

ORDINANCE 2021-3857

AN ORDINANCE APPROVING AN AMENDMENT TO THE BUDGET FOR THE CITY OF LA PORTE, TEXAS, FOR THE PERIOD OF OCTOBER 1, 2021, THROUGH SEPTEMBER 30, 2022; FINDING THAT ALL THINGS REQUISITE AND NECESSARY HAVE BEEN DONE IN PREPARATION AND PRESENTMENT OF SAID BUDGET; FINDING COMPLIANCE WITH THE OPEN MEETINGS LAW; AND PROVIDING AN EFFECTIVE DATE HEREOF.

WHEREAS, the Charter of the City of La Porte, Texas, and the Statutes of the State of Texas, require that an annual budget be prepared and presented to the City Council of the City of La Porte, Texas, prior to the beginning of the fiscal year of said City, and that a public hearing be held prior to the adoption of said Budget; and

WHEREAS, the Budget for the fiscal year October 1, 2021, through September 30, 2022, has heretofore been presented to the City Council and due deliberation had thereon, was filed in the office of the City Secretary on July 27, 2021, and a public hearing scheduled for September 13, 2021 was duly advertised and held, and said Budget was approved by ordinance on September 13, 2021;

WHEREAS, Subsection (b) of Section 102.009 of the Texas Local Government Code provides that, after final adoption of the budget, the governing body of the municipality may spend municipal funds only in strict compliance with the budget, except in emergency, where in such cases the governing body of the municipality may authorize an emergency expenditure as an amendment to the original budget only in the case of grave public necessity to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention;

WHEREAS, Section 102.010 of the Texas Local Government Code provides that the governing body of a municipality may make changes to its budget for municipal purposes;

WHEREAS, the adoption of this ordinance and the amendment of the Budget is necessary for and in the best interest of the health, safety and general welfare of the inhabitants of the City;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LA PORTE:

SECTION 1. A grave public necessity exists and to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonably diligent thought and attention, the Budget must be amended and revised with respect to those appropriations set forth in Exhibit C, attached hereto by reference and made part hereof. In support thereof, the City Council finds that additional expenditures are necessary for the following purposes: 1) \$58,000 for increased costs for liquid chlorine, and 2) repairs to Seabreeze Pier for damages from Hurricane Nicholas. Such additional expenditures are more specifically described on Exhibit C.

SECTION 2: That the Budget for the City of La Porte, Texas, now before the said City Council for consideration, a complete copy of which is on file with the City Secretary and a summary of which is attached hereto by reference as Exhibit "A", is hereby amended as reflected on the amended budget summary document, attached hereto by reference as Exhibit "B", as the Budget for the said City of La Porte, Texas, for the period of October 1, 2020, through September 30, 2021.

SECTION 3. The amounts stated in Exhibit C as the requested additional expenditures are hereby appropriated to and for the objects and purposes therein named and are found to be for municipal purposes.

SECTION 4. The amended and revised expenditures contained in the Budget, do not exceed the resources of each fund, as so amended and revised.

SECTION 5: The City Council finds that all things requisite and necessary to the adoption of said Budget and the amendments made hereto have been performed as required by charter or statute.

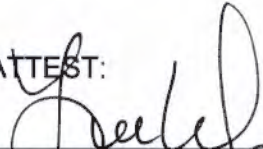
SECTION 6: Upon the passage and adoption of this ordinance, a copy of the ordinance shall be filed with the City Secretary, who shall attach a copy of same to the original budget.

SECTION 7: The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code; and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 8: This Ordinance shall be in effect from and after its passage and approval.

PASSED AND APPROVED this the 13th day of December, 2021.

ATTEST:



Lee Woodward, City Secretary



APPROVED AS TO FORM:



Clark T. Askins, Assistant City Attorney

CITY OF LA PORTE, TEXAS



Louis R. Rigby, Mayor

EXHIBIT A
(ADOPTED BUDGET)

City of La Porte
Consolidated Summary of All Funds

	FY 21-22 Revenues	FY 21-22 Expenses
Governmental Fund Types:		
General Fund	\$ 55,730,612	\$ 59,219,618
Grant Fund	8,303,275	11,869,023
Street Maintenance Sales Tax	1,503,500	1,703,000
Emergency Services District	1,502,500	1,495,463
Hotel/Motel Occupancy Tax	652,000	1,032,682
Economic Development Corporat	3,009,000	3,087,771
Tax Increment Reinvestment	7,375,143	3,642,980
Total Governmental Types	<u>78,076,030</u>	<u>82,050,537</u>
Enterprise:		
Utility	8,256,000	9,360,032
Airport	59,500	109,721
La Porte Area Water Authority	1,969,354	1,778,979
Total Enterprise	<u>10,284,854</u>	<u>11,248,732</u>
Internal Service		
Motor Pool	4,275,738	4,080,493
Insurance Fund	10,320,731	9,333,698
Technology Fund	479,633	539,024
Total Internal Service	<u>15,076,102</u>	<u>13,953,215</u>
Capital Improvement:		
General	5,438,531	3,705,823
Utility	652,000	690,000
Sewer Rehabilitation	300,500	350,000
Drainage Improvement Fund	1,892,000	1,976,520
2021 Certificates of Obligation	-	1,100,000
Total Capital Improvement	<u>8,283,031</u>	<u>7,822,343</u>
Debt Service:		
General	5,029,752	5,027,196
Total Debt Service	<u>5,029,752</u>	<u>5,027,196</u>
Total All Funds	\$ 116,749,769	\$ 120,102,023

**EXHIBIT B
(AMENDED BUDGET)**

**City of La Porte
Consolidated Summary of All Funds**

	FY 21-22 Revenues	FY 21-22 Expenses
Governmental Fund Types:		
General Fund	\$ 55,730,612	\$ 59,319,773
Grant Fund	8,303,275	11,869,023
Street Maintenance Sales Tax	1,503,500	1,703,000
Emergency Services District	1,502,500	1,495,463
Hotel/Motel Occupancy Tax	652,000	1,032,682
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Tax Increment Reinvestment	7,375,143	3,642,980
Total Governmental Types	<u>78,076,030</u>	<u>82,150,692</u>
Enterprise:		
Utility	8,256,000	9,418,032
Airport	59,500	109,721
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Total Enterprise	<u>10,284,854</u>	<u>11,306,732</u>
Internal Service		
Motor Pool	4,275,738	4,080,493
Insurance Fund	10,320,731	9,333,698
Technology Fund	479,633	539,024
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Capital Improvement:		
General	5,438,531	3,705,823
Utility	652,000	690,000
Sewer Rehabilitation	300,500	350,000
Drainage Improvement Fund	1,892,000	1,976,520
	-	1,100,000
Total Capital Improvement	<u>8,283,031</u>	<u>7,822,343</u>
Debt Service:		
General	5,029,752	5,027,196
Total Debt Service	<u>5,029,752</u>	<u>5,027,196</u>
Total All Funds	\$ 116,749,769	\$ 120,260,178



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>December 13, 2021</u>
Requested By: <u>Ray Mayo, Director</u>
Department: <u>Public Works</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Exhibits: Bid Tabulation #22005, Access report, DXI Bid

Appropriation	
Source of Funds:	<u>002 – Utility Fund</u>
Account Number:	<u>002-7084-533-2007</u> <u>002-7087-532-2007</u>
Amount Budgeted:	<u>\$3,600.00</u> <u>\$80,000.00</u>
Amount Requested:	<u>\$6,600.00</u> <u>\$135,000.00</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

SUMMARY & RECOMMENDATION

City of La Porte Bid # 22005 for Liquid Chlorine was opened on November 9, 2021. The bid was advertised on October 21st and October 28th editions of the Bay Area Observer, posted on Public Purchase and the City website. A total of 17 vendors accessed the bid documents, with only one supplier providing a bid. The bid was for estimated quantities to establish unit prices for 150 pound and one ton cylinders.

The single bid was provided by DXI Industries. DXI is the major provider for liquid chlorine and major water treatment chemicals in the Houston, Texas Area. DXI has been the preferred chemical provider to the City of La Porte for over 20 years. In early October the City was notified of a substantial price increase for liquid chlorine that is affecting cities across the nation. During budget preparation, staff planned for a 20% increase, the product is now seeing a 150% increase.

Staff recommends approval of a budget amendment (\$58,000.00) and award of Bid #22005 to DXI Industries to provide liquid chlorine for water and wastewater treatment.

Benefits:

- Acceptance of the bid will provide stable chlorine prices for one year.

Liabilities:

- Future world market for chemicals is volatile.

ACTION REQUIRED BY CITY COUNCIL

Award Bid #22005 for Liquid Chlorine to DXI Industries and authorize the City Manager to enter into a one-year contract, not to exceed amended budget amounts.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

EXHIBIT C



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>December 13, 2021</u>
Requested By: <u>Ray Mayo, Director</u>
Department: <u>Public Works</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>Escrow Account & General Fund</u>
Account Number:	<u>001-7078-535-4011</u>
Amount Budgeted:	<u>\$110,000.00</u>
Amount Requested:	<u>\$201,430.00</u>
Budgeted Item:	<input checked="" type="radio"/> Yes <input type="radio"/> No

Exhibits: [Bid Tabulation 22003, Notification and Access Report, Bid from MB Western, Request Letter to Harris County, Harris County Approval](#)

SUMMARY & RECOMMENDATION

City of La Porte Bid #22003 Sylvan Beach and Seabreeze Pier Repairs, was opened on November 16, 2021. The bid was advertised on October 21st and October 28th in the Bay Area Observer, The City website and Public Purchase. A total of 31 contractors downloaded the bid documents and three (3) bids were received. The low bid was submitted by MB Western Industrial Contracting Co., in the amount of \$171,430.00. References for the low bidder were checked by staff and found to be favorable.

Both Sylvan Beach Pier and Seabreeze Pier were damaged during Hurricane Nicholas, on September 13, 2021, after the FY2021-22 budget had been approved. Routine repairs were budgeted for Sylvan Beach Pier in the amount of \$110,000.00. The balance remaining from the remaining from the original budget amount will be used for electrical repairs to Sylvan Beach pier after the reconstruction is completed. The scope of the electrical repairs will be assessed after the pier is re-constructed. A budget amendment will need to be approved for the repairs to Seabreeze pier.

Sylvan (budgeted)	\$110,000	Seabreeze (amended budget)	\$100,155
Bid Amount	\$86,275	Bid Amount	\$85,155
Contingency	\$15,000	Contingency	\$15,000
Remaining for electrical repairs; \$8,725 and unspent contingency			

In 1994, there was an escrow fund established by agreement with Harris County for future Sylvan Beach pier maintenance and repairs. The fund is comprised of two-thirds (2/3) of the fees collected for pier entry tickets. Repairs in excess of \$5,000.00 annually require written approval from Harris County.

EXHIBIT C

Staff recommends approval of a budget amendment for Seabreeze Pier repairs (\$100,155.00) and the award of Bid #22003 to MB Western Industrial Contracting Co. in the amount of \$171,430.00 along with a contingency amount of \$30,000.00, for a total authorization of \$201,430.00.

Benefits:

- Both piers are widely recognized as amenities in La Porte
- Both piers are heavily used by visitors and residents

Liabilities:

- Delays in repair may lead to increased repair costs
- Delays in repair may affect the number of visitors to La Porte

ACTION REQUIRED BY CITY COUNCIL

Award of Bid #22003 Sylvan Beach and Seabreeze Pier Repairs, to MB Western Industrial Contracting Co. and authorize the City Manager to enter into a construction contract in the amount of \$171,430.00, with a contingency in the amount of \$30,000.00, for a total authorization of \$201,430.00.

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date

EXHIBIT C