



**NOTICE OF A REGULAR MEETING
THE BRENHAM CITY COUNCIL
THURSDAY, JANUARY 18, 2018 AT 1:00 P.M.
SECOND FLOOR CITY HALL
COUNCIL CHAMBERS
200 W. VULCAN
BRENHAM, TEXAS**

- 1. Call Meeting to Order**
- 2. Invocation and Pledges to the US and Texas Flags – Mayor Pro Tem Ebel**
- 3. Citizens Comments**

CONSENT AGENDA

4. Statutory Consent Agenda

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

4-a. Minutes from the December 7, 2017 Regular City Council Meeting **Pages 1-13**

WORK SESSION

- 5. Discussion and Presentation of a Report Entitled “*Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations*” As Presented to the Brenham-Washington County Hotel Occupancy Tax (HOT) Board by HOT Board Member, Sharon Brass** **Pages 14-20**
- 6. Discussion and Presentation on the Possible Amendment of Section 26-7 of the City of Brenham Code of Ordinances Entitled “Extension of Utility Lines or Service Outside City Limits Prohibited”** **Pages 21-22**
- 7. Discuss and Review the FY2016-17 Fourth Quarter Financial Report** **Pages 23-38**

REGULAR SESSION

8. **Discuss and Possibly Act Upon the Acceptance of the 2017 Audit of the Washington County Appraisal District by Seidel Schroeder** **Pages 39-40**
9. **Discuss and Possibly Act Upon Resolution No. R-18-001 Amending the Authorized Representatives for TexPool Local Government Investment Pool** **Pages 41-43**
10. **Discuss and Possibly Act Upon Resolution No. R-18-002 Amending the Authorized Representatives for TexSTAR Local Government Investment Pool** **Pages 44-46**
11. **Discuss and Possibly Act Upon the Purchase of a Pool Pak System for the Blue Bell Aquatic Center Using BuyBoard Contract No. 552-17 and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 47-49**
12. **Discuss and Possibly Act Upon the Acceptance of the Donation and Conveyance of Approximately 1.671 Acres of Real Property from W&E Stone Investments, LLC and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 50-52**
13. **Discuss and Possibly Act Upon the Purchase of a High Pressure Jet Truck for the Wastewater Construction Department Using BuyBoard Contract No. 521-16 and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 53-54**
14. **Discuss and Possibly Act Upon the Rejection of Bid No. 18-005 for the Purchase of a Live Floor Trailer for the Sanitation Department and Authorize the Mayor to Execute Any Necessary Documentation** **Pages 55-58**

EXECUTIVE SESSION

15. **Section 551.071 – Texas Government Code – Consultation with Attorney – Deliberation Regarding the Construction Contract Between the City of Brenham and GCP Contractors, LLC, Including But Not Limited to the Termination of Said Contract and Other Available Remedies** **Page 59**

RE-OPEN REGULAR SESSION

16. **Discuss and Possibly Act Upon the Termination of the Construction Contract Between the City of Brenham and GCP Contractors, LLC, and Other Available Remedies, and Authorize the Mayor to Execute Any Necessary Documentation** **Page 60**
17. **Administrative/Elected Officials Report**

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

Adjourn

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

CERTIFICATION

I certify that a copy of the January 18, 2018 agenda of items to be considered by the City of Brenham City Council was posted to the City Hall bulletin board at 200 W. Vulcan, Brenham, Texas on January 12, 2018 at **3:00 PM**.

Kacey A. Weiss, TRMC

Deputy City Secretary

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

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ day of _____, 2018 at _____ AM PM.

Signature

Title

Brenham City Council Minutes

A regular meeting of the Brenham City Council was held on December 7, 2017 beginning at 1:00 p.m. in the Brenham City Hall, City Council Chambers, at 200 W. Vulcan Street, Brenham, Texas.

Members present:

Mayor Milton Y. Tate, Jr.
Mayor Pro Tem Andrew Ebel
Councilmember Susan Cantey
Councilmember Danny Goss
Councilmember Keith Herring
Councilmember Charlie Pyle
Councilmember Weldon Williams, Jr.

Members absent:

None

Others present:

City Manager Terry Roberts, Assistant City Manager of General Government Ryan Rapelye, City Attorney Cary Bovey, City Secretary Jeana Bellinger, Deputy City Secretary Kacey Weiss, Assistant City Manager – Chief Financial Officer Carolyn Miller, Human Resources Director Susan Nienstedt, Sara Parker, Kaci Konieczny, Cynthia Longhofer, Director of Community Services Wende Ragonis, Crystal Locke, Jennifer Eckermann, Fire Chief Ricky Boeker, Assistant Fire Chief Brian Scheffer, Fire Marshal Brent Sauble, Police Chief Craig Goodman, Trey Gully, Public Works Director Dane Rau, Assistant City Manager of Public Utilities Lowell Ogle, City Engineer Lori Lakatos, Cindy Ross, Jerred Eschete, Josh Sebastian, Kelvin Raven, Darlene Konieczny, Paula Shields, Pam Ruemke, Rebecca Ruffino, Kevin Boggus, Jo Anne Hynes, Carrie Derkowski, Angeline Howard, Kristi Jackson, Christi Korth, Tara Wellmann, Todd Ashorn and Alyson Tofel

Citizens present:

Page Michel, Jim Kruse, Billy Bowen, Frank Lynch, John Beckendorf, Jenny Mills, Nichole Carr, James Hejl, April Hooks, Vicki Ignasiak and John Durrenberger

Media Present:

Arthur Hahn, Brenham Banner Press; and Mark Whitehead, KWHI

1. **Call Meeting to Order**
2. **Invocation and Pledges to the US and Texas Flags – City Manager Terry Roberts**
3. **Special Recognitions**
 - 3-a. **Police Department Promotion and Badge Pinning**
 - **Todd Ashorn, Sergeant**
 - 3-b. **Sara Parker – Lifetime Certification as a Certified Purchasing Manager from the Institute for Supply Management**
 - 3-c. **Service Recognitions**

➤ Jerred Eschete, Fire Department	5 Years
➤ Kaci Konieczny, Finance	5 Years
➤ Cindy Ross, Public Utilities	15 Years
➤ Trey Gully, Police Department	20 Years
4. **Citizens Comments**

There were no citizen comments.

CONSENT AGENDA

5. **Statutory Consent Agenda**
 - 5-a. **Minutes from the October 19, 2017 and November 2, 2017 Regular City Council Meetings**

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve the Statutory Consent Agenda Item 5-a. as presented.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

WORK SESSION

6. **Discussion and Presentation of a Report Entitled “Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations” As Presented to the Brenham-Washington County Hotel Occupancy Tax (HOT) Board by HOT Board Member, Sharon Brass**

This item was passed.

PUBLIC HEARING

7. **Public Hearing to Consider an Amendment to the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District**

Mayor Tate opened the Public Hearing.

City Engineer Lori Lakatos presented this item. Lakatos explained that this is a request from John Beckendorf representing the Fritz W. Beckendorf Estate to rezone a portion of the tract of land described above from a Local Business/Residential Mixed Use District (B-1) and a Residential District (R-1) to an Industrial District (I) for the purpose of selling the property to the adjacent property owner, Del Sol Food Company. Lakatos stated that two public comments in support and two public comments in opposition of the proposed zoning were heard during the Planning and Zoning Commission’s Public Hearing. Lakatos advised that the Planning and Zoning Commission voted unanimously to recommend approval of the rezoning request.

John Majewski, a resident at 2300 Tiaden Lane, addressed Council and stated that he is concerned about the tax rates increasing, as well as the resale value of his property if the rezoning is approved.

Resident April Hooks advised that she is concerned about the increase in traffic on Tiaden Lane.

Justin Margist, a resident at 2400 Tiaden Lane, explained that he is concerned about the tax rate increasing, the traffic increasing and the drainage issue on his property from the Brenham Business Center getting worse.

8. Public Hearing, Discussion and Receipt of Input Related to the Proposed Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 41, and Designating This Property as Qualifying for Tax Phase-In

City Secretary Jeana Bellinger introduced this item. Bellinger stated that prior to considering the creation of a Reinvestment Zone for implementing a Tax Phase-In incentive for any business the City Council is required to hold a Public Hearing to receive input regarding the request for tax phase-in. Bellinger advised Council that her office received a request for tax phase-in from Moser Community Media, LLC and asked

Page Michel, President of the Brenham Economic Development Foundation introduced Jim Moser, owner of Moser Community Media, LLC. Moser addressed Council and stated that his company is wanting to renovate one of the buildings in downtown to help expand their business. Moser explained that the renovation will include opening up second floor windows that have been covered up and returning the exterior to an “era-appropriate” finish with a traditional store front façade. Moser stated that the renovations will cost approximately \$470,000; which is why he requested consideration of a seven-year tax phase-in period.

Mayor Tate closed the Public Hearing.

REGULAR SESSION

10. Discuss and Possibly Act Upon an Ordinance on Its First Reading Amending the Official Zoning Map of the City of Brenham, to Change the Zoning District of an 8.07 Acre Tract of Land, Being A Portion of the 32.16 Acre Tract of Land Adjacent to Tiaden Lane, Described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve an Ordinance on its first reading amending the Official Zoning Map of the City of Brenham, to change the zoning district of an 8.07 acre tract of land, being a portion of the 32.16 acre tract of land adjacent to Tiaden Lane, described as R16649 (WCAD), Tract 2 of the Isaac Lee Survey, A77, in Brenham, Washington County, Texas from a Local Business Residential Mixed Use (B-1) District and a Single Family Residential Use (R-1) District to an Industrial Use (I) District.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	No
Councilmember Weldon Williams	No

11. Discuss and Possibly Act Upon an Ordinance on its First Reading for the Creation of Reinvestment Zone Number 41 Requested by Moser Community Media, LLC for Commercial Tax Phase-In Incentive on a Certain Tract or Parcel of Land Lying and Being Lot 28 and Part of Lot 29 of the Original Town Tract, Being Located at 101 E. Main Street, Brenham, Texas, with Boundaries Further Described in Exhibit “A” of the Ordinance Creating Reinvestment Zone 41, and Designating This Property as Qualifying for Tax Phase-In

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Ebel to approve an Ordinance on its first reading for the creation of Reinvestment Zone Number 41 requested by Moser Community Media, LLC for Commercial Tax Phase-In incentive on a certain tract or parcel of land lying and being Lot 28 and part of Lot 29 of the Original Town Tract, being located at 101 E. Main Street, Brenham, Texas, with boundaries further described in Exhibit “A” of the Ordinance creating Reinvestment Zone Number 41, and designating this property as qualifying for Tax Phase-In.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

9. Discuss and Possibly Act Upon Approval of an Ordinance of the City of Brenham, Texas, Authorizing the Issuance and Sale of City of Brenham, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2017; Levying a Tax in Payment Thereof; Authorizing the Execution and Delivery of a Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Official Statement; and Enacting Other Provisions Relating Thereto

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item and introduced the City’s Financial Advisor, Garry Kimball of Specialized Public Finance. Miller explained that the proceeds from the sale of these Certificates of Obligation will be used for the following purposes: (i) rehabilitation of and improvements to the City’s water and wastewater utility systems; (ii) construction of street, thoroughfare, parking and drainage improvements and the acquisition of land and interests in land in connection therewith; (iii) renovation of and improvements to the City’s aquatic center (collectively, the “Project”); (iv) professional services of attorneys, engineers, financial advisors and other professionals in connection with the Project; and (v) to pay the costs associated with the issuance of the Certificates.

A motion was made by Councilmember Pyle and seconded by Councilmember Cantey to approve an Ordinance of the City of Brenham, Texas, authorizing the Issuance and Sale of City of Brenham, Texas, Certificates of Obligation, Series 2017.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

12. Discuss and Possibly Act Upon Resolution No. R-17-024 Re-Adopting the Guidelines and Criteria for Granting Tax Phase-In in a Reinvestment Zone Created in the City of Brenham

Page Michel, President of the Brenham Economic Development Foundation, presented this item. Michel stated that the Tax Phase-In Policy will expire at the end of 2017 and will need to be re-adopted for another two years. Michel advised that the EDF’s Incentives Review Committee did not recommend any changes to the policy to be considered for re-adoption as approved by the EDF Board of Directors. Michel explained that the tax phase-in is a partial, temporary exemption from ad valorem taxes with the City of Brenham.

Councilmember Goss stated that he would like for there to be representation from the Brenham Community Development Corporation (BCDC), as well as the City to review this policy in the future.

A motion was made by Councilmember Herring and seconded by Councilmember Pyle to approve Resolution No. R-17-024 re-adopting the guidelines and criteria for granting Tax Phase-In in a Reinvestment Zone created in the City of Brenham.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

13. Discuss and Possibly Act Upon Resolution No. R-17-025 Adopting Design Guidelines for the Brenham Downtown Historic District Incentive Grant Program

Director of Community Services Wende Ragonis presented this item. Ragonis explained that as part of the 2017 Main Street Plan of Work, the Economic Restructuring Committee developed a comprehensive document that summarizes incentives offered to Downtown Brenham property and business owners. Ragonis advised the Design Guidelines are suggested guidelines for development for Brenham's Downtown Historic District and these guidelines are only enforced when incentive grant funding is requested. Ragonis stated the Brenham Community Development Corporation (BCDC) approved the Downtown Incentive Program and Design Guidelines at their November 16, 2017 board meeting.

A motion was made by Councilmember Pyle and seconded by Councilmember Cantey to approve Resolution No. R-17-025 adopting Design Guidelines for the Brenham Downtown Historic District Incentive Grant Program.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

14. Discuss and Possibly Act Upon an Ordinance on its First Reading Amending the FY2016-17 Adopted Budget

Assistant City Manager – Chief Financial Officer Carolyn Miller presented this item. Miller explained the highlights of the amendment to the FY2016-17 budget include net revenue increases in the General Fund, 2014 Capital Projects Fund, FEMA Disaster Relief Fund and Donations Fund. Miller stated the budgeted amounts for the Electric and Gas Fund isolated pass-through revenues were moved to separate funds for transparency and, therefore, saw a net change of zero between the funds.

Miller advised General Fund expenditures were decreased in various departments due to line item savings. Miller stated these savings generated additional ABNR (Above Budget Net Revenues). Miller explained the budgeted expenditures are being increased in the Gas WPC Fund, Wastewater Fund, County HOT Fund, Capital Leases Fund, Parks Capital Improvements Fund, BCDC Fund and BCDC Capital Projects Fund. Miller advised the budgeted amounts for the Electric and Gas Fund isolated pass-through costs were moved to separate funds for transparency and, therefore, saw a net change of zero between the funds.

Miller stated that other budget amendment items include the transfers between funds and proceeds for the FY17 Chase Equipment Lease, 2016 Certificates of Obligation and the BCDC Promissory Note.

A motion was made by Councilmember Herring and seconded by Mayor Pro Tem Ebel to approve an Ordinance on its first reading amending the FY2016-17 Budget.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

15. Discuss and Possibly Act Upon the Purchase of Group Term Life and Accidental Death and Dismemberment and Long Term Disability Coverage and Authorize the Mayor to Execute Any Necessary Documentation

Human Resources Director Susan Nienstedt presented this item. Nienstedt explained that the City's Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance policies with Sun Life Financial will terminate as of December 31, 2017.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to purchase Group Term Life and Accidental Death and Dismemberment and Long Term Disability insurance from Dearborn National for a 3-year guaranteed term effective January 1, 2018 at the rate of \$.136 per \$1,000 base salary for Term Life, \$.020 per \$1,000 base salary for Employee Accidental Death and Dismemberment, and \$.209 per \$100 base salary for Long Term Disability.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

16. Discuss and Possibly Act Upon Recommendations for Appointments and/or Re-Appointments to Various City Advisory Boards

City Manager Terry Roberts presented this item. Roberts discussed the appointments and re-appointments requested. Roberts stated that according to the City's policy, the Mayor and City Manager are to review the board appointments and offer a recommendation to the City Council. The recommendations to the Council were as follows:

Airport Advisory Board:

Janet Hess
Jon Hodde
Eddie Van Dyke

Board of Adjustment:

MaLisa Hampton
Arlen Thielemann
John Pledger (Alternate)
Thomas Painter
Clint Kolby

Building Standards Commission:

Jason Kiemsteadt
Lloyd Pieper

Brenham Community Development Corporation:

Atwood Kenjura
Darrell Blum
David Cone
Charles Moser

Brenham Housing Authority:

John Harris
Wanda Cooley
Tieman Dippel
Kenneth Miller

Hotel Occupancy Tax Board:

Keith Hankins
Stacey Walters
Byron Davis

Library Advisory Board:

Lu Hollander (Fortnightly Club Appointee)
Janie Mehrens (Fortnightly Club Appointee)
Lillian Marshall

Main Street Board:

Tiffany Morisak
John Herman
Jim Moser
Dona Parker
Connie Wilder

Parks and Recreation Advisory Board:

Bill Betts
Paula Buls
Luis Mendoza

Planning and Zoning Commission:

Keith Behrens
Nancy Low
Deanna Alfred
Marcus Wamble

Roberts advised Council that additional members are still needed for a couple of Board and that those will be brought back to Council at a later date.

A motion was made by Councilmember Herring and seconded by Councilmember Cantey to approve the recommendation for appointments and/or re-appointments to various City advisory boards.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

Council adjourned into Executive Session at 2:22 p.m.

EXECUTIVE SESSION

- 17. Section 551.074 – Texas Government Code – Personnel Matters – Discussion Regarding:**
- a. Evaluation of Candidates for the Position of City Manager**
 - b. Possible Modifications to the Retiring City Manager’s Employment Agreement Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager**

Executive Session adjourned at 2:54 p.m.

RE-OPEN REGULAR SESSION

- 18. Discuss and Possibly Act Upon An Agreement for Professional Services and Employment as City Manager and Authorize the Mayor to Execute Any Necessary Documentation**

A motion was made by Councilmember Cantey and seconded by Mayor Pro Tem Ebel to appoint James Fisher as City Manager effective January 11, 2018 and to approve an agreement for professional services and employment as City Manager and authorize the Mayor to execute any necessary documentation.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

19. Discuss and Possibly Act Upon Modifications to the Agreement for Professional Services and Employment as City Manager of the Retiring City Manager Including, But Not Limited to, a Limited Extension and Other Modifications Facilitating the Transition to the New City Manager and Authorize the Mayor to Execute Any Necessary Documentation

Mayor Tate presented this item. The Mayor stated that the deadline for extending the City Manager's contract has already passed and Council will amend the contract to end on January 11, 2018.

A motion was made by Councilmember Herring and seconded by Councilmember Goss to approve the modifications to the Agreement for Professional Services and Employment as City Manager of the retiring City Manager including, but not limited to, a limited extension to January 11, 2018 and other modifications facilitating the transition to the new City Manager and authorize the Mayor to execute any necessary documentation.

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

Mayor Milton Y. Tate, Jr.	Yes
Mayor Pro Tem Andrew Ebel	Yes
Councilmember Susan Cantey	Yes
Councilmember Danny Goss	Yes
Councilmember Keith Herring	Yes
Councilmember Charlie Pyle	Yes
Councilmember Weldon Williams	Yes

20. Administrative/Elected Officials Report

City Manager Terry Roberts reported on the following:

- Council meeting dates during the holiday season will be December 21st and January 4th
- Ratings call with Standard and Poor's revealed that the City has maintained a good bond rating

Director of Community Services Wende Ragonis reported on the following:

- The Christmas Stroll was a huge success and thanked Council, Crystal Locke and the rest of the Community Services staff
- Saturday, December 9th the Animal Shelter will be open for adoptions and offering pictures with Santa
- Blue Bell Aquatic Center's Open House is December 12th from 8:30 a.m. to 11:30 a.m.

The meeting was adjourned.

Milton Y. Tate, Jr.
Mayor

Jeana Bellinger, TRMC, CMC
City Secretary



AGENDA ITEM 5

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018															
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Jeana Bellinger															
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">MEETING TYPE:</td> <td style="width: 33%; vertical-align: top;">CLASSIFICATION:</td> <td style="width: 33%; vertical-align: top;">ORDINANCE:</td> </tr> <tr> <td>☒ REGULAR</td> <td>☐ PUBLIC HEARING</td> <td>☐ 1ST READING</td> </tr> <tr> <td>☐ SPECIAL</td> <td>☐ CONSENT</td> <td>☐ 2ND READING</td> </tr> <tr> <td>☐ EXECUTIVE SESSION</td> <td>☐ REGULAR</td> <td>☐ RESOLUTION</td> </tr> <tr> <td></td> <td>☒ WORK SESSION</td> <td></td> </tr> </table>		MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING	☐ SPECIAL	☐ CONSENT	☐ 2 ND READING	☐ EXECUTIVE SESSION	☐ REGULAR	☐ RESOLUTION		☒ WORK SESSION	
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AGENDA ITEM DESCRIPTION: Discussion and Presentation of a Report Entitled “ <i>Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations</i> ” As Presented to the Brenham-Washington County Hotel Occupancy Tax (HOT) Board by HOT Board Member, Sharon Brass																
SUMMARY STATEMENT: At the November 15, 2017 HOT Board meeting, HOT Board member Sharon Brass presented a report on “ <i>Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations</i> ”. This report was developed out of Ms. Brass’ work on the HOT Board’s Strategic Planning Subcommittee. The Executive Summary of the report is included in the agenda packet; if you are interested in obtaining a hard copy of the full report, please contact the City Secretary’s Office at 979-337-7375.																
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:																
ALTERNATIVES (In Suggested Order of Staff Preference): N/A																
ATTACHMENTS: (1) Executive Summary pages from the “ <i>Reviving Tourism Revenues in Brenham and Washington County: Trends, Challenges and Recommendations</i> ” report.																
FUNDING SOURCE (Where Applicable): N/A																
RECOMMENDED ACTION: Discussion only																
APPROVALS: James Fisher																

REVIVING TOURISM REVENUES IN BRENHAM & WASHINGTON COUNTY



Trends, Challenges and Recommendations

by Sharon Brass: November 7, 2017

EXECUTIVE SUMMARY

Please Direct Your Attention To . . .

This report is comprehensive—it contains much information and takes over an hour to read. Since it is important, it is hoped that you will read the whole document .

If your time is limited, you can focus on the pages listed below to get basic information specific to your role.

Texas Government Officials

Pages 5-7	Highlights of the report.
Pages 9-16	Financial data that demonstrates our current position.
Page 17	How public sector is vital to success, and has much to gain.
Page 48	Suggestions for how you can help.

Washington County Officials

Pages 5-7	Highlights of the report.
Pages 9-16	Financial data that demonstrates our current position.
Page 17	How public sector is vital to success, and has much to gain.
Page 23	Collaboration to “wow” tourists.
Page 24	Recent Washington County Tourism Survey results.
Page 25	Attractions Not Open to the Public
Pages 41-45	Ideas for existing Washington County assets that can attract more tourists.
Page 48	Suggestions for how you can help.

City of Brenham Officials

Pages 5-7	Highlights of the report.
Pages 9-16	Financial data that demonstrates our current position.
Page 17	How public sector is vital to success, and has much to gain.
Page 24	Recent Washington County Tourism Survey results.
Page 25	Attractions Not Open to the Public
Pages 26-40	Ideas for existing Brenham assets that can attract more tourists.
Page 48	Suggestions for how you can help.

Attractions, Meeting Facilities, Merchants, Restaurants, Hoteliers

Pages 5-7	Highlights of the report.
Pages 18-22	Audiences we should market to, and how to influence them.
Page 23	Collaboration to “wow” tourists.
Page 24	Recent Washington County Tourism Survey results.
Page 48	Suggestions for how you can help.

Business Leaders and Private Citizens

Pages 5-7	Highlights of the report.
Pages 9-16	Financial data that demonstrates our current position.
Pages 26-40	Ideas for existing Brenham assets that can attract more tourists. Can you help?
Pages 41-45	Ideas for existing Washington County assets that can attract more tourists. Can you help?
Page 48	Suggestions for other ways you can help.

EXECUTIVE SUMMARY (continued)

Purpose of This Report

This is a call-to-action regarding critical and urgent challenges facing the Washington County tourist industry and economy, and to provide suggestions for improving them.

The numbers speak for themselves (pages 10-16). Top priority should be given to this matter.

Brenham and Washington County cannot expect to attract more tourists unless we work for them. They must be recruited and earned. We are competing with every other Texas town for drive-in visitors and their dollars.

By working together, the community can turn around our present position and enjoy increased prosperity in both the public and private sectors (page 17).

This will require a thorough understanding of:

- The scope and value of our tourism assets.
- The challenges we face in their development, maintenance and promotion.
- How these challenges are negatively affecting our economy.
- Existing assets that can be put to work, to benefit the community.
- Steps for building a robust tourist industry that will sustain itself and generate revenues for local businesses, and for state and local use.

The above topics are covered herein, with enough details to help reset our path for a more prosperous future.

A 2009 study for the U.S. Travel Association showed that 78% of all U.S. leisure travelers participate in cultural and/or heritage activities. 

These 118.3 million adults:

- *Spend an average of \$994 per trip.*
- *Spend 36% more money than other types of tourists.*
- *Typically stay 53% longer.*

Oregon Heritage Vitality Report, 2010.

EXECUTIVE SUMMARY (continued)

Economic Highlights

Tourism is a vital part of Washington County's (WC) economy, but our tourism revenues took a downturn in 2015 and have not recovered (pages 9-16).

Our county's tourism success is almost entirely dependent on HOT revenues, which are inadequate and will continue to be so, unless we make changes.

COUNTY-WIDE CHALLENGES

The same mutual concerns are reported from all attractions across Washington County, entirely related to lack of initial funding:

- *Insufficient budgets do not allow the promotional outreach needed to attract more tourists.*
- *Many attractions don't have budgets for staffing, so they are not normally open to the public (a few open only by appointment and/or one day per month).*

If these challenges are solved in the short-term, the many historical assets in WC can attract more tourists and contribute to more overnight stays, tax revenues and our overall economy.

With increased visitors and HOT revenues, tourist attractions can sustain their promotional outreach and staffing without public sector help, thus continuing a cycle of prosperity for the long term.

Tourism experts, at state and national levels, espouse a strong business case for public sector investments in tourism, to begin this cycle of prosperity. There is promise of surprisingly high returns on such investments (page 17).

The U.S. Travel Association publishes many case studies that prove this concept: www.ustravel.org.

Historic structures and museums are vital to our community's past, present and future in so many ways – including our economy. But it is becoming more and more difficult for these places to financially survive on their own.

Government decision makers need to step-up and fight for the funds to help us continue with preservation and increase promotion. If we all work together, the economic rewards will be a big win for all.

Stephanie Jarvis, Texas Cotton Gin Museum

EXECUTIVE SUMMARY (continued)

Heritage Concerns

Our history is disappearing before our eyes. It is happening in our generation, more than ever. Important Washington County historical assets are at risk.

Some of our buildings are among the earliest in Texas, going back to 1825. Some have close ties to famous Texans including Sam Houston. All have proven to be delightful to tourists.

Yet there seems to be little local or state government interest in them, beyond the organizations that own them.

Some historical properties are even being compromised. Authenticity is sometimes sacrificed during repairs, due to insufficient funds for historically-accurate materials.

Some of our buildings are full of 19th century artifacts that are deteriorating without climate control. Some properties are vandalized, and important artifacts are stolen.

Cultural and heritage travelers as a whole are more frequent travelers, reporting an average of 5.01 leisure trips in the past 12 months.

U.S. Cultural and Heritage Tourism Marketing Council

The more we allow our historical assets to decline, the less opportunity we have to preserve our rich heritage. This negatively affects our culture, our spirit of community pride and enrichment of future generations.

IF WE IGNORE OUR HISTORICAL ASSETS, WE ARE THE ONES TO LOSE.



- *We will continue to lose large revenues to communities that seriously compete for tourists.*
- *We will lose our historical culture that contributes to our community pride and our children's future.*
- *In the long run, we can lose our importance to Texas history, because no one will know about it.*

EXECUTIVE SUMMARY (continued)

Why This Report Was Written

I believe my insights can help the community, as I have a unique and universal perspective of tourism in Washington County. I am a volunteer who has no financial or political stake. I have been deeply immersed in our heritage tourism, on many levels, since 2009 (see *About the Author* on page 50).

When we faced our 2015 downturn, I was impressed with the many efforts to help displaced workers. But I realized that high unemployment was only part of our new problem. With Blue Bell closed, we had no way to continue attracting the 200,000+ tourists they consistently drew to Brenham. I knew the tourism hit to our economy was equally as damaging as the unemployment hit, and that it would take much longer for tourism to recover.

It was extremely exciting to think I had a solution. In partnership with Main Street Brenham, I created *Step Into the Past* Tours (see pages 34-37). Five new tours were opened to the public for the first time. Seven total tours were offered — the same venues we use annually for BISD's Local History Day. We augmented the tours with brochures and seven brief historical movies.

We launched the program in October 2015 with much fanfare and success. But the tours were staffed by volunteers who were not willing to continue long-term. The other challenge was lack of promotional funding. Six months after launch, the program fizzled with no staff or advertising. This was a huge disappointment, especially since people who had been on the tours absolutely loved them — the feedback was very enthusiastic.

This experience introduced me to larger challenges than I could have foreseen. **By relying only on HOT revenues for tourism endeavors, local attractions have little chance to succeed.**

I began research to learn how other communities are building healthy tourist industries. I found eye-opening information and case studies. **All research leads to evidence that public sector investments are vital to success.**

In February of 2017, I joined the Brenham-Washington County Hotel Occupancy Tax (HOT) Board and suggested that funding allocations be made using a strategic plan, to best benefit the overall county and its economy.

The concept was enthusiastically embraced. In April, a Strategic Subcommittee was formed to start this effort and I became part of the three-person subcommittee. By June, our initial charter was defined, to develop an outline for a strategic plan.

Our outline was shown to City officials in mid-July, with a tight timeline for the completed/approved plan to guide HOT Board decisions during the 2018 funding cycle. All agreed on the next step — get City Council approval of our outline/timeline. It was projected that an early-August meeting would be called to obtain approval.

As of this writing (November 6), our Strategic Subcommittee has not been told of a City Council Tourism Committee meeting to review and approve our outline/timeline. We believe it was never seen by that group.

In mid-September, an email to City officials reminded that the timeline was slipping away, and asked for action.

With no response by mid-October I decided to go ahead, and document my research and knowledge of local tourist attractions and challenges (in this report).

I hope this report can help officials make decisions and resume progress. It provides data that will be needed to develop a Strategic Tourism Plan, so it can expedite such a plan. The longer we wait, the more difficult it will be to make a positive impact.

ORGANIZATIONS I WORK WITH

Brenham-Washington County Hotel
Occupancy Tax (HOT) Board

Washington County Chamber of Commerce,
Convention & Visitor Bureau

City of Brenham, Main Street Program

The Barnhill Center at Historic Simon Theatre

Brenham ISD

Brenham Heritage Museum

Heritage Society of Washington County

Washington On The Brazos State Historic Site

Chappell Hill Historical Society/Museum

Chappell Hill Chamber of Commerce

Burton Heritage Society

Texas Cotton Gin Museum

Independence Historical Society

Texas Historical Baptist Museum

Miracle Farm

Unity Theatre

Rotary Club of Washington County

Central Texas Historical Association



AGENDA ITEM 6

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018	
DEPT. OF ORIGIN: Engineering	SUBMITTED BY: Lori Lakatos	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☐ REGULAR ☒ WORK SESSION	ORDINANCE: ☐ 1ST READING ☐ 2ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discussion and Presentation on a Possible Amendment of Section 26-7 of the City of Brenham Code of Ordinances Entitled “Extension of Utility Lines or Service Outside City Limits Prohibited”		
SUMMARY STATEMENT: Over the past few months the City has received multiple request to extend utility services outside of the City Limits. City Staff reviewed the Chapter 26 – Utilities for the requirements related to the extension of utilities outside the City Limits. Section 26-7 reads as follows: Sec. 26-7. - Extension of utility lines or service outside city limits prohibited. (a) The City of Brenham shall not provide water or sewer service to property owners outside of the city limits except upon an council-approved annexation plan for the property receiving service, which includes the following from the proposed customer: (1) A signed annexation petition; (2) City-approved development plan for the property; (3) City-approved building permit, if applicable; (4) City-approved plat, if applicable; and (5) Removal of all billboards on the property. (b) All utility line extension costs shall be paid by the property owner with the option of the City of Brenham to increase the size of the lines with the City of Brenham paying the additional cost to increase the capacity of the lines. (c) The property owner shall provide all necessary easements. (d) The property owner shall pay for any development cost as may be adopted by the City of Brenham as of the date of the filing of all required documents by property owner. (e) The extension of water and/or sewer service shall be at the discretion of the city council.		

The properties for the last two request for services have billboards location on them. This is a concern for the property owners as they currently have contracts on the billboards.

This work session is to discuss if council would like to keep, amend, or remove Sec.26-7.(a)(5).

STAFF ANALYSIS (For Ordinances or Regular Agenda Items):

A. PROS:

B. CONS:

ALTERNATIVES (In Suggested Order of Staff Preference):

ATTACHMENTS: None

FUNDING SOURCE (Where Applicable): N/A

RECOMMENDED ACTION: No action needed – discussion only.

APPROVALS: James Fisher



AGENDA ITEM 7

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 12, 2018															
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller															
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">MEETING TYPE:</td> <td style="width: 33%; vertical-align: top;">CLASSIFICATION:</td> <td style="width: 33%; vertical-align: top;">ORDINANCE:</td> </tr> <tr> <td>☒ REGULAR</td> <td>☐ PUBLIC HEARING</td> <td>☐ 1ST READING</td> </tr> <tr> <td>☐ SPECIAL</td> <td>☐ CONSENT</td> <td>☐ 2ND READING</td> </tr> <tr> <td>☐ EXECUTIVE SESSION</td> <td>☐ REGULAR</td> <td>☐ RESOLUTION</td> </tr> <tr> <td></td> <td>☒ WORK SESSION</td> <td></td> </tr> </table>		MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING	☐ SPECIAL	☐ CONSENT	☐ 2 ND READING	☐ EXECUTIVE SESSION	☐ REGULAR	☐ RESOLUTION		☒ WORK SESSION	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:														
☒ REGULAR	☐ PUBLIC HEARING	☐ 1 ST READING														
☐ SPECIAL	☐ CONSENT	☐ 2 ND READING														
☐ EXECUTIVE SESSION	☐ REGULAR	☐ RESOLUTION														
	☒ WORK SESSION															
AGENDA ITEM DESCRIPTION: Discuss and Review the FY2016-17 Fourth Quarter Financial Report																
SUMMARY STATEMENT: See attached Financial Performance Report and Financial Statements for General Fund and Five Utility Funds.																
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:																
ALTERNATIVES (In Suggested Order of Staff Preference):																
ATTACHMENTS: (1) FY2016-17 Fourth Quarter Financial Report from CFO; and (2) Financial Performance Reports for General Fund and Five Utility Funds																
FUNDING SOURCE (Where Applicable):																
RECOMMENDED ACTION: Discussion Only																
APPROVALS: James Fisher																



MEMORANDUM

To: Mayor, Council and City Manager

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

Subject: FY2016-17 Fourth Quarter Financial Report

Date: January 11, 2018

The Finance Division is pleased to provide financial performance reports for the year ended September 30, 2017 including the General Fund and the five major utility funds. The General Fund and the five utility funds are presented with the recent budget amendment approved by Council.

FINANCIAL PERFORMANCE SUMMARY

Fund	Fiscal Year Ending September 30, 2017				
	YTD Revenues	YTD Expenditures	Actual Net Revenues (Loss)	Budgeted Net Revenues (Loss)	Actual to Budget Comparison
General	\$18,262,428	\$ 17,854,487	\$ 407,941	\$ 414,224	On Track
Electric	\$ 7,001,260	\$ 6,921,094	\$ 80,166	\$ (196,868)	Favorable
Gas	\$ 1,366,155	\$ 1,379,571	\$ (13,417)	\$ 61,430	Unfavorable
Water	\$ 4,522,290	\$ 4,224,520	\$ 297,771	\$ (7,551)	Favorable
Wastewater	\$ 3,860,761	\$ 3,688,777	\$ 171,984	\$ (230,686)	Favorable
Sanitation	\$ 3,015,473	\$ 2,888,195	\$ 127,278	\$ 189,305	Unfavorable

- General Fund net revenues of \$407,941 were on track with the amended budget with strong sales tax revenue and personnel savings contributing to the positive performance;
- Electric Fund net revenues of \$80,166 were favorable to budget due to personnel savings from retirement of two key employees and lower transfers to the General Fund;
- Gas Fund net loss of \$13,417 is unfavorable to budget and is due to lower natural gas consumption caused by mild winter weather and the late start-up of the new Valmont galvanizing plant;
- Water Fund net revenues of \$297,771 were favorable to budget due to the curtailment of capital spending, primarily related to the timing of the Church Street water tower project;
- Wastewater Fund net revenues of \$171,984 were favorable to budget due to higher consumption revenues as commercial/industrial gallons processed exceeded budget by almost 18 million gallons;

FINANCIAL PERFORMANCE SUMMARY (continued)

- The combined Sanitation Fund operations showed net revenues of \$127,278 which were unfavorable compared to budget. The Transfer Station performance was unfavorable by \$6,923 due to reduced tonnage from Progressive Waste; the Collection Station net revenues were unfavorable by \$109,265 because the budget included revenue from the sale of the replaced tub grinder which was deferred until FY18; the Recycling Center net revenues were favorable by \$66,314 because of higher market prices for cardboard; and Residential Collection was unfavorable by \$12,153 due to lower revenues.

FUND BALANCE AND WORKING CAPITAL RESERVES

In this section we will review the fund balance reserves for the General Fund and the five utility funds. For utility funds, the calculation of reserves is based on working capital or current assets minus current liabilities.

GENERAL FUND

For FY2016-17, the General Fund revenues exceeded expenditures by \$407,941, which increased the fund balance reserves from \$4.113 million to \$4.519 million.

110 Days Beginning Fund Balance	\$ 4,113,901
Net Revenues	407,941
CAFR (Accrual) Adj.	(2,250)
121 Days Ending Fund Balance	<u>4,519,591</u>
90 Day Reserve	3,362,612
5 Day R&R Reserve	186,812
26 Days Undesignated Reserves	<u>\$ 970,168</u>

We have 121 days of General Fund reserves to cover our financial goal of 90 days reserve and 5 days Renovations and Replacements (R&R), leaving us with over 26 days which is above the 18 day reserve level from the prior fiscal year.

ELECTRIC FUND

The Electric Fund working capital detail is shown below.

Beginning Working Capital	\$ 7,894,639
Energy Over(Under) Collection FY17	(51,907)
Net Revenues	80,166
CAFR (Accrual) Adj.	-
Ending Working Capital	<u>7,922,898</u>
<i>Designation of Working Capital</i>	
Consumer Deposits	(1,462,276)
Energy Over/(Under)Collection Cumulative	(1,046,396)
Capital Requirements FY2018	(229,243)
<i>Available Working Capital</i>	<u>5,184,983</u>
60 Day WC Reserve	3,636,694
25.5 Days Remaining WC Reserves	<u>\$ 1,548,289</u>

ELECTRIC FUND (continued)

The Electric Fund working capital designations are explained below:

- 1) The largest portion is related to consumer deposits at \$1.462 million;
- 2) The second largest is energy over/(under) collection cumulative amount of \$1.046 million, which has accumulated over eight fiscal years (FY10 thru FY17) based on the LCRA purchase cost pass-through and LCRA rate refunds. The intent of this surplus is to stabilize the rate for our rate payers and thus is not available for other purposes. In total transparency and in consultation with our outside auditors, we established Fund 122 – Electric Wholesale Power Cost, to track this balance;
- 3) Lastly, \$229,243 of working capital reserves will be used to fund capital improvements in the FY18 budget.

The balance above the 60-day level is earmarked for capital infrastructure in the Electric Fund for fiscal years 2019 through 2022 which total in excess of \$1.147 million. Overall, the Electric Fund remaining working capital reserves increased from 15 days to 25.5 days.

GAS FUND

The Gas Fund working capital detail is shown below.

Beginning Working Capital	\$ 1,528,191
Net Revenues	(13,417)
Commodity Over (Under) Collection	3,148
CAFR (Accrual) Adj.	-
Ending Working Capital	<u>1,517,922</u>
<i>Designation of Working Capital</i>	
Commodity Over/(Under)Collection	(658,840)
Additional Reserves for Gas Supplier	(191,160)
Capital Requirements FY2018	<u>(68,058)</u>
<i>Available Working Capital</i>	<u>599,864</u>
60 Day WC Reserve	476,519
15.5 Days Remaining WC Reserves	<u><u>\$ 123,345</u></u>

The Gas Fund working capital designations are explained below:

- 1) We have designated \$658,840 of the Gas Fund working capital for commodity over/(under) collection, which has been accumulated over eight fiscal years (FY10 thru FY17) based on gas purchase cost recovery and over/(under) collections. Similar to the Electric Fund, we established Fund 123 – Gas Wholesale Commodity Cost, to track this balance;
- 2) The major purpose of the Gas Fund working capital is to uphold the contract terms with our wholesale gas supplier. In June 2013, Council approved Resolution No. R-13-011 outlining our commitment to set aside \$850,000 as unrestricted cash reserves for the payment and purchase of natural gas supplies. We are designating an additional amount of \$191,160 to bring our total designated reserves to this level (\$658,840 + \$191,160 = \$850,000).
- 3) Lastly, \$68,058 of working capital reserves will be used to fund capital improvements in the FY18 budget.

Overall, the Gas Fund remaining working capital reserves declined from 24 days to 15.5 days.

WATER FUND

The Water Fund working capital detail is shown below.

Beginning Working Capital	\$ 1,155,862
Net Revenues	297,771
CAFR (Accrual) Adj.	-
Ending Working Capital	1,453,633
<i>Designation of Working Capital</i>	
Capital Requirements FY2018	(470,947)
<i>Available Working Capital</i>	982,686
60 Day WC Reserve	634,502
33 Days Remaining WC Reserves	\$ 348,184

The FY18 adopted budget utilized \$470,947 of working capital reserves for capital improvements in the Water Fund. This amount is shown as a designation of reserves.

The balance above the 60-day level is earmarked for capital infrastructure in the Water Fund for fiscal years 2019 through 2022 which total in excess of \$2.645 million. Overall, the Water Fund remaining working capital reserves decreased from 54 days to 33 days.

WASTEWATER FUND

The Wastewater Fund working capital detail is shown below.

Beginning Working Capital	\$ 604,892
Net Revenues	171,984
CAFR (Accrual) Adj.	-
Ending Working Capital	776,876
<i>Designation of Working Capital</i>	
Capital Requirements FY2018	(236,869)
<i>Available Working Capital</i>	540,007
58.7 Day WC Reserve	539,848
No Remaining WC Reserves	\$ 159

The FY18 adopted budget utilized \$236,869 of working capital reserves for capital improvements in the Wastewater Fund. This amount is shown as a designation of reserves.

Overall, the Wastewater Fund remaining working capital reserves decreased from 5 days to no days. On a more positive note, during fiscal years 2019 through 2022, the working capital reserves should not decline below the 60 day reserve level, and will grow as debt service requirements sharply decline in fiscal year 2022.

SANITATION FUND

The Sanitation Fund working capital detail is shown below.

Beginning Working Capital	\$ 1,012,737
Net Revenues	127,278
CAFR (Accrual) Adj.	-
Ending Working Capital	1,140,015
<i>Designation of Working Capital</i>	
Capital Requirements FY2018	(126,466)
<i>Available Working Capital</i>	1,013,549
60 Day WC Reserve	441,609
78 Days Remaining WC Reserves	\$ 571,940

The FY18 adopted budget utilized \$126,466 of working capital reserves for capital improvements in the Sanitation Fund. This amount is shown as a designation of reserves.

The balance above the 60-day level is earmarked for capital replacements and improvements in the Sanitation Fund for fiscal years 2019 through 2022 which total \$757,956. Overall, the Sanitation Fund remaining working capital reserves decreased from 97 days to 78 days.

CONCLUSION

As noted in the financial summary, the City experienced favorable actual net revenues in the General Fund and all utility funds except the Gas Fund. We maintained our 90 or 60 day operating/working capital reserves in the General Fund and four utility funds with 58.7 days in the Wastewater Fund. This performance is due in a large part to the efforts of our division directors and senior management who monitor department expenditures and overall fund performance and make necessary adjustments throughout the year.

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

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

**GENERAL FUND
4TH QUARTER PERFORMANCE**



EXHIBIT A

TOTAL OPERATING RESOURCES

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE	YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
REVENUES					
3,542,372	3,785,753	243,382	3,737,380	3,785,753	48,373
4,653,951	4,829,919	175,968	4,829,919	4,829,919	0
2,212,683	2,407,166	194,483	2,471,889	2,407,166	(64,723)
363,759	334,469	(29,290)	378,000	334,469	(43,531)
10,772,765	11,357,308	584,543	11,417,188	11,357,308	(59,880)
SUBTOTAL TAXES					
1,196,174	1,083,747	(112,427)	1,087,453	1,083,747	(3,706)
682,770	589,127	(93,643)	509,599	589,127	79,528
273,739	275,820	2,081	273,700	275,820	2,120
18,568	31,337	12,769	20,325	31,337	11,012
12,944,016	13,337,339	393,324	13,308,265	13,337,339	29,074
TOTAL REVENUES					
3,030,479	4,625,170	1,594,691	4,808,033	4,625,170	(182,863)
TRANSFERS-IN					
343,014	299,919	(43,095)	296,732	299,919	3,187
INTERLOCAL AGREEMENTS					
16,317,508	18,262,428	1,944,920	18,413,030	18,262,428	(150,602)
TOTAL OP RESOURCES					

EXHIBIT B

TOTAL USES OF OPERATING RESOURCES

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE	YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
EXPENDITURES					
14,651,310	15,711,469	(1,060,159)	15,912,155	15,711,469	200,686
604,826	502,247	102,579	453,467	502,247	(48,780)
44,070	53,773	(9,704)	46,186	53,773	(7,587)
15,300,206	16,267,490	(967,284)	16,411,808	16,267,490	144,318
TOTAL EXPENDITURES					
917,869	1,586,998	(669,129)	1,586,998	1,586,998	0
TRANSFERS-OUT					
16,218,075	17,854,487	(1,636,413)	17,998,806	17,854,487	144,319
TOTAL USES OP RESOURCES					

(1) Excludes uncollectible accounts.

**GENERAL FUND
4TH QUARTER PERFORMANCE**



EXHIBIT C

NET REVENUES

ACTUAL VERSUS PRIOR YEAR				ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE		YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
16,317,508	18,262,428	1,944,920	TOTAL OP RESOURCES	18,413,030	18,262,428	(150,602)
16,218,075	17,807,504	(1,636,413)	FY17 OPERATIONS	17,998,806	17,807,504	144,319
0	12,716	(12,716)	UTILIZATION OF 5-DAY R&R	0	12,716	(12,716)
0	34,268	(34,268)	USE OF RESERVES	0	34,268	(34,268)
16,218,075	17,854,487	(1,683,396)	TOTAL USES OP RESOURCES	17,998,806	17,854,487	97,335
99,434	407,941	308,507	NET REVENUES	414,224	407,941	(6,283)

EXHIBIT D

UNRESTRICTED FUND BALANCE

ACTUAL VERSUS PRIOR YEAR				ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE		YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
4,018,236	4,113,901	95,664	BEGINNING BALANCE	4,113,901	4,113,901	0
99,434	407,941	308,507	NET REVENUES	414,224	407,941	(6,283)
(3,769)	(2,250)	1,519	NON-BUDGET/CAFR ADJS	(3,000)	(2,250)	750
4,113,901	4,519,591	405,691	ENDING BALANCE	4,525,125	4,519,591	(5,533)

EXHIBIT E

DAYS COVERAGE

ACTUAL VERSUS PRIOR YEAR				ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE		YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
CALCULATION						
12,944,016	13,337,339	393,324	REVENUES	13,308,265	13,337,339	29,074
343,014	299,919	(43,095)	INTERLOCAL AGREEMENTS	296,732	299,919	3,187
13,287,029	13,637,258	350,229	TOTAL RESOURCES	13,604,997	13,637,258	32,261
36,403	37,362	960	RESOURCES PER DAY (365)	37,274	37,362	88
4,113,901	4,519,591	405,691	ACTUAL RESERVES	4,525,125	4,519,591	(5,533)
3,276,254	3,362,612	86,358	90-DAY POLICY	3,354,657	3,362,612	7,955
837,647	1,156,980	319,333	EXCESS/(SHORTFALL)	1,170,468	1,156,980	(13,488)
113	121	8	DAYS COVERAGE	121	121	(0)

**GENERAL FUND
4TH QUARTER PERFORMANCE**



EXHIBIT F

DEPARTMENT EXPENDITURES BY CATEGORY

ACTUAL VERSUS PRIOR YEAR			EXPENSE CATEGORY	ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)		YTD	YTD	FAV/(UNFAV)
ACT FY16	ACT FY17	VARIANCE		BUD FY17	ACT FY17	VARIANCE
10,444,250	11,236,310	(792,060)	PERSONNEL	11,347,920	11,236,310	111,610
823,649	869,117	(45,468)	SUPPLIES	927,599	869,117	58,482
765,674	636,763	128,911	MAINTENANCE	709,650	636,763	72,887
1,842,094	1,957,828	(115,733)	SERVICES	1,961,089	1,957,828	3,261
214,307	450,385	(236,078)	CAPITAL	345,878	450,385	(104,507)
561,336	561,067	268	SUNDRY	620,019	561,067	58,952
14,651,310	15,711,469	(1,060,159)	TOTAL	15,912,155	15,711,469	200,686

EXHIBIT G

DEPARTMENT EXPENDITURES BY DEPARTMENT

ACTUAL VERSUS PRIOR YEAR			DEPARTMENT	ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)		YTD	YTD	FAV/(UNFAV)
ACT FY16	ACT FY17	VARIANCE		BUD FY17	ACT FY17	VARIANCE
786,087	796,351	(10,263)	DEPT 121 - ADMINISTRATION	802,114	796,351	5,763
451,572	491,354	(39,782)	DEPT 122 - DEVELOPMENT SERVICES	494,334	491,354	2,980
189,282	219,191	(29,909)	DEPT 123 - HUMAN RESOURCES	224,332	219,191	5,141
114,559	134,067	(19,508)	DEPT 125 - MAIN STREET	134,239	134,067	172
107,600	139,853	(32,252)	DEPT 128 - ENGINEERING SERVICES	154,799	139,853	14,946
656,191	739,045	(82,853)	DEPT 131 - MAINTENANCE	736,867	739,045	(2,178)
922,790	931,055	(8,266)	DEPT 133 - FINANCE	946,660	931,055	15,605
262,694	275,856	(13,162)	DEPT 135 - PURCHASING/WAREHOUSE	276,428	275,856	572
1,116,823	1,159,351	(42,528)	DEPT 141 - STREETS	1,186,893	1,159,351	27,542
1,054,764	1,184,268	(129,503)	DEPT 144 - PARKS	1,196,965	1,184,268	12,698
379,620	535,630	(156,010)	DEPT 146 - LIBRARY	534,338	535,630	(1,292)
76,924	74,142	2,782	DEPT 148 - AIRPORT	85,950	74,142	11,808
301,977	402,819	(100,842)	DEPT 049 - COMMUNITY PRGRMS/MKTING	404,046	402,819	1,227
830,944	779,179	51,765	DEPT 149 - AQUATIC CENTER	789,881	779,179	10,702
328,463	288,465	39,998	DEPT 050 - CITY COMMUNICATIONS	307,911	288,465	19,446
3,772,395	3,905,323	(132,928)	DEPT 151 - POLICE	3,931,060	3,905,323	25,737
1,700,273	1,901,439	(201,166)	DEPT 152 - FIRE	1,934,355	1,901,439	32,916
314,999	398,085	(83,085)	DEPT 154 - ANIMAL SHELTER/CONTROL	400,851	398,085	2,766
450,771	465,817	(15,046)	DEPT 155 - MUNICIPAL COURT	469,690	465,817	3,873
261,765	286,047	(24,283)	DEPT 167 - GENERAL GOVT SERVICES	280,141	286,047	(5,906)
570,816	604,133	(33,317)	DEPT 172 - INFORMATION TECHNOLOGY	620,301	604,133	16,168
14,651,310	15,711,469	(1,060,159)	TOTAL	15,912,155	15,711,469	200,686

GENERAL FUND
4TH QUARTER PERFORMANCE



EXHIBIT H

CAPITAL EXPENDITURE DETAIL

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD ACT FY16	YTD ACT FY17	FAV/(UNFAV) VARIANCE	YTD BUD FY17	YTD ACT FY17	FAV/(UNFAV) VARIANCE
ITEM					
3,350	0	3,350	0	0	0
2,284	0	2,284	0	0	0
12,480	0	12,480	0	0	0
878	0	878	0	0	0
13,966	0	13,966	0	0	0
5,947	0	5,947	0	0	0
2,932	0	2,932	0	0	0
2,230	0	2,230	0	0	0
5,054	0	5,054	0	0	0
165,187	244,198	(79,011)	200,000	244,198	(44,198)
0	34,268	(34,268)	0	34,268	(34,268)
0	6,500	(6,500)	5,500	6,500	(1,000)
0	1,900	(1,900)	0	1,900	(1,900)
0	1,336	(1,336)	1,500	1,336	164
0	18,183	(18,183)	19,200	18,183	1,017
0	3,705	(3,705)	4,000	3,705	295
0	10,851	(10,851)	10,000	10,851	(851)
0	2,190	(2,190)	5,000	2,190	2,810
0	5,050	(5,050)	5,050	5,050	0
0	5,000	(5,000)	5,000	5,000	0
0	13,720	(13,720)	13,500	13,720	(220)
0	15,670	(15,670)	15,670	15,670	0
0	20,676	(20,676)	0	20,676	(20,676)
0	2,775	(2,775)	0	2,775	(2,775)
0	22,908	(22,908)	22,000	22,908	(908)
0	2,333	(2,333)	0	2,333	(2,333)
0	0	0	2,000	0	2,000
0	11,762	(11,762)	14,700	11,762	2,938
0	6,995	(6,995)	7,100	6,995	105
0	3,882	(3,882)	3,882	3,882	0
0	3,411	(3,411)	0	3,411	(3,411)
0	1,978	(1,978)	2,076	1,978	98
0	1,520	(1,520)	1,700	1,520	180
0	1,883	(1,883)	0	1,883	(1,883)
0	7,692	(7,692)	8,000	7,692	308
214,307	450,385	(236,078)	345,878	450,385	(104,507)
TOTAL					

**GENERAL FUND
4TH QUARTER PERFORMANCE**



EXHIBIT I

CAPITAL EXPENDITURE DETAIL - FUND 236 EQUIPMENT FUND

ACTUAL VERSUS PRIOR YEAR			ACTUAL VERSUS BUDGET		
YTD	YTD	FAV/(UNFAV)	YTD	YTD	FAV/(UNFAV)
ACT FY16	ACT FY17	VARIANCE	BUD FY17	ACT FY17	VARIANCE
ITEM					
8,955	0	8,955	0	0	0
15,356	0	15,356	0	0	0
120,994	0	120,994	0	0	0
20,122	0	20,122	0	0	0
24,895	0	24,895	13,000	0	13,000
6,878	10,161	(3,283)	156,470	10,161	146,309
48,710	33,775	14,935	46,000	33,775	12,225
0	36,006	(36,006)	0	36,006	(36,006)
0	9,650	(9,650)	0	9,650	(9,650)
0	32,757	(32,757)	57,728	32,757	24,971
0	17,390	(17,390)	17,500	17,390	110
0	62,132	(62,132)	63,000	62,132	868
0	56,211	(56,211)	57,000	56,211	789
0	32,780	(32,780)	33,000	32,780	220
0	25,653	(25,653)	25,000	25,653	(653)
0	11,325	(11,325)	15,000	11,325	3,675
0	275,566	(275,566)	240,000	275,566	(35,566)
0	55,594	(55,594)	55,300	55,594	(294)
0	25,702	(25,702)	27,000	25,702	1,299
0	5,622	(5,622)	0	5,622	(5,622)
245,910	690,323	(444,413)	805,998	690,323	115,675
TOTAL					

CITY OF BRENHAM
ELECTRIC FUND DISTRIBUTION
FY17 YTD SEPTEMBER PERFORMANCE (CASH BASIS)

	YTD				ANNUAL	YTD ACTUAL
\$	FY17 ACTUAL	FY17 BUDGET (1)	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY17 BUDGET (1)	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
DISTRIBUTION CONSUMPTION REVENUES	5,694,740	5,800,594	(105,854)	-1.8%	5,800,594	98.2%
OTHER DISTRIBUTION REVENUES	727,873	542,234	185,639	34.2%	542,234	134.2%
TOTAL DISTRIBUTION REVENUES	6,422,613	6,342,828	79,785	1.3%	6,342,828	101.3%
TRANSFERS-IN	578,647	601,895	(23,248)	-3.9%	601,895	96.1%
TOTAL FUNDING RESOURCES	7,001,260	6,944,723	56,537	0.8%	6,944,723	100.8%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ\$						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 132, 160, 161)						
- PERSONNEL & BENEFITS	2,042,874	2,097,163	54,289	2.6%	2,097,163	97.4%
- SUPPLIES (FUEL, COMPUTERS, ETC)	120,008	128,052	8,044	6.3%	128,052	93.7%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	95,221	104,050	8,829	8.5%	104,050	91.5%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	357,462	391,756	34,294	8.8%	391,756	91.2%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	17,936	27,250	9,314	34.2%	27,250	65.8%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	148,637	141,840	(6,797)	-4.8%	141,840	104.8%
TOTAL DEPARTMENT EXPENDITURES	2,782,138	2,890,111	107,974	3.7%	2,890,111	96.3%
FRANCHISE FEE (27% CONSUMPTION REVENUES)	1,537,579	1,566,160	28,581	1.8%	1,566,160	98.2%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	1,717,704	1,799,073	81,369	4.5%	1,799,073	95.5%
TOTAL OPERATING EXPENDITURES	6,037,421	6,255,344	217,924	3.5%	6,255,344	96.5%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	143,183	146,897	3,714	2.5%	146,897	97.5%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ\$	6,180,603	6,402,241	221,638	3.5%	6,402,241	96.5%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ\$	820,657	542,482	278,174	51.3%	542,482	151.3%
CAPITAL - REVENUE OR RESERVE FDISG REQUIREMENTS	740,491	739,350	(1,141)	-0.2%	739,350	100.2%
RESERVE CONTRIBUTIONS (RESERVE USE\$)	80,166	(196,868)	277,034	-140.7%	(196,868)	-40.7%
POWER COST\$ OVER/(UNDER) COLLECTION						
	(51,907)	96,659	(148,566)	-153.7%	96,659	-53.7%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2016	7,894,639	7,894,639	0	0.0%	7,894,639	100.0%
NET DISTRIBUTION REVENUES	80,166	(196,868)	277,034	-140.7%	(196,868)	-40.7%
POWER COST\$ OVER/(UNDER) COLLECTION	(51,907)	96,659	(148,566)	-153.7%	96,659	-53.7%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) SEP 30, 2017	7,922,897	7,794,430	128,467	1.6%	7,794,430	101.6%

(1) AMENDED BUDGET.

CITY OF BRENHAM
GAS FUND DISTRIBUTION
FY17 YTD SEPTEMBER PERFORMANCE (CASH BASIS)

\$	YTD				ANNUAL	YTD ACTUAL
	FY17 ACTUAL	FY17 BUDGET (1)	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY17 BUDGET (1)	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
DISTRIBUTION CONSUMPTION REVENUES	1,323,842	1,596,368	(272,526)	-17.1%	1,596,368	82.9%
OTHER DISTRIBUTION REVENUES	38,613	16,300	22,313	136.9%	16,300	236.9%
TOTAL DISTRIBUTION REVENUES	1,362,455	1,612,668	(250,213)	-15.5%	1,612,668	84.5%
TRANSFERS-IN	3,700	3,700	0	NA	3,700	100.0%
TOTAL FUNDING RESOURCES	1,366,155	1,616,368	(250,213)	-15.5%	1,616,368	84.5%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ\$						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 162)						
- PERSONNEL & BENEFITS	378,863	394,379	15,516	3.9%	394,379	96.1%
- SUPPLIES (FUEL, COMPUTERS, ETC)	17,656	18,961	1,305	6.9%	18,961	93.1%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	27,452	33,450	5,998	17.9%	33,450	82.1%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	40,060	130,344	90,284	69.3%	130,344	30.7%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	33,950	23,670	(10,280)	-43.4%	23,670	143.4%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	19,559	12,955	(6,604)	-51.0%	12,955	151.0%
TOTAL DEPARTMENT EXPENDITURES	517,540	613,759	96,219	15.7%	613,759	84.3%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	191,643	257,354	65,711	25.5%	257,354	74.5%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	360,964	385,103	24,139	6.3%	385,103	93.7%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	167,852	175,594	7,742	4.4%	175,594	95.6%
TOTAL OPERATING EXPENDITURES	1,237,999	1,431,810	193,811	13.5%	1,431,810	86.5%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	1,017	982	(35)	-3.5%	982	103.5%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ\$	1,239,016	1,432,792	193,776	13.5%	1,432,792	86.5%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ\$	127,140	183,576	(56,436)	-30.7%	183,576	69.3%
CAPITAL - REVENUE OR RESERVE FDI\$G REQUIREMENTS	140,557	122,146	(18,411)	-15.1%	122,146	115.1%
RESERVE CONTRIBUTIONS (RESERVE USE\$)	(13,417)	61,430	(74,847)	-121.8%	61,430	-21.8%
COMMODITY COST\$ OVER/(UNDER) COLLECTION						
	3,148	20,595	(17,447)	-84.7%	20,595	15.3%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2016	1,528,191	1,528,191	0	0.0%	1,528,191	100.0%
NET DISTRIBUTION REVENUES	(13,417)	61,430	(74,847)	-121.8%	61,430	-21.8%
COMMODITY COST\$ OVER/(UNDER) COLLECTION	3,148	20,595	(17,447)	-84.7%	20,595	15.3%
OASIS INTERCONNECT CHARGE	(249,046)	(249,046)	(0)	NA	(249,046)	100.0%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) SEP 30, 2017	1,268,875	1,361,170	(92,295)	-6.8%	1,361,170	93.2%

(1) AMENDED BUDGET.

CITY OF BRENHAM
WATER FUND
FY17 YTD SEPTEMBER PERFORMANCE (CASH BASIS)

	YTD				ANNUAL FY17 BUDGET (1)	YTD ACTUAL AS % TO BUDGET
	FY17 ACTUAL	FY17 BUDGET (1)	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET		
\$						
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
CONSUMPTION REVENUES	4,240,755	4,155,640	85,115	2.0%	4,155,640	102.0%
OTHER REVENUES	266,335	400,700	(134,365)	-33.5%	400,700	66.5%
TOTAL DISTRIBUTION REVENUES	4,507,090	4,556,340	(49,250)	-1.1%	4,556,340	98.9%
TRANSFERS-IN	15,200	15,200	0	NA	15,200	100.0%
TOTAL FUNDING RESOURCES	4,522,290	4,571,540	(49,250)	-1.1%	4,571,540	98.9%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES <i>(DEPTS 100, 110, 163, 164)</i>						
- PERSONNEL & BENEFITS	699,690	692,544	(7,146)	-1.0%	692,544	101.0%
- SUPPLIES <i>(FUEL, COMPUTERS, ETC)</i>	418,752	315,898	(102,854)	-32.6%	315,898	132.6%
- MAINTENANCE <i>(VEHICLES, EQUIPMENT, PLANT, ETC)</i>	220,181	235,150	14,969	6.4%	235,150	93.6%
- SERVICES <i>(UTILITIES, CONSULTANTS, CONTRACTS, ETC)</i>	436,454	360,428	(76,026)	-21.1%	360,428	121.1%
- NON CAPITAL <i>(SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)</i>	99,999	77,735	(22,264)	-28.6%	77,735	128.6%
- SUNDRY <i>(UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)</i>	27,015	35,577	8,562	24.1%	35,577	75.9%
TOTAL DEPARTMENT EXPENDITURES	1,902,092	1,717,332	(184,760)	-10.8%	1,717,332	110.8%
FRANCHISE FEE <i>(7% CONSUMPTION REVENUES)</i>	296,854	290,895	(5,959)	-2.0%	290,895	102.0%
PURCHASE COSTS <i>(4200 ACRE FEET)</i>	303,100	302,400	(700)	-0.2%	302,400	100.2%
TRANSFERS TO GENERAL FUND <i>(FOR SHARED SERVICES)</i>	369,223	409,515	40,292	9.8%	409,515	90.2%
TRANSFERS TO ELECTRIC FUND <i>(FOR SHARED SERVICES)</i>	207,619	215,307	7,688	3.6%	215,307	96.4%
TOTAL OPERATING EXPENDITURES	3,078,888	2,935,449	(143,439)	-4.9%	2,935,449	104.9%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	780,998	875,354	94,356	10.8%	875,354	89.2%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	3,859,886	3,810,803	(49,083)	-1.3%	3,810,803	101.3%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	662,404	760,737	(98,333)	-12.9%	760,737	87.1%
CAPITAL - REVENUE OR RESERVE FDIING REQUIREMENTS	364,633	768,288	403,655	52.5%	768,288	47.5%
RESERVE CONTRIBUTIONS (RESERVE USES)	297,771	(7,551)	305,322	-4043.5%	(7,551)	-3943.5%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2016	1,155,862	1,155,862	0	0.0%	1,155,862	100.0%
NET DISTRIBUTION REVENUES	297,771	(7,551)	305,322	-4043.5%	(7,551)	-3943.5%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) SEP 30, 2017	1,453,633	1,148,311	305,322	26.6%	1,148,311	126.6%

(1) AMENDED BUDGET.

CITY OF BRENHAM
WASTEWATER FUND
FY17 YTD SEPTEMBER PERFORMANCE (CASH BASIS)

\$	YTD				ANNUAL	YTD ACTUAL
	FY17 ACTUAL	FY17 BUDGET (1)	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY17 BUDGET (1)	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
CONSUMPTION REVENUES	3,644,668	3,330,188	314,480	9.4%	3,330,188	109.4%
OTHER REVENUES	210,093	155,721	54,372	34.9%	155,721	134.9%
TOTAL DISTRIBUTION REVENUES	3,854,761	3,485,909	368,852	10.6%	3,485,909	110.6%
TRANSFERS-IN	6,000	6,000	0	NA	6,000	100.0%
TOTAL FUNDING RESOURCES	3,860,761	3,491,909	368,852	10.6%	3,491,909	110.6%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 165, 166)						
- PERSONNEL & BENEFITS	432,828	493,688	60,860	12.3%	493,688	87.7%
- SUPPLIES (FUEL, COMPUTERS, ETC)	147,949	121,090	(26,859)	-22.2%	121,090	122.2%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	229,161	206,580	(22,581)	-10.9%	206,580	110.9%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	555,520	534,442	(21,078)	-3.9%	534,442	103.9%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	18,698	21,572	2,874	13.3%	21,572	86.7%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	34,946	33,738	(1,208)	-3.6%	33,738	103.6%
TOTAL DEPARTMENT EXPENDITURES	1,419,103	1,411,110	(7,993)	-0.6%	1,411,110	100.6%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	255,127	233,113	(22,014)	-9.4%	233,113	109.4%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	233,544	259,149	25,605	9.9%	259,149	90.1%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	112,381	116,542	4,161	3.6%	116,542	96.4%
TOTAL OPERATING EXPENDITURES	2,020,155	2,019,914	(241)	0.0%	2,019,914	100.0%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	1,336,650	1,363,229	26,579	1.9%	1,363,229	98.1%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	3,356,804	3,383,143	26,339	0.8%	3,383,143	99.2%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	503,957	108,766	395,191	363.3%	108,766	463.3%
CAPITAL - REVENUE OR RESERVE FUNDING REQUIREMENTS	331,973	339,452	7,479	2.2%	339,452	97.8%
RESERVE CONTRIBUTIONS (RESERVE USES)	171,984	(230,686)	402,670	-174.6%	(230,686)	-74.6%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2016	604,892	604,892	0	0.0%	604,892	100.0%
NET REVENUES	171,984	(230,686)	402,670	-174.6%	(230,686)	-74.6%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) SEP 30, 2017	776,876	374,206	402,670	107.6%	374,206	207.6%

(1) AMENDED BUDGET.

CITY OF BRENHAM
SANITATION FUND
FY17 YTD SEPTEMBER PERFORMANCE (CASH BASIS)

\$	YTD				ANNUAL	YTD ACTUAL
	FY17 ACTUAL	FY17 BUDGET (1)	FAV/(UNFAV) TO BUDGET	FAV/(UNFAV) % TO BUDGET	FY17 BUDGET (1)	AS % TO BUDGET
FUNDING RESOURCES FROM CURRENT OPERATIONS						
REVENUES						
TRANSFER STATION	1,171,495	1,278,853	(107,359)	-8.4%	1,278,853	91.6%
COLLECTION STATION	650,877	787,389	(136,512)	-17.3%	787,389	82.7%
RECYCLING CENTER STATION	170,350	110,756	59,594	53.8%	110,756	153.8%
RESIDENTIAL COLLECTION (NET PROGRESSIVE)	1,001,452	1,014,653	(13,201)	-1.3%	1,014,653	98.7%
TOTAL DISTRIBUTION REVENUES	2,994,173	3,191,651	(197,478)	-6.2%	3,191,651	93.8%
TRANSFERS-IN	21,300	21,300	0	NA	21,300	100.0%
TOTAL FUNDING RESOURCES	3,015,473	3,212,951	(197,478)	-6.1%	3,212,951	93.9%
USES OF FUNDING RESOURCES BEFORE CAPITAL REQ						
OPERATING EXPENDITURES						
DEPARTMENT EXPENDITURES (DEPTS 100, 110, 042, 043, 140 & 142)						
- PERSONNEL & BENEFITS	685,090	695,813	10,723	1.5%	695,813	98.5%
- SUPPLIES (FUEL, COMPUTERS, ETC)	225,698	242,902	17,204	7.1%	242,902	92.9%
- MAINTENANCE (VEHICLES, EQUIPMENT, PLANT, ETC)	175,116	137,850	(37,266)	-27.0%	137,850	127.0%
- SERVICES (UTILITIES, CONSULTANTS, CONTRACTS, ETC)	1,111,135	1,062,418	(48,717)	-4.6%	1,062,418	104.6%
- NON CAPITAL (SMALL ITEM - \$1,000 TO \$14,999 - PURCHASES)	16,429	12,592	(3,837)	NA	12,592	130.5%
- SUNDRY (UNCOLLECTIBLE ACCTS, TRAVEL, CRED CARD FEES, ETC)	22,745	20,870	(1,875)	-9.0%	20,870	109.0%
TOTAL DEPARTMENT EXPENDITURES	2,236,214	2,172,445	(63,769)	-2.9%	2,172,445	102.9%
FRANCHISE FEE (7% CONSUMPTION REVENUES)	59,820	61,210	1,390	2.3%	61,210	97.7%
TRANSFERS TO GENERAL FUND (FOR SHARED SERVICES)	311,652	332,216	20,564	NA	332,216	93.8%
TRANSFERS TO ELECTRIC FUND (FOR SHARED SERVICES)	76,995	80,652	3,657	4.5%	80,652	95.5%
TOTAL OPERATING EXPENDITURES	2,684,681	2,646,523	(38,158)	-1.4%	2,646,523	101.4%
DEBT SERVICE						
CURRENT DEBT SCHEDULE	1,775	1,715	(60)	-3.5%	1,715	103.5%
TOTAL USES OF FUNDING RESOURCES BEFORE CAPITAL REQ	2,686,456	2,648,238	(38,218)	-1.4%	2,648,238	101.4%
NET FUNDING RESOURCES (LOSS) BEFORE CAP REQ	329,018	564,713	(235,695)	-41.7%	564,713	58.3%
CAPITAL - REVENUE OR RESERVE FUNDING REQUIREMENTS	201,739	375,408	173,669	46.3%	375,408	53.7%
RESERVE CONTRIBUTIONS (RESERVE USES)	127,278	189,305	(62,027)	-32.8%	189,305	67.2%
BUSINESS LINE NET REVENUES						
TRANSFER STATION	(38,593)	(31,670)	(6,923)	21.9%	(31,670)	121.9%
COLLECTION STATION	77,106	186,371	(109,265)	-58.6%	186,371	41.4%
RECYCLING CENTER STATION	(92,384)	(158,699)	66,314	-41.8%	(158,699)	58.2%
RESIDENTIAL COLLECTION (NET PROGRESSIVE)	181,150	193,303	(12,153)	-6.3%	193,303	93.7%
	127,278	189,305	(62,027)	-32.8%	189,305	67.2%
FUND BALANCE						
BEGINNING (WORKING CAPITAL BASIS) OCT 1, 2016	1,012,737	1,012,737	0	0.0%	1,012,737	100.0%
NET DISTRIBUTION REVENUES	127,278	189,305	(62,027)	-32.8%	189,305	67.2%
CAFR ADJUSTMENTS	0	0	0	NA	0	NA
EST ENDING (WORKING CAPITAL BASIS) SEP 30, 2017	1,140,015	1,202,042	(62,027)	-5.2%	1,202,042	94.8%



AGENDA ITEM 8

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 12, 2018
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1ST READING ☐ 2ND READING ☐ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Acceptance of the 2017 Audit of the Washington County Appraisal District by Seidel Schroeder	
SUMMARY STATEMENT: The City has received a copy of the Washington County Appraisal District's (WCAD) audited financial statement for the fiscal year ending August 31, 2017. A copy is in the CFO's office for your review. I have attached the transmittal letter from Mr. Willy Dilworth which explains that the WCAD audit was performed by Seidel and Schroeder and no discrepancies were found. Mr. Dilworth reported that there were budget savings of \$24,571 for FY16-17. Once the best use of these excess funds has been determined, the appraisal district will return to council for approval before proceeding.	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: (1) Transmittal letter from Willy Dilworth, Chief Appraiser	
FUNDING SOURCE (Where Applicable):	
RECOMMENDED ACTION: Approve the acceptance of the 2017 audit of the Washington County Appraisal District by Seidel Schroeder	
APPROVALS: James Fisher	

WASHINGTON COUNTY APPRAISAL DISTRICT

1301 NIEBUHR
P. O. BOX 681
BRENHAM, TX 77834-0681
(979) 277-3740

December 5, 2017

City of Brenham
Mr. Terry Roberts
PO Box 1059
Brenham, TX 77834-1059

Dear Mr. Roberts,

The audit for our fiscal year 2016-2017 has been completed by Seidel, Schroeder, & Co. A copy is attached for your review. There were no discrepancies found during this time period. The audit revealed that the appraisal district stayed \$24,571 under budget.

I am going to meet with the Budget Committee formed from representatives from the taxing entities to discuss the best way to use these taxpayer dollars. Once some ideas have been formulated we will request you permission to use it accordingly.

Please examine and accept this audit if you find it to be agreeable.

Thank you for your consideration in this matter. As always please feel free to contact me with any questions or input.

Sincerely;



Willy Dilworth
Chief Appraiser



AGENDA ITEM 9

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☒ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-18-001 Amending the Authorized Representatives for TexPool Local Government Investment Pool	
SUMMARY STATEMENT: With the retirement of the City Manager, the authorized representatives for the City's TexPool accounts need to be updated. The City designates the following as Authorized Representatives who can perform transactions and receive confirmations and monthly statements: Mayor, City Manager, Assistant City Manager-Chief Financial Officer and City Secretary. The Controller is also designated as an authorized representative but is limited to inquiry only functions on select information.	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: (1) Resolution No. R-18-001	
FUNDING SOURCE (Where Applicable):	
RECOMMENDED ACTION: Approve Resolution No. R-18-001 amending the authorized representatives for TexPool Local Government Investment Pool	
APPROVALS: James Fisher	



Resolution Amending Authorized Representatives

Please use this form to amend or designate Authorized Representatives.

This document supersedes all prior Authorized Representative forms.

* Required Fields

1. Resolution

WHEREAS,

CITY OF BRENHAM

Participant Name*

7 8 3 6 2

Location Number*

("Participant") is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

WHEREAS, it is in the best interest of the Participant to invest local funds in investments that provide for the preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; and

WHEREAS, the Texas Local Government Investment Pool ("TexPool/ Texpool Prime"), a public funds investment pool, were created on behalf of entities whose investment objective in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act.

NOW THEREFORE, be it resolved as follows:

- A. That the individuals, whose signatures appear in this Resolution, are Authorized Representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool / TexPool Prime and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds.
- B. That an Authorized Representative of the Participant may be deleted by a written instrument signed by two remaining Authorized Representatives provided that the deleted Authorized Representative (1) is assigned job duties that no longer require access to the Participant's TexPool / TexPool Prime account or (2) is no longer employed by the Participant; and
- C. That the Participant may by Amending Resolution signed by the Participant add an Authorized Representative provided the additional Authorized Representative is an officer, employee, or agent of the Participant;

List the Authorized Representative(s) of the Participant. Any new individuals will be issued personal identification numbers to transact business with TexPool Participant Services.

1. CAROLYN D. MILLER

Name

ASSISTANT CITY MANAGER-CHIEF FINANCIAL OFFICER

Title

979-337-7566

Phone/Fax/Email

Signature

2. JAMES FISHER

Name

CITY MANAGER

Title

979-337-7590

Phone/Fax/Email

Signature

1. Resolution (continued)

3. MILTON Y. TATE
Name
MAYOR
Title
979-337-7567
Phone/Fax/Email

Signature

4. JEANA BELLINGER
Name
CITY SECRETARY
Title
979-337-7567
Phone/Fax/Email

Signature

List the name of the Authorized Representative listed above that will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

CAROLYN D. MILLER
Name

In addition and at the option of the Participant, one additional Authorized Representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. If the Participant desires to designate a representative with inquiry rights only, complete the following information.

STACY HARDY
Name
CONTROLLER
Title
979-337-7570
Phone/Fax/Email

D. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant, and until TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular/special meeting held on the ____ day _____, 20 ____.

Note: Document is to be signed by your Board President, Mayor or County Judge and attested by your Board Secretary, City Secretary or County Clerk.

Name of Participant*

SIGNED

Signature*

Printed Name*

Title*

ATTEST

Signature*

Printed Name*

Title*

2. Mailing Instructions

The completed Resolution Amending Authorized Representatives can be faxed to TexPool Participant Services at 1-866-839-3291, and mailed to:

TexPool Participant Services
1001 Texas Avenue, Suite 1400
Houston, TX 77002

ORIGINAL SIGNATURE AND DOCUMENT REQUIRED

TEX-REP

2 OF 2

TexPool Participant Services
1001 Texas Avenue, Suite 1400 • Houston, TX 77002
Phone: 1-866-TEXPOOL (839-7665) • Fax: 1-866-839-3291 • www.texpool.com

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G45340-17 (12/15)



AGENDA ITEM 10

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018
DEPT. OF ORIGIN: Finance	SUBMITTED BY: Carolyn D. Miller
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☒ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon Resolution No. R-18-002 Amending the Authorized Representatives for TexSTAR Local Government Investment Pool	
SUMMARY STATEMENT: With the retirement of the City Manager, the authorized representatives for the City's TexSTAR accounts need to be updated. The City designates the following as Authorized Representatives who can perform transactions and receive confirmations and monthly statements: Mayor, City Manager, Assistant City Manager-Chief Financial Officer and City Secretary. The Controller is also designated as an authorized representative but is limited to inquiry only functions on select information.	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS: (1) Resolution No. R-18-002	
FUNDING SOURCE (Where Applicable):	
RECOMMENDED ACTION: Approve Resolution No. R-18-002 amending the authorized representatives for TexSTAR Local Government Investment Pool	
APPROVALS: James Fisher	



AMENDING RESOLUTION

WHEREAS, CITY OF BRENHAM

(the "Government Entity") by authority of the Application for Participation in TexSTAR (the "Application") has entered into an Interlocal Agreement (the "Agreement") and has become a participant in the public funds investment pool created there under known as TexSTAR Short Term Asset Reserve Fund ("TexSTAR");

WHEREAS, the Application designated on one or more "Authorized Representatives" within the meaning of the Agreement;

WHEREAS, the Government Entity now wishes to update and designate the following persons as the "Authorized Representatives" within the meaning of the Agreement;

NOW, THEREFORE, BE IT RESOLVED:

SECTION 1. The following officers, officials or employees of the Government Entity specified in this document are hereby designated as "Authorized Representatives" within the meaning of the Agreement, with full power and authority to open accounts, to deposit and withdraw funds, to agree to the terms for use of the website for online transactions, to designate other authorized representatives, and to take all other action required or permitted by Government Entity under the Agreement created by the application, all in the name and on behalf of the Government Entity.

SECTION 2. This document supersedes and replaces the Government Entity's previous designation of officers, officials or employees of the Government Entity as Authorized Representatives under the Agreement

SECTION 3. This resolution will continue in full force and effect until amended or revoked by Government Entity and written notice of the amendment or revocation is delivered to the TEXSTAR Board.

SECTION 4. Terms used in this resolution have the meanings given to them by the Application.

Authorized Representatives. Each of the following Participant officials is designated as Participant's Authorized Representative authorized to give notices and instructions to the Board in accordance with the Agreement, the Bylaws, the Investment Policy, and the Operating Procedures:

1. Name: CAROLYN D. MILLER Title: ACM-CHIEF FINANCIAL OFFICER
Signature: _____ Phone: 979-337-7566
Email: CMILLER@CITYOFBRENHAM.ORG
2. Name: JAMES FISHER Title: CITY MANAGER
Signature: _____ Phone: 979-337-7590
Email: JFISHER@CITYOFBRENHAM.ORG
3. Name: MILTON Y. TATE Title: MAYOR
Signature: _____ Phone: 979-337-7567
Email: MTATE@CITYOFBRENHAM.ORG
4. Name: JEANA BELLINGER Title: CITY SECRETARY
Signature: _____ Phone: 979-337-7567
Email: JBELLINGER@CITYOFBRENHAM.ORG

{REQUIRED} PRIMARY CONTACT: List the name of the Authorized Representative **listed above** that will be designated as the Primary Contact and will receive all TexSTAR correspondence including transaction confirmations and monthly statements

Name: CAROLYN D. MILLER

{OPTIONAL} INQUIRY ONLY CONTACT: In addition, the following additional Participant representative (**not listed above**) is designated as an **Inquiry Only** Representative authorized to obtain account information:

Name: STACY HARDY Title: CONTROLLER
Signature: _____ Phone: 979-337-7570
Email: SHARDY@CITYOFBRENHAM.ORG

Participant may designate other authorized representatives by written instrument signed by an existing Participant Authorized Representative or Participant's chief executive officer.

DATED _____

CITY OF BRENHAM

(NAME OF PARTICIPANT)

SIGNED BY: _____
(Signature of official)

(Printed name and title)

ATTESTED BY: _____
(Signature of official)

(Printed name and title)

FOR INTERNAL USE ONLY

APPROVED AND ACCEPTED: TEXAS SHORT TERM ASSET RESERVE FUND

.....
AUTHORIZED SIGNER

REQUIRED
PLACE OFFICIAL SEAL OF ENTITY HERE



AGENDA ITEM 11

DATE OF MEETING: January 18, 2018		DATE SUBMITTED: January 11, 2018	
DEPT. OF ORIGIN: Community Services - Aquatics		SUBMITTED BY: Wende Ragonis	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
☒ REGULAR	☐ PUBLIC HEARING	☐ 1ST READING	
☐ SPECIAL	☐ CONSENT	☐ 2ND READING	
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION	
	☐ WORK SESSION		
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Purchase of a Pool Pak System for the Blue Bell Aquatic Center Using BuyBoard Contract No. 552-17 and Authorize the Mayor to Execute Any Necessary Documentation			
SUMMARY STATEMENT: The Blue Bell Aquatic Center (BBAC) opened in 2001, thus making the systems and equipment in that facility over fifteen years old. There are three pools at the BBAC. Inside the Natatorium are the Competition and Therapy Pools, and there is an outdoor Leisure pool. The Competition and Therapy pools operate year round and are the home to the Brenham Jr. High and High School Swim programs and the Dolphins Swim Team. Approximately 60,000 patron visits occur each year at the facility. When large swim groups are active in the Natatorium, the humidity in the air becomes thick with condensation of chlorinated water, which can cause the air quality in the facility to deteriorate. Examples of large swim groups are local area school district swim team practice or swim meets, Dolphin swim events, exercise classes and community programming such as water safety classes. The condensation caused by the large swim group events can trigger a destructive process causing rust. Proper airflow is key to minimize this type of chlorinated condensation and it appears that this airflow was not designed into the structure itself; rather it was dependent upon a sophisticated dehumidification system. The dehumidification system currently installed at the BBAC is failing and needs to be replaced to ensure the air quality in the Natatorium remains acceptable. In addition, the boiler system is failing and several components of that system need to be replaced or repaired. With two critical pieces of the infrastructure at the BBAC compromised, staff has collaborated to develop the most cost effective long-term solution. Staff toured several facilities in the area and agreed that the PoolPak solution was the best value for the City. This comprehensive solution can be purchased from a cooperative purchasing contract, and this system is installed in many of the Natatoriums in the area.			
This purchase includes a comprehensive system that will control water temperature, relative humidity and air temperature for the Natatorium and if approved, will be purchased under Buyboard Contract No. 552-17 for a total cost of \$674,963. The detailed quote is attached to the agenda form. Staff presented this item for discussion and review at the Parks Advisory Board funding review meeting held May 16 2017, and to Council during the July 6 – 7, 2017 Budget Workshops. This purchase was approved in the FY17-18 budget.			

STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Improved air quality, control of the relative humidity, and minimized rust with better control of the chlorinated condensation. B. CONS: Air quality at the BBAC will continue to deteriorate and may affect the structural integrity of the building.
ALTERNATIVES (In Suggested Order of Staff Preference):
ATTACHMENTS: (1) Quote from American Mechanical Services LLC
FUNDING SOURCE (Where Applicable): Certificate of Obligation Approved By Council with Resolution R-17-021, which were issued December 2017.
RECOMMENDED ACTION: Approve the purchase of a Pool Pak System from American Mechanical Services LLC, using BuyBoard Contract No. 552-17, in the amount of \$674,963.00 and authorize the Mayor to execute any necessary documentation
APPROVALS: James Fisher



January 8, 2018

Subject: City of Brenham- Blue Bell Aquatic Center

We are pleased to propose the following for consideration of Pool Pak replace (competition pool), Pool Pak replace (therapy pool), domestic water heater replace, pool boiler additions, and 10 ton RTU replace.

We propose to furnish all labor and materials required for a price of **\$ 674,963.00 (Quoted price is under the terms of Buyboard Contract #552-17)**

Scope:

- **Disconnect removal, and disposal of existing two Pool Pak roof top units, mechanical room unit, and associated condensers.**
- **Installation of (2) POOLPAK International LLC, Model SWHP-100S & (1) Horizontal PoolCompak Model HCDH-4000.**
- **All pool units will be mounted in current locations.**
- **As currently, pool water will not be piped to pool units.**
- **Remove and dispose of current 10 ton Trane package unit with gas heat**
- **Install new 10 ton Trane package unit with gas heat.**
- **Separate pool heating from domestic water heating.**
- **Install two (2) 199,000 BTU water heaters. Each water heater will have 100 gallons of water storage in each unit.**
- **Water heaters to be installed in mechanical room.**
- **Install standard efficiency pool boilers for large pool and for therapy pool.**
- **Pool boilers to be installed on roof above mechanical room.**
- **Roof tie curbs for condensers and boilers.**
- **Use all existing controls, piping, and electrical.**
- **Insulation of disturbed piping and duct.**
- **All work to performed during regular hours.**
- **All existing piping and ductwork with be used as possible.**
- **This proposal does not include any major piping, electrical, insulation, or control upgrades/replacement.**

This proposal does not include any **sales tax, overtime labor, drawing, freight or any special handling charges that may be applicable.**

This proposal will remain in effect for a period of thirty (30) days upon receipt.

Should you have any questions, or if we can be of further assistance to you, please do not hesitate to contact me.



AGENDA ITEM 12

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 12, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Cary Bovey	
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1ST READING ☐ 2ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Acceptance of the Donation and Conveyance of Approximately 1.671 Acres of Real Property from W&E Stone Investments, LLC and Authorize the Mayor to Execute Any Necessary Documentation		
SUMMARY STATEMENT: The owner of the properties adjacent to the newer section of Cantey Street between Market Street and US 290 also owns the underlying interest in the street as well. Before Cantey Street was extended, that potential future roadway was a 60-foot wide street right-of-way and utility easement. The owner, W&E Stone Investments, LLC has expressed an interest in donating and conveying that right of way to the City of Brenham. That conveyance would have the effect of converting that 60 foot right of way easement to a fee simple ownership of the right of way by the City. The owner wishes to donate and convey the approximately 1.671 acres to the City, except the minerals will be reserved by the owner. If the City ever decided to cease to utilize the property as a street, the property would revert back to W&E Stone Investments, LLC or its successor(s). Upon reversion of the property to W&E Stone Investments, LLC, utility easements would be reserved for the then-existing utilities.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: The City will have fee simple ownership of the street property, rather than having a street right-of-way easement. B. CONS: N/A		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: (1) Map of area		
FUNDING SOURCE (Where Applicable):		

RECOMMENDED ACTION: Approve the acceptance of the donation and conveyance of approximately 1.671 acres of real property from W&E Stone Investments, LLC and authorize the Mayor to execute any necessary documentation.

APPROVALS: James Fisher





AGENDA ITEM 13

DATE OF MEETING: January 18, 2018		DATE SUBMITTED: January 11, 2018	
DEPT. OF ORIGIN: Public Utilities		SUBMITTED BY: Lowell Ogle, Jr.	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	
☒ REGULAR	☐ PUBLIC HEARING	☐ 1ST READING	
☐ SPECIAL	☐ CONSENT	☐ 2ND READING	
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION	
	☐ WORK SESSION		
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Purchase of a High Pressure Jet Truck for the Wastewater Construction Department Using BuyBoard Contract No. 521-16 and Authorize the Mayor to Execute Any Necessary Documentation			
SUMMARY STATEMENT: During the budget process Council approved the purchase of a new high pressure jet truck for the Wastewater Construction Department equipped with a high pressure pump, jet hose, and a pipe header front-end spray bar. This truck is used to clear sewer stoppages, for routine maintenance of sewer lines, removing debris from manholes, and cleaning lines prior to them being inspected by our camera. This unit will replace Unit 220, a 2003 GMC model that has begun to have many maintenance issues. The unit was budgeted at \$125,000 and the bid is coming in at \$121,483.00. This unit will be purchased using the Texas Local Government Purchasing Cooperative Buyboard contract #521-16.			
STAFF ANALYSIS (For Ordinances or Regular Agenda Items):			
A. PROS: Replace unreliable unit and increase efficiency. B. CONS:			
ALTERNATIVES (In Suggested Order of Staff Preference):			
ATTACHMENTS: (1) Quote Dated January 9, 2018 from Rush Truck Centers of Texas, L.P.			
FUNDING SOURCE (Where Applicable): 5-165-813.00			
RECOMMENDED ACTION: Approve the purchase of a high pressure jet truck, with a debris vacuum, from Rush Truck Centers of Texas, L.P., using BuyBoard Contract No. 521-16, in the amount of \$121,483.00 and authorize the Mayor to execute any necessary documentation			
APPROVALS: James Fisher			

TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE BUYBOARD

Vendor: **RUSH TRUCK CENTERS OF TEXAS, L.P.** Date Prepared **1/9/2018**
 Contact for Vendor **CHARLIE PLOUSE** Phone **832-690-5047**
 End User: **CITY OF BRENHAM**
 End User Contact: **SHAWN BOLENBARR** Phone/Fax **979-337-7414 // 979-337-7569**
 Product Description: **ISUZU NRR**

A: Base Price in Bid/Proposal Number: 521-16		Series: 240	\$41,800.00
B: Published Options(Itemize Below)			
	DESCRIPTION	AMOUNT	OPT # DESCRIPTION AMOUNT
Isuzu	OPTIONS (LESS 10%)	\$ 2,052.00	
RTC0152	P.D.I. SERVICE PACK	\$ 1,236.00	
RTC-0048	Shop Labor To Complete	\$ 8,250.00	
RTC0059	FUELING	\$ 950.00	
Subtotal Column 1:	\$ 12,488.00	Subtotal Column 2:	\$ -
Published Options added to Base Price(Subtotal of "Col 1" & "Col 2")			\$ 12,488.00

C: Subtotal of A + B		\$54,288.00
D: Approved Buyboard Bodies		
	PipeHunter From Pages 2 & 3	\$67,835.00
		\$ 67,865.00
Subtotal Column 1:	\$67,835.00	Subtotal Column 2: \$ -

Unpublished Options added to Base price (Subtotal "Col 1 + Col 2")	\$ -
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E: Contract Price Adjustment (If any, explain here)	
RUSH TRUCK PRICING REDUCTION	\$ (1,070.00)

F: Total of C + D +/- E	\$ 121,083.00
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G: Quantity ordered Units: 1.00 x F	\$ 121,083.00
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H: BUYBOARD Administrative Fee	%	\$ 400.00
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I: Non-Equipment Charges & Credits (I.e.: Ext. Warranty, Trade-In, Delivery, etc.)	
	\$ -
	\$ -

J: TOTAL PURCHASE PRICE INCLUDING (G+H+I)	\$121,483.00
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AGENDA ITEM 14

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018															
DEPT. OF ORIGIN: Public Works	SUBMITTED BY: Dane Rau															
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">MEETING TYPE:</td> <td style="width: 33%; vertical-align: top;">CLASSIFICATION:</td> <td style="width: 33%; vertical-align: top;">ORDINANCE:</td> </tr> <tr> <td>☒ REGULAR</td> <td>☐ PUBLIC HEARING</td> <td>☐ 1ST READING</td> </tr> <tr> <td>☐ SPECIAL</td> <td>☐ CONSENT</td> <td>☐ 2ND READING</td> </tr> <tr> <td>☐ EXECUTIVE SESSION</td> <td>☒ REGULAR</td> <td>☐ RESOLUTION</td> </tr> <tr> <td></td> <td>☐ WORK SESSION</td> <td></td> </tr> </table>		MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	☒ REGULAR	☐ PUBLIC HEARING	☐ 1ST READING	☐ SPECIAL	☐ CONSENT	☐ 2ND READING	☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION		☐ WORK SESSION	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:														
☒ REGULAR	☐ PUBLIC HEARING	☐ 1ST READING														
☐ SPECIAL	☐ CONSENT	☐ 2ND READING														
☐ EXECUTIVE SESSION	☒ REGULAR	☐ RESOLUTION														
	☐ WORK SESSION															
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Rejection of Bid No. 18-005 for the Purchase of a Live Floor Trailer for the Sanitation Department and Authorize the Mayor to Execute any Necessary Documentation																
SUMMARY STATEMENT: On January 5, 2018 staff opened bids for a 53' Refuse Trailer for the Sanitation Department. These trailers are used daily to transport waste from the Brenham Transfer Station to the landfill. Currently we have 6 transfer trailers in our fleet. This trailer was budgeted for in the 2017-18 budget as a replacement of a trailer that is approaching its end of life. Purchasing sent out 4 bid packs and received 3 bids. We have reviewed the bids with our lead Mechanic and Transfer Station personnel. Based on three factors we would recommend rejecting the bids and ask that a re-bid be awarded. Looking at the bids submitted all bids fall above the budgeted price of \$70,000. This has not been the norm in the last several years. The other factors are more technical but we feel are justifiable for re-bidding. Two of the trailers that are closer to the budgeted amount do not meet specifications, specifically on the strength of the aluminum on the side gauge of the trailers. Specifications called for .175 solid weld aluminum and both trailer manufactures have submitted bids with .150 solid gauge aluminum. We feel this plays a key role in the life of a trailer and in the daily use of our trailers as they are loaded and compacted. One manufacturer also does not meet specification not only on the side gauge but also on the specified side height. With the additional height, this will not suit our current set up at the Transfer Station. Based on the above reasons, staff recommend that these bids be rejected and a re-bid occur. We feel that we can have a trailer that comes closer to meeting our specifications and also our budgeted price.																
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: Received 3 bids B. CONS: Above budgeted price and do not meet specifications																
ALTERNATIVES (In Suggested Order of Staff Preference):																

ATTACHMENTS: (1) Bid Tab
FUNDING SOURCE (Where Applicable):
RECOMMENDED ACTION: Approve the rejection of Bid No. 18-005 for the purchase of a live floor trailer for the sanitation department and authorize the Mayor to execute any necessary documentation
APPROVALS: Ryan Rapelye



Bid Information Sheet

January 5, 2018

IFB No. 18-005

For: Purchase of Live Floor Trailer

Purchase not to exceed budgeted funds.

Number of completed bids returned to Purchasing: 3



BID TABULATION
IFB #18-005
PURCHASE OF LIVE FLOOR TRAILER

Bidder	Trailer Price	Delivery	Total	Delivery ARO
Technology International	\$89,350.00	\$0.00	\$89,350.00	160 days
East Mfg. Co.	\$69,425.00	\$2,700.00	\$72,125.00	90-120 days
Mac Trailer	\$70,075.00	\$2,525.00	\$72,600.00	90-120 days



AGENDA ITEM 15

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018	
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Dane Rau	
MEETING TYPE: ☐ REGULAR ☐ SPECIAL ☒ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION	ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION
AGENDA ITEM DESCRIPTION: Section 551.071 – Texas Government Code – Consultation with Attorney – Deliberation Regarding the Construction Contract Between the City of Brenham and GCP Contractors, LLC, Including But Not Limited to the Termination of Said Contract and Other Available Remedies		
SUMMARY STATEMENT: To be discussed in Executive Session.		
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:		
ALTERNATIVES (In Suggested Order of Staff Preference):		
ATTACHMENTS: None		
FUNDING SOURCE (Where Applicable):		
RECOMMENDED ACTION:		
APPROVALS: James Fisher		



AGENDA ITEM 16

DATE OF MEETING: January 18, 2018	DATE SUBMITTED: January 11, 2018
DEPT. OF ORIGIN: Administration	SUBMITTED BY: Dane Rau
MEETING TYPE: ☒ REGULAR ☐ SPECIAL ☐ EXECUTIVE SESSION	CLASSIFICATION: ☐ PUBLIC HEARING ☐ CONSENT ☒ REGULAR ☐ WORK SESSION
ORDINANCE: ☐ 1 ST READING ☐ 2 ND READING ☐ RESOLUTION	
AGENDA ITEM DESCRIPTION: Discuss and Possibly Act Upon the Termination of the Construction Contract Between the City of Brenham and GCP Contractors, LLC, and Other Available Remedies, and Authorize the Mayor to Execute Any Necessary Documentation	
SUMMARY STATEMENT: As discussed in Executive Session	
STAFF ANALYSIS (For Ordinances or Regular Agenda Items): A. PROS: B. CONS:	
ALTERNATIVES (In Suggested Order of Staff Preference):	
ATTACHMENTS:	
FUNDING SOURCE (Where Applicable):	
RECOMMENDED ACTION: As discussed in Executive Session	
APPROVALS: James Fisher	