MINUTES OF THE CITY COUNCIL
OF THE CITY OF GALVESTON
WORKSHOP - JULY 24, 2025

7/24/2025 - City Council Minutes

1 DECLARATION OF A QUORUM AND CALL MEETING TO ORDER

Mayor Brown declared a quorum and called the workshop to order at 9:00 a.m.

2 ROLL CALL

Present: Mayor Craig Brown, Mayor Pro Tem Marie Robb, Council Member Sharon Lewis, Council Member Bob Brown, Council Member Alex Porretto, and Council Member Beau Rawlins. Council Member David Finklea arrived at 3:20 p.m.

3 DISCUSSION ITEMS

3.A Clarification Of Consent And Regular City Council Agenda Items - This Is An Opportunity For City Council To Ask Questions Of Staff On Consent And Regular Agenda Items (1 Hour)

Items 8A, 11A, 11B, 11E, 11F, 11H, 11J, 11Q, and 11T were clarified by Staff.

3.B Update and Discussion of the Water/Wastewater Master Plan (B Cook -15 min)

Assistant City Manager Brandon Cook and Freese and Nichols representative Kendall Ryan presented an update on Galveston's Water and Wastewater Master Plans. The update reviewed the current water and wastewater infrastructure, much of which is historic and includes hundreds of miles of underground pipes, pumping stations, and storage tanks. Significant progress has been made to reduce water loss from 40% in 2016 to about 10% today through leak detection, meter calibration, and tech upgrades. The plan projects modest population growth and plans infrastructure over short (5-10 years) and long-term horizons. Water supply is currently from the Gulf Coast Water Authority, with plans to rehabilitate local wellfields and possibly expand regional water treatment. Infrastructure investments focus on condition, regulatory compliance, and efficiency. The city participates in state programs to reduce sanitary sewer overflows and avoid fines. Over 60 capital improvement projects are planned over 10 years, with funding from grants, rate adjustments, and potential debt. Compared to similar cities, Galveston has low water rates but unique challenges like corrosive environment and seasonal demand. A rate study is planned for FY27 to guide funding and rate structuring. Some cities offer private insurance programs for residents' pipe replacement costs, but Galveston does not currently.

3.C Presentation and Discussion of the City of Galveston's FY 2026 Budget and Capital Improvement Plan (C Ludanyi - 40 min)

Finance Director Csilla Ludanyi presented the City of Galveston's proposed FY 2026 Budget and Capital Improvement Plan.

Key discussion points included:

- **Budget Vision & Priorities: The city aims for long-term preservation and improvement through 2035, focusing on public safety, infrastructure, efficiency, new revenue sources, and fiscal responsibility.**
- **Tax & Revenue: Property values expected to stay flat. Sales tax and hotel occupancy taxes are key revenue streams. Property tax is mid-range for the county but pressured by a high tourist-to-resident ratio.**
- **Public Safety & Personnel: Rising costs due to salary increases, EMS cost spikes, and separation pay, with added staffing in areas like animal control driven by tourism impact.**
- **Budget Challenges: General fund shows a revenue shortfall partly from increased expenditures in public safety, insurance, and infrastructure transfers. A 5% budget cut is under review, but certain costs (personnel, IT, garage/fleet) are difficult to reduce.**
- **Internal Services (IT & Garage): IT and fleet management costs are significant and allocated based on usage but face transparency issues. The garage budget covers repairs, fuel, insurance, and personnel, with ongoing efforts to refine cost allocation methods.**
- **Fleet Management: Replacement decisions rely on cost, mileage, and age but constrained by budget. Fuel consumption is high (\~600,000 gallons annually). Council discussed fairness in cost allocation, with GPS tracking being explored for better data.**
- **Financial Reserves & Compliance: The city targets a 120-day reserve but currently holds about 103 days. Budget complies with Texas Truth in Taxation laws, balancing tax rates, voter approval caps, and maintaining essential services.**
- **Capital Projects & Debt: Major investments include water/sewer infrastructure, drainage, streets, and fleet, funded through bonds, grants, and taxes. Debt levels remain moderate with plans for a $60M bond election in November for key improvements.**

3.D Discussion of the Park Board's Budget and Capital Improvement Projects for FY 2025-2026 (C Brown/ J Hardcastle - 30 min)

Moved to the August 14th workshop agenda.

3.E Pelican Island Bridge Update (D Buckley/D Glywasky - 10 min)

Deputy City Manager Dan Buckley reported that the Pelican Island Bridge project is nearing a major milestone, with nearly all funding agreements secured, including those with Galveston County, Galveston Wharves, Texas A&M, and the Navigation District. The

final agreement with the Port of Houston is expected next month, completing the $36.2 million local match needed to sign the Advance Funding Agreement (AFA) with TxDOT. While a $206 million funding gap remains, efforts are underway through HGAC to address it. Environmental work continues to keep the project on track for a potential 2028 construction start.

3.F Discussion of the Stewart Beach Master Plan, Developer Proposal and Public Input Structure (D Anderson - 20 min)

City Architect Dudley Anderson discussed with Council the Stewart Beach Master Plan, highlighting that the project is on schedule and will move forward pending approval of item 11L on today's agenda. The plan includes a developer proposal and a public engagement process, with work expected to begin shortly. BRW Architects was selected due to their relevant experience and past involvement with the site. Council Members will provide individual input, and public sessions will be scheduled soon. A key priority is replacing the temporary Beach Patrol facility with a permanent one, using past planning efforts to streamline progress.

3.G Discussion of Items for the November Bond Election (C Brown - 20 min)

1. Street Assessment and Street Repairs (B Cook)
2. Fire Station #2 (D Anderson)
3. Other Council Suggested Items

The Council discussed placing funding for Fire Station #2 and street repairs on the November bond election ballot. Staff emphasized the urgency due to safety concerns at Fire Station #2, space limitations for new fire trucks, and rapid growth on the East End. The Council discussed a $20–50 million bond to fund street repairs and prevent worsening road conditions. Current funding is insufficient, causing pavement quality to decline, but the bond could maintain or improve it over seven years. Consultants highlighted that early maintenance is far cheaper than major reconstruction later. Council members emphasized the need for fair distribution of repairs across districts and clear communication to gain public support. A final decision is due by August 14, with detailed project lists and financial plans forthcoming. Staff will bring cost estimates and design concepts to support public communication and finalize the proposal.

3.H Clarification and discussion of the lease transfer and reassignment of the Inn at the Waterpark (Robb/Porretto - 10 min)

Mayor Pro Tem Robb placed this item on the agenda to receive clarification and discuss the lease transfer and reassignment. The discussion clarified that the initial request to transfer the Inn at the Waterpark lease involved a prohibited change of use, which was denied. Shortly after, a second request without any change of use was submitted, legally approved, and completed within about a week. Although the quick turnaround caused public concern, city officials confirmed that all legal procedures were followed, and the lease reassignment was conducted properly under the existing long-term lease terms.

3.I Update on the "Only Footprints" initiative (Porretto/Rawlins - 10 min)

Council Member Porretto presented a draft marketing plan developed by Council

Member Finklea, outlining branding, budgeting, and role for the City, Visit Galveston, and the Park Board. The "Only Footprints" initiative will be a city-wide anti-littering campaign focused on promoting responsible tourism and environmental care in Galveston. The plan includes marketing, collaboration with local nonprofits, enforcement of littering laws, and distributing eco-friendly trash bags. The group aims to start outreach and enforcement before the next tourist season, secure funding, and formalize the campaign with a city resolution. Overall, it's seen as a strong, collaborative effort to keep the community clean.

3.J Discussion of Golf Cart Inspection Policy (M Robb/C Brown - 10 min)

Mayor Pro Tem Robb discussed with City Council updating the golf cart inspection policy, proposing to change inspections from annually to every three years after the initial inspection, with inspections still required upon sale or transfer. This change aims to reduce the burden on residents while maintaining safety. Rental carts would remain on a stricter schedule. They also clarified license plate rules for Master Plan versus non-Master Plan carts. The updated policy and related online application changes are expected to be finalized by August.

3.K Comprehensive Plan steering committee and consultant project and scope update (B Brown/C Brown - 15 min)

The City Council discussed updates to the Comprehensive Plan, emphasizing its importance in guiding city policy for the next 5–10 years. Council Member Brown proposed expanding the 14-member steering committee to 21 and increasing public engagement by reviewing past city plans. Most Council Members opposed expanding the committee, citing prior agreements and concerns over delays. Executive Director Tim Tietjens will get with the consultant on whether a review of old plans can fit within the current budget. The Council emphasized staying on schedule and avoiding changes that could affect grant approval from the GLO.

3.L Galveston Housing Finance Corporation/Galveston Property Finance Authority committee introduction, mission, strategy discussion (B Brown/C Brown -20 min)

Moved to the August 14th workshop agenda.

3.M Discussion of City/Park Board Joint Meeting Dates and Agenda (C Brown - 10 min)

The City Council discussed rescheduling a joint meeting with the Park Board, originally planned for July, to October due to recent leadership changes within the Park Board. They discussed reducing the frequency of joint meetings from quarterly to twice a year. The Park Board will present its budget on August 14, seeking Council input before finalizing it in September. Council may revise the ordinance to reflect the new meeting schedule at the July 28 meeting.

3.N Discussion of Potential Policy Changes for Council Meetings and Agendas (20 Min)

1. Order of Items on the Agenda (M Robb/C Brown)

2. Type of Items for Inclusion on Agenda (C Brown)
3. Setting Ending Time of the Workshop Meetings (C Brown)

1. **Order of Items on the Agenda - Mayor Pro Tem Robb expressed concern that her items are consistently placed at the end of the agenda, often causing them to be deferred. Mayor Brown explained the agenda is structured with clarifications and staff business first, followed by old business, then new business. Some members of Council supported maintaining the current system, while others emphasized fairness in item placement.**
2. **Type of items for inclusion on agenda - Mayor Brown commented that Council Members are free to place items on the agenda, but informational fact-finding topics should ideally be handled via staff ahead of time rather than using agenda time. Council Members agreed it is each member's right to bring forward items. Mayor Pro Tem Robb advised that she placed the airport lease transfer on the agenda, stating the public deserved transparency and open discussion.**
3. **Setting end time of the Workshop meetings - The Council discussed setting a fixed end time for workshops to ensure more efficient time management. An alternative solution includes a scheduled lunch break, depending on the need, rather than a fixed end time.**

3.O Discussion of required training and education for City Council and City boards, commissions, and committees (Porretto/Rawlins - 15 min)

City Council discussed the need for consistent training and education for members of the Council, boards, commissions, and committees. They emphasized enforcing state-mandated trainings like emergency management and sales tax education, improving onboarding for new officials, and ensuring compliance with legal qualifications—particularly for the Finance and Fiscal Affairs Committee. Concerns were raised about members lacking required experience, and suggestions included auditing qualifications and conducting interviews. The Council also discussed the City Code requirement of repeated Open Meetings and Public Information Act training upon the reappointment or board and committee members.

3.P Update and discussion on the Arts umbrella to include the three models Council requested and potential implementation timelines (Porretto/Rawlins – 10 min)

City Council reviewed three proposed models for consolidating the Cultural Arts Commission and the Arts and Historic Preservation Board into a single entity—tentatively named the Galveston Arts Council. This consolidation aims to streamline processes, improve funding transparency, and increase operational efficiency. The Council agrees with the need for restructuring arts oversight in Galveston and supports moving forward with a unified Arts Council model, enhanced by SMU DataArts reporting, and suggests staff and board leaders return with narrowed model options and implementation plans.

4 EXECUTIVE SESSION

4.A Pursuant To Texas Gov'T Code 551.071- Consultation With Attorney, An Executive Session Will Be Conducted To Discuss And Receive Legal Advice Concerning Pending Litigation And/Or A Settlement Offer, Or On A Matter In Which The Duty Of The Attorney To The Governmental Body Under The Texas Disciplinary Rules Of Professional Conduct Of The State Bar Of Texas Clearly Conflicts With This Chapter, Related To The Following: Roznovak V. City Of Galveston, 24-CV-2072

City Council convened into Executive Session at 4:34 p.m. and reconvened into Open Session at 4:43 p.m. No action was taken during Executive Session.

5 ADJOURNMENT

The workshop was adjourned at 4:43 p.m.

Janelle Williams

Janelle Williams, City Secretary
Date Approved: August 28, 2025