



City of Sugar Land

City Council Agenda

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, May 19, 2026
City Council Meeting
City Council Chambers
5:30 PM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at <https://www.sugarlandtx.gov/1238/SLTV-16-Live-Video> or <https://youtube.com/live/gVN3xjn5vxE?feature=share>. Sugar Land Comcast/Xfinity Cable Subscribers can also tune-in on Channel 16.

II. Call to Order

III. Invocation

Mayor Carol K. McCutcheon

IV. Pledges of Allegiance

Mayor Carol K. McCutcheon

V. Recognition

- A. SUGAR LAND REGIONAL AIRPORT
FORT BEND ISD 2025/2026 ART CONTEST WINNERS
Ken Durbin, Assistant Director of Aviation
- B. MAYOR'S YOUTH ADVISORY COUNCIL CLASS OF 2026
Carly Thompson, Communications & Community Engagement Manager
- C. NATIONAL EMS WEEK 2026
MAY 17-23, 2026
Mark Campise, Fire Chief
- D. NATIONAL PUBLIC WORKS WEEK
MAY 17-23, 2026
Katie Clayton, Director of Utilities, Herc Meier, Director of Public Works

VI. Public Comment

Pursuant to Texas Government Code section 551.007, citizens are permitted to address the City Council, Board and/or Commission in person with regard to matters posted for consideration on the agenda. Each speaker must complete a "Request to Speak" form and give it to the City Secretary or designee, prior to the beginning of the meeting.

Each speaker is limited to 3 minutes, speakers requiring a translator will have 6 minutes, regardless of the number of agenda items to be addressed. Comments or discussion by City Council, Board, and/or Commission members, will only be made at the time the subject is scheduled for consideration.

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

VII. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. **MINUTES**

Consideration of and action on the approval of the minutes of the May 5, 2026, meeting.

Linda Mendenhall, City Clerk

B. **CONTRACT WITH DNB ENTERPRISES, INC.**

Consideration of and action on the authorization of the execution of a construction contract with DNB Enterprises Inc., for the Austin Parkway Fuel Tank Replacement Project, CIP CMU2502, in the amount of \$820,090.00.

Gregory Willey, Construction Manager

C. **LICENSE AGREEMENT WITH FORT BEND COUNTY LID NO. 7**

Consideration of and action on the approval of a License Agreement between Fort Bend County LID 7 and the City of Sugar Land for a Private Storage Structure on City-Owned Property.

Bryan Norton, Real Property Manager

D. Consideration and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-24:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE OPENING OF SECURITIES ACCOUNTS WITH PNC CAPITAL MARKETS; THE CONTINUANCE OF SECURITIES ACCOUNTS WITH RAYMOND JAMES & ASSOCIATES, MULTI-BANK SECURITIES, INC., HILLTOP SECURITIES INC., AND MISCHLER FINANCIAL GROUP; AND THE CONTINUANCE OF AN ACCOUNT WITH WELLS FARGO BROKERAGE SERVICES FOR BROKERED CERTIFICATES OF DEPOSIT.

Michelle McCrimmon, Assistant City Manager

E. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-22:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING INVESTMENT OFFICERS AND AN INVESTMENT PROGRAM MANAGER.

Michelle McCrimmon, Assistant City Manager

F. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-25:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING A CHANGE OF THE INDIVIDUALS AUTHORIZED TO ACT ON BEHALF OF THE CITY IN CERTAIN TRANSACTIONS IN THE TEXAS LOCAL GOVERNMENT INVESTMENT POOL.

Michelle McCrimmon, Assistant City Manager

G. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-23:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE CITY OF SUGAR LAND INVESTMENT POLICY AND INVESTMENT STRATEGY IN ACCORDANCE WITH THE PUBLIC FUNDS INVESTMENT ACT.

Michelle McCrimmon, Assistant City Manager

- H. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-20**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING A POLICY FOR PUBLIC COMMENT AT CITY COUNCIL, BOARDS, AND COMMISSION MEETINGS; AND REPEALING RESOLUTION NO. 24-67.

Shayla Lee, Director of Strategic & Government Affairs

VIII. City Council and City Manager Reports

In accordance with Texas Government Code section 551.0415, City Council Members and the City Manager may provide reports on items of community interest. No action, consideration or discussion will occur regarding these reports.

IX. Closed Executive Session

- A. Closed Executive Session as authorized by Chapter 551, Texas Government Code, in accordance with:

Section 551.087 Deliberation Regarding Economic Development Negotiations:

For the purpose of deliberation regarding the offer of a financial or other incentive to a business prospect the City seeks to have locate, stay, or expand in or near the City.

Jennifer Alexander, Business Development Manager

X. Adjournment

The Mayor and City Council reserve the right, upon motion, to suspend the rules to consider business out of the posted order. In addition to any Executive Session listed above, the City Council reserves the right to adjourn into Executive Session at any time during this meeting for the purpose of consultation with the Attorney as authorized by Texas Government Code Sections 551.071 to discuss any of the matters listed above.

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary, (281) 275-2730. Requests for special services must be received 48 hours prior to the meeting time. Reasonable accommodations will be made to assist your needs.

The agenda and supporting documentation is located on the [City Website](#) under meeting agendas.

Posted on this 13th day of May, 2026 at 5:00 P.M.

Cynthia Qin

1st Place 2025/2026 Sugar Land

Fort Bend ISD Art Contest

Whereas, *Cynthia Qin dared to boldly step forward, take the chance, and participate in the 2025/2026 City of Sugar Land / Fort Bend ISD Art Contest, and*

Whereas, *Cynthia Qin's imagination, creativity, vision and talent provided the artwork and images consistent with the contest rules, and*

Whereas, *Cynthia Qin captured the essence of the City's servant staff dedicated to and responsible for the continued excellence in service for our citizens, and*

Whereas, *Cynthia Qin's illustrations will populate the pages of a children's book designed to enhance the City's community outreach and engagement and will inspire the youth on which our future depends.*

Now, Therefore, *I, Carol McCutcheon, on behalf of the members of City Council, and by the virtue of the authority vested in me as Mayor of the City of Sugar Land, Texas, do hereby express sincere appreciation and gratitude to **Cynthia Qin** for lending her talents and her service to the City of Sugar Land and the community, and commend her for the spirit she has exhibited in celebrating our past and shaping our future.*

Vicky Wu

2nd Place 2025/2026 Sugar Land

Fort Bend ISD Art Contest

Whereas, *Vicky Wu dared to boldly step forward, take the chance, and participate in the 2025/2026 City of Sugar Land / Fort Bend ISD Art Contest, and*

Whereas, *Vicky Wu's imagination, creativity, vision and talent provided the artwork and images consistent with the contest rules, and*

Whereas, *Vicky Wu captured the essence of the City's servant staff dedicated to and responsible for the continued excellence in service for our citizens, and*

Whereas, *Vicky Wu's illustrations will populate the pages of a children's book designed to enhance the City's community outreach and engagement and will inspire the youth on which our future depends.*

Now, Therefore, *I, Carol McCutcheon, on behalf of the members of City Council, and by the virtue of the authority vested in me as Mayor of the City of Sugar Land, Texas, do hereby express sincere appreciation and gratitude to **Vicky Wu** for lending her talents and her service to the City of Sugar Land and the community, and commend her for the spirit she has exhibited in celebrating our past and shaping our future.*

Sachi Bhushan

3rd Place 2025/2026 Sugar Land

Fort Bend ISD Art Contest

Whereas, *Sachi Bhushan dared to boldly step forward, take the chance, and participate in the 2025/2026 City of Sugar Land / Fort Bend ISD Art Contest, and*

Whereas, *Sachi Bhushan's imagination, creativity, vision and talent provided the artwork and images consistent with the contest rules, and*

Whereas, *Sachi Bhushan captured the essence of the City's servant staff dedicated to and responsible for the continued excellence in service for our citizens, and*

Whereas, *Sachi Bhushan's illustrations will populate the pages of a children's book designed to enhance the City's community outreach and engagement and will inspire the youth on which our future depends.*

Now, Therefore, *I, Carol McCutcheon, on behalf of the members of City Council, and by the virtue of the authority vested in me as Mayor of the City of Sugar Land, Texas, do hereby express sincere appreciation and gratitude to **Sachi Bhushan** for lending her talents and her service to the City of Sugar Land and the community, and commend her for the spirit she has exhibited in celebrating our past and shaping our future.*



City Council Agenda Request May 19, 2026

Agenda Request No: V.B.

Agenda of: City Council Meeting

Initiated by: Nicole Fontenette, Agenda & Public Meeting Coordinator

Presented by: Carly Thompson, Communications & Community Engagement Manager

Responsible Department: Communications & Community Engagement

Agenda Caption:

MAYOR'S YOUTH ADVISORY COUNCIL CLASS OF 2026

Recommended Action:

Recognize the Mayor's Youth Advisory Council Class of 2026

Executive Summary:

The mission of the Mayor's Youth Advisory Council (MYAC) is to empower youth to become active members of their community by creating a space to participate in meaningful conversations and activities to impact the future of Sugar Land through local government public service. The MYAC class of 2026 represents the 21st year of the program. This year's class included 26 high school juniors representing 10 area high schools. The class began with an induction ceremony in October 2025 and will conclude on May 19, 2026, with City Council recognition. Throughout the year, MYAC members:

- Learned how Sugar Land's government functions;
- Participated in activities with public safety professionals;
- Performed table-top exercises with Emergency Management & Redevelopment

MYAC members elected Eva Pirolli as chair, Saharsh Kasturi as vice chair, and Anvita Thota as secretary. Others who provided leadership included an assortment of students as session moderators who assisted in leading discussions during meetings. Staff requests the Mayor and City Council recognize members of the 2026 Mayor's Youth Advisory Council to show their appreciation for the dedication to public service that each student continues to demonstrate and to encourage their continued civic involvement in their community.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

None



City Council Agenda Request May 19, 2026

Agenda Request No: V.C.

Agenda of: City Council Meeting

Initiated by: Tracey Siu, Fire/EMS Administrator

Presented by: Mark Campise, Fire Chief

Responsible Department: Fire

Agenda Caption:

NATIONAL EMS WEEK 2026

MAY 17-23, 2026

Recommended Action:

Read proclamation declaring May 17–23, 2026 as National Emergency Medical Services Week.

Executive Summary:

During 2026 National EMS Week, May 17th–23rd, we honor and show gratitude towards the 132 dedicated, highly trained, and qualified emergency medical responders of the Sugar Land Fire Department, who respond to over 8,900 EMS calls annually, delivering hospital-level emergency care directly to our community.

EMS Week is also a time to educate the public about EMS, and the essential service we provide to communities. This year’s theme is “Improving Outcomes, Together.”

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

None



City Council Agenda Request May 19, 2026

Agenda Request No: V.D.

Agenda of: City Council Meeting

Initiated by: Datia Gowdy, Finance Manager

Presented by: Katie Clayton, Director of Utilities, Herc Meier, Director of Public Works

Responsible Department: Public Works

Agenda Caption:

NATIONAL PUBLIC WORKS WEEK
MAY 17-23, 2026

Recommended Action:

Proclamation declaring May 17 - 23, 2026, as National Public Works Week.

Executive Summary:

Since 1960, the American Public Works Association has sponsored National Public Works Week to recognize the essential role public works plays in daily life across North America. This annual observance highlights the planning, building, and maintenance of critical infrastructure and services such as transportation, drainage, water, wastewater, and emergency response—that support safe, healthy, and resilient communities.

Public works professionals, including engineers, managers, and field staff, are vital to maintaining and improving these systems, ensuring a high quality of life for current and future generations. It is important for residents, civic leaders, and youth to understand and appreciate the impact of public works in their communities.

Now, therefore, recognizing that 2026 marks the 66th annual National Public Works Week, we designate May 17–23, 2026, as National Public Works Week in the City of Sugar Land.

Budget

Expenditure Required: n/a

Current Budget: n/a

Additional Funding: n/a

Funding Source: n/a

Account Number (ORG-OBJ-Project): n/a

Attachments

None



City Council Agenda Request

May 19, 2026

Agenda Request No: VII.A.

Agenda of: City Council Meeting

Initiated by: Nicole Fontenette, Agenda & Public Meeting Coordinator

Presented by: Linda Mendenhall, City Clerk

Responsible Department: Admin

Agenda Caption:

MINUTES

Consideration of and action on the approval of the minutes of the May 5, 2026, meeting.

Recommended Action:

Consideration of and action on the approval of the minutes of the May 5, 2026, meeting.

Executive Summary:

Budget

Expenditure Required: n/a

Current Budget: n/a

Additional Funding: n/a

Funding Source: n/a

Account Number (ORG-OBJ-Project): n/a

Attachments

1. City Council Meeting Minutes 05.05.26



City of Sugar Land

City Council Minutes

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, May 5, 2026
City Council Meeting Minutes
City Council Chamber
5:30 PM

I. Attention

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The meeting will live stream at <https://www.sugarlandtx.gov/1238/SLTV-16-Live-Video> or <https://www.youtube.com/live/RSa1Amngyl8>. Sugar Land Comcast/Xfinity Cable Subscribers can also tune-in on Channel 16.

II. Call to Order

QUORUM PRESENT

Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, and Carol McCutcheon were present.

III. Invocation

Council Member Rick Miller

IV. Pledges of Allegiance

Council Member Rick Miller

V. Recognition

- A. IMBA TRAIL TOWN DESIGNATION AND NATIONAL BIKE MONTH
Kimberly Terrell, Director of Parks & Recreation
- B. ECONOMIC DEVELOPMENT WEEK 2026
Michelle McCrimmon, Assistant City Manager
- C. BUILDING SAFETY MONTH
Joshua Doyle, Chief Building Official

VI. Public Comment

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For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

The following member of the public addressed the Council:
Dave Burdette spoke in favor of agenda item VII. C.

VII. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. MINUTES

Consideration of and action on the approval of the minutes of the April 21, 2026, meeting.

Linda Mendenhall, City Clerk

A motion to **Approve agenda items A through D**, was made by Suzanne Whatley and seconded by Rick Miller; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

B. CONTRACT WITH PRIME CONTROLS, LP

Consideration of and action on the authorization of a professional services contract with Prime Controls, LP for the SCADA Annual Preventive Maintenance Program, CIP CWA2605, in the amount of \$379,681.19.

Danica Mueller, Water Operations Manager

C. LICENSE AGREEMENT AMENDMENT WITH FORT BEND MOUNTAIN BIKE ASSOCIATION

Consideration of and action on the approval of Amendment No. 2 of the License Agreement with Fort Bend Mountain Bike Association for the Use, Enhancement, and Development of the City's Single Track Mountain Bike Trails.

Briana Williams, Assistant Director of Parks & Recreation

D. SECOND CONSIDERATION: Consideration of and action on CITY OF SUGAR LAND ORDINANCE NO. 2404: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING THE UPDATE OF THE AIRPORT RATES AND CHARGES.

Mitchell Davies, Director of Aviation

VIII. Contracts and Agreements

A. **CONTRACT WITH CONSOR NORTH AMERICA, INC.**

Consideration of and action on the authorization of the execution of a professional services contract with Consor North America, Inc. for the design of Sugar Land Trail Phase II, CIP CPK2503, in the amount of \$791,576.75.

Greg Nichols, Senior Project Manager

Greg Nichols, Senior Project Manager, gave a presentation, made comments, and answered questions from the Council.

A motion to **Approve a contract with Consor North America, Inc.**, was made by Stewart Jacobson and seconded by Suzanne Whatley; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

IX. City Council and City Manager Reports

In accordance with Texas Government Code section 551.0415, City Council Members and the City Manager may provide reports on items of community interest. No action, consideration or discussion will occur regarding these reports.

Mayor McCutcheon and the City Council gave comments and reported on events and activities attended. Michael Goodrum, City Manager, gave comments and reported on events and activities attended.

X. Adjournment

A motion to **Adjourn at 6:02 p.m.**, was made by Sanjay Singhal and seconded by Carol McCutcheon; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

Linda Mendenhall, City Clerk





City Council Agenda Request **May 19, 2026**

Agenda Request No: VII.B.

Agenda of: City Council Meeting

Initiated by: Paola DeLaTorre, Project Manager II

Presented by: Gregory Willey, Construction Manager

Responsible Department: Engineering

Agenda Caption:

CONTRACT WITH DNB ENTERPRISES, INC.

Consideration of and action on the authorization of the execution of a construction contract with DNB Enterprises Inc., for the Austin Parkway Fuel Tank Replacement Project, CIP CMU2502, in the amount of \$820,090.00.

Recommended Action:

Authorize the execution of a construction contract with DNB Enterprises Inc., for the Austin Parkway Fuel Tank Replacement Project, CIP CMU2502, in the amount of \$820,090.00.

Executive Summary:

The Austin Parkway Fuel Station has two above-ground storage tanks to service City vehicles. One for unleaded gasoline and one for diesel. Currently, the diesel tank is out of service and operating on a temporary portable tank. The tanks are over thirty (30) years old and have exceeded their useful life. The Texas Commission on Environmental Quality (TCEQ) does not currently require tanks over thirty (30) years of age to be removed. However, many states are beginning to make this removal a requirement. The City is taking proactive measures in replacing the two aging tanks to prevent further aging and costly repairs.

The project's base bid includes removing two above-ground tanks from service and installing one twenty thousand gallon (20,000) cylindrical compartmented tank consisting of (10,000 gallon gasoline and 10,000 gallon diesel) above-ground storage tank and decommissioning (removal) of the two existing 6,000 gallon above-ground storage tanks. The necessary piping, submersible turbine pump, two product dispensers with monitoring sensors, concrete pad, metal canopy and connection of the new above-ground tank to the City's existing fueling software are included.

Stantec Consulting Services, Inc. was the design engineer and completed the project's design in February 2026, and an Invitation to Bid was advertised on February 18, 2026. Three (3) bids were received and opened on Thursday, March 19, 2026. The bids were checked by staff and

Stantec Consulting Services, Inc. for mathematical errors and bid irregularities. The Engineer's opinion of the probable construction cost is \$931,875.00. The summary of the bids is listed below:

Contractor	Total Bid
DNB Enterprises, Inc.	\$820,090.00
JF Petroleum Group	\$738,640.01*
Stealth Construction	\$1,499,000.50

* JF Petroleum Group was disqualified due to failure to provide financial statements.

Due to this issue, DNB Enterprises, Inc. is the second low responsible bidder, with a total bid price of \$820,090.00. The available budget for construction, contingency, construction administration in CIP CMU2502 is \$1,278,565.00. The design engineer completed a review and evaluation of the bids and provided a letter of recommendation indicating DNB Enterprises Inc. is capable of completing a project of this nature. The design engineer has also checked references and received positive feedback about DNB Enterprises Inc. working satisfactorily on other Houston and Sugar Land area projects in the past.

If approved by the City Council, the Notice to Proceed will be issued in June 2026 with a contract time of 180 calendar days.

In accordance with Policy CO-110, Notification of Construction Impacts and Service Interruption, this project is classified as a Neighborhood Project. However, there will be no service interruption for the public. The project is on City property and within fences. Fueling service interruption for City vehicles will be kept to a minimum, and instructions on an available fuel site will be provided.

The Engineering and Public Works Departments recommend that the City Council authorize the execution of a construction contract with DNB Enterprises, Inc. for the Austin Parkway Fuel Station Project, CIP: CMU2502, in the amount of \$820,090.00.

Budget

Expenditure Required: \$820,090.00

Current Budget: \$1,278,565.00

Additional Funding: NA

Funding Source: 2024 GO Bond

Account Number (ORG-OBJ-Project): 5023220 - 621020 - CMU2502

Attachments

1. DNB Contract signed

2. Location Map

CITY OF SUGAR LAND
STANDARD CONTRACT FOR CIVIL ENGINEERING CONSTRUCTION PROJECTS
(Not For Building Construction Projects)
(Rev. 8-13-24)

This City of Sugar Land Standard Contract for Civil Engineering Construction Projects (Contract) is made between the City of Sugar Land, Texas (City), and the Contractor. The City and the Contractor agree to the terms and conditions of this Contract, which consists of the following

- I. Signatures
- II. Summary of Contract Terms
- III. Standard Contractual Provisions
- IV. Contract Documents

I. Signatures. By signing below, the parties agree to the terms of this Contract:

CITY OF SUGAR LAND

CONTRACTOR:

By:

By: 

Name:

Name: Tom Weir

Title:

Title: President

Date:

Date: 4-13-26

II. Summary of Contract Terms.

Project: Austin Parkway Fuel Station Rehabilitation, CIP No. CMU2502

Contractor: DNB Enterprises, Inc.

Name of Engineering Firm, if any:

Name of Owner's Project Manager: Gregory Willey

Base Bid: \$820,090.00

Alternate Bid Item Nos.: N/A

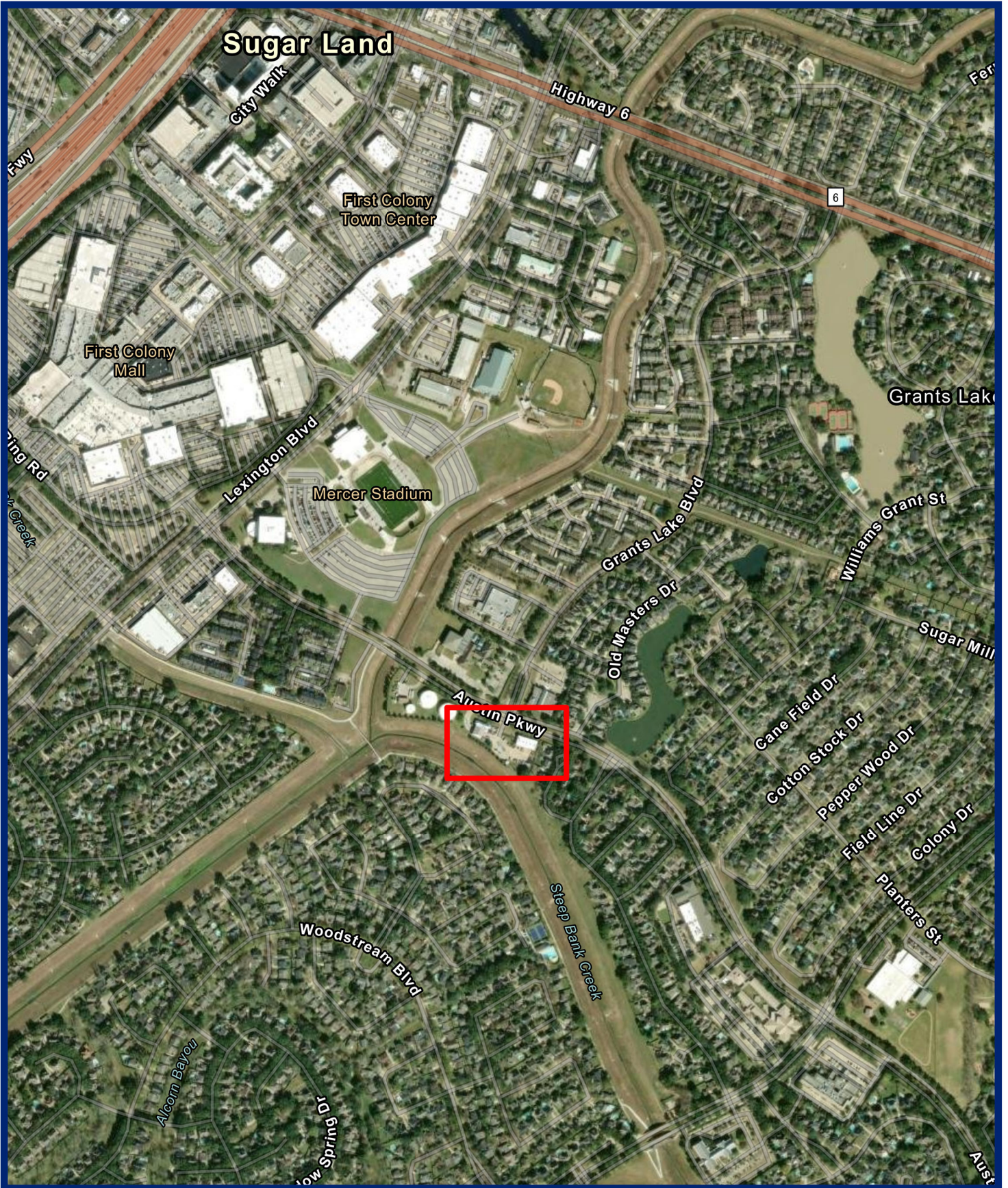
Total Alternate Bid Items Amount: N/A

Contract Price (Base Bid + Alternates): \$820,090.00, as may be adjusted by Change Orders

Effective Date of Contract: On the latest date of the dates executed by both parties

Date to Begin Work: Date specified in Notice to Proceed

Substantial Completion: Contractor must achieve Substantial Completion within **30** Calendar Days from date specified in Notice to Proceed, as the time may be adjusted by Change Order



CMU2502
Austin Parkway
Fuel Station Rehabilitation

Legend

 Project Area



This map has been produced from various sources. Every effort has been made to ensure the accuracy of this map. However, the City of Sugar Land assumes no liability or damages due to errors, or omissions. This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. If any errors are detected, please contact the GIS Division of Information Technology at (281)275-2379.



City Council Agenda Request May 19, 2026

Agenda Request No: VII.C.

Agenda of: City Council Meeting

Initiated by: Bryan Norton, Real Property Manager

Presented by: Bryan Norton, Real Property Manager

Responsible Department: Engineering

Agenda Caption:

LICENSE AGREEMENT WITH FORT BEND COUNTY LID NO. 7

Consideration of and action on the approval of a License Agreement between Fort Bend County LID 7 and the City of Sugar Land for a Private Storage Structure on City-Owned Property.

Recommended Action:

Approve License Agreement between Fort Bend County LID 7 and City of Sugar Land for Private Storage Structure on City-Owned Property.

Executive Summary:

The City's Engineering and Utilities Departments have collaborated with Fort Bend County LID No. 7 (LID 7) to develop a License Agreement permitting the placement of a private storage structure on City-owned property at Water Supply Plant No. 3. The proposed structure, measuring approximately 16.75 feet by 68.33 feet, will be located in the northwest corner of the 1.342-acre site.

The facility will enable LID 7 to securely store equipment used in levee operations, protecting critical assets from adverse environmental conditions. LID 7 is a longstanding partner of the City and has contributed significantly to the advancement of multiple Capital Improvement Program (CIP) projects through the dedication of land and ongoing collaboration.

This agreement continues that cooperative relationship and supports operational efficiency for levee maintenance activities that benefit the community. Both the Engineering and Utilities Departments have reviewed the proposed License Agreement and have no objection. Staff recommends approval of the agreement between the City of Sugar Land and Fort Bend County LID No. 7 for a private storage structure on City Property.

Budget

Expenditure Required: None

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

None



City Council Agenda Request May 19, 2026

Agenda Request No: VII.D.

Agenda of: City Council Meeting

Initiated by: Betty Jurado, Administrative Coordinator

Presented by: Michelle McCrimmon, Assistant City Manager

Responsible Department: Finance

Agenda Caption:

Consideration and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-24:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE OPENING OF SECURITIES ACCOUNTS WITH PNC CAPITAL MARKETS; THE CONTINUANCE OF SECURITIES ACCOUNTS WITH RAYMOND JAMES & ASSOCIATES, MULTI-BANK SECURITIES, INC., HILLTOP SECURITIES INC., AND MISCHLER FINANCIAL GROUP; AND THE CONTINUANCE OF AN ACCOUNT WITH WELLS FARGO BROKERAGE SERVICES FOR BROKERED CERTIFICATES OF DEPOSIT.

Recommended Action:

Approve Resolution No. 26-24 approving authorized broker dealers for the City's investment program with Multi-Bank Securities, Inc., Hilltop Securities Inc., Mischler Financial Group, Raymond James & Associates, PNC Capital Markets, and with Wells Fargo authorized for Certificates of Deposit.

Executive Summary:

The City's investments are governed by the Public Funds Investment Act (PFIA) under Chapter 2256 of the Texas Government Code. PFIA requires the City to approve specific broker/dealers that the approved Investment Officers are authorized to conduct investment transactions with on behalf of the City. PFIA requires annual approval of the broker/dealer list by City Council.

The City's Investment Policy also requires staff to prepare a Request for Investment Services every three years. An RFQ was issued, and qualifications were due March 26, 2026. The City received responses from five brokers/dealers by the deadline. Staff is recommending all five firms to be included as approved broker/dealers:

- Mischler Financial Group
- Hilltop Securities

- Multi-Bank Securities
- Raymond James & Associates
- PNC Capital Markets

Wells Fargo is recommended to continue authorization only for Certificates of Deposit, as they are the City's depository bank and manage the CD's purchased through the brokered CD program. The City also participates in several Local Government Investment Pools to maximize diversification and liquidity within the investment program.

This item was discussed with the Finance/Audit Committee at their May 7, 2026 meeting.

Staff recommends approval of Resolution No. 26-24 approving five broker/dealers for investment transactions with the City.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. Resolution 26-24_Brokers Dealers 2026(v1)

RESOLUTION NO. 26-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE OPENING OF SECURITIES ACCOUNTS WITH PNC CAPITAL MARKETS; THE CONTINUANCE OF SECURITIES ACCOUNTS WITH RAYMOND JAMES & ASSOCIATES, MULTI-BANK SECURITIES, INC., HILLTOP SECURITIES INC., AND MISCHLER FINANCIAL GROUP; AND THE CONTINUANCE OF AN ACCOUNT WITH WELLS FARGO BROKERAGE SERVICES FOR BROKERED CERTIFICATES OF DEPOSIT.

WHEREAS, Section 2256.025 of the Government Code requires the City of Sugar Land (“City”) to annually review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City; and

WHEREAS, the City wishes to open securities accounts with PNC Capital Markets; to continue securities accounts with Raymond James & Associates, Multi-Bank Securities, Inc., Hilltop Securities Inc., and Mischler Financial Group; and to continue an account with Wells Fargo Brokerage Services for Certificates of Deposit; NOW THEREFORE;

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That it authorizes the opening of securities accounts with PNC Capital Markets; and continuance of securities accounts with Raymond James & Associates, Multi-Bank Securities, Inc., Hilltop Securities Inc., and Mischler Financial Group; and the continuance of an account with Wells Fargo Brokerage Services for Certificates of Deposit.

Section 2. That the securities accounts are for the purpose of purchasing and selling securities, as provided by the City's investment policy. All orders and instructions, written or oral, relating to the securities accounts must be given to the Broker by any two of the individuals designated as "Authorized Individuals" in Exhibit A, and the both of them is authorized and directed to purchase and sell any and all securities for the City, including the power to deliver or accept delivery of securities.

Section 3. That the Broker may deal with any of the Authorized Individuals as though the Broker was dealing with the City directly.

Section 4. That each of the Authorized Individuals is authorized and directed to execute and deliver to the Broker on behalf of the City all agreements, documents, contracts, and other writings that the Broker may require.

Section 5. That the City Clerk (or other duly designated officer) of the City is authorized and directed to certify, under the City Seal, or otherwise to the Broker:

- (a) A true copy of this Resolution;

- (b) Specimen signatures of each individual empowered by this Resolution;
- (c) A certificate (which, if the Broker requires, is supported by an opinion of the general counsel of the City, or other counsel satisfactory to the Broker) that the City is duly organized and existing, that its charter empowers it to transact the business contemplated in this Resolution, and that no limitation has been imposed upon those powers by constitution, statute, regulations, charter, by-law, or otherwise.

Section 6. That the Broker may rely upon any certification given in accordance with this Resolution as continuing fully effective unless and until the Broker receives written notice of an amendment, modification or rescission of this Resolution or certification. The Broker is not liable for any action taken or not taken upon instruction of any Authorized Individual prior to the Broker's actual receipt of written notice of the termination or impairment of the person's authority. The failure to supply any specimen signature or any other documentation does not invalidate any transaction which is in accordance with the authority actually granted.

Section 7. That if there is any change in the office or powers empowered by this Resolution, the City Clerk (or other duly designated officer) will certify the changes to the Broker, in writing, which certification, when the Broker receives it, will terminate the powers of the persons previously authorized and empower the persons thereby substituted.

Section 8. That Resolution No. 23-16 is repealed.

APPROVED on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS FORM:

Meredith Riedel

Linda Mendenhall, City Clerk

Attachment: Exhibit A - Authorized Individuals

EXHIBIT A

AUTHORIZED INDIVIDUALS

I, Linda Mendenhall, in my official capacity as the City Clerk, certify that two of the following officers or individuals have been duly authorized to issue instructions concerning the securities account, and that the following are their true signatures.

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Michelle McCrimmon	Assistant City Manager/CFO	_____
Razeeda Boochoon	Investment & Debt Manager	_____

In Witness Whereof, I have hereunto affixed my hand and the Seal of the City, this ____ day of _____, 2026.

Linda Mendenhall, City Clerk



City Council Agenda Request May 19, 2026

Agenda Request No: VII.E.

Agenda of: City Council Meeting

Initiated by: Betty Jurado, Administrative Coordinator

Presented by: Michelle McCrimmon, Assistant City Manager

Responsible Department: Finance

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-22**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING INVESTMENT OFFICERS AND AN INVESTMENT PROGRAM MANAGER.

Recommended Action:

Approve Resolution No. 26-22; a Resolution of the City Council of the City of Sugar Land, Texas, Designating Investment Officers and an Investment Program Manager.

Executive Summary:

The City's investments are governed by the Public Funds Investments Act (PFIA) under Chapter 2256 of the Texas Government Code (the Code).

The Code requires the City to designate one or more investment officers to be responsible for the investment of its funds, consistent with the investment policy adopted by the City Council. The Code also grants authority to the City's investment officers, effective until rescinded by the City Council or until the officer's employment with the City terminates.

The Code requires a minimum of one investment officer be designated to manage investment funds, and Finance recommends the following individuals be designated as Investment Officers: Razeeda Boochoon and Michelle McCrimmon, with Michelle McCrimmon designated as the Investment Program Manager.

This item was discussed with the Finance/Audit Committee at their May 7, 2026 meeting.

Staff recommends approval of Resolution No. 26-22 designating Investment Officers and an Investment Program Manager in accordance with Section 2256 of the Texas Government Code.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. Investment Officer Investment Program Manager Resolution 26-22(v1)

RESOLUTION NO. 26-22

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING INVESTMENT OFFICERS AND AN INVESTMENT PROGRAM MANAGER.

WHEREAS, section 2256.005(f) of the Government Code requires the City to designate one or more investment officers to be responsible for the investment of its funds consistent with the investment policy adopted by the city council; NOW, THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS:

Section 1. That the facts and recitations set forth in this Resolution are declared true and correct.

Section 2. That Razeeda Boochoon and Michelle McCrimmon are designated as the City's investment officers.

Section 3. That under section 2256.005(f) of the Government Code, the authority granted to the City's investment officers is effective until rescinded by the City Council or until the officer's employment with the City terminates.

Section 4. That Michelle McCrimmon is designated as the Investment Program Manager, to perform the duties set forth in the City's Investment Policy.

Section 5. That Resolution No. 24-14 is repealed.

APPROVED on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Meredith Riedel

Linda Mendenhall, City Clerk



City Council Agenda Request May 19, 2026

Agenda Request No: VII.F.

Agenda of: City Council Meeting

Initiated by: Betty Jurado, Administrative Coordinator

Presented by: Michelle McCrimmon, Assistant City Manager

Responsible Department: Finance

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-25**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING A CHANGE OF THE INDIVIDUALS AUTHORIZED TO ACT ON BEHALF OF THE CITY IN CERTAIN TRANSACTIONS IN THE TEXAS LOCAL GOVERNMENT INVESTMENT POOL.

Recommended Action:

Approve Resolution No. 26-25, a Resolution of the City Council of the City of Sugar Land, Texas, approving a change of the individuals authorized to act on behalf of the City in certain transactions in the Texas Local Government Investment Pool (TexPool).

Executive Summary:

The City's investments are governed by the Public Funds Investments Act (PFIA) under Chapter 2256 of the Texas Government Code (the Code). The Code requires the City to designate one or more investment officers to be responsible for the investment of its funds, consistent with the investment policy adopted by the City Council.

The Texas Local Government Investment Pool (TexPool) is a local government investment pool and is an authorized and allowable investment. TexPool requires that changes to their authorized representative list be approved by the Governing Body by Resolution. Staff recommends the following individuals be designated as authorized representatives: Razeeda Boochoon and Michelle McCrimmon. Elvia Garza is authorized for inquiry access only as she is not an Investment Officer but may need to access TexPool accounts to fulfill her duties as Controller.

TexPool allows an authorized representative to be deleted by written instrument signed by two remaining authorized representatives provided that the deleted authorized representative: (1) is assigned job duties that no longer require access to the Participant's TexPool account; or (2) is no longer employed by the Participant.

Razeeda Boochoon, Investment & Debt Manager, has primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Staff recommends approval of Resolution No. 26-25 designating authorized representatives for the City’s accounts with TexPool.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

- 1. Texpool Auth 2026 Resolution 26-25(v1)

RESOLUTION NO. 26-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING A CHANGE OF THE INDIVIDUALS AUTHORIZED TO ACT ON BEHALF OF THE CITY IN CERTAIN TRANSACTIONS IN THE TEXAS LOCAL GOVERNMENT INVESTMENT POOL.

WHEREAS, the City of Sugar Land (“Participant”) is a local government of the State of Texas and is empowered to delegate to a public funds investment pool the authority to invest funds and to act as custodian of investments purchased with local investment funds; and

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

WHEREAS, the Texas Local Government Investment Pool (“TexPool/TexPool *Prime*”), a public funds investment pool, were created on behalf of entities whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield consistent with the Public Funds Investment Act; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the facts and recitations set forth in this Resolution are declared true and correct.

Section 2. That the following individuals whose signatures appear in this Resolution are authorized representatives of the Participant and are each hereby authorized to transmit funds for investment in TexPool/TexPool *Prime* and are each further authorized to withdraw funds from time to time, to issue letters of instruction, and to take all other actions deemed necessary or appropriate for the investment of local funds:

1. Name: Michelle McCrimmon
Title: Assistant City Manager/Chief Financial Officer
Phone/Email: 832-278-5019/ mmccrimmon@sugarlandtx.gov

Signature: _____

2. Name: Razeeda Boochoon
Title: Investment & Debt Manager
Phone/Email: 281-275-2794/rboochoon@sugarlandtx.gov

Signature: _____

Section 3. That an authorized representative of the Participant may be deleted by written instrument signed by two remaining authorized representatives provided that the deleted authorized representative: (1) is assigned job duties that no longer require access to the Participant's TexPool/TexPool *Prime* account; or (2) is no longer employed by the Participant.

Section 4. That the Participant may, by amending Resolution signed by the Participant, add an authorized representative provided the additional authorized representative is an officer, employee, or agent of the Participant.

Section 5. That Razeeda Boochoon, Investment & Debt Manager, will have primary responsibility for performing transactions and receiving confirmations and monthly statements under the Participation Agreement.

Section 6. That in addition and at the option of the Participant, an additional authorized representative can be designated to perform only inquiry of selected information. This limited representative cannot perform transactions. The City, as Participant, desires to designate the following authorized representative with inquiry rights only:

Name: Elvia Garza Title: Controller
Phone/Email: 281-750-9156/ egarza@sugarlandtx.gov

Section 7. That this Resolution and its authorization shall continue in full force and effect until amended or revoked by the Participant and TexPool Participant Services receives a copy of any such amendment or revocation. This Resolution is hereby introduced and adopted by the Participant at its regular meeting held on the _____ day of _____ 2026.

Section 8. That Resolution No. 24-18 is repealed.

APPROVED on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:



Linda Mendellhall, City Clerk



City Council Agenda Request May 19, 2026

Agenda Request No: VII.G.

Agenda of: City Council Meeting

Initiated by: Betty Jurado, Administrative Coordinator

Presented by: Michelle McCrimmon, Assistant City Manager

Responsible Department: Finance

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-23**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE CITY OF SUGAR LAND INVESTMENT POLICY AND INVESTMENT STRATEGY IN ACCORDANCE WITH THE PUBLIC FUNDS INVESTMENT ACT.

Recommended Action:

Approve Resolution No. 26-23, adopting the City of Sugar Land Investment Policy and Investment Strategy in accordance with the Public Funds Investment Act.

Executive Summary:

The City's investments are governed by the Public Funds Investment Act (PFIA) under Chapter 2256 of the Texas Government Code. The act requires the governing body to review and adopt each year the investment policy and investment strategy for the funds or group of funds under its control. To meet PFIA requirements, the investment policy must:

1. Be written;
2. Primarily emphasize the safety of principal and liquidity;
3. Address investment diversification, yield, and maturity and the quality and capability of investment management; and
4. Include:

A list of the types of authorized investments in which the City's funds may be invested;
The maximum allowable stated maturity of any individual investment owned by the City;
The maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;

Methods to monitor the market price of investments acquired;

Methods to monitor rating changes in investments acquired

The City's Investment Policy and Investment Strategy were most recently adopted in April 2025; there has been no identified need for policy and/or strategy change since then.

The PFIA requires that City Council adopt a Resolution stating that it has reviewed the Investment Policy (Exhibit A) and Investment Strategy (Exhibit B).

The Finance / Audit Committee reviewed the Investment Policy and Investment Strategy at their May 7, 2026 meeting.

Staff recommends the City Council approve Resolution No. 26-23, adopting the City of Sugar Land Investment Policy and Investment Strategy in accordance with the PFIA.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

- 1. Investment Policy and Strategy Resolution No. 26-23(v1)
- 2. Exhibit A Investment Policy
- 3. Exhibit B Investment Strategy

RESOLUTION NO. 26-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE CITY OF SUGAR LAND INVESTMENT POLICY AND INVESTMENT STRATEGY IN ACCORDANCE WITH THE PUBLIC FUNDS INVESTMENT ACT.

WHEREAS, the Public Funds Investment Act ("Act"), Chapter 2256 of the Texas Government Code, requires the City to review and adopt an investment policy and investment strategy annually for its funds and funds under its control [section 2256.00S(e)]; and

WHEREAS, section 2256.005(b) of the Act provides that the investment policies must:

- (1) be written;
- (2) primarily emphasize safety of principal and liquidity;
- (3) address investment diversification, yield, and maturity and the quality and capability of investment management; and
- (4) include:
 - (A) a list of the types of authorized investments in which the investing entity's funds may be invested;
 - (B) the maximum allowable stated maturity of any individual investment owned by the entity;
 - (C) for pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date for the portfolio;
 - (D) methods to monitor the market price of investments acquired with public funds;
 - (E) a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
 - (F) procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Section 2256.021; and

WHEREAS, the Act requires the City Council to adopt, as part of its investment policy, a separate written investment strategy for each of the funds or group of funds under its control [2256.005(d)]; and

WHEREAS, the Act requires that the City Council adopt a written instrument by ordinance or resolution stating that 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 [2256.005(e)]; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the facts and recitations set forth in the preamble of this Resolution are declared true and correct.

Section 2. That it has reviewed the attached City of Sugar Land Investment Policy, as shown in Exhibit A and the attached City of Sugar Land Investment Strategy, as shown in Exhibit B.

Section 3. That the attached City of Sugar Land Investment Policy and City of Sugar Land Investment Strategy show no changes since adopted last year.

Section 4. That it adopts the attached City of Sugar Land Investment Policy, as shown in Exhibit A and City of Sugar Land Investment Strategy, as shown in Exhibit B.

Section 5. That the adopted Investment Policy and Investment Strategy apply to all funds under its control, including the funds of the Sugar Land Development Corporation and the Sugar Land 4B Corporation.

Section 6. That Resolution No. 25-23 is repealed.

APPROVED ON _____, 2026

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Meredith Reed

Linda Mendenhall, City Clerk

Attachments: Exhibit A - City of Sugar Land Investment Policy
Exhibit B - City of Sugar Land Investment Strategy

Exhibit A
CITY OF SUGAR LAND
INVESTMENT POLICY

A. PURPOSE

To establish and provide specific policy and guidelines for the conduct of the investment program of the City of Sugar Land.

B. POLICY

It is the policy of the City of Sugar Land that all City funds will be invested in compliance with state statutes, City Charter and Ordinances, and all related Governmental Accounting Standards Board Statements, and related financial accounting standards.

C. DELEGATION OF AUTHORITY

The City of Sugar Land is required by the Public Funds Investment Act (Chapter 2256, Texas Government Code) to adopt by Resolution, a written investment policy regarding the investment of its funds and funds under its control.

Authority to manage the City of Sugar Land's investment program is derived by Resolution. Procedures include explicit delegation of authority to persons responsible for investment transactions. The Investment Program Manager is responsible for the management of the investment program. The Investment Officers are responsible for the daily operation of the investment function. A person may not deposit, withdraw, invest, transfer, or manage in any other manner funds of the City without written authority by City Council. All investments must be approved in writing by two Investment Officers. Authority granted to a person(s) to deposit, withdraw, invest, transfer, or manage the City's funds is effective until rescinded by City Council or until termination of the person's employment. The Investment Program Manager shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials. Controls shall include but may not be limited to an annual review of sampled transactions by an external auditor. The auditor will review internal control by monitoring compliance with policies and procedures.

D. SCOPE

The investment policy applies to all financial assets of the City of Sugar Land [as reported in the City of Sugar Land's Annual Comprehensive Financial Report] and includes the following funds:

- 1) General Fund
- 2) Special Revenue Funds
- 3) Capital Project Funds
- 4) Enterprise Funds
- 5) Trust and Agency Funds

- 6) Debt Service Funds, including Reserves and Sinking Funds
- 7) Internal Service Funds
- 8) Component Units, excluding those that have adopted a separate investment policy.
Current component units included under this policy:
 - a. Sugar Land Development Corporation
 - b. Sugar Land 4B Corporation
 - c. Tax Increment Reinvestment Zone #1
 - d. Tax Increment Reinvestment Zone #3
 - e. Tax Increment Reinvestment Zone #4
- 9) Any other funds or component units as created by the City.

These funds, as well as funds that may be created from time to time, shall be administered in accordance with the provisions of this policy. All funds invested under this policy shall be considered as a pooled group for investment purposes.

Deferred compensation and the retirement system assets the City sets aside or holds for its employees are not subject to this policy.

E. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The governing body of the investing entity retains ultimate responsibility as fiduciaries of the assets of the entity.

In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration:

- 1) the investment of all funds under the City's control over which the officer had responsibility rather than a consideration as to the prudence of a single investment; and
- 2) whether the investment decision was consistent with the written investment policy of the city.

The Investment Program Manager and the Investment Officers are not personally liable for changes in the market.

F. OBJECTIVES

It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal. The primary objectives, in priority order, of the City of Sugar Land's investment activities shall be:

Safety. Safety of principal is the foremost objective of the investment program. Investments for the City of Sugar Land shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that

potential losses on individual securities do not exceed the income generated from the remainder of the portfolio, investments are limited to the safest types of securities, and pre-qualification is required for broker/dealers, financial institutions, and advisors with which the City will do business.

Liquidity. The City of Sugar Land's investment portfolio will remain sufficiently liquid to enable the City of Sugar Land to meet all operating requirements, which might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles and forecasted cash flow requirements. A portion of the portfolio will be maintained in liquid short-term securities that can be converted to cash if necessary to meet disbursement requirements. Investment pools and no-load money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Return on Investment (Yield). The City of Sugar Land's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the City of Sugar Land's investment risk constraints and the cash flow characteristics of the portfolio. Return on Investment is of secondary importance compared to Safety and Liquidity objectives.

The City shall attempt to obtain an acceptable return provided that the requirements of safety and liquidity are first met. The yields of the three and six-month Treasury bill shall be the yield objectives or "benchmarks". The portfolio shall also be benchmarked against an agency note with approximately the same maturity as the weighted average maturity of the portfolio.

The City of Sugar Land shall strive to maintain the level of investment of all fund balances, reserves, and bond funds as close to 100% as possible. While the objectives of safety and liquidity must first be met, it is recognized that portfolio assets represent a potential source of significant revenues. It is to the benefit of the City that these assets be managed to produce optimum revenues, consistent with state statutes and local ordinances.

G. STRATEGY

The governing body shall adopt a separate written investment strategy for each of the funds or pooled group of funds under its control. The strategy shall be reviewed on an annual basis with formal action by the City Council stating that the strategy has been reviewed and recording any changes made.

H. ETHICS AND CONFLICT OF INTEREST

Officers, employees, and elected officials shall refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Elected officials and investment officials who have a personal relationship with an entity seeking to sell an investment to the City and anyone who is related within the second degree by affinity or consanguinity to an individual seeking to sell an

investment to the City shall file a statement disclosing that personal business interest to the Investment Program Manager and City Manager.

For purposes of this section, an investment officer or elected official has a personal business relationship with a business organization if:

- (1) the official owns 10 percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
- (2) funds received by the official from the business organization exceed 10 percent of the official's gross income for the previous year; or
- (3) an investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

The statements must be filed with the Texas Ethics Commission and the City Council. For elected officials, this requirement is in addition to the Conflict Disclosure filings required under Local Government Code Chapter 176 and the City's Ethics Ordinance. Employees and officers shall subordinate their personal investment transactions to those of the City of Sugar Land, particularly regarding timing of purchases and sales.

I. INVESTMENT TRAINING

The Investment Officers shall take (a) 10 hours of training within twelve (12) months after taking office or assuming duties and (b) not less than eight (8) hours of training every (2) two years, relating to their investment responsibilities. The two-year training cycle begins on October 1st and ends two years later based on the City's fiscal year. Training must include education in investment controls, security risks, strategy risks, market risks, diversification, and compliance. The training must be provided by an independent source approved by the governing body or designated investment committee. For these purposes, courses or seminars offered by the Government Finance Officers Association, Government Finance Officers Association of Texas, Texas Municipal League, University of North Texas, Texas Association of Counties, North Texas Council of Governments – Training & Development Institute, the Government Treasurers Organization of Texas, Texas CLASS or the TexPool Academy will satisfy the training requirements. Training provided by organizations not listed here may be reviewed by the Investment Program Manager to determine if meets the requirements. Training may be done virtually or in-person. Documentation of training hours shall be reviewed annually by an external auditor.

J. QUALITY AND CAPABILITY OF INVESTMENT MANAGEMENT

Investment Officers shall always be cognizant of the standard of care and the investment objectives as set forth in the Public Funds Investment Act and the City's investment policy. The City shall provide the required investment training in compliance with the Public Funds Investment Act to ensure the quality and capability of investment management. Staff will set the

standard of training required, which may be over and above the eight (8) hours as required by the Public Funds Investment Act depending on the Investment Officer's experience.

K. SELECTION AND COMPLIANCE OF FINANCIAL INSTITUTION / BROKER/DEALERS INVESTMENT BROKER/DEALERS

Selection Process

The Investment Officers will maintain a list of financial institutions, primary brokers/dealers and local government investment pools authorized by the City Council to provide investment services to the City. Investment Officers shall not conduct business with any firm not approved by the City Council. As required under 2256.025, this list shall be reviewed and approved annually by City Council.

The City will prepare a Request for Investment Services every three years. The City shall follow the RFQ process to solicit the broker qualifications. All financial institutions and broker/dealers who desire to become qualified bidders for investment services must submit the required documents to the City by the stated day and time. After a review of all qualified submissions, a list of selected brokers/dealers will be prepared by the Investment Officers and approved by City Council. The following will be required with the application: most recent audited financial statements, proof of FINRA certification, trading resolution, proof of state registration, completed broker/dealer questionnaire, a list of local government clients and statements of qualifications.

Criteria used in the selection of authorized broker/dealers will include but are not limited to material litigation against the firm, regulatory status of the dealer, completed packet, references from local government clients, background, and expertise in investment of public funds.

The top six qualified firms/banks shall be selected to appear on the City's approved broker/dealer list. If, after a firm is selected, they no longer qualify to appear on the City's approved dealer list, or provide services inconsistent with acceptable levels, the Investment Officers may recommend to City Council to remove the firm from the approved list and replace it with the next qualified candidate based on the latest RFQ evaluation. The City may also approve one firm or bank to manage brokered CD purchases in addition to firms appearing on the approved broker/dealer listing.

CERTIFICATES OF DEPOSIT

The City may purchase Certificates of Deposit from banks within United States through a broker/dealer on the City's approved broker/dealer list who has an office located in the state of Texas. To avoid the additional collateral requirement, the amount invested in each CD will not exceed \$250,000 (FDIC insurance coverage) and to avoid the duplicate purchase of same CD, the City will utilize only one broker/dealer.

CERTIFICATION

A copy of the investment policy shall be presented to authorized investment pools annually. The qualified representative of the investment pool shall execute a written instrument stating to the effect that the qualified representative has:

- a. Received the investment policy,
- b. Acknowledged that the organization has implemented reasonable procedures and controls to preclude imprudent activities.

The Investment Officers may not deposit funds in an investment pool that has not signed a certification of receipt. The instrument must be signed annually by a qualified representative.

COMPETITIVE BIDDING REQUIREMENT

All purchases of investments will be placed after receiving competitive quotes from at least three financial institutions, broker/dealers, investment pools or any combination thereof. Quotes will be accepted either written or electronically, or a combination thereof. An exception to this rule may be made when time limitations preclude the bidding process such as rapidly changing market conditions, or if the security to be purchased is a "new issue" (offered in the primary market) with a future settlement date or brokered Certificates of Deposit. New issues should be compared to securities available in the secondary market of similar characteristics (maturity date, type, etc.). Funds may be invested in an authorized investment pool without receiving competitive bids to facilitate the investment of City funds.

The investment will be made with the broker/dealer offering the greatest return and quality to the City within the specified maturity window. If three bids/offers are solicited but three responses are not received within the time frame specified in the solicitation of the bid/offer, the Investment Officer may act based on the responses received if the solicitation of and failure to receive the bids/offers is documented. Other than Certificates of Deposit, evaluations of investments purchased must have the signature of at least two Investment Officers.

L. AUTHORIZED AND SUITABLE INVESTMENTS

The City of Sugar Land is empowered by state statute and City resolution to invest in the following types of securities and/or Public Fund Investment Pools:

Obligations of or guaranteed by Governmental Entities

- 1) Direct obligations of the United States or its agencies and instrumentalities.
- 2) Direct obligations of the State of Texas or its agencies and instrumentalities.
- 3) Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities.
- 4) Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated not less than A or its equivalent.

- 5) Interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor.
- 6) Interest-bearing banking deposits, other than those guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor, if:
 - a. the funds invested in the banking deposits are invested through:
 - i. a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Government Code Section 2256.025; or
 - ii. a depository institution with a main office or branch office in this state that the investing entity selects.
 - b. the broker or depository institution selected as described by Paragraph (5)(A) above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account.
 - c. the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
 - d. the investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account:
 - i. the depository institution selected as described by Paragraph (5)(a) above.
 - ii. a state or national bank that:
 1. is designated by the comptroller as a state depository,
 2. has its main office or a branch office in this state; and
 3. has a capital stock and permanent surplus of \$5 million or more,
 - iii. the Texas Treasury Safekeeping Trust Company
 - iv. a Federal Reserve Bank or a branch of a Federal Reserve Bank
 - v. a federal home loan bank
 - vi. a financial institution authorized to exercise fiduciary powers that is designated by the comptroller as a custodian pursuant to Government Code Section 404.031(e)
 - vii. an entity described by Government Code Section 2257.041(d); or
 - viii. a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

Certificates of Deposit

Authorized investment if the certificate of deposit is issued by a depository institution that has its main office or a branch office in this state, or purchased through a broker/dealer located in this state, and is:

- 1) Guaranteed or insured by the Federal Deposit Insurance Corporation or its successor.
- 2) Secured by obligations that are described in Section L or Section O or secured in any other manner and amount provided by law for deposits of the city.

CDs purchased through a broker shall meet criteria for maturity and interest rates determined by the City's investment officers in advance of purchase. The City must appoint an entity or the broker/dealer as custodian with respect to the CD's issued for the account of the City. The custodian shall provide monthly reports of CD's owned by the City.

Repurchase Agreements

Repurchase agreements may only be made with a Master Repurchase Agreement in place between the City and the financial institution.

Authorized investments:

- 1) Must have a defined termination date.
- 2) Can be secured either by: obligations described in Obligations of, or guaranteed by, Governmental Entities, or cash held by a third party.
- 3) Must be pledged to the City, held in the City's name, and deposited at the time the investment is made with a third party approved by the City.
- 4) Must be placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

Bankers' Acceptances

Bankers' Acceptances can be an authorized investment if they:

- 1) Have a stated maturity of 270 days or less from the date of issuance.
- 2) Can be liquidated in full at maturity.
- 3) Are eligible for collateral for borrowing from a Federal Reserve Bank.
- 4) Are accepted by a bank organized and existing under the laws of the United States if the short-term obligations of the bank are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

- 1) Is registered and regulated by the Securities and Exchange Commission.
- 2) Has a dollar-weighted average stated maturity of 90 days or fewer.

- 3) Includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share.

A no-load mutual fund is an authorized investment if the mutual fund:

- 1) Is registered with the Securities and Exchange Commission.
- 2) Has an average weighted maturity of less than two (2) years.
- 3) Is invested exclusively in obligations and investment pools as approved in the City's investment policy.
- 4) Is continually rated as to investment quality by at least one nationally recognized investment rating firm of not less than AAA or its equivalent.

The City will be provided with a prospectus and other information required by the Securities Exchange Act of 1934.

The City may not invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and debt service in no-load mutual funds.

The City may not invest any portion of bond proceeds, reserves or funds held for debt service in no-load mutual funds.

The City may not invest funds in an amount that would exceed 10% of the total assets of that mutual fund.

Investment Pools

The City may invest its funds and funds under its control through eligible investment pools if the governing body by ordinance or resolution authorizes participation in the pool. An investment pool shall invest the funds it receives from entities in authorized investments permitted by Chapter 2256 of the Government Code. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this subchapter and the investment policies and objectives adopted by the investment pool. The investment pool(s) must furnish a circular or disclosure document, which contains specific and detailed information. A listing of requirements is contained in Chapter 2256.016(b) of the Government Code. Investment pools must provide detailed monthly transaction and performance reports as outlined in Chapter 2256.016 (c) & (e).

A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. The monthly statement for a pool that invests in money market mutual funds must include a statement on how the yield on the pool is calculated.

A public fund investment pool must be continuously rated no lower than AAA or AAAM or no lower than investment grade by at least one nationally recognized rating service and have a weighted average maturity no greater than 90 days.

Investment pools created under Chapter 791 and managed by a state agency or private investment manager shall establish an advisory board composed equally of participants in the pool and other persons who do not have a business relationship with the pool.

The City may invest funds in an investment pool that invests in Commercial Paper as part of its portfolio, if the commercial paper meets the requirements of Chapter 2256.013. This policy limits the percentage of the portfolio allowed to be invested with a pool comprised of commercial paper in its portfolio. (See Section Q- Diversification)

Investments with Required Ratings

Investments with minimum required ratings such as investment pools, no-load mutual funds, and bankers' acceptances do not qualify as authorized investments during the period the investment does not have the minimum rating. The City shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating.

If an investment receives a change in rating that makes it no longer acceptable under the City's investment policy or PFIA, the City shall liquidate the investment at the earliest opportunity and reinvest the funds in an acceptably rated alternative investment.

M. UNAUTHORIZED INVESTMENTS

The following types of investments are prohibited by this policy:

1. Collateralized mortgage obligations, including but not limited to principal only strips, interest only strips, mortgage obligations with a stated final maturity date of greater than 10 years, and obligations with an inverse floating interest rate.
2. Direct investment in Commercial Paper.
3. All swaps including but not limited to even-basis swaps, interest rate swaps.
4. Forwards and futures.
5. Options.
6. Foreign exchange.
7. Planned amortization classes (PAC).
8. Regular floaters tied to government securities.
9. Investments with various interest rate caps, floors, and collars.
10. Investment pools in which the City would own more than 10% of the market value of the pool.
11. Any other investments that are not on the authorized investments list.

N. ELECTRONIC FUNDS TRANSFER

The City may use electronic means to transfer or invest all funds collected or controlled by the City.

O. COLLATERALIZATION

Collateralization will be required on demand deposits, repurchase agreements and all accrued interest. To anticipate market changes and provide a level of security for all funds, the market value of collateral pledged must be at least 102% of the ledger balance of demand deposits and repurchase agreements, and all accrued interest net of FDIC insurance coverage. Pledged securities shall be marked-to-market at least monthly.

A written collateral agreement must be executed, approved by the Board of Directors, an official record since the agreement's inception, and executed contemporaneously with the acquisitions of the asset.

The City chooses to accept collateral based on the list of investments authorized under the Public Funds Investment Act. The right of collateral substitution is granted with the approval of the Investment Program Manager or Deputy Director of Finance. The Investment Program Manager or Deputy Director of Finance may approve and release pledged collateral.

The City shall request additional collateral in the event Investment Officers deem that deposits or investments are not sufficiently protected by the pledged collateral.

Collateral will always be held in the City's name by an independent third party with whom the City or bank has a current custodial agreement. Clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and will be retained in the office of the Investment Officer. City staff will monitor deposit balances daily, in accordance with the intradepartmental policy on collateral, and will request increases in collateral pledged if deposits are reasonably anticipated to exceed the current collateral pledged.

P. SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements, entered by the City shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held in the name of the City by a third-party custodian designated by the City and evidenced by safekeeping receipts. Safekeeping receipts shall be maintained by the Investment Officers and shall be available for review upon request.

Q. DIVERSIFICATION

The City of Sugar Land will diversify its investments by security type, institution, and broker/dealer. Requests for bids/offers from broker/dealers shall rotate among approved broker/dealers to ensure that the same brokers are not solicited for every bid/offer request, and to ensure competition among broker/dealers.

Except for U.S. Treasury securities, no more than 75% of the City's total investment portfolio will be invested in a single security type. If the City elects to participate in more than one investment pool, the total percent invested in any one pool may not exceed 50% of the portfolio total, however multiple pools may be invested up to 90% of portfolio value if needed. Pools that invest in Commercial Paper may not exceed 25% of the portfolio value.

Diversification requirements are as follows:

<u>Investment Type</u>	<u>Maximum Investment %</u>
Repurchase Agreements	50% of portfolio
Certificates of Deposit	50% of portfolio
U.S. Treasury Bills/Notes	100% of portfolio
Other U.S. Government Securities	75% of portfolio
Authorized Investment Pools (governmental funds)	Max 50% in one pool, 90% of portfolio all pools
Authorized Investment Pools with Commercial Paper	25% of portfolio
Flexible Repurchase Agreements	50% of portfolio
Bankers' Acceptances	25% of portfolio
No Load Money Market Mutual Funds	50% of portfolio
No Load Mutual Funds	See authorized Investments, Mutual Funds

R. MAXIMUM MATURITIES

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than three (3) years or 1,095 days from date of purchase. The settlement date is considered the date of purchase. However, the City may collateralize its certificates of deposits and repurchase agreements using longer-dated investments not to exceed thirty (30) years.

The maximum weighted average maturity allowed, based on the stated maturity date for the portfolio, is 548 days or 18 months.

S. INTERNAL CONTROL AND ANNUAL AUDIT

The Investment Program Manager or designee shall establish a system of internal controls. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation of third parties, or imprudent actions by employees of Investment Officers of the City.

Controls and managerial emphasis deemed most important include the following:

Imperative Controls:

- A. Safekeeping receipts records management
- B. Documentation of investment bidding
- C. Written confirmations
- D. Reconciliation and comparisons of security receipts with investment and bank records
- E. Compliance with investment policies
- F. Accurate and timely reporting
- G. Adequate training and development of Investment Officers

Controls Where Practical:

- A. Control of collusion
- B. Segregation of duties
- C. Clear delegation of authority
- D. Staying informed about market conditions, changes and trends that require adjustments in investment strategies.

The City, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the City's established investment policies. This annual audit will be performed by an external auditor and will include a formal review of the quarterly reports.

T. PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market rate of return during budgetary and economic cycles, considering the City of Sugar Land's investment risk constraints and cash flow needs.

Market Yield Benchmark

The basis used to determine whether market yields are being achieved shall be the 3-month U.S. Treasury Bill. The portfolio will also be tracked against the 6-month U.S. Treasury Bill, as well as an agency note with maturity approximately equal to the weighted average maturity of the portfolio for that month. In a changing interest rate environment, the change in portfolio yield shall be monitored against the change in benchmark yield and stated as a basis point increase or decrease from the prior reporting period.

U. ARBITRAGE

The Tax Reform Act of 1986 issued regulations related to the City's investing of tax-exempt bond proceeds and debt service income. Arbitrage rebate provisions require that the City compute earnings on investments from each issue of bonds on an annual basis to determine if a rebate to the IRS is required. To determine the City's arbitrage position, the City is required to perform specific calculations relative to the actual yield earned on the investment of the funds and the yield that could have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the City. The rebate provision states that periodically (not less than once every five years, and not later than sixty days after maturity of the bonds), the City is required to pay the IRS a rebate of any excess earnings (positive arbitrage). The regulations require extreme precision in the monitoring and recording facets of investments, and particularly as it relates to yields and computations to ensure compliance. Failure to comply can dictate that the bonds become taxable, retroactively from the date of issuance, or subject the City to severe penalties.

The City's investment position as it relates to arbitrage regulations is as follows: Investments of bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. When project timing and cash flows allow, bond proceeds may be invested in

authorized investments. It is preferable to purchase investments solely with individual bond proceeds, and not commingle with operating funds or multiple issues; however, it is recognized that this is not always feasible. It is preferable to commingle funds from multiple issues or other capital projects funds before commingling with operating funds. Investments of bond funds should match maturities with project cash flows as closely as possible. All investments purchased with bond funds shall be documented clearly and reported to the City's arbitrage consultant for tracking and review. Arbitrage rebate calculations will be performed annually on all debt issues and funds set aside annually for any positive arbitrage. Arbitrage rebate payment will be remitted to the IRS, as necessary.

V. REPORTING

The City Manager and the City Council will receive a monthly report listing the investments, collateralization, and interest earnings prepared jointly and signed by all Investment Officers. The reports will be prepared in compliance with generally accepted accounting principles and include fully accrued interest in the aggregate for the reporting period.

The reports shall provide the following:

- 1) Investments by fund and in total.
- 2) Investment by maturity date.
- 3) Collateral amounts.
- 4) Beginning Book and Market Value in Summary and by Investment.
- 5) Additions/Changes to the Market Value in Summary.
- 6) Ending Book and Market Value in Summary and by Investment:
 - Where Book Value = Purchase Value
 - Purchase Value = Par Value x Purchase Price
 - Where Market Value = Par Value x Market Price
 - Market Value will be reported as of the last business day of the period and be obtained from the City's custodian bank.
- 7) Beginning and Ending Accrued Interest.
- 8) Coupon/Discount and Earnings Rate.
- 9) Percentage of the portfolio represented by each investment category.
- 10) Weighted average yield (WAY) to maturity of portfolio as compared to benchmark.
- 11) Change in WAY of portfolio vs change in benchmark yield.
- 12) Statement of compliance with the investment policy, strategy, and Public Funds Investment Act.
- 13) Signature of Investment Officers (physical or electronic).

Year-End General Ledger Adjustments

To ensure compliance with Government Accounting Standards Board Statements #31 and #72, the City shall use the market values of the investments from the City's custodian bank, and if

necessary, adjust the market values of the investments in the General Ledger as part of the year-end process.

W. INVESTMENT POLICY

The City of Sugar Land's investment policy shall be adopted by resolution by the City Council. The policy shall be reviewed annually by the Investment Program Manager, City Manager, Council Finance/Audit Committee and City Council. Any modifications made to the policy must be approved by the City Council and documented by formal action. The policy shall be adopted annually by resolution with tracked changes in the policy to document revisions.

Exhibit B
CITY OF SUGAR LAND
INVESTMENT STRATEGY

The City of Sugar Land shall adopt by resolution a separate written investment strategy for each of the funds under its control. For Investment purposes, the City shall use a "Pooled Fund Group" which means that all funds under the City's control shall be treated as one fund.

INVESTMENT STRATEGY

I. SUITABILITY

Investments are to be purchased based on the financial requirements of the City. The City of Sugar Land shall strive to maintain the level of investment of all fund balances, reserves, and bond funds as close as possible to 100%. Any investment eligible in the Investment Policy is suitable for all City funds, including component units.

II. SAFETY OF PRINCIPAL

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. All investments shall be of high quality with no perceived default risk. It is the City's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal.

III. LIQUIDITY

The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with budgetary and economic cycles and forecasted cash flow requirements. A portion of the portfolio will be maintained in liquid short-term securities that can be converted to cash if necessary to meet disbursement requirements. Investment pools and money market mutual funds provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

IV. MARKETABILITY

The City shall invest in securities that, if the need arises, can be liquidated before maturity. Investments will never be prematurely sold at less than book value plus accrued interest, without approval of the Investment Program Manager.

V. DIVERSIFICATION

The City will diversify its investments by security type, broker/dealer, and institution. Except for U.S. Treasury securities (up to 100%) and Investment Pools (which may aggregate to 90%), no more than 75% of the City's total investment portfolio will be invested in a single security type or 50% in a single investment pool, with 25% limit for investment pools that contain commercial paper. (See Diversification in Investment Policy)

VI. YIELD

The investment portfolio shall obtain a competitive rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The City shall attempt to obtain an acceptable return provided that the requirements of safety and liquidity are first met. The basis used to determine whether market yields are being achieved shall be the 3-month U.S. Treasury Bill. The portfolio will also be tracked against the 6-month U.S. Treasury Bill, as well as an agency note with maturity approximately equal to the weighted average maturity of the portfolio for that month.



City Council Agenda Request May 19, 2026

Agenda Request No: VII.H.

Agenda of: City Council Meeting

Initiated by: Natalie Serrano, City Council Liaison

Presented by: Shayla Lee, Director of Strategic & Government Affairs

Responsible Department: Strategic and Government Affairs

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-20**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING A POLICY FOR PUBLIC COMMENT AT CITY COUNCIL, BOARDS, AND COMMISSION MEETINGS; AND REPEALING RESOLUTION NO. 24-67.

Recommended Action:

Approve Resolution No. 26-20 amending City Council Policy 3000-10 regarding public comments at public meetings and repealing Resolution No. 24-67.

Executive Summary:

City Council Policy 3000-10 regulates public comments at City Council, Board and Commission meetings. The policy provides members of the public an opportunity to offer testimony to the governing body on items on the agenda before action is taken.

At the March 2026 Spring Retreat, City Council requested an amendment to expand public comment opportunities to include items posted as non-action workshop agenda items. Accordingly, the policy is amended by adding "or workshop" where applicable.

If approved, the policy will go into effect immediately.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. Public Comment Resolution 26-20

RESOLUTION 26-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING A POLICY FOR PUBLIC COMMENT AT CITY COUNCIL, BOARDS, AND COMMISSION MEETINGS; AND REPEALING RESOLUTION NO. 24-67.

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the City Council adopts the following Policy and Procedure for Public Comments and disruptions at public meetings:

**CITY COUNCIL POLICY
PUBLIC COMMENTS AT CITY COUNCIL, BOARDS, AND COMMISSION
MEETINGS**

Purpose of Policy

The purpose of this document is to provide guidance on public comments during meetings of the City Council, Boards, and Commissions of the City of Sugar Land. This Policy establishes guidelines to receive comments from members of the public during public meetings and to address disruption by audience members. This Policy is intended to fully comply with the requirements of the Texas Open Meetings Act (Chapter 551 of the Texas Government Code, referred to as the "TOMA"), Texas Penal Code section 42.05, and the First Amendment to the United States Constitution.

Public Comments

There will be a time designated for the City Council, Boards, and Commission to hear from the public at the beginning of each meeting regarding an item posted on the agenda for action or workshop. If an item on the agenda for that meeting provides for a public hearing, the person wishing to make comments on that item will speak at the time of the public hearing. Each speaker will have three minutes regardless of the number of agenda items to be addressed. Speakers requiring a translator will have six minutes. A timer will be set and monitored by the chair. The chair, by a majority vote of its members, reserves the privilege to extend the time.

Public Comments

A) Speaking on agenda items posted for consideration or workshop.

A "request to speak" form, provided by the city, requesting to be heard regarding a specific agenda item(s) will contain the citizens' name, address, telephone number, and subject agenda item(s) number, which the speaker wishes to address.

The request to speak form is to be given to the city clerk, or designee, prior to the beginning of the meeting.

Speakers are to step to the podium, or presentation area, when recognized by the chair, and state their name and address before beginning the presentation.

If documentation is being presented, a copy is to be provided to the city clerk, or designee, for the official record.

In situations where a large number of citizens representing a delegation wish to speak, the group will be encouraged to appoint a spokesperson to make comments.

If a speaker asks a question during the time designated for public comment under this policy, the chair or a member may give specific factual information or a recitation of existing policy to the speaker.

Any comment or discussion by any member about the subject of the inquiry will only be made at the time the subject is scheduled for consideration on the agenda.

B) Speaking on public hearing agenda items.

Public hearing applicants may make a presentation at the beginning of the public hearing.

The applicant will have a maximum of ten minutes to present testimony.

The chair, by a majority vote of its members, reserves the privilege to extend the time.

In situations where a large number of citizens representing a delegation wish to speak, the group will be encouraged to appoint a spokesperson to make comments.

Rules of Conduct for Attending Public Meetings/Prevention of Disruption.

A) Disruptions of public meetings are prohibited. Disruptions include but are not limited to the following:

Failure of a speaker to comply with the allotted time established for the individual speaker's public comment.

Outbursts from members of the public who have not been recognized by the chair for public comment.

Comments that are unrelated to an action or workshop item on the agenda.

Comments that are unrelated to the agenda item on which the speaker signed up to speak.

Delaying the orderly conduct or progress of the public comment period, including a failure to respect the process of accommodating individuals who wish to provide public comment in accordance with this Policy.

Use of an allotted individual comment period for purposeful delay, including remaining silent or engaging in other activity without conveying a discernible message.

Holding or placement of a banner or sign in the meeting room in a way that endangers others or obstructs the free flow of pedestrians or the view of others attending the public meeting.

Behavior, such as threats, personal attacks, or the use of racial, misogynistic, or gender related slurs, or abusive language or other disorderly conduct, that intentionally disrupts, disturbs, or otherwise impedes the orderly conduct of, or attendance or participation at a public meeting.

Talking out of turn or verbal utterances, failure to silence cell phones and/ or talking on a cell phone.

Failure to follow the direction of the chair or security official related to disruptions described above.

B) Disciplinary Rules for Disrupting a Public Meeting.

The chair will preserve the order and decorum of a public meeting at all times and has discretion to determine whether a disruption has occurred. If an individual fails to comply with this Policy, the chair may issue a verbal warning that the individual's behavior is a disruption to the meeting and if the disruption continues, the individual will be asked to leave and excluded from future meetings for a period of 60-calendar days.

Any individual who, after having been warned of their noncompliance, continues to conduct themselves in a disorderly or inappropriate manner will be asked to leave the meeting room and recognition to speak and attendance may be refused at subsequent public meetings.

Any duly authorized person assigned to provide security for the meeting will assist in the removal of the person, if necessary. The enforcement of this Policy will not be construed to preclude any person from prosecution for violation of any applicable penal law.

If a meeting is interrupted by any person or by a group of persons so as to render the orderly conduct of the meeting not feasible, and order cannot be restored by the removal of the individuals who are interrupting the meeting, the chair may order the meeting room cleared and continue the meeting, or may adjourn the meeting until such time order can be restored in the room. Representatives of the press or other news media, except those participating in the disruption, will be allowed to remain in the room upon showing appropriate documentation establishing their association with the press or news media.

C) Limitations on future attendance and participation in Public Comments and Public Hearings.

Individuals who have been removed from a public meeting for disruption will be prohibited from attending in-person another public meeting held by Council or the same Board or Commission for 60-calendar days. These persons may view Council meetings on the City's website or YouTube by utilizing the link at the top of the agenda.

Individuals prohibited from attending a public meeting in-person may submit written comments to the city clerk by 4 p.m. on the day of the meeting to be read into the minutes conditioned upon the comments being deemed to be in compliance with this Policy's requirements to speak on an agenda item or public hearing. Comments deemed not to be in compliance will not be read, distributed to members of the City Council, Board or Commission, or recorded in the minutes.

If an individual subject to an exclusion from a public meeting for 60-calendar days engages in activity that violates this Policy within 90-calendar days after termination of the 60-calendar day period, the chair may impose a second restriction of 90-calendar days. Should the individual engage in activity that violates this Policy within 90-calendar days after the termination of the 90-calendar day restriction, the chair may impose a third restriction of 180-calendar days. For each subsequent violation of this Policy, the chair may impose another 180-calendar day restriction.

In addition to the restrictions contained above, the City may impose criminal charges as permitted under Texas Penal Code sections 38.13 (Hindering Proceedings by Disorderly Conduct) and 42.05 (Disrupting Meeting or Procession).

D) Appeal of in-person attendance prohibition.

Any individual excluded from in-person attendance at future public meetings may appeal the exclusion by submitting a written appeal to the City Manager within five business days from the date of the exclusion. Upon receipt of the written appeal, the City Manager will consider the appeal and provide a written response within five business days. The individual's exclusion from public meetings will remain in effect during the City Manager's consideration of the appeal.

Section 2. That Resolution 24-67 is repealed.

Approved on May _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Linda Mendenhall, City Clerk