authorized by law, and (v) the Certificates will mature over a period of years not to exceed forty (40) years from the date thereof.

ITEM 10

RESOLUTION NUMBER XXX-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DICKINSON, TEXAS, APPROVING AN ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF DICKINSON, TEXAS, AND GH PROCUREMENT, LLC; AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT; PROVIDING FOR INCORPORATION OF PREAMBLE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Dickinson has been presented a proposed Economic Development Agreement by and between the City of Dickinson, Texas, and GH Procurement, LLC, located at 914 FM 517 West, Suite 243. (hereinafter called "Agreement"), a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference; and

WHEREAS, the City Council finds the project identified in the Agreement will bring extraordinary benefit to the City of Dickinson consistent with the General Statement of Purpose and Policy as stated in the City of Dickinson's Chapter 380 Economic Development Program approved by Resolution Number 1290-2012 on October 9, 2012; and

WHEREAS, upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council is of the opinion that the Agreement should be approved and the Mayor should be authorized to execute the Agreement and all documents related thereto on behalf of the City.

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

Section 1. The facts and statements contained in the preamble are hereby found to be true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. The Agreement, having been reviewed by the City Council of the City of Dickinson and found to be acceptable and in the best interests of the City of Dickinson and its citizens, is hereby approved and the Mayor is authorized to execute the Agreement and all documents related thereto on behalf of the City.

Section 3. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED on this the 14th day of July, 2020.

Julie Masters, Mayor
City of Dickinson, Texas

ATTEST:

APPROVED AS TO FORM AND CONTENT:

Alun W. Thomas, City Secretary
City of Dickinson, Texas

David W. Olson, City Attorney
City of Dickinson, Texas

EXHIBIT “A”

TO

RESOLUTION XXX-2020

ECONOMIC DEVELOPMENT AGREEMENT

This Economic Development Agreement (“Agreement”) is entered into by and between the City of Dickinson, Texas, (the “City”), a home rule municipal corporation of the State of Texas, located at City Hall, 4403 Highway 3, Dickinson, TX 77539 and GH Procurement, LLC, a Texas limited liability company (the “Grantee”), located at 914 FM 517 West, Suite 243, Dickinson, Texas 77539, for the purposes and consideration stated below.

RECITALS

Whereas, the City has established guidelines and criteria for economic incentive programs authorized by Texas law and approved by the City Council, including those authorized by Chapter 380 of the Texas Local Government code, to promote state or local economic development and to stimulate business and commercial activity in the City; and

Whereas, the City finds that the Program set forth in this Agreement will promote state or local economic development and stimulate business and commercial activity in the City; and

Whereas, the Grantee wishes to establish and maintain a place of business within the corporate limits of the City; and

Whereas, without this Agreement, the Grantee would not establish a place of business within the City; and

Whereas, the Grantee has made application to the City for consideration of economic incentives in accordance with the City’s established guidelines and criteria;

Now, therefore, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SECTION 1 AUTHORIZATION

This Agreement is authorized by Chapter 380 of the Texas Local Government Code, and by Resolution No. 1290-2012 of the City.

SECTION 2. DEFINITIONS

2.1 “Grantee” shall mean GH Procurement, LLC, a Texas limited liability company, and its Manager, Gehan Homes, Ltd., a Texas limited partnership.

- 2.2 “Program” shall mean the economic incentive program established by the City pursuant to the City’s established guidelines and criteria for economic incentive programs and Chapter 380, Local Government Code.
- 2.3 “Program Grant” shall mean the amounts paid by the City in accordance with Section 4 of this Agreement.
- 2.4 “Project” shall mean Grantee’s location of a place of business for sales and use tax situs purposes as defined in Texas Tax Code Section 321.002(a)(3) within the District.
- 2.5 “Project’s Sales Tax Revenue” shall mean the amount of sales tax imposed under Act 321 of the Texas Tax Code, including 321.101(a) and 321.103, and under Texas Revised Civil Statutes article 5190.6, Section 4B, and remitted to the City by the Texas Comptroller of Public Accounts as a direct result of the Project under the Grantee’s sales tax permit, and any sales or use tax paid by the Grantee that the Grantee is able to document for the City that results in additional revenue to the City (e.g., a Texas sales and use tax audit assessment), but shall not include
- (a) the collection fee [that portion of the two percent (2%) tax] imposed by the Office of the State Comptroller; or
 - (b) any other special district sales or use tax adopted or levied by the City.
- 2.6 “Qualified sales” shall mean sales taxable under the Texas sales, excise and use tax laws and whose tax situs is subject to control by Grantee.
- 2.7 “Year” shall mean the twelve (12) month period beginning with the first calendar month following the execution of the Agreement.

SECTION 3.
TERM

- 3.1 This Agreement shall become effective as of the date of execution by both parties.
- 3.2 This Agreement shall remain in effect until the City has made the Program Grants set forth in Section 4 of the Agreement, or until otherwise terminated under the provisions of this Agreement.

SECTION 4
PROGRAM GRANTS

- 4.1 The City shall provide a Program Grant to the Grantee consisting of: a payment from the City’s general revenues in accordance with Section 4.3 and Section 6 for

each calendar month for a ten (10) year period following the execution of the Agreement.

- 4.2 This Agreement shall be automatically extended for two additional Five (5) Year periods unless either party notifies the other party in writing of its intention to terminate the Agreement within one hundred eighty (180) days of the expiration of the Agreement under either the original term, or the first Five (5) Year extension.
- 4.3 The monthly Program Grant provided for in Section 4.1 shall be three-fourths of one percent (.75%) of the Project's Sales Tax Revenue collected by the City in its General Fund for that month.

SECTION 5 DOCUMENTATION

- 5.1 Within thirty (30) days of the close of each calendar month for which a Program Grant is due, the Grantee shall submit to the City a certified written schedule (the "Schedule") detailing the Grantee total taxable sales, including the Project's Sales Tax revenue for the month. All documents shall be based on actual taxable sales, and shall not be estimated. The following documents must be submitted with the schedule:
 - (a) A copy of all of the Grantee's Texas sales tax returns and self-assessed use tax amounts, including any amended sales tax returns filed by the Grantee for the month; and
 - (b) Proof of the Grantee's location of business in the City of Dickinson and a copy of the receipts or other proof of costs associated with the acquisition or lease of property for its place of business in the City.
- 5.2 Within thirty (30) days of the receipt of any refund of sales and/or use tax shown on the Schedule required by Section 5.1, the Grantee shall notify the City of such refund and provide documentation of such refund to the City.
- 5.3 The Grantee shall notify the City of any audit conducted or being conducted by the Office of the State Comptroller if such audit changes or affects, or could change or affect, the amounts set forth on the Schedule filed with the City in accordance with Section 5.1. Such notification shall be made as soon as practicable, but in no event later than sixty (60) days after the audit.

SECTION 6
WHEN PAYMENTS DUE

- 6.1 The City shall make the Program Grants provided by Section 4 above monthly within thirty (30) days of the date that the City receives from the State Comptroller the Project's Sales Tax Revenues for the corresponding monthly payment owed to the Grantee. In no event shall the City be required to make any Program Grant to the Grantee until it has received from the State Comptroller Project's Sales Tax Revenues.
- 6.2 The City may withhold payment of the monthly Program Grant if the Grantee fails to provide the documentation required by Section 5.1 of the Agreement.
- 6.3 The City shall adjust the Program Grant to reflect funds received by the Grantee as documented in Section 5.2 and assessments as documented in Sections 5.3
- 6.4 Notwithstanding anything to the contrary contained in this Agreement, any undisputed payment under the Program Grant from the City to the Grantee which is not timely mailed within thirty (30) days of receipt of the Project's Sales Tax Revenues by the City from the Office of the State Comptroller shall accrue interest at the rate of four percent (4%) per annum from the date the payment was due until mailed to the Grantee; provided, however, the City shall not be held liable for any delay in the Program Grant and shall not owe interest thereon if such delay is due to the force majeure or other causes beyond the City's reasonable control, including but not limited to, strikes, lockouts, war, riots, compliance with any governmental law, rule or regulation, or any acts of nature or other national or local disaster.
- 6.5 If the City determines that there are disputed Project's Sales Tax Revenues, then the City shall notify the Grantee in writing of the disputed amount. The City will not be required to pay or accrue interest on such disputed amount while the dispute is being resolved unless such dispute is unreasonable or made in bad faith, in which case interest at the rate of four percent (4%) per annum shall be due and payable pursuant to Section 6.4, as though the amount were undisputed, from the time that the payment would have been due had it not been disputed.

SECTION 7
OTHER OBLIGATIONS OF THE GRANTEE

- 7.1 The Grantee will establish and maintain in the City of Dickinson a place of business as defined in Section 321.002(a)(3) of the Texas Tax Code, as amended, in order to situs local option sales and use tax; and the Grantee further agrees that, should the City not be in default hereunder it shall not during the term of this Agreement situs its Qualified Sales in another jurisdiction in Texas for purposes

of receiving a grant payment from another jurisdiction similar to the Program Grant outlined in this Agreement.

- 7.2 The Grantee agrees to produce at Grantee's place of business in Dickinson, Texas, minimum taxable sales aggregating Fifteen Million and No/100 Dollars (\$15,000,000.00) per year for the term of this Agreement. The City may terminate or renegotiate this Agreement if the Project's Sales Tax Revenue is less than One Hundred Fifty Thousand and No/100 Dollars (\$150,000.00) per year.
- 7.3 If the Office of the State Comptroller elects not to conduct an audit as described by Section 5.3 and the City determines that such an audit is warranted and necessary, then the Grantee agrees to permit the City, its agents or designees, to review and audit the Texas sales and use tax records of the Grantee at the City's expense.

SECTION 8 DEFAULT

- 8.1 If either party should default (the "Defaulting Party") with respect to any of its obligations hereunder and should fail within sixty (60) days after receipt of written notice of such default from the other party (the "Complaining Party") to cure such default, then the Complaining Party, by action or proceeding at law may be awarded damages for such default; provided, further, that (i) the Grantee agrees that its damages shall be limited to any Program Grant, including interest, owed to it by City under this Agreement, and (ii) the City agrees that its damages shall be limited to the applicable amounts set forth in Section 8.3 herein. In addition, the Complaining Party may terminate this Agreement for cause by written notice to the Defaulting Party, and Grantee will have no obligation to repay any of the Program Grant.
- 8.2 Should the Project fail to meet the obligation stated in section 7.2 of the Agreement, the City shall have the right to terminate the Agreement upon thirty (30) days written notice.
- 8.3 Should the Grantee terminate or cause the termination of this Agreement without cause:
 - a. within the first three (3) years of the Agreement, then the Grantee shall repay the City, within sixty (60) days, ten percent (10%) of the Program Grant paid to the Grantee.
 - b. within the first five (5) years of the Agreement, then the Grantee shall repay the City within sixty (60) days ten percent (10%) of the Program Grant paid to the Grantee for the three (3) years preceding the termination.

- c. within the sixth (6th) year through the tenth (10th) year of the Agreement, then the Grantee shall repay the City within sixty (60) days ten percent (10%) of the Program Grant paid to the Grantee for the one (1) year preceding the termination.
 - d. after the tenth (10th) year of the Agreement, then the Grantee shall repay the City within sixty (60) days ten percent (10%) of the Program Grant paid to the Grantee for the three (3) months preceding the termination.
- 8.4 Should the City terminate or cause termination of this Agreement without cause, then the Grantee may terminate without repaying any portion of the Program Grant.
- 8.5 In the event that any act of the Legislature or any law, order, rule or regulation of any state or deferral administrative or judicial entity, shall nullify the terms of this Agreement, or otherwise preclude the performance of this Agreement by either party, or if this Agreement is frustrated by reasons other than the breach of the Agreement by a party, then the City shall not require the Grantee to repay any portion of the Program Grant that has been paid to Grantee; provided, however, GH Procurement, LLC, as Grantee, agrees to refund, reimburse or repay to the City any portion of the Program Grant that the City may be ordered to refund, reimburse or repay to the State or any other City, or that may be ordered offset or withheld from future City revenues.

SECTION 9
MUTUAL ASSISTANCE

- 9.1 The City and the Grantee shall do all things reasonably necessary to appropriate to carry out the terms and provisions of this Agreement, and to reasonably aid and assist each other in carrying out such terms and provisions.
- 9.2 The Grantee hereby consents to and agrees to cooperate in any reasonable request by the City to obtain copies of sales/use tax returns from the State that contain information pertinent to the calculation of the Program Grant.

SECTION 10
REPRESENTATION AND WARRANTIES

- 10.1 The City represents and warrants that:
- (a) The City is a municipal corporation duly organized, validly existing, and in good standing under and by the virtue of the laws of the State of Texas;
 - (b) The City has approved this Agreement by Resolution at a public meeting properly noticed under the provisions of the Texas Open Meetings laws and the

City has the power and authority to execute, deliver, and perform this Agreement; and this Agreement constitutes a valid and binding obligation of City; and

(c) The City knows of no litigation, proceedings, initiative, referendum, investigation, or the threat of any of the same, contesting the powers of the City of its officials with respect to this Agreement that has not been disclosed in writing to the Grantee.

10.2 The Grantee represents and warrants that:

(a) GH Procurement, LLC has the power and authority to own its properties and to carry on the business as presently conducted and as represented in this Agreement, and

(b) This Agreement has been duly authorized, executed and delivered by GH Procurement, LLC; and GH Procurement, LLC has all the requisite corporate power and authority to execute, deliver, and perform this Agreement; and this Agreement constitutes a valid and binding obligation of GH Procurement, LLC, as Grantee, and is enforceable in accordance with its terms and conditions; and

(c) Except as provided in this Agreement, the Grantee is not relying upon any representation or warranty of the City regarding the City's power or authority to enter into this Agreement under the provisions of Chapter 380 of the Texas Local Government Code or the appropriate determination of the tax situs of transactions contemplated by this Agreement, and

(d) The Grantee knows of no litigation, proceedings, initiative, referendum, investigation, or the threat of any of the same, contesting the powers of the City or its officials with respect to this Agreement that has not been disclosed in writing to the City.

10.3 Upon written request of the City, but not more often than once each year, GH Procurement, LLC shall promptly deliver to the City an opinion of its independent accountant or legal counsel or the Texas Comptroller of Public Accounts confirming that the tax situs of all Qualified Sales of the Project is within the City.

SECTION 11 LIMITATION ON LIABILITY

11.1 It is understood and agreed between the parties that the Grantee and City, in satisfying the conditions of this Agreement, have acted independently, and the City assumes no responsibilities or liabilities to third parties in connection with these actions. The Grantee agrees to indemnify and hold harmless the City from all such claims, suits, and causes of actions, liabilities and expenses, including

reasonable attorney's fees, of any nature whatsoever by a third party arising out of the Grantee's performance of the conditions under this Agreement.

SECTION 12
SEVERABILITY

- 12.1 Should any provision of this Agreement be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.
- 12.2 In lieu of each and any invalid provision, there shall be added to this Agreement a new provision containing as similar terms as may be possible and yet be valid, legal and enforceable.

SECTION 13
INTERPRETATION AND FAIR CONSTRUCTION OF THE CONTRACT

- 13.1 This Agreement has been reviewed and approved by each of the Parties. In the event it should be determined that any provision of this Agreement is uncertain or ambiguous, the language in all parts of this Agreement shall be in all cases construed as a whole according to its fair meaning and not strictly construed for or against either Party.
- 13.2 Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 14
DISPUTE RESOLUTION AND VENUE

- 14.1 This Agreement is made and shall be construed and interpreted under the laws of the State of Texas, and venue for any legal action shall lie in Galveston County, Texas. The City and the Grantee agree that all claims, disputes, and controversies arising out of or in relation to the performance, interpretation, application, or enforcement of this agreement, including but not limited to breach thereof, shall be referred to nonbinding mediation before, and as a condition precedent to, the initiation of any adjudicative action or proceeding.

SECTION 15
ENTIRE AGREEMENT

- 15.1 This Agreement contains the entire Agreement between the parties with respect to the Project contemplated herein.

SECTION 16
AMENDMENT

- 16.1 This Agreement may only be amended, altered, or revoked by written instrument signed by the Grantee and the City.

SECTION 17
NOTICE

- 17.1 Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing the same in the United State mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses, or at such other addresses provided by the parties in writing.

GRANTEE: GH Procurement, LLC

914 FM 517 West
Suite 243
Dickinson, Texas 77539

With a copy to:

GH Procurement, LLC
Two Addison Circle
15725 North Dallas Parkway, Suite 300
Addison, Texas 75001
Attn: John Winniford

CITY: City of Dickinson
Attention: City Administrator
4403 Highway 3
Dickinson, Texas 77539

SECTION 18
COUNTERPARTS

- 18.1 This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

SECTION 19
BINDING AGREEMENT

- 19.1 The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the parties hereto. This Agreement may not be assigned

without the express written consent of Grantor, which approval shall not be unreasonably withheld or delayed.

EXECUTED this _____ day of _____, 2020.

CITY OF DICKINSON, TEXAS:

by Julie Masters, Mayor

ATTEST:

Alun W. Thomas, City Secretary

GRANTEE:

GH Procurement, LLC,
a Texas limited liability company

By: Gehan Homes, Ltd., a Texas limited partnership,
Manager

By: Gehan Homes I, Inc, a Texas corporation
General Partner

By: _____
John Winniford, President and CEO

ATTEST:

Scott Onderdonk, Chief Financial Officer

Date: _____

ITEM 11

**DICKINSON ECONOMIC DEVELOPMENT
CORPORATION
AND CITY OF DICKINSON ADMINISTRATIVE
SERVICES INTERLOCAL AGREEMENT**

This Administrative Services Agreement (“Agreement”) is made and entered by and between the City of Dickinson Economic Development Corporation (“Corporation”) and the City of Dickinson (“City”), jointly referred to herein as the “Parties”.

WHEREAS, the Corporation was incorporated pursuant to the Development Corporation Act, Chapters 501-507 of the Texas Local Government Code, as amended (the “Code”); and

WHEREAS, the City and the Corporation have mutual interests in the economic development of the City of Dickinson; and

WHEREAS, the Parties have determined that it would be of benefit to the citizens of Dickinson and enhance the economic development of the community for the City to provide certain administrative services to the Corporation for a fee; and

WHEREAS, the Parties have determined that it would be of benefit to the citizens of Dickinson and enhance the economic development of the community for the City to establish the roles and responsibilities between the City and the Corporation.

NOW THEREFOR AND IN CONSIDERATION of the mutual covenants, agreements, and benefits accruing herein to each party, the City and the Corporation hereby agree as follows:

Section 1. Reporting Structure.

The Economic Development Director (“Director”) of the Corporation shall be a City employee and serve as the executive officer of the Corporation. The Director shall perform all necessary services for and on behalf of the Corporation with coordination and supervision from the City Administrator.

Other City employees hired to perform the assigned duties of the Corporation shall serve under the Director’s supervision to perform all necessary services for and on behalf of the Corporation. It is specifically understood and agreed between the parties that, while performing services for the Corporation, the Director and other staff members are and shall remain employees of the City. The salary and benefits of the Director and other personnel are determined by the City Council, subject to budget approval by the City Council.

Section 2. City Obligations and Services Provided.

In consideration of the Corporation’s obligations, the City agrees that upon execution of this agreement:

(a) The City shall administer the compensation package for the Director and other City employees hired to perform the assigned duties of the Corporation, and shall file all state and federal

tax reports as may be required from time to time, and shall make all necessary payroll withholdings and deposits. The City will provide payroll services and issue payroll checks every two weeks, generally on Friday, in accordance with the City's payroll schedule for its employees in effect, for work ending not more than seven days prior to that payroll date.

(b) The City shall provide the Director and other City employees hired to perform the assigned duties of the Corporation the same, health insurance benefits, liability coverage, worker's compensation coverage, and retirement benefits and other benefits provided to other City employees.

(c) The City shall provide full Human Resources functions including benefits management, reporting, new hire processing, administering policies and all activities related to employee support.

(d) The City shall also conduct the Corporation's annual audit in conjunction with the City's annual independent audit, and the City will present the audit findings to the Corporation.

(e) The City shall also provide liability coverage for the Corporation and its Directors, and insure Corporation-owned properties.

(f) The City shall provide administrative support and assistance through the City Secretary's office regarding posting agendas, preparing Board Packets, and managing the Corporation's page on the City website.

(g) The City shall maintain Corporation's general ledger, cash management, annual budget management, annual audit management, payables/receivables, record all material accounting transactions in the electronic records to be reflected in the Corporation's financial statements in accordance with generally accepted accounting principles, will provide all state-required reporting for the EDC pursuant to the Texas State Comptroller's requirements for economic development corporations, will provide DEDC with monthly and annual financial reporting, and will provide any other statutory, bonding agent or other required financial reporting.

(h) The City shall provide accounts payable services to the Corporation in accordance with the Corporation's established Purchasing Policy, or the City's Purchasing Policy if the Corporation's Purchasing Policy has not been approved by the Board of Directors of the Corporation and the City Council of the City. All invoices approved for payment received by the City by the close of business each Friday shall be processed, and checks mailed by the following Friday.

Section 3. Corporation Obligations.

In consideration of the City's obligations, the Corporation agrees to provide the following:

(a) The Parties mutually agree that the value of City staff time dedicated to providing all administrative services set forth in this Agreement is \$_____per year.

(b) The Corporation agrees to reimburse the City for the actual and reasonable cost of providing the Corporation and its Directors with liability insurance.

(c) The Corporation agrees to reimburse the City for the actual cost of salary, benefits and associated payroll cost of the Director and other City employees hired to perform the assigned duties of the Corporation.

(d) The Corporation agrees to reimburse the City for all other expenses incurred and disbursements made by the City on the Corporation's behalf.

(e) The City shall provide the Corporation with a quarterly statement of the fee for administrative services, costs set forth herein, and expenses incurred and disbursements made by the City on the Corporation's behalf. The Corporation shall reimburse the City within thirty (30) days after receipt of the invoice from the City.

(f) The Corporation shall submit City Council approved invoices to the City within five business days of receipt and approval. The City shall change any existing invoices being received by it to the Corporation's physical office address. The Corporation and the City shall notify all of the Corporation's vendors to mail invoices to Attn: DEDC Accounts Payable, City of Dickinson, 4403 Hwy 3, Dickinson, Texas 77539. The Corporation shall provide the City with electronic signatures to process and mail checks directly to ensure timely delivery.

(g) The Corporation shall provide the City with documentation to record all material accounting transactions to be reflected accurately in the Corporation's financial statements. Additionally, the Corporation agrees to provide access to all information that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and additional information that may be requested for the purpose of the annual audit, and the City shall do the same.

Section 4. Term.

(a) This Agreement shall be for a period of one (1) year from the effective date of this Agreement, subject to the terms of this Agreement, the Bylaws of the Corporation and State law. This Agreement, however, shall be automatically renewed for successive one (1) year terms unless written notice of non-renewal is given by either party to the other at least thirty (30) days prior to the expiration of the initial or any renewal term hereof.

(b) The Parties agree the fee for administrative services paid by the Corporation to the City will increase 3% annually upon automatic renewal without additional approval required by the Parties unless the Agreement is terminated or notice is provided of non-renewal as set forth in this Section.

(c) The Parties agree that this Agreement may be terminated by the City at any time and for any reason by giving the Corporation a thirty (30) day Notice of Termination.

Section 5. Cooperation and Communication.

(a) The Corporation and City share the common goal of creating an environment for successful business operations and an economically healthy City. The Parties believe and understand that cooperation between the Parties is essential in developing goals, vision, values and strategies for developing successful economic development programs and projects which will be of benefit to the community.

To that end, the Corporation and City agree to hold joint meetings at least four (4) times a year in the months of February, June, August and November to discuss budgeting and economic development strategies, projects and programs. The goal of these joint meetings is to ensure both Parties are working cooperatively and toward common goals regarding the economic vitality of the City of Dickinson. City Council reserves the right to require the Corporation to hold additional joint meetings at its pleasure.

Section 6. Miscellaneous Provisions.

(a) This Agreement has been duly and properly approved by each party's governing body and constitutes a binding obligation on each party.

(b) This Agreement embodies the entire agreement between the parties and may only be modified in a writing executed by both parties.

(c) The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation have the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

(d) This Agreement shall be construed in accordance with the laws of the State of Texas.

Section 7. Notice.

All notices shall be in writing. If mailed, any notice shall be deemed to be received three (3) days after the date of deposit in the United States mail, first-class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following addresses:

City of Dickinson
Attention: City Administrator
4403 Highway 3
Dickinson, Texas 77539

Dickinson Economic Development Corporation
Attention: Director
1621 FM 517 Road East, Suite A
Dickinson, Texas 77539

Either party may designate a different address by giving the other parties at least ten (10) days written notice in the manner prescribed above.

Section 8. Parties in Interest.

This Agreement shall be for the sole and exclusive benefit of the City and the Corporation and shall not be construed to confer any benefit or right upon any other parties.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of the City of Dickinson, Texas, and the Dickinson Economic Development Corporation as of the ____ day of _____, 2020.

ATTEST:

CITY OF DICKINSON, TEXAS

Alun W. Thomas
City Secretary

Julie Masters
Mayor

ATTEST:

DICKINSON ECONOMIC DEVELOPMENT
CORPORATION

Mark Martelli, Secretary
Board of Directors

Robert Donley, President
Board of Directors

ITEM 12

**AMENDED AND RESTATED BYLAWS OF
DICKINSON ECONOMIC DEVELOPMENT CORPORATION**

These Bylaws govern the affairs of DICKINSON ECONOMIC DEVELOPMENT CORPORATION (the "Corporation" or the "DEDC"), a Texas nonprofit corporation organized under Article 5190.6 V.T.C.S., (entitled the Development Corporation Act of 1979, codified as Texas Local Government Code Title 12 Subtitle C1; and hereinafter referenced as the Act"), and governed by Texas Local Government Code Title 12 Subtitle C1, as same may be amended from time to time.

**ARTICLE I
PURPOSES**

General Purposes

1.1 The Corporation acts on behalf of the City of Dickinson, Texas (the "City"), in furtherance of the public purposes of the Act and may engage in any project authorized under Texas Local Government Code Title 12 Subtitle C1.

Powers

1.2 The Corporation has all the powers, both express and implied, granted to corporations governed by Texas Local Government Code Title 12 Subtitle C1.

**ARTICLE II
OFFICES**

Principal Office

2.1 The principal office of the Corporation in the State of Texas is located at 1621 FM 517 Road East Dickinson, Texas 77539. The Board of Directors may provide for additional offices or change the location of any office, provided said location or locations are within the boundaries of the City.

2.2 The Corporation shall comply with the requirements of the Act in the maintenance of a registered office and registered agent. The Corporation's registered agent must be an individual and a resident of the State and the Corporation's registered office must be within the boundaries of the City. The registered office may, but need not, be identical to the Corporation's principal office in Texas. The Board of Directors may change the registered office and the registered agent as provided in the Act.

**ARTICLE III
BOARD OF DIRECTORS**

Management of the Corporation

3.1 The affairs of the Corporation shall be managed by the Board of Directors.

Number, Qualifications and Tenure of Directors

3.2 The Board of Directors shall consist of seven (7) members appointed by the City Council of the City, for staggered two year terms of office. Not less than three (3) directors shall be persons who are not employees, elected officials or members of the governing body of the City. The terms of four (4) directors shall begin on June 1, of each odd numbered year and expire on May 31, of the next following odd numbered year. The terms of three (3) directors shall begin June 1, of each even numbered year and expire on May 31, of the next following even numbered year. Each director must reside within the City.

Vacancies

3.3 A vacancy occurring upon the Board of Directors shall be filled for the unexpired term by the governing body of the City.

Notice of Meetings

3.4 The Board of Directors shall comply with the requirements of Texas Government Code, Chapter 551 ("The Texas Open Meetings Act") in the conduct of its annual, regular and special meetings. Such meetings will be posted and notice delivered to each Board Member not less than seventy-two (72) hours before the time of the meeting by the Board secretary, or DEDC Staff person, designated by the Board of Directors to post notice of meetings.

Annual Meeting

3.5 The annual meeting of the Board of Directors shall be held during the month of October of each year. The Board of Directors shall designate the time of the annual meeting which shall be held at Dickinson City Hall, Council Chambers, 4403 Hwy 3, Dickinson, Texas.

Regular Meetings

3.6 The Board of Directors may, by resolution, establish the date, time, and place of regular meetings. The meetings shall be held within the City, ~~at the principal offices of the Corporation~~ at City Hall in the Council Chambers.

Special Meetings

3.7 Special meetings of the Board of Directors may be called at the request of the president or any four (4) directors. The president or directors calling the meeting shall affix the

time and location of such meeting. All special meetings shall be conducted within the City, and an agenda/notice shall be posted, in accordance with the Texas Open Meetings Act, designating the items to be discussed in that special meeting. The president or directors calling a special meeting shall provide information required to be included in the notice of the meeting to the Board secretary, or DEDC Staff person, designated by the Board of Directors to post notice of meetings, in addition to the posting of a special meeting notice in accordance with these Bylaws, a copy of each such special meeting notice shall be delivered to each director not less than seventy-two (72) hours before the time of the meeting. A special meeting notice shall be deemed delivered to any director when deposited via email. Such additional notice may be waived in writing by a director at any time either before or after the time of the meeting and such additional notice shall be deemed waived by attendance, except when a director attends a special meeting for the express purpose of objecting to the transaction of business on the grounds that such special meeting has not been lawfully called or convened.

Quorum

3.8 A majority of the entire membership of the Board shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The presence of a director may not be established by proxy. No business shall be conducted, nor shall any action be taken by the Board of Directors in the absence of a quorum. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Duties of Directors

3.9 Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of the Corporation, directors shall at all times act in good faith and take only such actions they reasonably believe to be in the best interests of the Corporation. Directors shall refrain from any action not in the best interest of the Corporation. Directors shall never violate federal or state laws or the municipal ordinances or charter of the City of Dickinson in the discharge of their duties.

Removal of Directors

3.10 The Board of Directors, and each member thereof, serves at the pleasure of the City Council; and the City Council may remove any director at any time, either with or without cause.

Committees of Directors

3.11 The Board of Directors may, with prior approval from City Council, establish one (1) or more special or standing committees of its members by resolution. Such committees shall have the powers, duties and responsibilities established by the Board but may not act on behalf of the Board or Corporation without specific direction from the Board. The committees shall keep regular minutes of their meetings and report the same to the Board of Directors when required.

Programs and Projects

3.12 The Board of Directors shall vote to propose programs and projects of the Corporation consistent with Texas Local Government Code Title 12 Subtitle C1, generally and Texas Local Government Code Chapter 505 specifically. Such programs and projects as set forth in Chapters 501 and 505, will be presented to City Council for approval prior to awarding of contracts or expenditure of project funds.

ARTICLE IV OFFICERS

Officer Positions

4.1 The officers of the Corporation shall be a president, a vice president, and a secretary. City Council shall appoint a City employee to serve as the Corporation's treasurer, as further described in Section 4.8. The Board of Directors, with prior approval from City Council, may create additional officer positions, define the authorities and duties of such additional positions, and appoint persons to fill such positions.

Election and Terms of Officers

The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting, held in October of each year.

Removal of Officers

Any officer may be removed by the Board of Directors at any time, with or without cause. The removal of an officer does not also result in the removal of such person as a director of the Corporation.

Vacancies

A vacancy in any office position may be filled by the Board of Directors for the unexpired portion of the officer's term.

President

The president shall be the chief executive officer (CEO) of the Corporation, whose duties shall be established by the Board and approved by City Council, unless these duties are assigned to an employee, as outlined in Section 4.9, by the Board of Directors and approved by City Council. The president shall supervise and control all of the business and affairs of the Corporation and must be from among the members of the Board. The president shall preside at all meetings of the Board of Directors. When the execution of any contract or instrument shall have been authorized by the Board of Directors, the president shall execute same except where such power is expressly delegated to another officer of the Corporation. The president shall perform other duties prescribed

by the Board of Directors and all duties incident to the office of president.

Vice President

4.6. When the president is absent, is unable to act, or refuses to act, the vice president shall perform the duties of the president. When acting in place of the president, the vice president shall have all the powers and duties of the president and be subject to all of the limitations and restrictions placed upon the president.

Secretary

4.7 The secretary shall:

- a) Perform all duties incident to the office of secretary.
- b) Give all notices as provided in the Bylaws or as required by law.
- c) Take minutes of the meetings of the Board of Directors and keep the minutes as part of the corporate records unless the Board of Directors, with City Council approval, elect to designate an employee, as identified in Section 4.10, to perform such duties.
- d) Maintain custody of the corporate records, subject to the procedures established in Section 6.2. Authenticate corporate documents and affix the seal of the Corporation as required, unless the Board of Directors, with City Council approval, elect to designate an employee, as identified in Section 4.10, to perform such duties.
- e) Keep a register of the addresses of each director and officer of the Corporation, unless the Board of Directors, with City Council approval, elect to appoint an employee, as identified in Section 4.10, to perform such duties.
- f) Perform other duties as assigned by the Board of Directors.
- g) The Board of Directors may designate one of the Directors to perform the duties of the secretary should the secretary be absent, is unable to act, or refuses to act.
- h) The Board of Directors, with City Council approval, may designate an employee, as identified in Section 4.10, to perform all or specific parts of the duties of the secretary.

Treasurer

4.8 The Finance Director for the City, or other City employee as appointed by City Administrator and approved by the Board, shall serve as the Corporation's treasurer. The treasurer shall:

- a) Perform all duties incident to the office of treasurer.
- b) Have charge and custody of and be responsible for all funds and securities of the

Corporation.

- c) Receive and give receipts for moneys due and payable to the Corporation from any source.
- d) Sign checks and disburse funds to discharge obligations of the Corporation.
- e) Perform other duties as assigned by the Board of Directors and approved by City Council.

Employees

4.9 If the Board, after approval from City Council, elects to assign the duties of the president, as CEO of the Corporation, to an employee in order to assist the Board in implementation of the overall economic development plan, the City Administrator, with Board recommendation, shall employ a Chief Executive Officer of the Corporation to be called the Economic Development Director (“Director”). The Director shall be responsible to the City Administrator, shall act as the Board’s executive officer, and shall assist the Board in carrying out the duties of the Corporation. The Board shall, in its annual budget, make provisions for compensation to reimburse the City for all expenses incurred by the City to employ the Director. The Director will make a quarterly presentation to the City Council of the status of the Corporation’s programs, projects and other activities, as applicable.

4.10 The City Administrator, after recommendation from the Board and prior approval from City Council, may hire additional personnel as may be necessary to discharge the Corporation’s assigned duties. The compensation for all such employees shall be set by City Policy and established in the City’s annual budget. Such compensation shall comprise of the salary and benefits for any such additional employees; however, no person shall be employed until the position and associated compensation have been approved as part of the City’s annual budget.

ARTICLE V TRANSACTIONS OF THE CORPORATION

Contracts

5.1 The Board of Directors may, by resolution or order approved in a public meeting designate and authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of or on behalf of the Corporation. This authority may be limited to a specific contract or instrument or it may extend to any number and type of contracts and instruments.

Depository

5.2 The Board of Directors shall designate, with prior City Council approval, one or more depository bank(s). All funds of the Corporation shall be deposited with one of the depository banks.

5.3 Investment Policy. The Board of Directors of the Corporation shall adopt, with prior City Council approval, an investment policy to insure the safety of funds deposited in a depository bank as mandated by State or City laws.

Potential Conflicts of Interest

5.4 The members of the Board of Directors shall be considered local public officials, for the purposes, and within the meaning, of Texas Local Government Code Chapter 171. If a director, or family member, as defined in Chapter 171, has a substantial interest, as defined in Chapter 171 in a business entity or real property, which is the subject of deliberation by the Board of Directors, the director shall file an affidavit with the secretary of the Corporation stating the nature and extent of the interest. Such affidavit shall be filed prior to any vote or decision upon the matter by the Board of Directors, and, if required by Code, Chapter 171, said director shall abstain from any deliberation, vote or decision upon the matter.

ARTICLE VI BOOKS AND RECORDS

Required Books and Records

6.1 The treasurer, on behalf of the Corporation, shall keep correct and complete books and records of account. The Corporation's books and records shall include:

a) A file endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including, but not limited to, the Articles of Incorporation, any Articles of Amendment, Restated Articles, Articles of Merger, Articles of Consolidation, and statement of change of registered office or agent.

b) A copy of the Bylaws and any amended versions or amendments to the Bylaws.

c) Minutes of the proceedings of the Board of Directors.

d) A list of names and addresses of the directors and officers of the Corporation.

e) A financial statement showing the assets, liabilities, and net worth of the Corporation at the end of each fiscal year.

f) A financial statement showing the income and expenses of the Corporation for each fiscal year.

g) All rulings, letters, and other documents relating to the Corporation's federal, state and local tax status.

h) The Corporation's federal, state and local information or income tax returns for each of the Corporation's tax years.

Records Open to Public

6.2 The Corporation shall comply with Texas Government Code Chapter 552 ("the Texas Public Information Act"); and, all records of the Corporation shall be made available to the public for inspection or reproduction in accordance with the requirements of said Act. The Corporation shall follow the City's records retention schedule for all of the Corporation's records. The City Secretary shall assist the secretary of the Corporation with any responses to Public Information Act requests, as well as all other related recordkeeping requirements.

Audit

6.03 The Board of Directors shall require that an annual independent audit of the financial records of the Corporation be conducted. The City Council of the City may at any time require an independent audit of the Corporation's books to be conducted.

ARTICLE VII FISCAL YEAR

7.1 The fiscal year of the Corporation shall begin on the first day of October and end on the last day of September.

ARTICLE VIII AMENDMENTS TO BYLAWS

8.1 These Bylaws may be altered, amended, or repealed by the Board of Directors with the consent and approval of the City Council of the City.

ARTICLE IX MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

9.1 The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of The Development Corporation Act of 1979 applicable to corporations governed under Section 48 of that Act are incorporated within these Bylaws by reference. In the event of any conflict between the applicable provisions of such Act and these Bylaws, then the applicable provisions of such Act shall control.

Legal Construction

9.2 If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Headings

9.3 The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws.

Seal

9.4 The Board of Directors may provide for a Corporation seal. Such seal shall contain the words "Dickinson Economic Development Corporation" and "Texas."

Parties Bound

9.5 These Bylaws shall be binding upon and inure to the benefit of the directors, officers and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors and assigns except as otherwise provided in the Bylaws.

Effective Date

9.6 These Bylaws, and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by both the Board of Directors and the City Council of the City of Dickinson, Texas.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary of the DICKINSON ECONOMIC DEVELOPMENT CORPORATION, and the foregoing Bylaws constitute the Bylaws of the Corporation. These Bylaws were duly adopted at a meeting of the Board of Directors held on the _____ day of _____, 2020, and subsequently approved by the City Council of the City of Dickinson, Texas at a meeting held on the _____ day of _____, 2020.

Signed this _____ day of _____, 2020.

Secretary of the Corporation

(SEAL)

ITEM 13

Executive Session

ITEM 14

Reconvene

ITEM 15

**Matters Discussed in
Executive Session**

ITEM 16

Adjourn