1111 Bayou
La Marque, Texas 77568
409.938.9202

Mayor Bobby Hocking
Mayor Pro- Tem Keith Bell- District A
Councilmember Chris Lane- District B
Councilmember Robert Michetich- District C
Councilmember Casey Mc Auliffe- District D

****

OFFICIALLY POSTED ON THE WEB:
DATE: **9.15.2017** TIME: **1:45 p.m.**

ORDINANCE NO. O-2017-0021
RESOLUTION NO. R-2017-0024

CITY OF LA MARQUE
SPECIAL CITY COUNCIL MEETING
AGENDA
September 18, 2017

Notice is hereby given that the City Council of the City of La Marque, Texas will conduct a **Special City Council Meeting on Monday, September 18, 2017** beginning at 6:00 p.m. at 1109-B Bayou Road for the purpose of considering the following agenda**:**

(1) CALL MEETING TO ORDER

(2) ROLL CALL

(3) PUBLIC HEARING

a. Conduct Public Hearing to hear public input regarding Ordinance No. **O-2017-0016,** making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2017 and ending September 30, 2018 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2017-2018 fiscal year.

b**.** Conduct Public Hearing to hear public input regarding Ordinance No. **O-2017-0017**, levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2017 tax year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid.

(4) OLD BUSINESS

a. Discussion/possible action regarding adopting Ordinance number **O-2017-0016**, making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2017 and ending September 30, 2018 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2017-2018 fiscal year – Finance Director S. Kou ***THIS IS THE SECOND AND FINAL READING***

b. Discussion/possible action regarding adopting Ordinance number **O-2017-0017**, levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2017 tax year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid – Finance Director S. Kou ***THIS IS THE SECOND AND FINAL READING***

(5) NEW BUSINESS

a. Discussion/possible action authorizing the City Manager to execute the annual contract with the County of Galveston Commissioners' Court for the provision of fire protection services to unincorporated areas of Galveston County commencing upon execution, and expiring September 30, 2018, in return for payment in the amount of twenty two thousand five hundred dollars and no cents ($22,500.00) – Fire Chief G. Grimm

b. Discussion/possible action regarding adopting Resolution No. **R-2017-0023** accepting the 2017 City of La Marque Investment Policy for investment of municipal funds per Public Funds Investment Act – Finance Director S. Kou

c. Discussion/possible action regarding Ordinance No. **O-2017-0020,** amending the FY 2016-17 Budget for grants, special (restricted) revenues and related expenditures by increasing (decreasing) certain revenues and increasing (decreasing) certain expenditures to individual budget accounts in certain funds as set forth in attached Exhibit "A"- Finance Director S. Kou ***THIS IS THE FIRST READING***

d. Discussion/possible action regarding adopting Ordinance No. **O-2017-0021**, amending the entire Article II of Chapter 35, Garbage, Rubbish And Rubble, to rename the Clean City Commission as "Keep La Marque Beautiful Commission," to restate its purpose, and to provide for additional officer positions – City Manager C. Buttler ***THIS IS THE FIRST READING***

(6) EXECUTIVE SESSION

The City Council for the City of La Marque, Texas reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized the Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.086 (Economic Development)

1. Section 551.074- (Personnel Matters) Discuss contract of the Alternate Municipal Court Judge for the City of La Marque

2. Section 551-072-(Deliberations about Real Property) Discuss negotiations relating to Contract for proposed City facilities

(7) ACTION TO BE TAKEN FROM EXECUTIVE SESSION

1111 Bayou
La Marque, Texas 77568
409.938.9202

1. Discussion/possible action regarding adopting Resolution No. **R-2017-0024**, authorizing the City Manager to execute the Contract re-appointing Carlton Getty as Alternate Municipal Court Judge

2. Discussion/possible action authorizing City Manager to complete negotiations and approve funding for the lease of the property proposed for City facilities

(8) REQUEST AND ANNOUNCEMENTS

Requests by Mayor and Council Members for items to be placed on future City Council agendas and announcements on city events/community interests TEX. GOV'T CODE §551.415. (b), "items of community interest" includes:

(1) expressions of thanks, congratulations, or condolence;
(2) information regarding holiday schedules;
(3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision;
(4) a reminder about an upcoming event organized or sponsored by the governing body;
(5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality or county; and
(6) announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

(9) ADJOURNMENT

CERTIFICATION:
I hereby certify that the above notice of meeting was posted at 1109-B Bayou Road, La Marque, Texas **on or before September 15, 2017 before 5:30 p.m.**

____
Robin Eldridge, TRMC
City Clerk

This facility is wheelchair accessible and accessible parking spaces are available. Request for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's office at (409) 938-9259, or Fax (409) 935-0401, or e-mail cityclerk@cityoflamarque.org for further information.

CITY COUNCIL AGENDA FORM

Meeting Date:	September 18, 2017	Agenda item:	**3&4a**
Prepared by:	Suzy Kou	Reviewed by:	Carol Buttler
Department:	Finance		

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Ordinance No. **O-2017-0016** making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2017 and ending September 30, 2018 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2017-2018 fiscal year. ***THIS IS THE SECOND AND FINAL READING***

[X] **ATTACHMENTS FOR REFERENCE**

1. Ordinance
2. City Manager's proposed budget fiscal year 2017-18 and Council's recommended changes.

STAFF BRIEFING:

- Per City Charter, Council must adopt annual budget no later than September 27th each year.
- Should Council fail to adopt the budget by such date, the budget as submitted by City Manager shall be deemed to have been finally adopted by City Council.

HISTORY:

TARGET IMPLEMENTATION:

- **September 5, 2017**- Budget adoption on First Reading.
- **September 18, 2017**- Budget adoption on Second and Final Reading.

SIGNIFICANT ACTION DATES:

- **July 17, 2017**- City Manager proposed 2017-18 budget to Council.
- **July 24, 25, and 27 2017**- Council workshops to discuss budget amendments from City Manager's proposal.
- **August 21, 2017**- First Public Hearing on 2017-18 Proposed Budget.
- **September 5, 2017**- Second Public Hearing on 2017-18 Proposed Budget with Council amendments.
- **September 5, 2017**- Budget adoption fiscal year 2017-18 First Reading.
- **September 18, 2017**- Budget adoption fiscal year 2017-18 Second and Final Reading.

CITY COUNCIL AGENDA FORM

ACTION:

X	Ordinance		Resolution
	Proclamation		Special Presentation
	Finance Report	X	Public Hearing
	Other (be Specific)		

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Items #	
Other Funding	

X Check box if there is no conflict with City Charter, ordinances, resolutions, policies, or procedures.

STAFF'S RECOMMENDATION: Motion to adopt Ordinance No. **O-2017-0016**, making appropriations for the support of the City of La Marque for the fiscal year beginning October 1, 2017 and ending September 30, 2018 appropriating money to a sinking fund to pay interest and principal due on the City's indebtedness; and adopting the annual budget for the City of La Marque for 2017-2018 fiscal year. ***THIS IS THE SECOND AND FINAL READING.***

FISCAL IMPACT: See 2017-18 budget for details.

ORDINANCE NO. O-2017-0016

AN ORDINANCE MAKING APPROPRIATIONS FOR THE SUPPORT OF THE CITY OF LA MARQUE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017 AND ENDING SEPTEMBER 30, 2018 APPROPRIATING MONEY TO A SINKING FUND TO PAY INTEREST AND PRINCIPAL DUE ON THE CITY'S INDEBTEDNESS; AND ADOPTING THE ANNUAL BUDGET OF THE CITY OF LA MARQUE FOR 2017-18 FISCAL YEAR

WHEREAS, the budget, appended here as Exhibit "A", for the fiscal year beginning October 1, 2017 and ending September 30, 2018 was duly presented to the City Council by the City Manager and a public hearing was ordered by the City Council and a public notice of said hearing was caused to be given by the City Council and said notice was published in the Galveston County Daily News and said public hearing was held according to said notice and City Charter requirements; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE:

SECTION 1. That the appropriations for the fiscal year beginning October 1, 2017 and ending September 30, 2018 be fixed and determined for said terms in accordance with the expenditures shown in the City's fiscal year 2017-18 budget, a copy of which is appended hereto as Exhibit "A"

SECTION 2. That the budget, as shown in words and figures in Exhibit A, is hereby approved in all respects and adopted as the City's budget for the fiscal year beginning October 1, 2017 and ending September 30, 2018.

SECTION 3. That there is hereby appropriated the amount shown in said budget necessary to provide for a sinking fund for the payment of the principal and interest of the bonded debt of said City.

PASSED AND APPROVED by the City Council of the City of La Marque on this the 5th day of September, 2017 on the First Reading.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on the ___ day of __________________, 2017 for the second and final reading.

CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor

ATTEST:

____
Robin Eldridge, TRMC, City Clerk

APPROVED AS TO FORM:

____
Ellis J. Ortego, City Attorney

BUDGET YEAR 2017-18

SUPPLEMENTALS TO BE ADDED FOR ADOPTION 9/18/17

		Current Yr 2017	Fund Balance	Interfund Loan	Financing	Operating 2018	Deferred until further notice due to unanticipated event expenditure
Admin	Adobe	180.00					
Code	Demolition		100,000.00				
Library	Security cameras	600.00					
Library	Electrical upgrades					6,000.00	
Library	Indoor seating						5,000.00
Library	Outdoor picnic table						3,000.00
Police	Portable radio batteries					3,940.50	
Police	Portable radios					7,610.72	
Police	Notebook computers					3,500.00	
Police	Safety supplies					2,695.00	
Police	Replace carpet TCO					2,000.00	
Police	Dispatch carpeting		24,153.72				
Police	Fence		18,750.00				
Police	Evidence storage bldg						25,000.00
Police	Records Clerk					3,057.41	
Police	TCO Supervisor/Admin Assist					11,243.12	
Police	TCO Salaries					36,856.00	
Fire	Supplies and R & M						137,625.00
Fire	SCBA			42,450.00			
Fire	Fire truck				625,000.00		
Fire	Staff at new station						350,000.00
PW	Boom truck						130,000.00
PW	Concrete projects						60,000.00

BUDGET YEAR 2017-18

SUPPLEMENTALS TO BE ADDED FOR ADOPTION 9/18/17

		Current Yr 2017	Fund Balance	Interfund Loan	Financing	Operating 2018	Deferred until further notice due to unanticipated event expenditure
PW	Hydraulic veh shop lift						24,000.00
PW	Drainage		70,000.00				
PW	Parks projects		50,000.00				
IT	Server		15,846.28				
Emerg Mgmt	Tractor upgrade						7,500.00
GF	Compensation Plan		62,514.93				
GF	Omega Bay survey		40,000.00				
GF	Recreation Bldg		500,000.00				
Debt	Enterprise		74,269.52				
Debt	Police lease purchase		72,295.88				
Debt	Radios		43,740.00				
Debt	Police Vehicles Internal Loan		9,114.23				
		780.00	**1,080,684.56**	**42,450.00**	**625,000.00**	**76,902.75**	**742,125.00**

CITY COUNCIL AGENDA FORM

Meeting Date:	September 18, 2017	Agenda item:	**3&4b**
Prepared by:	Suzy Kou	Reviewed by:	*Carol Buttler*
Department:	Finance		

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Ordinance No. **O-2017-0017,** levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2017 tax year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. ***THIS IS THE SECOND AND FINAL READING.***

X **ATTACHMENT FOR REFERENCE:**

1. Ordinance

STAFF BRIEFING: In order to meet statutory requirements for budget and state property Tax Code, the proposed ordinance is attached.

2017 Tax Information:

	2017-18	**2016-17**
Proposed Tax Rate:	$0.490764/100	$0.490764/100
Effective Tax Rate:	$0.471807/100	$0.472581/100
Rollback Tax Rate:	$0.550912/100	$0.565463/100

HISTORY:

TARGET IMPLEMENTATION:

- **September 6, 2017**- 2017 Tax Rate adoption on First Reading.
- **September 18, 2017**- 2017 Tax Rate adoption on Second and Final Reading.

SIGNIFICANT ACTION DATES:

- **August 7, 2017**- Set dates and time for public hearings on proposed Tax Rate.
- **August 14, 2017**- First Public Hearing on proposed Tax Rate for tax year 2017.
- **August 29, 2017**- Second Public Hearing on proposed Tax Rate for tax year 2017.
- **September 6, 2017**- Adoption of Tax Rate 2017 on First Reading.
- **September 18, 2017**- Adoption of Tax Rate 2017 on Second and Final Reading.

CITY COUNCIL AGENDA FORM

ACTION:

X	Ordinance		Resolution
	Proclamation		Special Presentation
	Finance Report	X	Public Hearing
	Other (be Specific)		

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name	
Line Items #	
Other Funding	

X Check box if there is no conflict with City Charter, ordinances, resolutions, policies, or procedures.

STAFF'S RECOMMENDATION: Motion to adopt Ordinance No. **O-2017-0017**, levying ad valorem taxes for use and operation of the municipal government of the City of La Marque, Texas for the 2017 tax year; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. ***THIS IS THE SECOND AND FINAL READING.***

"I move that the property tax rate be increased by the adoption of a tax rate of 0.490764 which is effectively a 4.02 percent increase in the tax rate."

****VOTE TAKEN BY ROLL CALL****

FISCAL IMPACT: See 2017-18 Budget for details.

ORDINANCE NO. O-2017-0017

AN ORDINANCE LEVYING AD VALOREM TAXES FOR USE AND OPERATION OF THE MUNICIPAL GOVERNMENT OF THE CITY OF LA MARQUE, TEXAS FOR THE 2017 TAX YEAR; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND, PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE;

SECTION 1. That there is hereby levied and there shall be collected, for use and operation of the municipal government of the City of La Marque and to provide an Interest and Sinking Fund for the 2017-2018 fiscal year, upon all property, real, personal and mixed within the corporate limits of said City subject to taxation here set forth:

1. For the maintenance and operation of the general government **0.442233** on each $100.00 taxable valuation of property; and

2. For the interest and sinking fund, **0.048531** on each $100.00 taxable valuation of property.

For a total tax rate of **0.490764** on each $100.00 taxable valuation of property tax being so levied and apportioned to the specific purposes here set forth above.

SECTION 2. All taxes shall become a lien upon the property against which assessed, and the assessor and collector for the City of La Marque is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City of La Marque and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty and interest and, the interest penalty collected from such delinquent taxes shall be apportioned to the general fund of the City of La Marque. All delinquent taxes shall bear interest from date of delinquency at the rate as prescribed by state law.

SECTION 3. That this ordinance shall take effect after the second reading.

PASSED AND APPROVED on the first reading on this **6th** day of **September**, 2017, at a Special Meeting of the City Council of the City of La Marque, Texas, there being a quorum present, by **_5___AYES** and **_0__NAYES** and approved by the Mayor on the date above set.

PASSED, APPROVED and ADOPTED on the second reading on this the 18th day of September, 2017 at a Special Meeting of the City Council of the City of La Marque, Texas, there being a quorum present by _____ **AYES** and ______ **NAYES** and approved by the Mayor on the date above set.

CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor

ATTEST:

____
Robin Eldridge, TRMC, City Clerk

APPROVED AS TO FORM:

____
Ellis J. Ortego, City Attorney

CITY COUNCIL AGENDA FORM

Meeting Date: September 18, 2017 Agenda item: **5a**
Prepared by: Gerald Grimm Reviewed by: *Carol Buttler*
Department: Fire Department

AGENDA ITEM DESCRIPTION: Discussion/possible action authorizing the City Manager to execute the annual contract with the County of Galveston Commissioners' Court for the provision of fire protection services to unincorporated areas of Galveston County commencing upon execution, and expiring September 30, 2018, in return for payment in the amount of twenty two thousand five hundred dollars and no cents ($22,500.00).

☒ **ATTACHMENTS FOR REFERENCE**

1. Contract with attachments

STAFF BRIEFING:

- Chapter 353 of the Local Government Code, "County Fire Protection" and chapter 791 of the Local Government Code, "Interlocal Cooperation Act" provides authority for this agreement.
- LMFD routinely provides mutual aid assistance upon request if resources are available.
- Commissioners' Court agrees to pay the City of La Marque twenty two thousand five hundred and no cents ($22,500.00) as reimbursement for mutual aid responses during the contract term to be used for purchase of equipment, training, and other expenditures as determined by the fire department as approved by the City Manager.
- Contract term becomes effective upon execution, and expires September 30, 2018.
- City Attorney has previously reviewed and approved the original contract which remains unchanged with the exception of applicable dates.
- To be discussed with the Finance Director.

HISTORY:

- Galveston County has historically appropriated funds each year to the La Marque Fire Department in return for the provision of mutual aid assistance.

TARGET IMPLEMENTATION: September 18, 2017

SIGNIFICANT ACTION DATES: NA

CITY COUNCIL AGENDA FORM

ACTION:

- ☐ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☒ Other - Contract
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	$0.00
Actual Revenue	$22,500.00
Estimated Expenditure	$22,500.00
Acct. Name(s)	Fire Reserve Revenue Fund
Line Items #	
Other Funding	

STAFF'S RECOMMENDATION: Motion to authorize the City Manager to execute the annual contract with the County of Galveston Commissioners' Court for the provision of fire protection services to unincorporated areas of Galveston County commencing upon execution, and expiring September 30, 2018, in return for payment in the amount of twenty two thousand five hundred dollars and no cents ($22,500.00).

FISCAL IMPACT: Funds upon receipt in the amount of $22,500.00 following final execution of the contract by Galveston County will be transferred into the Fire Reserve Revenue Fund.

STATE OF TEXAS §
§
COUNTY OF GALVESTON §

CONTRACT

This Contract is made by and between the County of Galveston, Texas, acting by and through its Commissioners' Court hereinafter called "County" and the City of La Marque, Texas, acting by and through its City Commission, hereinafter called "City" or "recipient".

Whereas, Chapter 352 of the Texas Local Government Code, "County Fire Protection" and Chapter 791 of the Government Code, "Interlocal Cooperation Act," provides authority that the Commissioners' Court may contract the governing body of a municipality to provide fire protection services to locations outside of the municipalities; and

Whereas, citizens residing within unincorporated areas of the County surrounding the City's city limits are in need of obtaining the services of the City to assist them in time of need; and

Whereas, the City is willing to make its fire protection services available to unincorporated areas of the County.

Now, therefore, for and in consideration of the mutual covenants expressed herein it is agreed as follows:

1. To assist the various communities located in the unincorporated areas surrounding the City's city limits, the County agrees to pay the City to be on call and make fire protection runs into the unincorporated areas of Galveston Count the sum of TWENTY-TWO THOUSAND FIVE HUNDRED AND NO/ 100 ($22,500.00). Payment of this sum shall be made following the acceptance and execution of this Contract by both parties.

2. City agrees to make reasonable efforts to respond to requests for fire protection services in the unincorporated areas of the County surrounding the City's city limits, regardless of the source of the request.

3. City agrees to keep a record of any runs made in response to an area in the unincorporated portions of the County, and to submit, not later than July 10, 2018, a report to the County Commissioners' Court and the Fire Fighters Association advising the Court of the runs made to unincorporated areas of the County during the period of July 1, 2017 to June 30, 2018. For each run, the City will report the date and time of the run, the distance travelled, the number of personnel who responded, and all expenses incurred by the City as determined by the most recent City financial audit in making the reported runs. The County and City acknowledge that the City's run expenses will not impact the amount payable under this Contract.

4. It is expressly agreed and understood between the parties that the County shall have no right at any time to supervise, manage, direct or control the City and its members in the performance of their services. The City shall totally decide and be responsible for the manner, means and methods by which they operate.

5. It is further agreed and understood between the parties that in accordance with §352.004 of the Local Government Code, V.T.C.A., the acts of any person who, in the act of carrying out the County's authority to provide fire protection under this agreement, furnishes fire protection to a county resident who lives outside the municipalities in the County, including the act of person who is a regular employee or fire fighter of a municipality, is considered to be the act of an agent of the County.

6. It is further agreed that the City is not liable for the acts of its employee in fighting fires outside the City under this Contract. However, it is acknowledged that the City will continue any responsibilities it may have to provide workers' compensation, to any employees who provide firefighting services under this Contract.

7. Nothing in this Contract shall be construed to waive any provision contained within Chapter 74 of the Civil Practice and Remedies Code of the State of Texas, commonly known as the Good Samaritan Law.

8. To the extent permitted by the Constitution and laws of the State of Texas, City agrees to indemnify and save harmless the county of Galveston, its agents, Commissioners, Boards, Officers and employees from any and all suits, actions, or claims of any character, type or description brought or made for or on account of any injuries or damages received or sustained by any person or persons arising out of or occasioned by the acts of the Fire Department, its members, deputies, agents or employees.

9. During the term of this Contract, the City agrees to:

   a) Maintain membership in the Galveston County Firefighters Association,

   b) Comply with the Texas Commission on Fire Protection (TCFP) and any other applicable Federal and State regulatory agency, and submit an annual letter stating such compliance to the Galveston County Fire Fighters Association no later than July 10, 2018.

10. Equal Employment Opportunity - The City agrees that it shall not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, genetic information, or veteran status. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The recipient agrees to post notices, which set forth the provisions of this non-discrimination section, in conspicuous places available to employees or applicants for employment and will, in all solicitation or advertisements for employees placed by or on behalf of the recipient, state

that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, disability, genetic information, or veteran status.

11. Drug-Free Workplace – the City shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. § 8102, et seq.) and implementing regulations there under and maintain a drug-free work environment.

12. Americans With Disabilities Act – the City shall comply with all applicable terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (Public Law 101-136) and implementing regulations there under.

13. Nondiscrimination – the City acknowledges and agrees that neither it nor its subcontractors shall discriminate on the basis of race, color, religion, national origin, sex, disability, genetic information, or veteran status. Respondent and its subcontractors shall comply with all Federal statutes relating to nondiscrimination. These laws include, but are not limited to:

    Title VI of the Civil Rights Act of 1964
    Title IX of the Education Amendments of 1972
    The Rehabilitation Act of 1973, Section 503
    The Rehabilitation Act of 1973, Section 504
    The Age Discrimination Act of 1975
    The Drug Abuse Office and Treatment Act of 1972
    The Drug-Free Workplace Act of 1988

14. This Contract shall begin effective upon the execution of this document by both parties and shall terminate on September 30, 2018.

15. This Contract constitutes the only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter. The City disclaims any reliance on representations by the County that are not expressly set out in this Contract.

16. In the event any portion of this Agreement is held to be unenforceable, the unenforceable portion shall be construed in accordance with applicable law as nearly as possible to reflect the original intention of the parties. The remainder of the provisions shall remain in full force and effect.

17. Neither party's failure to enforce strict performance of any provisions of this Agreement shall be construed as a waiver of any provision or right. Neither the course of conduct between the parties nor trade practice shall act to modify any provision of this Agreement.

18. This Agreement will be governed by and construed in accordance with the laws of the State of Texas and venue shall lie in Galveston County.

19. Each signatory to this Agreement certifies that he/she has been authorized by their entity to execute this Agreement.

20. This Agreement is being executed with multiple originals signed by both parties.

GALVESTON COUNTY, TEXAS

By: ____________________________
Mark Henry,
County Judge

ATTEST:

____
Dwight D. Sullivan,
County Clerk

CITY OF LA MARQUE, TEXAS

By: ____________________________
City Manager

ATTEST:

____
City Secretary

CITY COUNCIL AGENDA FORM

Meeting Date: September 18, 2017 Agenda item: **5b**
Prepared by: Suzy Kou Reviewed by: *Carol Buttler*
Department: Finance

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Resolution No. **R-2017-0023** accepting the 2017 City of La Marque investment policy for investment of municipal funds per Public Funds Investment Act.

[X] **ATTACHMENTS FOR REFERENCE**

1. Resolution
2. Exhibit A-Investment Policy 2017
3. Current policy 2016

STAFF BRIEFING:

- Per Public Funds Investment Act of Texas, it is required that City Council review the City's investment policy at least annually.

- Per 85th Legislative Update, the following changes to current policy were made accordingly:

  - HB 1701-Passed in House and Senate, signed by Governor, takes effect September 1, 2017.
  - Under Public Funds Investment Act Section 2256.005 (k) and (l), HB 1701 changes "person" to "business organization" engaging in investment portfolio management to sign a certification that acknowledge receipt of our policy and to implement procedures to preclude imprudent transactions.
  - Revise page 5 of our current policy.
  - HB 1003 and HB 2647- Passed in House and Senate, signed by Governor, takes effect immediately.
  - Clarifying interest bearing bank deposits insured by FDIC or the National Credit Union Share Insurance Fund are authorized investments.
  - We already have this in current policy. No change.
  - HB 1003 and HB 2647- Passed in House and Senate, signed by Governor, takes effect immediately.
  - Removing the 90-day weighted average maturity (WAM) limit and the $1 NAV requirement for money market mutual funds. This used to be a requirement.
  - We have the option to leave the 90-day WAM in our policy. No change.

HISTORY: Last reviewed and approved 9/19/16

TARGET IMPLEMENTATION: September 18, 2017

SIGNIFICANT ACTION DATES: September 18, 2017

CITY COUNCIL AGENDA FORM

ACTION:

[ ]	Ordinance	[X]	Resolution
[ ]	Proclamation	[ ]	Special Presentation
[ ]	Finance Report	[ ]	Public Hearing
[ ]	Other		

Cost Details:	
Budgeted	N/A
Actual Bid	N/A
Estimated Expenditure	N/A
Acct. Name	N/A
Line Items #	N/A
Other Funding	N/A

STAFF'S RECOMMENDATION: Motion to adopt Resolution No. **R-2017-0023,** accepting the 2017 City of La Marque investment policy for investment of municipal funds per Public Funds Investment Act.

FISCAL IMPACT: N/A

RESOLUTION NO. R-2017-0023

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, UPDATING THE 2017 CITY OF LA MARQUE INVESTMENT POLICY FOR THE INVESTMENT OF MUNICIPAL FUNDS; PROVIDING FOR AN EFFECTIVE DATE, AND SETTING FORTH OTHER RELATED MATTERS.

WHEREAS, Chapter 2256 of the Texas Government Code requires the City Council to annually review its Investment Policy regarding the investment of City funds and funds under its control; and

WHEREAS, the City Council of the City of La Marque, Texas adopted its 2017 Investment Policy pursuant to Chapter 2256 Texas Government Code, Public Funds Investment Act;

WHEREAS, pursuant to the Public Funds Investment Act, the governing body of the City shall adopt a resolution stating it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies; and

WHEREAS, the 2017 Investment Policy, attached as Exhibit "A", has been reviewed and includes updates since the last adoption on September 19, 2016, **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, THAT:

Section 1. Findings. The foregoing recitals are hereby found to be true and correct and are hereby adopted by the City Council and made a part hereof for all purposes as findings of fact.

Section 2. Proceedings. That the 2017 City of La Marque Investment Policy, as updated, attached hereto as "Exhibit A" is hereby adopted as the investment policy of the City of La Marque, effective ______________________________, 2017.

Section 3. Open Meetings. It is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Tex. Gov't Code*.

Section 4. Effective Date. This resolution shall take effect upon its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on this the _______day of _______________________, 2017.

THE CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor

ATTEST:

____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

____
Ellis J. Ortego, City Attorney

EXHIBIT "A"

CITY OF LA MARQUE, TEXAS

AN INVESTMENT POLICY

Pursuant to Chapter 2256, Texas Government Code, Public Funds Investment Act; as amended by House Bill 2549 enacted by the 74th Texas Legislature:

CITY OF LA MARQUE, TEXAS
INVESTMENT POLICY

TABLE OF CONTENTS

* Reference in parenthesis is to the Public Funds Investment Act.

CITY OF LA MARQUE, TEXAS
INVESTMENT POLICY

I. **Policy** -- It is the policy of the City of La Marque, Texas (the "City") to administer and invest its funds in a manner which will preserve the Principal and maintain the liquidity through limitations and diversification while meeting the daily cash flow requirements of the City. The City will invest all available funds in conformance with legal and administrative guidelines, seeking to optimize interest earnings to the maximum extent possible.

II. **Purpose –** The purpose of this investment policy is to comply with all statutes governing the investment of the City's funds and Chapter 2256 of the Government Code ("Public Funds Investment Act"), which required the City to adopt a written investment policy regarding the investment of its fund and funds under its control. The Investment Policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of the City's funds.

III. **Scope** – The City will strive to earn a return on funds invested at the highest investment return possible after taking in consideration the primary goals of preservation of principal and liquidity of funds invested, consistent with the policy objectives described below. This investment policy applies to all financial assets and funds held by the City. It is also applicable to those monetary funds held in trust or safekeeping by the City eg. PID, La Marque Economic Development Corporation, or Employees Insurance Benefits Trust Fund. However this policy does not apply to the assets administered for the benefit of the entity by outside agencies under deferred compensation programs.

> **FUNDS INCLUDED** The City's funds, which are pooled together and constitute the investment portfolio, include all financial assets of all funds managed by the City, including but not limited to receipts of tax revenues, charges for services, bond proceeds, interest incomes, loans and funds received by the City where the City performs a custodial function.
>
> **EDC FUNDS** EDC funds were segregated from the City's pooled cash beginning January 2014 and shall comply to the same City investment policy under Chapter 2256 of the Public Funds Investment Act.

IV. **Objectives** --The investment policy of the City shall be governed by these primary objectives: safety, liquidity, and yield.

A. **Safety** - The foremost objective of the investment program shall be to assure the safety of the invested funds. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital.

B. **Liquidity** - Funds will be invested with maturities necessary to maintain sufficient liquidity to provide adequate and timely working funds.

C. **Yield** - The City shall avoid investment for speculation. Return on investment is of least importance compared to the safety and liquidity objectives described above and shall be expressed as **optimization of interest earnings.**

D. **Public trust** from prudent investment activities.

V. **Investment Authority** -- Responsibility and authority to conduct investment transactions resides with Finance Administration pursuant to Article VIII, Section 8.25. INVESTMENTS, of the City Charter. The director of finance is designated as the Investment Officer with the authority and responsibility to conduct, record, and report all investment transactions, and maintain the operation of the investment program, as governed by this Investment Policy.

A. The investment officer shall exhibit prudence and discretion in the selection and management of securities. Skill and judgment shall be exercised in order that no individual or group or transactions undertaken would jeopardize the total capital sum of the overall portfolio. The City of La Marque shall not allow speculation (such as anticipating an appreciation of capital through changes in market interest rates) in the selection of any investments. The investment officer shall observe financial market indicators, study financial trends, and utilize available educational tools in order to maintain appropriate managerial expertise.

B. The investment officer shall attend at least one training session relating to his/her responsibilities under this policy within 12 months after taking office or assuming duties and at least 10 hours once every two years thereafter. Training hereunder must include education in investment controls, security risks, strategy risks, market risks, and compliance with Chapter 2256 (T.G.C.)

C. In keeping with sound accounting practice and to assure adequate internal controls, and in the event circumstances require timely action and the investment officer is not available, the investment officer may delegate to a designee to follow procedural responsibilities for the operation of the investment program consistent with this Policy.

No person may engage in an investment transaction except as provided under the terms of this Policy and the procedures established by the investment officer.

D. All investments made by the City will be made through either the City's Investment Officer or authorized securities broker/dealers. The use of brokers/dealers is encouraged to utilize their investment expertise, a method to obtain diversification and to gain an expanded market coverage.

Authorized securities dealer/broker shall be required to be classified as a "Primary Government Securities Dealer" reporting to the Market Reports Division of the Federal Reserve Bank of New York or; securities dealer may be considered authorized if they maintain a bona-fide clearing agent agreement with a primary dealer. This list is found as Exhibit "A" to this Policy. Dealers on this list are assumed to conduct business in a highly ethical and professional manner.

Coastal Securities is designated as an authorized broker/dealer.

Duncan-Williams, Inc. is designated as an authorized broker/dealer.

UBS Financial Services is designated as an authorized broker/dealer.

Every dealer with whom the City transacts business will be provided a copy of this Investment Policy to assure that they are familiar with the goals and objectives of the investment program. The broker/dealer will be required to return a signed copy of the Certification Form certifying that the policy has been received and reviewed. (Exhibit "B")
The selection of investment instruments by dealer/broke will be on a competitive basis using a minimum of three (3) quotes.

VI. **Standards** -- To be observed.

A. **Prudence** - The standard of prudence used by the City of La Marque shall be the "prudent person" and shall be applied in the context of managing the overall portfolio. The prudent person rule is restated below:

In acquiring, investing, reinvesting, exchanging, retaining, selling and managing property for any trust heretofore or hereafter created, the City of La Marque will exercise the judgment and care under the circumstances then prevailing which persons of prudence, discretion and intelligence exercise in regard to the permanent disposition of their funds, considering the probable income as well as the probable safety for their capital.

B. **Ethics** - Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

C. **Liquidity** - To meet the investment objectives of the City, the maturity of investments shall be targeted to coincide with the cash flow needs of the City. Funds of the City shall be invested in instruments whose maturities do not exceed approved periods as determined by this policy. Unless matched to a specific requirement, the investment officer may not invest more than 30% of the portfolio for a period greater than two (2) years. Unless matched to a specific requirement, the investment officer may not invest in any portion of the portfolio for a period greater than three (3) years.

D. **Diversification** - The investment portfolio shall be diversified to minimize the risk of loss resulting from over concentration of assets in a specific issue, a specific issue size, with a specific issuer, in a specific maturity or in a specific class of securities. Risk of loss includes principal as well as potential investment income.

Nevertheless, the City of La Marque recognizes that in a diversified portfolio, occasional measured interest losses are inevitable, and must be considered within the context of the overall portfolio's investment return. Also, it is intended that investments in all funds shall be managed in such a way that any market price losses resulting from interest-rate volatility shall be offset by income received from the balance of the portfolio during a 12-month period.

C. **Yield** - The core of investment are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. The earnings from investments will be used in a manner that best serves the public trust and interests of the City in compliance with applicable covenants or other legal restrictions.

D. Weighted Average Maturity – The portfolio shall carry a weighted average maturity for any quarter to be no more than 90 days.

G. **Safekeeping and Custody** - To protect against potential fraud and embezzlement, the cash and investments of the City of La Marque shall be secured by the City, or through third party custody and safekeeping procedures as herein designated. The third party custodian shall be required to issue safekeeping receipts to the City listing each specific security, description, maturity, cusip number, yield and/or coupon, and other pertinent information. Each safekeeping receipt will clearly indicate that the instrument is held for the City of La Marque. All safekeeping arrangements shall be designated by the investment officer; said agreement to be documented.

All investment transactions shall be executed on a delivery vs. payment basis; to ensure the securities are deposited in the eligible financial institutions prior to the release of funds.

H. The investment officer shall develop and maintain written administrative procedures for the operation of the investment program which are consistent with this investment policy. Those authorized to conduct the operation of the investment program shall be bonded.

VII. **Internal Controls** -- The investment officer is responsible for establishing and maintaining an internal control structure designed to prevent losses of public funds arising from fraud, theft, misuse, employee error, and misrepresentation of third parties, unanticipated changes in financial markets or imprudent actions by any person involved in the investment program. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

The internal control shall address the following points:

A. **Control of Collusion** - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.

B. **Separation of Transaction Authority from Accounting and Record Keeping** - By separating the person who authorizes or performs the transactions from the people who record or otherwise account for the transaction, a separation of duties is achieved.

C. **Custodial Safekeeping** - Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.

D. **Avoidance of Bearer-form Securities** - Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.

E. **Clear Delegation of Authority to Subordinate Staff Member** - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.

F. **Written Confirmation of Telephone Transactions for Investments and Wire Transfers** - Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.

G. **Development of a Wire Transfer Agreement with the Lead Bank or Third Party Custodian** - This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.

H. Limiting the number of authorized investment officials.

I. Documentation of transactions and strategies.

VIII. **Authorized Investments** -- Specific security instruments are authorized under the provisions of the Public Funds Investment Act. The conservative philosophy employed by the City is to choose investments in a manner which ensures safety, while promoting diversity and maturity. The choice of high grade government instruments is designed to provide for a safety of principal, return an acceptable yield and to assure marketability.

City funds may be invested in the following:

A. Obligations of the United States Government, its agencies and instrumentalities with ratings not lower than AA and, not to exceed three (3) years to stated maturities.

B. Fully insured (FDIC) or collateralized certificates of deposit from a bank or a savings and loan association that has its main office or a branch office in the State of Texas with ratings no lower than AAA, in face amount not to exceed $250,000, and not to exceed 36 months to stated maturity. In addition, certificates of deposit obtained through a depository institution that has its main office or a branch office in Texas and that contractually agrees to place the funds in federally insured depository institutions in accordance with the conditions prescribed in Section 2256.010(b) of the Public Funds Investment Act are authorized investments.

C. No-load, SEC registered money market funds with ratings not lower than AAA.

D. The Interlocal Cooperation Act, Chapter 791, Texas Government Code, authorizes local governments in Texas to participate in an investment pool established hereunder. Texas Local Government Investment Pools authorized under this Policy:

1. TEXPOOL
2. LOGIC
3. TEXSTAR
4. TEXAS CLASS

The investment pools may invest in any of the securities authorized by statute. The pools must demonstrate compliance with Chapter 2256, Sections 016, 017, 018 and 019 and must maintain ratings of AAA.

E. Overnight balances remaining with the City's depository institution subject to a written depository agreement. These are interest bearing accounts, fully collateralized by pledged U.S. and Texas State government securities with ratings no lower than AA.

F. Fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies and instrumentalities with ratings no lower than AA. These shall be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City. Repurchase agreements must be purchased through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Texas. A Master Repurchase Agreement must be signed by the bank/dealer prior to investment in a repurchase agreement. All repurchase agreement transactions will be on a delivery vs. payment basis. Securities received for repurchase agreements must have a market value greater than or equal to 102 percent at the time funds are disbursed.

G. Although additional types of securities and instruments are approved for investment, they are not eligible for investment by the City under this Policy. An amended version of this Policy approved by the City Council is required prior to investments in any other investment instrument not specified herein.

H. City shall monitor credit ratings of all securities within the portfolio periodically. If credit ratings fall below minimum allowed per policy, Investment Officer shall notify City Manager and Council of the change and liquidate the security as quickly as possible to minimize the risk on the City's portfolio..

IX. **Prohibited Investments** -- There is an absolute prohibition on investments in any of the following investment instruments.

A. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.

B. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index; inverse floaters.

C. The City will not invest in mortgage backed derivative products.

X. **Reporting** -- The investment officer shall submit a quarterly and annual investment reports to the City Manager, Mayor and City Council that provides a clear picture of the status of the current investment portfolio. This report shall contain sufficient information to permit an informed outside reader to evaluate the performance of the investment program, while allowing the entity to ascertain whether investment activities during the reporting period have conformed to the Investment Policy.

The annual report should encompass activity through the entire year. At a minimum this report should contain:

A. A listing of individual securities with maturity dates.

B. Overall weighted average maturity of the portfolio.

C. Overall current yield of the portfolio.

D. State the reported auction yield of the appropriate U.S. Treasury bill comparable to the overall portfolio.

E. Beginning and ending market value of the total portfolio by market sector and total portfolio.

F. Beginning and ending carrying (book) value of the portfolio by market sector and total portfolio.

G. Transactions which change market and book value.

All reports will be prepared jointly by all involved in the investment activity and be signed by all staff involved.

XI. **Limitation of Personal Liability** - The investment officer and those delegated investment authority under this policy, when acting in accordance with the written procedures and this policy and in accordance with the Prudent Person Rule, shall be relieved of personal responsibility and liability in the management of the portfolio provided that deviations from expectations for a specific security's credit risk or market price change or portfolio shifts are reported in a timely manner and that appropriate action is taken to control adverse market effects.

XII. **Diversifications Strategy** -- At a minimum, diversification standards by security type and issuer shall be:

U.S. Treasuries and securities with the U.S. Government's guarantee	NTE	100%
U.S. Government Agencies and Instrument abilities	NTE	85%
Certificates of Deposit	NTE	100%
Money Market Funds	NTE	75%
Local Government Investment Pools	NTE	100%

XIII. **Fund Strategy** --

A. **Accounting Funds Strategy Statement** - The City of La Marque maintains a portfolio which involves specific investment strategy considerations, designed to address the unique characteristics of the fund groups represented in the portfolio. The objectives of each fund group must be considered in context of the structure of the overall portfolio. Objectives to be considered for each fund type:

1. suitability of the investment to the financial requirements of the fund
2. preservation and safety of the principal
3. liquidity
4. marketability
5. diversification
6. yield

B. **Operating Funds** - The general operating fund generates cash income stream on relatively predictable patterns. Investments are usually made during tax receipts season with maturities scheduled to coincide with a decreased income stream later in the year. The investment structure must be liquid with a short weighted average maturity. Consideration to unreserved fund balance permits some maturity to exceed one year.

C. **Enterprise Funds** - A stable revenue stream from payment of utility bills coupled with fairly predictable expense patterns renders a smooth cash management program during the course of the year. Accordingly, weighted average maturities may extend to 120-150 days. Special consideration is given to the debt service payment requirements and maturities of certain investments are scheduled accordingly.

D. **Construction and Special Projects Funds** - Primary strategy for these fund types is to assure that anticipated cash requirements are matched to adequate liquidity at the time of payment. A portion of investments (10%) should be highly liquid to allow for flexible and unanticipated project outlays. The balance may be scheduled to coincide with engineered project construction payment timetables. The stated final maturity date of any security held should not exceed the estimated project completion date.

E. **EDC Fund** – Main revenue source is sales tax. Beginning January 2014, EDC operating cash was segregated from the City's pooled cash. Funds not protected under the City pooled cash collateral agreement shall be invested in securities allowed by the City's investment policy which shall carry the appropriate FDIC or other equivalent insurance protection on EDC funds..

F. **Other Fund Types** - These funds typically have identifiable income/expense patterns whereby investments can be diversified according to the needs established. Prime objective involved with these fund types is to provide for the safety of the investment with a low degree of volatility. Such securities will tend to hold their value during economic cycles. Particular attention is given to requirements which may govern the use of funds.

G. **Overall Short-term Strategy** - The City uses a consolidated cash system where cash is co-mingled and ownership tracked by equity accounts. From this a considerable amount is available for investment in a high liquid local government investment pool. Interest earnings are apportioned back based on equity in the pool. Use of the pool enables short term inter-fund borrowing during the course of the year using due to-due from accounting methodology. This gives considerable flexibility to the immediate cash needs of an individual fund.

XIV. **Intent** -- It is the stated intent of this Policy to adhere by and to be in conformance with the statute known as Chapter 2256, Public Funds Investment Act, Texas Government Code as amended by House Bill 2459 enacted by the 74^{th} Texas Legislature. Specific interpretation of a section contrary to this intent shall not void the remaining Policy.

XV. **Compliance** -- The investment officer shall establish a process for annual independent review by an external audit to assure compliance with management controls and adherence to these policies and procedures.

XVI. **Adoption** -- This Investment Policy shall be formally adopted by Resolution of the City Council. The Policy shall be reviewed on an annual basis by the City Manager and City Council.

BROKER/DEALER CERTIFICATION FORM
As required by Texas Government Code 2256.005(k)

CITY OF LA MARQUE, TEXAS (the "City")

The City acknowledges that the only means the firm has to preclude "imprudent investment activities arising out of transactions between the firm and the City" is to confirm that all provisions of the City's investment policy are followed in investment transactions conducted between the firm and the City, and the second paragraph below should be read accordingly.

I, or the business organization, ___________________________ , do hereby certify that

we have thoroughly reviewed the investment policy for the City.

We acknowledge that the business organization has implemented reasonable internal procedures and controls in an effort to preclude imprudent investment activity which may arise between the City and the organization.

____
Signature

Name: ______________________________________

Title: ______________________________________

Date: ______________________________________

Policy Amendments Through September 18, 2017

1. Add Texas Class as additional authorized investment pool option (2016).

2. Add Employees Insurance Benefits Trust Fund to the City's authorized investment portfolio (2016).

3. Revise Broker/Dealer Certification form to reflect "Business Organization" instead of individual. (2017).

GLOSSARY

1. **Certificate of Deposit (CD)** - A time deposit evidences by a certificate that specifies the amount, maturity date, rate of interest and terms under which interest is calculated. Usually insured up to a face amount of $100,000. Typically note marketable (illiquid) with a fixed maturity date and penalty for early redemption.

2. **Derivatives** - For the purposes of this Investment Policy, the definition of derivatives includes instruments which have embedded features that alter their character or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer, or are not correlated on a one-to-one basis to the associated index or market. Prohibited derivations include the following:

   Interest Rate Swaps, Range Index Notes, Option Contracts, Futures Contracts, Inverse Floating Rate Notes, Non-Money Market Index Based Notes, Dual Index Notes, Index Amortizing Notes, Inverse Multi-Index Bonds, Stepped Inverse Index Bonds, Inverse Index Bonds, and Collateralized Mortgage Obligations.

4. **CMA Treasury Fund** - (the "Treasury Fund") is a no-load, diversified, open-end investment company seeking preservation of capital, liquidity and current income available from investing exclusively in a diversified portfolio of short-term marketable securities which are direct obligations of the U.S. Treasury. Dividends are declared and reinvested daily in the form of additional shares at net asset value. **The Treasury Fund seeks to maintain a constant $1.00 net asset value per share. An investment in the Treasury Fund is neither insured nor guaranteed by the U.S. Government.** The Treasury Fund has adopted a Distribution and Shareholder Servicing Plan in compliance with Rule12b-1 under the Investment Company Act of 1940, as amended (the "Investment Company Act").

5. **CMA Government Securities Fund** - (the "Government Fund") is a no-load, diversified, open-end investment company seeking preservation of capital, liquidity and current income available from investing exclusively in a diversified portfolio of short-term marketable securities which are direct obligations of the U.S. Government and repurchase agreements pertaining to such securities. Dividends are declared and reinvested daily in the form of additional shares at net asset value. **The Government Fund seeks to maintain a constant $1.00 net asset value per share. An investment in the Government Fund is neither insured nor guaranteed by the U.S. Government.** The Government Fund has adopted a Distribution and Shareholder Servicing Plan in compliance with Rule 12b-1 under the Investment Company Act of 1940 as amended (the "Investment Company Act").

6. **CMA Money Fund** - (the "Money Market Fund") is a no-load, diversified, open-end investment company seeking current income, preservation of capital and liquidity available from investing in a diversified portfolio of short-term money market securities. These securities will consist primarily of short-term U.S. Government securities, bank certificates of deposit, commercial paper and repurchase agreements. Dividends are declared and reinvested daily in the form of additional shares at net asset value. **The Money Market Fund seeks to maintain a constant $1.00 net asset value per share. An investment in the Money Market Fund is neither insured nor guaranteed by the U.S. Government.** The Money Market Fund has adopted a Distribution and Shareholder Servicing Plan in compliance with Rule 12b-1 under the Investment Company Act of 1940, as amended (the "Investment Company Act").

7. **U.S. Treasury Bills** - (the "T-Bills") are issued to meet the government's short-term financing needs and are insured on a discount basis with a maturity ranged one year or less. Probable the most liquid money market instrument.

8. **U.S. Treasury Notes and Bonds** - are negotiable, interest-bearing securities redeemable at face value at maturity. Notes fall in a maturity range from one to ten years with current issues of 2, 3, 4, 5, 7 and 10 year notes issued on a regular basis. Bonds are the same as notes, except that they have maturities of 10 years or more. T-Notes have the advantages of generally trading at a yield higher than that of T-Bills for comparable maturities, yet retaining a high degree of liquidity.

9. **Federal Agencies and Discount Notes** - are Federal Government agencies established to help meet the credit needs of various classes of institutions. These agencies issue and sell debt obligations directly into the financial markets to meet their financing needs. Three of the more active agencies:

   Farm Credit Administration (FFCB)
   Federal Home Loan Bank (FHLB)
   Federal National Mortgage Association (FNMA)

CITY COUNCIL AGENDA FORM

Meeting Date:	9/18/17	Agenda item:	**5c**
Prepared by:	Suzy Kou	Reviewed by:	*Carol Buttler*
Department:	Finance		

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Ordinance No. **O-2017-0020,** amending the FY 2016-17 Budget for grants, special (restricted) revenues and related expenditures by increasing (decreasing) certain revenues and increasing (decreasing) certain expenditures to individual budget accounts in certain funds as set forth in attached Exhibit A. ***THIS IS THE FIRST READING*.**

☒

ATTACHMENTS FOR REFERENCE

1. Ordinance
2. Exhibit "A"

STAFF BRIEFING:

- August 25, 2017, due to hurricane Harvey, the City incurred unanticipated expenditure of staff overtime as well as debris and damage repairs to different equipment and facilities.
- During the fiscal year, the City received and expended PID transactions which require appropriations before year end.
- During the year, the City had a few unanticipated final payouts, to outgoing employees, which were not included in the budget at point of adoption.
- The ordinance is to amend the budget administratively and to match with actual approved expenditures.

HISTORY:

TARGET IMPLEMENTATION: October 9, 2017

SIGNIFICANT ACTION DATES:

ACTION:

- ☒ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☐ Other
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	
Actual Bid	
Estimated Expenditure	
Acct. Name(s)	
Line Items #	See Exhibit A
Other Funding	

CITY COUNCIL AGENDA FORM

STAFF'S RECOMMENDATION: Motion to adopt Ordinance No. **O-2017-0020** amending the 2016-17 Budget for grants, special (restricted) revenues and related expenditures by increasing (decreasing) certain revenues and increasing (decreasing) certain expenditures to individual budget accounts in certain funds as set forth in attached Exhibit "A". ***THIS IS THE FIRST READING***

FISCAL IMPACT: See attached Exhibit "A".

ORDINANCE O-2017-0020

AN ORDINANCE AMENDING THE CITY OF LA MARQUE 2016-2017 BUDGET FOR VARIOUS EXPENDITURES AT END OF FISCAL YEAR BY DECREASING VARIOUS FUNDS' FUND BALANCES AND INCREASING CERTAIN EXPENDITURES TO INDIVIDUAL BUDGET ACCOUNTS IN VARIOUS FUNDS AND INCREASING CERTAIN REVENUES IN VARIOUS FUNDS AS SET FORTH IN ATTACHED EXHIBIT "A"

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS;

Section 1. That the City La Marque 2016-2017 Fiscal Year Budget is hereby amended for various expenditures at end of fiscal year by decreasing various funds' fund balances and increasing certain expenditures to the individual budget accounts in various funds and increasing certain revenues in various funds as set forth in Exhibit "A" attached hereto and made a part hereof.

Section 2. Open Meetings Act. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, *Chapter 551, Tex. Gov't Code.*

PASSED AND APPROVED by the City Council of the City of La Marque, Texas, on the first reading this the____ day of September, 2017.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque, Texas, on the second and final reading this the____ day of September, 2017.

CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor

ATTEST:

____
Robin Eldridge, TRMC

APPROVED AS TO FORM:

____
Ellis J. Ortego, City Attorney

EXHIBIT A

EXHIBIT A: BUDGET AMENDMENTS 2016-17 (YEAR END)

Accounts	Descriptions	Increase	Decrease	Reasons
01-1010-05-00	Salaries-Police	22,000.00		Employees term payouts
01-1060-05-00	FICA-Police	1,683.00		Employees term payouts
01-1065-05-00	TMRS-Police	3,504.60		Employees term payouts
01-1075-05-00	Worker's Comp	840.40		Employees term payouts
01-1010-06-00	Salaries-Fire/EMS	12,185.00		Employees term payouts
01-1060-06-00	FICA-Fire/EMS	932.15		Employees term payouts
01-1065-06-00	TMRS-Fire/EMS	1,941.07		Employees term payouts
01-1075-06-00	Worker's Comp	277.82		Employees term payouts
01-2401-00-00	Unreserved fund balance		43,364.04	Draw down on fund balance
01-4042-99-00	Legal services-general fund	11,000.00		For unanticipated legal services incurred during the year
01-2401-00-00	Unreserved fund balance		11,000.00	Draw down on fund balance
01-1040-05-00	Police overtime	110,000.00		Police overtime due to unanticipated events
01-1060-05-00	FICA-Police	8,415.00		Police overtime due to unanticipated events
01-1065-05-00	TMRS-Police	17,523.00		Police overtime due to unanticipated events
01-1075-05-00	Worker's Comp	4,202.00		Police overtime due to unanticipated events
01-2020-05-00	Fuel	20,000.00		Police overtime due to unanticipated events
01-2401-00-00	Unreserved fund balance		140,140.00	Draw down on fund balance
01-1040-06-00	Fire overtime	32,000.00		Fire overtime due to unanticipated events
01-1060-06-00	FICA-Fire	2,448.00		Fire overtime due to unanticipated events
01-1065-06-00	TMRS-Fire	5,097.60		Fire overtime due to unanticipated events
01-1075-06-00	Worker's Comp	729.60		Fire overtime due to unanticipated events
01-2401-00-00	Unreserved fund balance		40,275.20	Draw down on fund balance
01-1040-12-00	Public Services overtime	13,000.00		Public Services overtime due to unanticipated events
01-1060-12-00	Public Services FICA	994.50		Public Services overtime due to unanticipated events
01-1065-12-00	Public Services TMRS	2,070.90		Public Services overtime due to unanticipated events
01-1075-12-00	Worker's comp	975.58		Public Services overtime due to unanticipated events
01-2401-00-00	Unreserved fund balance		17,040.98	Draw down on fund balance
01-7030-13-00	10 Year life assets	29,826.00		Voice recording system
01-2401-00-00	Unreserved fund balance		29,826.00	Draw down on fund balance
01-4071-15-00	Galveston County contract-Animal Shelter	1,500.00		Increase per contract
01-4072-15-00	ACO Shelter operation	7,072.00		Increase per contract
01-2401-00-00	Unreserved fund balance		8,572.00	Draw down on fund balance
02-1040-22-00	Utility 22 overtime	22,000.00		Utility 22 overtime due to unanticipated events
02-1060-22-00	Utility 22 FICA	1,683.00		Utility 22 overtime due to unanticipated events
02-1065-22-00	Utility 22 TMRS	3,504.60		Utility 22 overtime due to unanticipated events
02-1075-22-00	Worker's comp	891.28		Utility 22 overtime due to unanticipated events
02-2401-00-00	Unreserved fund balance		28,078.88	Draw down on fund balance
02-6011-24-00	Purchased water (GCWA)	100,000.00		GCWA water due to rate increase
02-2401-00-00	Unreserved fund balance		100,000.00	Draw down on fund balance
15-9005-00-00	Bond issuance cost	93,000.00		Refunding issue of 2007 CO
15-2401-00-00	Unreserved fund balance		93,000.00	Draw down on fund balance
17-3100-00-00	PID taxes Painted Meadows Section 1	100,000.00		Projected taxes and payment to developer Section 1
17-4040-00-00	Payment to developer	100,000.00		Projected taxes and payment to developer Section 1
21-3100-00-00	PID taxes Painted Meadows Section 2	50,000.00		Projected taxes and payment to developer Section 2
21-4040-00-00	Payment to developer	50,000.00		Projected taxes and payment to developer Section 2
22-3100-00-00	PID taxes Painted Meadows Section 3	50,000.00		Projected taxes and payment to developer Section 3
22-4040-00-00	Payment to developer	50,000.00		Projected taxes and payment to developer Section 3
23-3100-00-00	PID taxes Painted Meadows Section 4	150,000.00		Projected taxes and payment to developer Section 4
23-4040-00-00	Payment to developer	150,000.00		Projected taxes and payment to developer Section 4
45-7126-12-00	2005 Bond street projects	105,000.00		MLK project additional cost
45-2401-00-00	Unreserved fund balance		105,000.00	Draw down on fund balance
47-71-06-00-FIREBD	Public Safety building	800,000.00		Additional cost
47-9001-00-00	Transfer in from GF	800,000.00		Additional cost
01-9047-99-00	Transfer out to F.47	800,000.00		Additional cost
01-2401-00-00	Unreserved fund balance		800,000.00	Draw down on fund balance
47-7003-24-00-SSO	SSO Project	1,912,203.00		SSO project
47-7002-24-00-WWTPUG	WWTP Upgrade project	111,968.00		WWTP Upgrade project
47-2401-00-00	Unreserved fund balance		2,024,171.00	Draw down on fund balance
83-7020-04-00	Buildings, furniture, fixture	24,000.00		Court Security Fund for court security in Police station
83-2401-00-00	Fund balance		24,000.00	Draw down on fund balance

EXHIBIT A

EXHIBIT A: BUDGET AMENDMENTS 2016-17 (YEAR END)

Accounts	Descriptions	Increase	Decrease	Reasons
85-4065-05-00	LEOSE expense-Police	2,000.00		Police LEOSE expenses
85-2401-00-00	Fund Balance		2,000.00	Draw down on fund balance
19-4040-00-00	Professional fee	100,000.00		RPA professional services
19-2401-00-00	Fund Balance		100,000.00	Draw down on fund balance
19-4040-00-00	Professional services	75,000.00		Leak detection project
19-2401-00-00	Fund balance		75,000.00	Draw down on fund balance

Disaster Fund-Harvey 2017

Accounts	Descriptions	Increases	Decreases
70-9001-00-00	Transfer in from General Fund	90,317.35	
70-9002-00-00	Transfer in from Utility Fund	7,082.37	
70-1040-02-02	Finance Overtime	274.03	
70-1060-02-02	Finance FICA	20.96	
70-1065-02-02	Finance TMRS	43.65	
70-1040-05-02	Police Overtime	59,712.81	
70-1060-05-02	Police FICA	4,568.03	
70-1065-05-02	Police TMRS	9,512.25	
70-1040-06-02	Fire/EMS Overtime	4,690.97	
70-1060-06-02	Fire/EMS FICA	358.86	
70-1065-06-02	Fire/EMS TMRS	747.27	
70-1040-12-02	Public Services Overtime	6,051.66	
70-1060-12-02	Public Services FICA	462.95	
70-1065-12-02	Public Services TMRS	964.03	
70-1040-13-02	IT Overtime	2,354.65	
70-1060-13-02	IT FICA	180.13	
70-1065-13-02	IT TMRS	375.10	
70-1040-22-02	Utility 22 Overtime	2,866.96	
70-1060-22-02	Utility 22 FICA	219.32	
70-1065-22-02	Utility 22 TMRS	456.71	
70-1040-24-02	Utility 24 Overtime	2,864.03	
70-1060-24-02	Utility 24 FICA	219.10	
70-1065-24-02	Utility 24 TMRS	456.24	
		97,399.72	
01-9070-99-00	Transfer out to F. 70	90,317.35	
02-9070-99-00	Transfer out to F. 70	7,082.37	
01-2401-00-00	Unreserved fund balance		90,317.35
02-2401-00-00	Unreserved fund balance		7,082.37
70-6110-14-02	Debris removal and monitoring	300,000.00	
70-9063-00-00	Transfer in from Sanitation Fund	300,000.00	
63-9070-00-00	Transfer out to F.70	300,000.00	
63-2401-00-00	Fund Balance		300,000.00
70-2010-01-02	Supplies-Administration	1,000.00	
70-2010-05-02	Supplies-Police	1,500.00	
70-2010-06-02	Supplies-Fire	1,500.00	
70-2010-12-02	Supplies-Public Services	5,000.00	
70-3040-03-02	Repairs and maintenance equipment-Dev Serv	5,000.00	
70-3040-05-02	Repairs and mainenance equipment-Police	8,000.00	
70-3040-06-02	Repairs and maintenance equipment-Fire	5,000.00	
70-3020-05-02	Repairs and maintenance building Police	10,000.00	
70-3020-06-02	Repairs and maintenance building Fire	10,000.00	
70-3020-01-02	Repairs and maintenance building Community Rm	10,000.00	

Disaster Fund-Harvey 2017

Accounts	Descriptions	Increases	Decreases
70-3040-22-02	Repairs and maintenance equipment	30,000.00	
70-9001-00-00	Transfer in from General Fund	57,000.00	
70-9002-00-00	Transfer in from Utility Fund	30,000.00	
01-9070-99-00	Transfer out to F. 70	57,000.00	
02-9070-99-00	Transfer out to F. 70	30,000.00	
01-2401-00-00	Unreserved fund balance		57,000.00
02-2401-00-00	Unreserved fund balance		30,000.00
70-3020-12-02-BLDABC	Repairs and maintenance-Leased properties	130,000.00	
70-9001-00-00	Transfer in from General Fund	130,000.00	
01-9070-99-00	Transfer out to F.70	130,000.00	
01-2401-00-00	Unreserved Fund Balance		130,000.00

CITY COUNCIL AGENDA FORM

Meeting Date: September 18, 2017 Agenda item: **5d**
Prepared by: Carol Buttler Reviewed by: *Carol Buttler*
Department: Administration

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Ordinance No. **O-2017-0021**, amending the entire Article II of Chapter 35, Garbage, Rubbish And Rubble, to rename the Clean City Commission as "Keep La Marque Beautiful Commission," to restate its purpose, and to provide for additional officer positions ***THIS IS THE FIRST READING***

X

ATTACHED FOR REFERENCE

1. Proposed Ordinance

STAFF BRIEFING:

- Clean City Commission has reviewed their establishing ordinance at recent meetings and requests City Council approve amendments prepared over the past couple of months.
- One of the proposed amendments calls for additional officers to be in line with the Commission's responsibilities.
- The other proposed amendment adds a Mission Statement to reflect the Commission's overall mission.
- Proposed amendments have been submitted to the City Attorney for review.

HISTORY:

- Ordinance No. 565 established the Clean City Commission in 1972.

TARGET IMPLEMENTATION: October 9, 2017

SIGNIFICANT ACTION DATES:

March 8, 2017 – Clean City Commission meeting discussion on proposed amendments to current ordinance

February 8, 2017 – Clean City Commission meeting discussion to propose amendments to current ordinance

May 15, 2017 – Clean City Commission presents requests to City Council for amending the Commission's establishing ordinance at a future date.

August

July 12, 2017 – Clean City Commission meeting discussion to propose renaming the Commission to be in compliance with Keep Texas Beautiful.

September 18, 2017 – City Council considers ordinance amendments on First Reading

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CITY COUNCIL AGENDA FORM

ACTION:

- ☒ Ordinance
- ☐ Resolution
- ☐ Special Presentation
- ☐ Proclamation
- ☐ Finance Report
- ☐ Public Hearing
- ☒ Other – Proposed Ordinance Amendments
- ☒ Mark if this item does not conflict with any Resolution, Ordinance or City Charter, policies, procedures

Cost Details:	
Budgeted	N/A
Actual Bid	N/A
Estimated Expenditure	N/A
Acct. Name(s)	N/A
Line Items #	N/A
Other Funding	N/A

STAFF'S RECOMMENDATION: Motion to adopt Ordinance No. **O-2017-0021**, amending the entire Article II of Chapter 35, Garbage, Rubbish And Rubble, to rename the Clean City Commission as "Keep La Marque Beautiful Commission," to restate its purpose, and to provide for additional officer positions

FISCAL IMPACT: N/A

ORDINANCE NO. O-2017-0021

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, AMENDING THE ENTIRE ARTICLE II OF CHAPTER 35, GARBAGE, RUBBISH AND RUBBLE, TO RENAME THE CLEAN CITY COMMISSION AS "KEEP LA MARQUE BEAUTIFUL COMMISSION," TO RESTATE ITS PURPOSE, AND TO PROVIDE FOR ADDITIONAL OFFICER POSITIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS:

SECTION ONE:

That Article II, Clean City Commission, is hereby renamed "Keep La Marque Beautiful Commission", and is hereby amended in its entirety to read as follows:

"ARTICLE II. – KEEP LA MARQUE BEAUTIFUL COMMISSION

Sec. 35-44. - Creation of Keep La Marque Beautiful Commission; purpose.

There is hereby established the Keep La Marque Beautiful Commission whose mission is to improve and enhance the physical environment of La Marque through beautification, solid waste management education, coastal awareness activities, litter abatement programs, education of residents and encourage their participation in these areas, and encourage partnerships within our community.

Sec. 35-45. - Composition of commission; appointment, removal of members.

The Keep La Marque Beautiful Commission shall consist of seven members to be appointed by the city council. The members of such commission shall serve at the pleasure of the city council and may be removed by the city council with or without cause. Three members shall constitute a quorum for the conducting of business.

Sec. 35-46. - Terms of commissioners; filling of vacancies.

The terms of the members appointed as members of the Keep La Marque Beautiful Commission shall be as follows:

(1) All seven commissioners appointed by the city council serve two year staggered terms, except that appointment to vacancies shall be for the unexpired term of the position to which the appointment is made.

(2) If any voting member of the commission misses two consecutive regularly scheduled meetings with unexcused absences, that member shall be automatically dropped from the board and the city council will appoint a replacement to fill the unexpired term.

Sec. 35-47. - No compensation for commissioners.

Commissioners of the Keep La Marque Beautiful Commission shall serve without compensation.

Sec. 35-48. - Election and term of chairman.

The Keep La Marque Beautiful Commission shall organize by electing the following officers: Chair, Vice Chair and Treasurer. Such officers shall hold office for one year or until a successor has been elected and qualified.

Sec. 35-49. - Adoption of administrative procedures.

The Keep La Marque Beautiful Commission may adopt such administrative procedures as are necessary to accomplish the purposes set out in this article.

Sec. 35-50. - Written reports.

The commission shall, each quarter, during the months of January, April, July and October submit a written report to the mayor and city council summarizing the status of the clean city program.

Sec. 35-51. - Consultation with city officers and departments.

The city manager and other city officers and staffs of city departments may consult with and advise the Keep La Marque Beautiful Commission from time to time on matters coming within the scope of this article and the commission may consult with and advise such city officers and personnel of such departments.

Sec. 35-52. - Solicitation of funds.

The Keep La Marque Beautiful Commission shall have the authority to solicit funds and donations to carry out the purposes for which it is herein established.

Sec. 35-53. - Additional powers of commission.

The Keep La Marque Beautiful Commission may contract with any person, organization or corporation for purposes consistent with this article's purpose of reducing and controlling litter. Any such contract must be presented to the city council for approval prior to execution."

SECTION TWO:

(3) Effective Date: This Ordinance become effective immediately after the second reading and passage of this ordinance.

PASSED AND APPROVED by the City Council of the City of La Marque on this the First reading this ____ day of ____________, 2017.

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on the Second and Final reading this the _____ day of _______________, 2017.

CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor
City of La Marque, Texas

ATTEST:

____
Robin Eldridge, City Clerk

APPROVED AS TO FORM:

____
Ellis J. Ortego, City Attorney

CITY COUNCIL AGENDA FORM

Meeting Date: September 18, 2017 | Agenda item: **Executive Session**
Prepared by: Carol Buttler | Reviewed by: *Carol Buttler*
Department: Administration

AGENDA ITEM DESCRIPTION: Discussion/possible action regarding adopting Resolution No. **R-2017-0024**, authorizing the City Manager to execute the Contract re-appointing Carlton Getty as Alternate Municipal Court Judge

[X] **ATTACHMENTS FOR REFERENCE**
1. Proposed Resolution
2. Proposed Contract for Carlton Getty
3. Request for Compensation Increase

STAFF BRIEFING:
- The Alternate Municipal Judge's contract expires September 30, 2017.
- Mr. Getty would like to continue serving.
- Mr. Getty is requesting a compensation increase to $400.00 per hour.
- Per the City Charter, Section 13.16 - Alternate Municipal Court Judge shall be recommended by the City Manager and shall be appointed by the City Council.
- Sec. 29.005 of the Government Code bases a term of office for judge of a municipal court as serving for a term of office of two years unless the municipality provides for a longer term pursuant to Article XI, Section 11, of the Texas Constitution.
- The term of the Agreement shall be from October 1, 2017 through September 30, 2019, unless sooner terminated as provided by the terms of the Agreement.
- In an effort to maintain continuity within the judicial process, it is my recommendation to re-appoint Mr. Carlton Getty to his position as Alternate Judge, during the Municipal Court Judge's absence, under the contract terms.

HISTORY: Mr. Getty has been serving the City of La Marque as the Alternate Municipal Court Judge since 2010.

TARGET IMPLEMENTATION: October 1, 2017

SIGNIFICANT ACTION DATES:
September 18, 2017 – Carlton Getty and City Council meets in Executive Session to discuss contract.
September 30, 2017 – Carlton Getty contract expires.

CITY COUNCIL AGENDA FORM

ACTION:

☐	Ordinance	X	Resolution
☐	Special Presentation	☐	Proclamation
☐	Finance Report	☐	Public Hearing
X	Other- Contracts		

Cost Details:	
Budgeted	$8,000.00
Actual Bid	
Estimated Expenditure	$12,000.00
Acct. Name	Contract Judge
Line Items #	01-4041-04-00
Other Funding	N/A

X Check box if there is no conflict with City Charter, ordinances, resolutions, or policies, procedures.

STAFF'S RECOMMENDATION: Motion to adopt Resolution No. **R-2017-0024,** authorizing the City Manager to execute the Contract re-appointing Carlton Getty as Alternate Municipal Court Judge

FISCAL IMPACT: Projected $12,000.00, based on number of hours anticipated.

RESOLUTION NO. R-2017-0024

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LA MARQUE, TEXAS, APPROVING THE CONTRACT FOR THE RE-APPOINTMENT OF CARLTON GETTY, AS ALTERNATE MUNICIPAL COURT JUDGE, A COPY OF WHICH IS ATTACHED HERETO AS EXHIBIT "A" AND AUTHORIZING THE CITY MANAGER TO EXECUTE SAID CONTRACT.

WHEREAS, Carlton Getty, desires to continue providing judicial services to the City of La Marque; and

WHEREAS, Carlton Getty, has agreed to provide the City of La Marque with judicial services during the absence of the appointed Municipal Court Judge; and

WHEREAS, Sec. 29.005 of the Government Code provides for a term of office providing that the judge of a municipal court serves for a term of office of two years unless the municipality provides for a longer term pursuant to Article XI, Section 11, of the Texas Constitution.

WHEREAS, the City Council finds that Carlton Getty should be re-appointed Alternate Municipal Court Judge for the City of La Marque in accordance with the terms and provisions in the proposed contract attached hereto as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LA MARQUE THAT:

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

Section 2. The City Council hereby approves the proposed contract with Carlton Getty as the Alternate Municipal Court Judge for the City of La Marque, Texas attached hereto as Exhibit "A".

Section 3. The City Manager is hereby authorized to execute the proposed contract.

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

PASSED, APPROVED AND ADOPTED by the City Council of the City of La Marque on this ______day of ___________________, 2017.

CITY OF LA MARQUE, TEXAS

____
Bobby Hocking, Mayor

ATTEST:

____
Robin Eldridge, TRMC
City Clerk

APPROVED AS TO FORM:

____
Ellis J. Ortego

EXHIBIT "A"

AGREEMENT BETWEEN THE CITY OF LA MARQUE
AND
CARLTON GETTY

This Agreement (the "Agreement") is made by and between the City of La Marque (hereafter called "City") and CARLTON GETTY ("Contractor") as follows:

WHEREAS, the City Manager has recommended the re-appointment of CARLTON GETTY as authorized by the City of La Marque City Charter and the City Council of the City of La Marque has re-appointed CARLTON GETTY as an Alternate Municipal Court Judge at a Special Called City Council Meeting held September 18, 2017.

WHEREAS, the Parties desire to enter into a written agreement setting forth all terms, conditions, and obligations of the parties;

WHEREAS, Sec. 29.005 of the Government Code provides for a term of office providing that the judge of a municipal court serves for a term of office of two years unless the municipality provides for a longer term pursuant to Article XI, Section 11, of the Texas Constitution.

NOW, THEREFORE, in consideration of the mutual covenants and promises, the parties agree as follows:

1. TERM

1.1 The term of this Agreement shall be from October 1, 2017, through September 30, 2019, unless sooner terminated as provided by the terms of this Agreement.

2. SCOPE OF EMPLOYMENT

2.1 The purpose of this Agreement is to employ Contractor for the express purpose of serving the City as the Alternate Municipal Court Judge.

2.2 Contractor shall perform all functions of the Alternate Municipal Court Judge of the City as set forth in "Code of Ordinances, City of La Marque, Texas", as it now exists or may be amended in the future, and by applicable State law, as it now exists or may be amended in the future.

2.3 The City reserves the right to designate days of the week, hours, and locations where the Municipal Court may be held.

2.4 Contractor agrees to provide prompt, courteous, efficient, and professional services in the performance of his duties.

3. RATES; NO BENEFITS

3.1 Contractor shall be deemed an independent contractor of the City.

3.2 The City agrees to pay Contractor a flat rate of TWO HUNDRED SEVENTY-FIVE and NO/100 dollars, $275.00, per docket as established in the current fiscal year budget for each docket requiring an Alternate Municipal Court Judge.

a. These dockets are estimated to last no more than three (3) hours, excluding jury dockets. Dockets (to include jury dockets) in excess of three hours shall be billed at the rate of an additional $100.00 per hour.

b. Jury dockets are not estimated to run three (3) hours or more in length, and while both parties acknowledge that the Alternate Municipal Court Judge cannot control the length of any such docket, he will make reasonable efforts to minimize such additional time.

c. Other duties assigned by the Presiding Municipal Judge, such as magistration of prisoner that occur on days other than the days where a docket is held, shall be billed at the rate of $100.00 per hour. The Alternate Municipal Court Judge shall make every reasonable effort to minimize such additional time.

3.3 The City shall provide no group health insurance coverage or any other benefits for Contractor.

3.4 The City shall not provide any other group insurance benefits currently in force, or as amended in the future, for non-civil service employees, to include life and accident, death and dismemberment, workers' compensation, public official liability or as commonly known "Errors and Omissions", and general liability.

3.5 Contractor shall pay all applicable local, state, federal taxes, including income tax, withholding tax, social security tax, and pension contributions, if any.

3.6 Contractor shall pay all educational and training expenses, travel, and any other expenses associated with such additional State Bar required Mandatory Continuing Legal Education credits.

4. TERMINATION

4.1 Contractor shall serve at the pleasure of the City Council. The City may terminate Contractor at any time without cause with 60 days notice.

4.2 Contractor may terminate this Agreement at any time, without cause with 60 days notice.

4.3 Contractor shall waive all claims for compensation if not claimed within 30 days of the date of the termination of this Agreement.

5. GENERAL PROVISIONS

5.1 Each section, subsection, provision, requirement, regulation, or restriction established by this Agreement is hereby declared to be independent, and the holding of any part to be unconstitutional, invalid, or ineffective for any cause shall not affect or render invalid this Agreement or amendments hereto, as a whole or any part thereof, except the particular part so declared to be invalid.

5.2 The paragraph headings used in this Agreement are descriptive only and shall have no legal force or effect.

5.3 This Agreement represents the entire agreement by and between the parties, except as otherwise provided in this Agreement, and it may not be changed except by written amendment duly executed by all parties.

5.4 This Agreement shall be subject to and governed by the laws of the State of Texas. Any and all obligations or payments are due and payable in the City of La Marque, Galveston County, Texas.

IN WITNESS WHEREOF, the City Manager of the City of La Marque, by and through the City Council has caused this Agreement to be executed and that upon execution thereof, it shall be deemed the act and deed of the City of La Marque.

CITY OF LA MARQUE, TEXAS dated this _______day of ____________________, 2017.

By: ____________________________
Carol Buttler, City Manager

____
Carlton Getty
Alternate Municipal Court Judge

ATTEST:

By:____________________________
Robin Eldridge, TRMC, City Clerk

Carlton A. Getty
Attorney At Law
2041 Lakeside Drive
Seabrook, Texas 77586
281-326-2501

RECEIVED
SEP 08 A.M.
BY: RC

September 7, 2017

Mayor Hocking and Councilmembers and Mrs. Butler

City of La Marque

La Marque City hall

La Marque, Texas 77568

This letter is being sent to request an increase in my fee for Municipal Court appearances. I was named Associate Judge in 2010 with a fee of $275.00 per appearance. That fee has not changed during my tenure as Associate Judge.

Recently the City entered into an agreement with a local law firm to prosecute cases in the Municipal Court and agreed to pay a fee of $395.00 per appearance which I agree is an appropriate fee.

It is not appropriate, however, for the prosecutor to receive more than the judge, who has the responsibility for the court and it proceedings. Therefore I request that my fee be raised to $400.00 per appearance for court.

As this is budget consideration time I feel the timing of this request is in line with City procedures.

Thank you for your time and interest in the Municipal Court.

Carlton A. Getty, Associate Judge