



A G E N D A

**REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE CITY COUNCIL CHAMBERS
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, JUNE 25, 2019, at 6:00 P.M.**

**Convene Meeting in Open Session
Training Room – 6:00 P.M.**

EARLY WORK SESSION

1. Receive an Update on the Copperas Branch Park Master Plan Project
2. Review of Council Goals and Objectives for FY Budget 2019-2020
3. Review the Capital Improvement Program (CIP) Budget for Fiscal Year 2019-2020
4. Clarification of Consent or Action Items listed on Today's City Council Regular Meeting Agenda of June 25, 2019

(Items discussed during Early Work Session may be continued or moved to Open Session and/or Late Work Session if time does not permit holding or completing discussion of the item during Early Work Session)

**CLOSED SESSION
Training Room**

5. Hold a closed meeting in accordance with the following sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
 - (b) Section 551.071 – Consultation with City Attorney regarding lawsuit styled City of McAllen, et. al. v State of Texas, Cause No. D-1-GN-17-004766 in the 353rd Judicial District Court, Travis County, Texas

**OPEN SESSION
City Council Chambers – 7:30 P.M.**

6. Call to Order
7. Prayer to be led by Deputy Mayor Pro Tem Barbara Fleming

8. **Pledge of Allegiance to the U.S. and Texas flags to be led by Deputy Mayor Pro Tem Barbara Fleming:** *“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”*
9. **Visitor Comments** *(Anyone wishing to address the City Council must complete a Speakers’ Request form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.)*
10. **City Manager/Staff Reports**
 - **HVTV Update**
11. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**
 - **Swearing In of Police Officers Javier Noriega and Kristen Andrews**
 - **Presentation of Award from the Texas Association of Municipal Information Officers (TAMIO) for the 2019 State of the City Video in the Special One-Time Program Video Category**
 - **Vince’s Band of Brothers Update**

CONSENT AGENDA

All of the items on the Consent Agenda are considered for approval by a single motion and vote without discussion. Each Councilmember has the option of removing an item from this agenda so that it may be considered separately and/or adding any item from the Action Agenda to be considered as part of the Consent Agenda items.

12. **Consider approval of Minutes of the Regular City Council Meeting held on June 11, 2019**
13. **Consider Resolution 2019-2823 authorizing the City Manager to Execute a Task Order with BW2 Engineers, Inc. for Infiltration/Inflow Analysis Testing**
14. **Receive the Capital Improvement Program (CIP) for Fiscal Year 2019-2020**

ACTION AGENDA

15. **Take action, if any, on matters discussed in closed session in accordance with the following sections of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**
 - (b) **Section 551.071 – Consultation with City Attorney regarding lawsuit styled City of McAllen, et. al. v State of Texas, Cause No. D-1-GN-17-004766 in the 353rd Judicial District Court, Travis County, Texas**

16. Conduct a Public Hearing and Consider an Ordinance relating to an application for Rezoning of the Property located at 1400 Highland Village Road

**** THIS ITEM HAS BEEN POSTPONED PENDING ACTION BY THE PLANNING AND ZONING COMMISSION ****

17. Consider Resolution 2019-2824 authorizing a Contract with Play by Design for Engineering Services at Kids Kastle

LATE WORK SESSION

(Items may be discussed during Early Work Session, Time Permitting)

18. Receive an Update on the 86th Texas Legislative Session
19. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)
20. Adjournment

I HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE PUBLIC BULLETIN BOARD AT THE MUNICIPAL COMPLEX, 1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS IN ACCORDANCE WITH THE *TEXAS GOVERNMENT CODE, CHAPTER 551*, ON THE 21ST DAY OF JUNE, 2019 NOT LATER THAN 5:00 P.M.



Angela Miller, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 or Fax (972) 317-0237 for additional information.

Removed from posting on the _____ day of _____, 2019 at _____ am / pm by _____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1

MEETING DATE: 06/25/19

SUBJECT: Receive an Update on the Copperas Branch Park Master Plan Project

PREPARED BY: Phil Lozano, Parks and Recreation Director

COMMENTS

City staff will provide an update on the Copperas Branch Park Master Plan project.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 2

MEETING DATE: 06/25/19

SUBJECT: Review Council Goals & Objectives for Fiscal Year 2019-2020

PREPARED BY: Michael Leavitt, City Manager

BACKGROUND:

The Mission Statement and Core Values are designed to focus and direct the City. It communicates primarily to the people who make up the organization, our employees, Council, and our residents, a shared understanding of the organization's intended direction. Recognizing the power of both our Mission Statement and Core Values, they provide us an excellent framework in setting our City Objectives to maintain a drive and focus to our Core Values.

The Core Values with the addition of the City Objectives will be incorporated into the budget message and budget document.

OPTIONS & RESULTS:

During the budget process last year we confirmed that the Mission Statement and Core Values will be the guiding principal in the development of our City Objectives and Departmental Objectives, which serve as a work plan to direct City Staff in meeting the challenges and opportunities of serving Highland Village residents. Our Core Values and City Objectives will be submitted with the City Manager Budget Message and incorporated into the budget document for guidance in the development of the Fiscal Year 2019-2020 Budget.

PROGRESS TO DATE:

The Mission Statement and Core Values confirmed during the Fiscal Year 2019 budget process are as follows:

Mission Statement

We are committed to promoting a spirit of integrity, partnership, and excellence of service for the benefit of our citizens, guests, and neighboring communities; to ensure that Highland Village continues to be a vital and dynamic city with a vision for the future.

Core Values

INTEGRITY

We are dedicated to a high ethical culture, high moral standards, and honesty in our dealings with the public and each other. We will treat all people with dignity, respect, and fairness.

SERVICE

We will provide excellent service to the public in the most responsive, efficient, and effective manner.

- We will recognize and understand the needs of our residential and business community and deliver in a manner that meets or exceeds expectations.

TEAMWORK

We will value teamwork, empowerment, and a spirit of cooperative effort from all employee levels within the organization and the community. We believe that the employees of the City are our most valuable resource. Each employee's contribution is the key to our success.

- We will provide a work environment that is respectful of all employees, empowering each with ability to solve problems, and provide support for employees to grow and attain a personal/work life balance.
- We will support and facilitate volunteer activities and social services that provide service to the city and community.

RESPONSIVE

We will be a responsive city organization, dedicated to maintaining a well-trained and competent workforce to enhance the quality of life in our City.

- We will foster a work force comprised of professional, highly qualified, and customer friendly employees to provide timely and accurate response to the needs of the community.

COMMUNICATION

We believe in simplicity, accuracy, and clarity in communications with the public and each other. We encourage the open exchange of ideas and information.

- We will work to instill a sense of community with our external and internal customers through multiple two-way communication avenues.

ACCOUNTABLE

We are committed to a financially responsible local government, one that is cost conscious and concerned about the effective and efficient delivery of services to the public.

- We will achieve the highest ethical standards in providing all goods and services, using financial and departmental recognized "best practices."

ENTERPRISING

We value innovation and creativity, and support a culture for change and reasonable risk-taking at all levels of the organization.

- We will innovate by generating creative solutions to problems that will result in improved performance, better outcomes, and higher productivity in our programs and services.

Exhibit A details the Departmental Objectives with corresponding Core Values that were approved in Fiscal Year 2019. Staff is working to update these for Fiscal Year 2020.

RECOMMENDATION:

Council to receive and review the Council Goals & Objectives for Fiscal Year 2019-2020.

EXHIBIT A

FY 2018 – 2019 Departmental Objectives with Corresponding Core Values

Finance Department

- **Teamwork** In conjunction with IT, complete data conversion of Utility Billing, Municipal Court, and Cash Collections software to current version.
- **Accountable** Review EMS fee structure and billing model and recommend changes if necessary to facilitate cost recovery with objective of achieving fairness to customers.
- **Accountable** Investigate and consider updates to the Finance Department's website to contain disclosures that would qualify the City for the Texas Comptroller of Public Accounts Transparency Stars.
- **Integrity** Implement audit of targeted cash collection functions throughout the City.

Marketing & Communications

- **Communication** Work with Public Works to educate residents on guidelines and services of new solid waste provider, Community Waste Disposal.
- **Communication** Increase use of city website and social media to inform and engage residents.
- **Teamwork** Work with Public Works and Community Development on educational material to encourage resident compliance with home maintenance codes and general upkeep of the community.
- **Enterprising** Raise awareness of the Highland Village Business Association and promote local businesses through social media, video and partnerships.

Human Resources

- **Teamwork** We are committed to providing an environment that promotes and supports teamwork across departments. Our On the Spot program empowers employees to recognize those who go above and beyond expected duties and provides for rewards for a job well done. The new performance management system will also provide a forum for employees to recognize their peers and express appreciation.
- **Accountable** To provide a fair, comprehensive, and sustainable compensation and benefit package to all employees.
- **Communication** Open communication is paramount to a healthy organizational culture. The Human Resources Department continuously strives to provide open and meaningful communication to those we serve, and we encourage the same throughout all departments.
- **Integrity** The Human Resources staff is committed to providing support services while keeping high ethical and moral standards in mind always.
- **Responsive** We continuously promote ongoing training opportunities to increase the professionalism of employees. An in-house Supervisor Series will be developed to provide all supervisors the knowledge they need to effectively manage their direct reports in accordance with City-wide values and service expectations.
- **Responsive** As a support services department, Human Resources values input at all levels. We rely on employee committees, customer feedback, and we build relationships across all departments and organizational levels to ensure the services we provide are valuable, meaningful and productive.

City Secretary

- **Teamwork** Continue the migration of paper records in the Public Works and Community Service Departments to a digital content management program and work with IT to create custom workflows to automate the process.

- **Communication** Work with the Marketing and Communications Department to raise awareness of opportunities for residents to serve on City boards, commissions and committees.
- **Integrity** Identify training opportunities for City officials through state and regional resources.

Information Services

- **Responsive** Complete upgrade to Windows 10 operating system on all computers, and initiate a three year replacement schedule to upgrade and replace all three Disaster Recovery Servers.
- **Teamwork** Reconfigure and optimize the console set up in dispatch. Replace all remaining Panasonic tough books in the Police Department vehicles.
- **Service** Implement online payment capability for permits.
- **Enterprising** Following the implementation of the citywide camera replacement program, determine need for additional cameras at Kids Castle and Copperas Park.
- **Teamwork** Implement applications for mobile inspections for the Parks Department.
- **Responsive** Replace IT department desktops with workstation class laptops that will allow for improved performance, mobility and virtualized test space.

Police Department

- **Accountable** To get as close to 100% staffing (sworn officers) as possible. Recruiting and retention of officers is affecting Law Enforcement across the country. There is much competition with richer and larger cities who can offer better salary, benefits and opportunities for progression. Adjustments in pay and opportunities for new hires to attend a police academy have significantly had a positive impact our staffing levels already.
- **Enterprising** To attain 100% of our selected positions as Emergency Care Attendant (ECA) certified.
- **Service** To maintain a "Top 10" ranking as a Texas Safest City through our existing Community Policing Model.
- **Teamwork** Maintain our community programs that instill the spirit of support and pride throughout the Police Department: The TXFallenPD Tribute Event, Special Olympics Texas; and an Annual Toy Drive for Denton County residents. The three of these events put officers, dispatchers, and command staff in various forums throughout the county and promoting our values. Additionally, these three programs raise more than \$150,000 that remains in our county.
- **Responsive** Provide ample training opportunities and unique or newly created additional duties to challenge and empower our people to continue to grow and be involved in our continuing challenge to Law Enforcement.
- **Teamwork** Continue and enhance our School Resource Officer program funding in order to provide service in all four Highland Village schools with an emphasis on developing relationships by providing a positive impact on the students, parents, faculty and staff.

Fire Department

- **Enterprising** Expand training and capabilities of all city staff to respond to Traumatic hemorrhage emergencies with the "Stop the Bleed" program.
- **Responsive** Implement a good fitness program with the assistance of a professional trainer to educate staff on proper workouts for appropriate strength and flexibility conditioning.
- **Service** Implement gas monitors to detect hazardous gasses found in work environment.

Community Services

- **Enterprising** Implement CityWorks, Permitting, License and Land Use, (PLL), which will allow customers to apply for permits online.

- **Accountable** Implement CityWorks PLL for enhanced tracking of all building permits, site plans, concept plans, and Ordinances for potential development within the City of Highland Village.
- **Service** Implement our new solid waste contract with Community Waste Disposal (CWD) in September 2018.

Street Department

- **Teamwork** Inventory and rate all concrete streets in Highland Village using the standard manual survey method developed by the Federal Highway Administration
- **Accountable** Identify, design and construct 2018 asphalt overlay project based on the Condition Pavement Index (CPI) to enhance our street life cycle and repair program.
- **Accountable** Construct phase 1 of the 2018 Street Bond Project.
- **Service** Implement a pavement stripping plan for the Trail System Master Plan existing network.

Maintenance Department

- **Accountable** Continue interior enhancements of the police department and the City Hall rotunda consisting of painting, minor wall repairs and mill work.
- **Enterprising** Continue our energy efficiency program of LED upgrade project which includes installation and retrofitting of LED lighting in City Hall to replace all T-8 fluorescent fixtures.
- **Accountable** Complete the roof replacements as part of the hail storm recovery.

Parks and Recreation Department

- **Teamwork** Facilitate active participation of Parks and Recreation Advisory Board members in the role of park ambassador in and for the community.
- **Responsive** Provide a strategic employee training program focused on improving customer service and individual performance.
- **Accountable** Provide a measurable process to evaluate recreation and event programs for effectiveness in the community.
- **Enterprising** Identify ways opportunities to enhance Doubletree Ranch Park by adding amenities to improve the experience and new events such as “Christmas at the Ranch.”

Utilities (Water/Wastewater & Drainage)

- **Accountable** Identify and reduce Inflow and Infiltration of our wastewater collection system by performing I&I smoke testing of approximately 20% of the collections system.
- **Service** Reconstruct the existing sanitary sewer main crossing the KCS RXR in the Canyon Creek subdivision.
- **Service** Replace the existing Asbestos Cement (A/C) water mains in the Canyon Creek Subdivision.
- **Communication** Continue the storm water education campaign for Highland Village residents.
- **Integrity** Uphold our commitment to environmental programs by performing water quality testing of local streams and creeks.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 3

MEETING DATE: 06/25/2019

**SUBJECT: Review Capital Improvement Program (CIP) for Fiscal Year
2019-2020**

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND

The City Charter calls for submission to Council of a five-year capital budget. This provides an opportunity for Council to see a multi-year outlook for planning purposes. In essence, this should provide the framework for consideration of the current year's budget and resulting tax rate.

IDENTIFIED NEED/S:

Capital improvements currently in process, as well as additional proposed programs have been identified by City Staff. The potential programs can come from various sources including City Council, boards/commissions, residents, and Staff members. These projects are non-operational, "big-ticket" items that typically require outside funding sources such as debt issuance, grant, or lease/purchase arrangements.

PROGRESS TO DATE: (if appropriate)

A summary of the identified programs follows – presented in context of a five-year window. With the City nearing build-out, there are limited capital programs anticipated in relation to primary City infrastructure.

In general, after years of substantial growth and approaching substantial build-out, the community is more settled. Capital improvements related to basic infrastructure are widely supported. Improvements related to amenities/improved services, while desired, are viewed in context of affordability. The primary emphasis in the five-year outlook for the past few years has been in controlling on-going operating costs in a context of sustainability within the anticipated revenue base. A focus on staffing has been to maintaining existing staffing levels if possible – with emphasis on efficiency and leveraging technology enhancements to not compromise the high level of service that currently exists, with new positions to be evaluated only if a demonstrated need warrants consideration.

The current year of the five-year outlook is being developed as part of the proposed FY 2020 Budget, and is preliminary at this point – to be updated during the budget process this summer. However, the outlook can provide a larger picture of the financial outlook over the next few years. Outstanding projects at this time are related to the Capital Projects Fund. A bond election in FY 2018 remains the primary focus of the capital program, with the various projects detailed following. The following tables depict a summary of the capital projects in process and anticipated in the subsequent five years.

Current-Year Capital Projects

A \$7M general obligation bond was issued in 2018 to address targeted Parks and Public Works issues as follows:

Bond Election 2018	
Streets Projects	\$2,800,000
Parks Projects	4,105,000
Bond Discount / Premium	173,588
Issuance Costs	<u>(70,907)</u>
Total Bond Proceeds	\$7,007,681

Parks Projects

Unity Park - \$2.54M

Unity Park is Highland Village's only community park. This is a highly utilized park that includes multiple amenities for resident use. Improvements include:

- Ponds - The ponds require dredging to remove the accumulated silt as well as improvements to address drainage considerations. A study was conducted in 2017 which recommended making improvements to the ponds to accommodate a 50-year flood. This will provide benefit to the surrounding area, as well as homes downstream from the park.
- Kids Kastle Play Structure – This playground was originally constructed in the 1990's as a community build project. Following a fire in the 2000's, it was rebuilt again as a community project. The play area is at the end of its useful life and in need of replacement, this time with new recycled plastic materials that will provide increased safety and reduced maintenance. The intent is to again approach as a community build project. As this is adjacent to the ponds, the playground will be demolished in conjunction with the pond construction to provide economies of scale with the design and required grading for the entire area. Reconstruction of Kids Kastle would proceed immediately following completion of the pond improvements.
- Softball Field - A section of the park will be redeveloped to add an additional softball field to complement the existing baseball fields.

Brazos Park Parking Lot - \$353,000

Several years ago a parking lot was built at Brazos Park to alleviate parking on adjacent streets. Popularity of the fields has prompted the need to increase the size of the parking area by an additional 50 spaces. This project was completed in February 2019.

Victoria Park - \$198,000

The current walking track is badly cracked and uneven, causing a tripping hazard to patrons. The track will be resurfaced and replaced with a six foot concrete path. The project concept was to rehab the existing walking trail around the perimeter of the park. However, feedback from a resident prompted consideration of a redesign of the trail to traverse through the park to encourage the transition of elimination of organized soccer utilization in lieu of open space, as

originally intended for this park. The park is located in an Oncor easement, thus prompting required approval of Oncor for any design changes to the park. Proposals have been submitted to Oncor, with discussions in progress to ensure sufficient safety for park patrons in consideration of the existing overhead power lines.

Highland Village Road Sidewalk - \$922,300

Construction of the sidewalk on Highland Village Road from the Municipal Complex to Sellmeyer Lane to increase pedestrian safety and connect residents to amenities along Highland Village Road. A large number of residents adjacent to this section have no access to the Inland Trail System to connect to Lions Club Park, Lakeside Community Park, and Doubletree Ranch Park. This presents a potential safety issue as people walk the two-lane Highland Village Road to access these amenities.

Sunset Point Park - \$162,700

Sunset Point Park is classified as a mini park and serves local residents as a neighborhood park site providing water access to Lewisville Lake. The development will address erosion issues and safety concerns along with enhanced roadway completion to facilitate emergency vehicle access and turn around capabilities. Public input was solicited on the design for the park in the spring of 2017 and was approved by Council. However, at this time, a reduced-scale project of roadway improvements only is anticipated to provide the turn-around capability for emergency vehicles. Further development of the park will be re-evaluated for consideration at a later date.

Streets Projects

The City of Highland Village conducts a Pavement Condition Inventory Survey to determine the priority of streets that need repairs, overlays, or full replacement. The streets to be addressed with this proposition have reached the end of their life cycle and are in need of full reconstruction.

Total Proposed Street Bond Proposition (\$2.8M)	
<u>Identified Streets for Reconstruction</u>	
Rosedale Street	Springway Drive
Ranier Court	Mockingbird Drive
Catesby Place	Post Oak Drive
Rockland Drive	Pecan
Hickory Ridge Drive	Raintree Drive
Oak Forest Drive	Greensprings Street
Winding Creek Drive	Duvall
Dickinson Drive	Baird Circle
S Clearwater Drive	Donna Circle
Scenic Drive	Savanna Drive

The project will be divided into four roughly equal segments over the next year.

Projects In –Process

Description	Funding Source	Anticipated Cost	Status
Capital Projects Fund			
Parks Projects	2018 GO Bond Parks Project Cost – \$4.2M		
Brazos Parking Lot	Budgeted Project Cost - \$353,000	\$396,438	Complete
Sunset Point Park	Budgeted Project Cost - \$162,700	\$150,413	Project has been bid, now awaiting USACE approval. Once received, the project should be completed in 90 days.
Victoria Park Walking Trail re-surface	Budgeted Project Cost - \$198,000	\$203,400	Re-design considerations are still in progress. Anticipated to bid in July 2020.
Highland Village Road trail (City Hall to Service Center)	Budgeted Project Cost - \$922,300	\$968,952	Project currently in design. Anticipated to bid in July 2020.
Unity Park			
Softball Field	Budgeted Project Cost - \$1,021,250	\$1,018,766	Project has been bid and is currently under construction. Anticipated completion in September 2019.
Pond improvements	Budgeted Project Cost - \$925,431	\$1,380,681	Bids to be advertised mid-June, with bid opening anticipated in mid-July. Construction would be slated to commence in the Fall, with completion anticipated in June 2020..
Kids Kastle	Budgeted Project Cost - \$600,250	\$600,250	Selection of the vendor is anticipated in June 2019, followed by community engagement and design. Demo of current structure is anticipated concurrent with pond construction in Fall 2019. Construction of the playground would commence following completion of the pond project.
Streets Projects	2018 GO Bond - Streets (\$2.9M) Phase I Project Cost – \$2.8M	Phase I – \$523,307	Phase I has contracted awarded, with construction to commence in June 2019. Phase II expected to bid in July 2019. Phase III to bid early 2020, with Phase IV to bid Summer 2020..

Projects In Process

Projected Operating Costs

Dept	Description	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Capital Projects Fund						
Parks	Unity Park (Pond improvements, softball field, Kids Kastle)	\$710	\$710	\$710	\$710	\$710
	Highland Village Road sidewalk	810	810	810	810	810
	Brazos Parking	-0-	1,200	-0-	-0-	1,200
	Sunset Point	114	114	600	114	114
	Victoria Park Walking Track	-0-	-0-	-0-	-0-	-0-
Streets	Street Reconstruction	-0-	-0-	-0-	-0-	-0-
	Total	\$1,634	\$2,834	\$2,120	\$1,634	\$2,834

Unity Park reflects annual increased costs of \$1,400 related to supplies / materials for softball fields (above current cost for maintaining soccer fields that are replaced). There will be a net decrease of \$690 annually related to Kids Kastle, as current structure of treated wood requires frequent sealing to maintain safety standards. New equipment will be plastic, thus requiring less maintenance.

Highland Village Rd sidewalk anticipates annual increase in mowing contracted maintenance of \$810 annually.

Sunset Point only expected increase will be associated with addition of security lighting at \$114 annually.

Street reconstruction does not have additional associated maintenance costs as they do not add additional infrastructure than what currently exists in the City.

Identified Future Projects for Consideration

Dept	Description	Funding Source	Total Project Cost	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Capital Projects Fund								
Parks	Update Unity Park entry	Contribution from Parks Foundation \$125,000 Remaining – GF/ available bond proceeds	265,400	✓				
Parks	Chapel Hill Trail Connection	GF/ available bond proceeds	220,908	✓				
Streets	Street Reconstruction Projects (Phase II)	Proposed Bond	\$ 2,750,000					✓
Parks	Lower Sellmeyer Park improvements	Proposed Bond	\$ 30,400					✓
Parks	Lions Club Park improvements	Proposed Bond	\$ 41,250					✓
Parks	Turpin Park improvements	Proposed Bond	\$ 22,000					✓

Parks - Update Unity Park entry

With upgrades to Unity Park being a key focus of the 2018 Bond Election, a need was identified to refresh the entry feature to Unity Park adjacent to Kids Kastle - to reflect consistency with the surrounding upgrades. The Parks Foundation provided a donation to the City of \$125,000 toward his project, with the City to provide funding for the remainder. The anticipated cost of the project is \$265,400, thus leaving the City to fund \$140,400. Funding options will be addressed in the FY 2020 Budget process, with intent of completing this project in conjunction with the pond upgrades and rebuild of Kids Kastle.

Parks – Chapel Hill Trail Connection

An identified top priority for the trail system is to provide connection to the City Trail for a major subdivision – Chapel Hill. The anticipated cost for this trail segment is \$220,908. This would typically be addressed in the Highland Village Community Development Corporation (4B) budget as a trail project. However, this fund is not anticipated to have sufficient funding ability for a few years. With desire to accelerate this project, realized savings for a favorable street overlay project in FY 2018 was redirected to fund engineering for the trail connection. A remaining amount of \$130,000 is needed in funding – with options to be considered in the FY 2020 Budget.

Future Potential Capital Projects for Consideration Potential 2023 Bond Issuance

Public Works - Streets

The City has a program to evaluate and maintain street infrastructure. Generally, needed street overlays are addressed each year in the annual budget, while bonds are issued periodically to fund street reconstruction projects as needed. Streets currently in need of reconstruction are being addressed with the FY 2018 Bond Issue. Streets that have been identified in need of reconstruction within a 5 -7 year window total \$2.75M based on current costs. These will likely be addressed with a bond issuance in FY 2023, with debt issuance corresponding with reductions in existing debt service – with intent to provide consistent debt service levels.

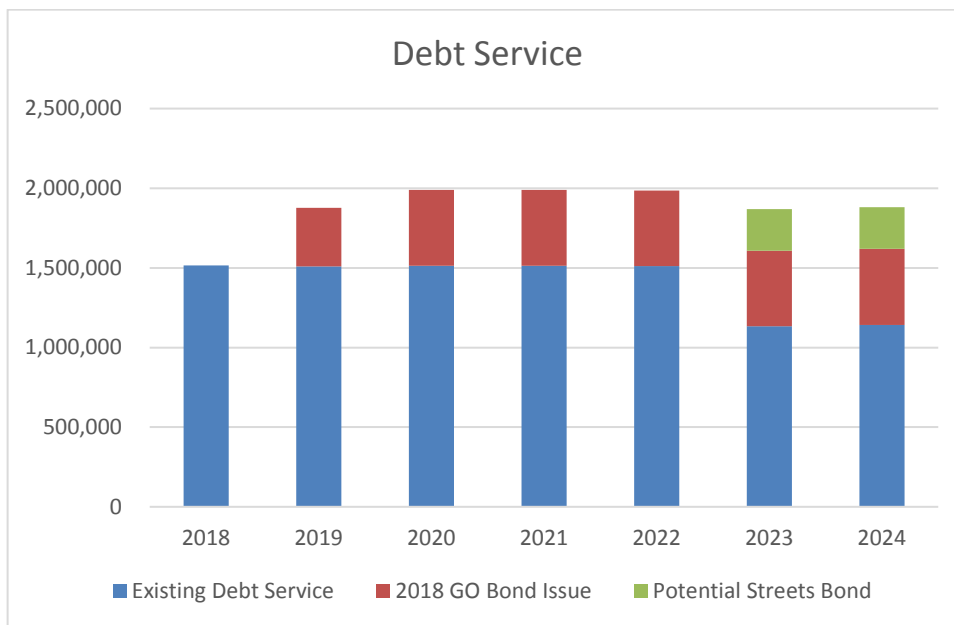
Parks

Playground equipment and structures in the neighborhood parks are regularly evaluated to ensure adherence to safety standards as well as functionality of meeting needs of residents. These accordingly are periodically changed out or updated as needed. Parks anticipated with need to be addressed in the five-year window are Lower Sellmeyer, Lions Club, and Turpin.

Five Year Outlook

In general, the focus of the CIP five-year outlook is to evaluate funding **ability** with suggested capital improvement programs – in regard to issued debt and associated debt service, as well as related ongoing operations costs. Maintaining sufficient fund balance levels is a key measure of evaluation. Financial policies require a minimum 20% fund balance with a targeted range of 20 - 25%.

Preliminary projections, which will be refined during the budget process through the summer months, does provide capacity to consider debt issues within the five-year outlook. Property values have experienced significant increases the past couple of years – and with expectation for a higher than historical average increase this year. However, increases in valuation seem to be leveling off, and coupled with State legislative action this session to limit property tax revenue growth in cities, will prompt a more conservative future outlook. This necessitates a disciplined approach to manage growth in operations cost and reduction in overall debt-service load. In the ten years prior to FY 2015, debt service represented about 20% of the tax rate. Current debt service now reflects roughly 15% of the tax rate. As revenues flatten with build-out, a continued focus on managing debt service is critical – both in terms of avoiding spikes, but also reducing to a lower, more manageable level for the future.



Projections for current bond projects exceed the proceeds on hand by roughly \$550,000. Council will evaluate various options to address this shortfall. In general, a preliminary projection of fund balances show sufficiency to provide this funding if desired.

The potential debt offerings shown above are included in a projected five-year outlook to provide a context in discussion of development of the current-year budget. The outlook is based on implementing an additional ½ cent decrease in FY 2021 and maintaining current tax rate following, also incorporating current trends in both revenues and expenditures to provide projections. Any number of factors could change the outcome considerably. Scenarios, such as a downturn in the economy, will be discussed during budget deliberations to assist City Council in decision-making process in regard to funding of the discussed capital projects.

The preliminary Five-Year Outlook provides a context of the projects identified to have sufficient funding for an extended time frame.

Five-Year Outlook

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Fund Bal	\$ 7,391,960	\$ 7,550,923	\$6,308,420	\$5,841,633	\$5,926,073	\$ 5,836,708	\$ 5,794,114
Revenue							
Property Tax Collections	10,588,194	10,857,989	11,392,733	11,725,871	12,112,843	12,722,842	13,220,501
Sales Tax	2,647,444	2,728,675	2,816,017	2,892,263	2,972,356	3,038,970	3,107,539
Franchise Fees	1,699,613	1,671,797	1,644,785	1,665,117	1,682,088	1,700,421	1,650,460
Licenses / Permits	460,833	519,407	351,138	407,923	395,762	403,656	292,606
Public Safety Fees	535,570	513,237	519,737	526,428	532,816	536,683	540,627
All Other	889,952	818,473	801,706	810,557	813,328	810,921	818,640
Subtotal	16,821,606	17,109,579	17,526,118	18,028,158	18,509,193	19,213,493	19,630,374
Transfers	575,695	534,000	534,000	534,000	534,000	534,000	534,002
Total Revenue	17,397,301	17,643,579	18,060,118	18,562,158	19,043,193	19,747,493	20,164,376
Expenditures							
Personnel	11,733,501	12,349,785	13,048,868	13,611,206	14,201,607	14,821,695	15,462,643
Services / Supplies	4,823,638	4,660,639	4,356,038	4,305,512	4,394,951	4,582,393	4,719,864
Supplemental	-	335,658	200,000	200,000	200,000	200,000	200,000
<i>Operating Expenditures</i>	16,557,139	17,346,082	17,604,905	18,116,718	18,796,558	19,604,087	20,382,508
Net Operating Rev.	840,162	297,497	455,213	445,440	246,635	143,406	(218,131)
Equip Replacement / Capital	665,199	1,474,000	826,000	300,000	225,000	170,000	180,000
Transfers Out	(16,000)	(66,000)	(96,000)	(61,000)	(111,000)	(16,000)	(16,000)
Net Revenues	158,963	(1,242,503)	(466,787)	84,440	(89,365)	(42,594)	(414,131)
Ending Fund Balance	\$ 7,550,923	\$ 6,308,420	\$5,841,633	\$5,926,073	\$5,836,708	\$ 5,794,114	\$ 5,379,982
	44%	34%	32%	32%	31%	29%	26%

Items to Note:

- **Preliminary** Five-Year Outlook – will be updated during FY 2020 Budget Process.

RECOMMENDATION:

Review the FY 2020 Capital Improvement Budget.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11

MEETING DATE: 06/25/19

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Karen Bradley, Administrative Assistant to City Secretary

COMMENTS

Pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety.

- Swearing In of Police Officers Javier Noriega and Kristen Andrews
- Presentation of Award from the Texas Association of Municipal Information Officers (TAMIO) for the 2019 State of the City Video in the Special One-Time Program Video Category
- Vince's Band of Brothers Update

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12

MEETING DATE: 06/25/19

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on June 11, 2019

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

Minutes are approved by a majority vote of Council at the Council meetings and listed on the Consent Agenda.

IDENTIFIED NEED/S:

Council is encouraged to call the City Secretary's Office prior to the meeting with suggested changes. Upon doing so, staff will make suggested changes and the minutes may be left on the Consent Agenda in order to contribute to a time efficient meeting. If the change is substantial in nature, a copy of the suggested change will be provided to Council for consideration prior to the vote.

OPTIONS & RESULTS:

The City Council should review and consider approval of the minutes. Council's vote and approval of the minutes reflect agreement with the accuracy of the minutes.

PROGRESS TO DATE: (if appropriate)

The City Manager has reviewed the minutes and given approval to include the minutes in this packet.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve the minutes of the Regular City Council meeting held on June 11, 2019.



**MINUTES OF THE REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HELD AT THE HIGHLAND VILLAGE MUNICIPAL COMPLEX
LOCATED AT 1000 HIGHLAND VILLAGE ROAD
TUESDAY, JUNE 11, 2019**

Mayor Charlotte J. Wilcox called the meeting to order at 6:30 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Ken Heerman	Assistant City Manager
	Julie Doshier	City Attorney
	Angela Miller	City Secretary
	Doug Reim	Chief of Police
	Michael Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Phil Lozano	Parks and Recreation Director
	Laurie Mullens	Director of Marketing & Communications
	Andrew Boyd	Media Specialist
	Karen Bradley	Administrative Assistant

EARLY WORK SESSION

1. Receive an Update on Amending the City Fee Schedule relating to Residential Building Permit Fees

City Manager Michael Leavitt reported during the 86th Texas Legislative session, Governor Abbott signed HB 852, which prohibits a municipality from requiring the disclosure of information related to the value of or cost of constructing or improving a residential dwelling as a condition of obtaining a building permit, except as required by the Federal Emergency Management Agency (FEMA) for participation in the National Flood Insurance Program. This new law prohibits cities from considering the value or cost of construction/improvement of a residential dwelling in establishing building permit fees. The law became effective on May 21, 2019 at which time the City suspended collection of all building permit fees until a new fee schedule was approved.

Mr. Leavitt provided an update showing methodology used in calculating a new rate schedule. Mayor Wilcox asked how the new fees compare with other cities. Mr. Leavitt stated they were comparable, although there are some that are higher than the fees being proposed for Highland Village. Councilmember Fiester asked if the permit fees are for cost recovery or to generate revenue. Mr. Leavitt reported the fees are for cost recovery related to plan review and inspections, which ensure building standards are being met.

2. Receive an Update on a Recent Citizen Request relating to Traffic Safety on Medina Drive

Mr. Leavitt reported the Public Works and Police Department was recently contacted by resident Karen Fenton requesting a speed reduction or installation of speed bumps in the 500 block of Medina Drive. In response, the Public Works Department deployed a traffic counter to verify the volume of traffic and speed on Medina Drive from Wednesday, April 10 through Tuesday, April 16, 2019. In addition, the Police Department deployed their traffic radar on Medina Drive toward the end of May 2019. Mr. Leavitt provided a summary of the data collected:

- A total of 2,373 vehicles were recorded traveling on Medina Drive, with the majority traveling southbound
- Of the total vehicles traveling on Medina Drive, 23 exceeded 30 miles per hour
- Public Works data collection reported 85% vehicle speed is 24 miles per hour; Police Department data collection reported the 85% vehicle speed is 28 miles per hour

Based on the data, Mr. Leavitt reported Medina Drive is functioning as a minor collector road, with vehicle speed not indicated as an issue therefore no additional traffic control devices are warranted or recommended at this time; Councilmember Jaworski voiced concern that speeding is not an issue. Mr. Leavitt recommended Public Works and Police Department coordinate another deployment over the summer while school is not in session, with an update if that data contradicts any of the already collected data.

Resident Karen Fenton was in attendance for discussion of this agenda item.

3. Clarification of Consent or Action Items listed on Today's City Council Regular Meeting Agenda of June 11, 2019

Relating to Agenda Item #13, Mr. Leavitt stated this item includes interior repairs of the rotunda located in the Municipal Complex. He added the repairs are extensive with environmental issues that need to be addressed.

Relating to Agenda Item #17, consensus of Council is to move this item up to the Consent Agenda.

Early Work Session ended at 7:11 p.m.

CLOSED SESSION

4. Hold a closed meeting in accordance with the following sections of the Texas Government Code:

- (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

Council did not meet in Closed Session.

OPEN SESSION

5. Call to Order

Mayor Charlotte J. Wilcox called the meeting to order at 7:30 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Ken Heerman	Assistant City Manager
	Julie Doshier	City Attorney
	Angela Miller	City Secretary
	Doug Reim	Chief of Police
	Michael Thomson	Fire Chief
	Travis Nokes	Assistant Fire Chief
	Scott Kriston	Public Works Director
	Phil Lozano	Parks and Recreation Director
	Laurie Mullens	Director of Marketing & Communications
	Andrew Boyd	Media Specialist

6. Prayer to be led by Mayor Pro Tem Mike Lombardo

Mayor Pro Tem Mike Lombardo gave the Invocation.

7. Pledge of Allegiance to the U.S. and Texas flags to be led by Mayor Pro Tem Mike Lombardo

Mayor Pro Tem Lombardo announced visiting Scout Troop 2 would lead the pledges.

8. Visitor Comments

The following people spoke:

Gordon Shelton (909 Tartan Trail) – Mr. Shelton stated his neighborhood is located in a flight path and asked the City Council to petition the DFW International Airport to alter their flight path. He added the noise is loud and sometimes flights come through every three to five (3-5) minutes throughout the day.

Guy T. Phillips (701 Scottish Mist Trail) – Mr. Phillips thanked the staff of the Highland Village Business Association for their efforts in the recent video shoot and thanked them for their hard work.

9. City Manager/Staff Reports

- **HVTV Update**

The HVTV Update featured a spotlight video focusing on Highland Village business, What's That Guy's Name? Photography by Guy T. The video also informed residents of mosquito prevention measures and the Eye on Highland Village app that can be used to notify staff of issues around the City in need of attention.

10. **Mayor and Council Reports on Items of Community Interest pursuant to Texas Government Code Section 551.0415 the City Council may report on the following items: (1) expression of thanks, congratulations or condolences; (2) information about holiday schedules; (3) recognition of individuals; (4) reminders about upcoming City Council events; (5) information about community events; and (6) announcements involving imminent threat to public health and safety**

No items were discussed.

CONSENT AGENDA

Mayor Wilcox moved Agenda Item #17 up to the Consent Agenda.

11. **Consider approval of Minutes of the Regular City Council Meeting held on May 28, 2019**
12. **Consider Resolution 2019-2818 cancelling the July 9, 2019 City Council Meeting**
13. **Consider Resolution 2019-2819 authorizing an Agreement with 308 Construction, LLC through the City's Cooperative Purchasing Agreement with The Interlocal Purchasing System (TIPS) for Water Damage Repairs at the Municipal Complex**
14. **Consider Resolution 2019-2822 authorizing an Agreement extending the Investment Advisory Services with Valley View Consulting, LLC for up to an Additional Two Years**
15. **Receive Budget Reports for the Period Ending April 30, 2019**
17. **Consider Resolution 2019-2820 amending the City Fee Schedule relating to Residential Building Permit Fees authorized pursuant to Code of Ordinances Section 24.02.053**

Motion by Deputy Mayor Pro Tem Fleming, seconded by Mayor Pro Tem Lombardo, to approve Consent Agenda Items #11 through #15, and #17. Motion carried 7-0.

ACTION AGENDA

16. **Take action, if any, on matters discussed in closed session in accordance with the following sections of the Texas Government Code:
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
Council did not Meet in Closed Session on this Item**
17. **Consider Resolution 2019-2820 amending the City Fee Schedule relating to Residential Building Permit Fees authorized pursuant to Code of Ordinances Section 24.02.053**

This item was moved up to the Consent Agenda.

18. **Consider Resolution 2019-2821 designating Wells Fargo Bank, N.A. as the City's Depository and authorizing the City Manager to Sign a Depository Services Contract with Wells Fargo Bank, N.A.**

APPROVED (5 – 1)

Councilmember Tom Heslep recused himself from discussion and vote on this item.

Assistant City Manager Ken Heerman reported the City's current depository contract with Independent Bank expires on August 31, 2019. Mr. Heerman further reported the City utilized a consultant (Valley View Consulting, L.L.C.) to assist in the development of the RFA and the subsequent analysis, with the delineation to evaluate the best option for the City targeted to three primary considerations: 1) cost of services, 2) earnings credits and interest paid, 3) demonstrated ability of provided service level.

City staff advertised a Request for Application (RFA) soliciting proposals for a new depository contract, as required by the Texas Local Government Code and also distributed to sixteen (16) identified area banks within a five-mile radius of the City Municipal Complex. As part of this process, a non-mandatory pre-application conference was also conducted. Mr. Heerman reported applications were received from the following six (6) area banks:

- Bank of the West
- Compass Bank
- Independent Bank
- JPMorgan Chase Bank, N.A.
- Southside Bank
- Wells Fargo Bank, N.A.

Mr. Heerman reported Independent Bank has been a sound and supportive business partner during the current depository contract term. However, the higher fees and lower rates offered at this time supported the consideration of other options. Although Compass Bank has a slight advantage in overall net income, Mr. Heerman stated City staff considered the complete range of services presented by Wells Fargo Bank, N.A., including the competitive pricing of service fees, ability to maintain lower operating balances to offset monthly fees, the location of Wells Fargo within the City of Highland Village municipal boundaries, and the City's positive outlook of using the overall services offered. Mr. Heerman stated that, based on the analysis results and discussion with staff, it was determined that the terms offered by Wells Fargo Bank, N.A. provide the "best value" to the City.

Motion by Deputy Mayor Pro Tem Fleming, seconded by Mayor Pro Tem Lombardo, to approve Resolution 2019-2821. Motion carried with the following 5-1 vote:

***Ayes – Lombardo, Fleming, Kixmiller, Wilcox, and Fiester
Nos – Jaworski***

LATE WORK SESSION

19. **Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)**

Mr. Leavitt reminded everyone budget meetings would begin this week. Councilmember Fiester asked Mr. Leavitt how recent state legislation would affect next year's budget. Mr.

Leavitt stated he believes this next year will not be affected as much as following years. Mr. Leavitt stated he would be attending a legislative update on June 24 and will provide an update for everyone at the next City Council meeting.

20. Adjournment

Mayor Wilcox adjourned the meeting at 7:55 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

DRAFT

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 13

MEETING DATE: 06/25/19

SUBJECT: Consider Resolution 2019-2823 authorizing the City Manager to execute a Task Order with BW2 Engineers, Inc. for of Professional Services for the Infiltration/Inflow Analysis for the Southeast Part of the City

PREPARED BY: Scott Kriston, Director of Public Works

BACKGROUND:

Wastewater systems tend to deteriorate due to their aging and the corrosive nature of the wastewater that they carry. Consequently, wastewater systems require continued maintenance and restoration in order to reduce infiltration/inflow and possibly prevent a sewer line failure. As part of a continuous maintenance program, the wastewater system in Highland Village has been evaluated over the years on a phased basis in order to find deficiencies that are allowing infiltration/inflow to occur in the system. This program has resulted in significant reductions in infiltration/inflow in the system. The City has determined that a comprehensive study to identify sources for infiltration/inflow in the wastewater system in the southeast part of the City needs to be conducted this year as the next phase. This area includes some of the older neighborhoods in the City. This part of the City's wastewater system has not been analyzed for infiltration and inflow for over 10 years, and now this part of the wastewater system needs to be analyzed again for infiltration and inflow sources that may have developed over that period of time.

IDENTIFIED NEEDS/S:

An infiltration/inflow analysis needs to be conducted this year in the southeast part of the City where no evaluations have been conducted for over 10 years. This area includes some of the older neighborhoods in the City.

OPTIONS & RESULTS:

This proposed infiltration/inflow analysis of the City's wastewater system in the southeast part of the City (including the field work with associated smoke testing) will ensure that the City will continue to provide a dependable wastewater system for its residents, will continue the monitoring and control of infiltration/inflow in the system, and will ensure that the system remains in compliance with current TCEQ (state regulatory agency) guidelines.

PROGRESS TO DATE: (if appropriate)

A Task Order has been received from BW2 Engineers, Inc, for the provision of professional services required for this project. Pipeline Analysis, LLC will assist BW2 with the field work.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

The cost for this project is a not-to-exceed amount of \$57,000. The funds for this project are available from the City's Utility Fund.

RECOMMENDATION:

Approve Resolution 2019-2823

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2019-2823

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING THE CITY MANAGER TO EXECUTE A TASK ORDER WITH BW2 ENGINEERS, INC. TO PROVIDE PROFESSIONAL SERVICES FOR THE INFILTRATION AND INFLOW ANALYSIS FOR THE SOUTHEAST PART OF THE CITY FOR A CONTRACT AMOUNT OF \$57,000.00; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City Administration, having obtained a Task Order for the Infiltration/Inflow Analysis for the Southeast Part of the City from BW2 Engineers, Inc. in an amount of \$57,000.00, recommends execution of the task order be approved for these professional services; and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to accept the recommendation of the City administration and approve the above described contract agreement; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS THAT:

SECTION 1. The City Manager is hereby authorized to execute a Task Order with BW2 Engineers, Inc. to provide professional services for the Infiltration/Inflow Analysis for the Southeast Part of the City for a contract amount of \$57,000.00.

SECTION 2. This Resolution shall become effective immediately upon passage.

PASSED AND APPROVED THIS 25th DAY OF JUNE 2019.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:6/19/19:108914)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14

MEETING DATE: 06/14/2019

**SUBJECT: Receive Capital Improvement Program (CIP) for Fiscal Year
2019-2020**

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND

The City Charter calls for submission to Council of a five-year capital budget. This provides an opportunity for Council to see a multi-year outlook for planning purposes. In essence, this should provide the framework for consideration of the current year's budget and resulting tax rate.

IDENTIFIED NEED/S:

Capital improvements currently in process, as well as additional proposed programs have been identified by City Staff. The potential programs can come from various sources including City Council, boards/commissions, residents, and Staff members. These projects are non-operational, "big-ticket" items that typically require outside funding sources such as debt issuance, grant, or lease/purchase arrangements.

PROGRESS TO DATE: (if appropriate)

A summary of the identified programs follows – presented in context of a five-year window. With the City nearing build-out, there are limited capital programs anticipated in relation to primary City infrastructure.

In general, after years of substantial growth and approaching substantial build-out, the community is more settled. Capital improvements related to basic infrastructure are widely supported. Improvements related to amenities/improved services, while desired, are viewed in context of affordability. The primary emphasis in the five-year outlook for the past few years has been in controlling on-going operating costs in a context of sustainability within the anticipated revenue base. A focus on staffing has been to maintaining existing staffing levels if possible – with emphasis on efficiency and leveraging technology enhancements to not compromise the high level of service that currently exists, with new positions to be evaluated only if a demonstrated need warrants consideration.

The current year of the five-year outlook is being developed as part of the proposed FY 2020 Budget, and is preliminary at this point – to be updated during the budget process this summer. However, the outlook can provide a larger picture of the financial outlook over the next few years. Outstanding projects at this time are related to the Capital Projects Fund. A bond election in FY 2018 remains the primary focus of the capital program, with the various projects detailed following. The following tables depict a summary of the capital projects in process and anticipated in the subsequent five years.

Current-Year Capital Projects

A \$7M general obligation bond was issued in 2018 to address targeted Parks and Public Works issues as follows:

Bond Election 2018	
Streets Projects	\$2,800,000
Parks Projects	4,105,000
Bond Discount / Premium	173,588
Issuance Costs	<u>(70,907)</u>
Total Bond Proceeds	\$7,007,681

Parks Projects

Unity Park - \$2.54M

Unity Park is Highland Village's only community park. This is a highly utilized park that includes multiple amenities for resident use. Improvements include:

- Ponds - The ponds require dredging to remove the accumulated silt as well as improvements to address drainage considerations. A study was conducted in 2017 which recommended making improvements to the ponds to accommodate a 50-year flood. This will provide benefit to the surrounding area, as well as homes downstream from the park.
- Kids Kastle Play Structure – This playground was originally constructed in the 1990's as a community build project. Following a fire in the 2000's, it was rebuilt again as a community project. The play area is at the end of its useful life and in need of replacement, this time with new recycled plastic materials that will provide increased safety and reduced maintenance. The intent is to again approach as a community build project. As this is adjacent to the ponds, the playground will be demolished in conjunction with the pond construction to provide economies of scale with the design and required grading for the entire area. Reconstruction of Kids Kastle would proceed immediately following completion of the pond improvements.
- Softball Field - A section of the park will be redeveloped to add an additional softball field to complement the existing baseball fields.

Brazos Park Parking Lot - \$353,000

Several years ago a parking lot was built at Brazos Park to alleviate parking on adjacent streets. Popularity of the fields has prompted the need to increase the size of the parking area by an additional 50 spaces. This project was completed in February 2019.

Victoria Park - \$198,000

The current walking track is badly cracked and uneven, causing a tripping hazard to patrons. The track will be resurfaced and replaced with a six foot concrete path. The project concept was to rehab the existing walking trail around the perimeter of the park. However, feedback from a resident prompted consideration of a redesign of the trail to traverse through the park to encourage the transition of elimination of organized soccer utilization in lieu of open space, as

originally intended for this park. The park is located in an Oncor easement, thus prompting required approval of Oncor for any design changes to the park. Proposals have been submitted to Oncor, with discussions in progress to ensure sufficient safety for park patrons in consideration of the existing overhead power lines.

Highland Village Road Sidewalk - \$922,300

Construction of the sidewalk on Highland Village Road from the Municipal Complex to Sellmeyer Lane to increase pedestrian safety and connect residents to amenities along Highland Village Road. A large number of residents adjacent to this section have no access to the Inland Trail System to connect to Lions Club Park, Lakeside Community Park, and Doubletree Ranch Park. This presents a potential safety issue as people walk the two-lane Highland Village Road to access these amenities.

Sunset Point Park - \$162,700

Sunset Point Park is classified as a mini park and serves local residents as a neighborhood park site providing water access to Lewisville Lake. The development will address erosion issues and safety concerns along with enhanced roadway completion to facilitate emergency vehicle access and turn around capabilities. Public input was solicited on the design for the park in the spring of 2017 and was approved by Council. However, at this time, a reduced-scale project of roadway improvements only is anticipated to provide the turn-around capability for emergency vehicles. Further development of the park will be re-evaluated for consideration at a later date.

Streets Projects

The City of Highland Village conducts a Pavement Condition Inventory Survey to determine the priority of streets that need repairs, overlays, or full replacement. The streets to be addressed with this proposition have reached the end of their life cycle and are in need of full reconstruction.

Total Proposed Street Bond Proposition (\$2.8M)	
<u>Identified Streets for Reconstruction</u>	
Rosedale Street	Springway Drive
Ranier Court	Mockingbird Drive
Catesby Place	Post Oak Drive
Rockland Drive	Pecan
Hickory Ridge Drive	Raintree Drive
Oak Forest Drive	Greensprings Street
Winding Creek Drive	Duvall
Dickinson Drive	Baird Circle
S Clearwater Drive	Donna Circle
Scenic Drive	Savanna Drive

The project will be divided into four roughly equal segments over the next year.

Projects In –Process

Description	Funding Source	Anticipated Cost	Status
Capital Projects Fund			
Parks Projects	2018 GO Bond Parks Project Cost – \$4.2M		
Brazos Parking Lot	Budgeted Project Cost - \$353,000	\$396,438	Complete
Sunset Point Park	Budgeted Project Cost - \$162,700	\$150,413	Project has been bid, now awaiting USACE approval. Once received, the project should be completed in 90 days.
Victoria Park Walking Trail re-surface	Budgeted Project Cost - \$198,000	\$203,400	Re-design considerations are still in progress. Anticipated to bid in July 2020.
Highland Village Road trail (City Hall to Service Center)	Budgeted Project Cost - \$922,300	\$968,952	Project currently in design. Anticipated to bid in July 2020.
Unity Park			
Softball Field	Budgeted Project Cost - \$1,021,250	\$1,018,766	Project has been bid and is currently under construction. Anticipated completion in September 2019.
Pond improvements	Budgeted Project Cost - \$925,431	\$1,380,681	Bids to be advertised mid-June, with bid opening anticipated in mid-July. Construction would be slated to commence in the Fall, with completion anticipated in June 2020..
Kids Kastle	Budgeted Project Cost - \$600,250	\$600,250	Selection of the vendor is anticipated in June 2019, followed by community engagement and design. Demo of current structure is anticipated concurrent with pond construction in Fall 2019. Construction of the playground would commence following completion of the pond project.
Streets Projects	2018 GO Bond - Streets (\$2.9M) Phase I Project Cost – \$2.8M	Phase I – \$523,307	Phase I has contracted awarded, with construction to commence in June 2019. Phase II expected to bid in July 2019. Phase III to bid early 2020, with Phase IV to bid Summer 2020..

Projects In Process

Projected Operating Costs

Dept	Description	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Capital Projects Fund						
Parks	Unity Park (Pond improvements, softball field, Kids Kastle)	\$710	\$710	\$710	\$710	\$710
	Highland Village Road sidewalk	810	810	810	810	810
	Brazos Parking	-0-	1,200	-0-	-0-	1,200
	Sunset Point	114	114	600	114	114
	Victoria Park Walking Track	-0-	-0-	-0-	-0-	-0-
Streets	Street Reconstruction	-0-	-0-	-0-	-0-	-0-
	Total	\$1,634	\$2,834	\$2,120	\$1,634	\$2,834

Unity Park reflects annual increased costs of \$1,400 related to supplies / materials for softball fields (above current cost for maintaining soccer fields that are replaced). There will be a net decrease of \$690 annually related to Kids Kastle, as current structure of treated wood requires frequent sealing to maintain safety standards. New equipment will be plastic, thus requiring less maintenance.

Highland Village Rd sidewalk anticipates annual increase in mowing contracted maintenance of \$810 annually.

Sunset Point only expected increase will be associated with addition of security lighting at \$114 annually.

Street reconstruction does not have additional associated maintenance costs as they do not add additional infrastructure than what currently exists in the City.

Identified Future Projects for Consideration

Dept	Description	Funding Source	Total Project Cost	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Capital Projects Fund								
Parks	Update Unity Park entry	Contribution from Parks Foundation \$125,000 Remaining – GF/ available bond proceeds	265,400	✓				
Parks	Chapel Hill Trail Connection	GF/ available bond proceeds	220,908	✓				
Streets	Street Reconstruction Projects (Phase II)	Proposed Bond	\$ 2,750,000					✓
Parks	Lower Sellmeyer Park improvements	Proposed Bond	\$ 30,400					✓
Parks	Lions Club Park improvements	Proposed Bond	\$ 41,250					✓
Parks	Turpin Park improvements	Proposed Bond	\$ 22,000					✓

Parks - Update Unity Park entry

With upgrades to Unity Park being a key focus of the 2018 Bond Election, a need was identified to refresh the entry feature to Unity Park adjacent to Kids Kastle - to reflect consistency with the surrounding upgrades. The Parks Foundation provided a donation to the City of \$125,000 toward his project, with the City to provide funding for the remainder. The anticipated cost of the project is \$265,400, thus leaving the City to fund \$140,400. Funding options will be addressed in the FY 2020 Budget process, with intent of completing this project in conjunction with the pond upgrades and rebuild of Kids Kastle.

Parks – Chapel Hill Trail Connection

An identified top priority for the trail system is to provide connection to the City Trail for a major subdivision – Chapel Hill. The anticipated cost for this trail segment is \$220,908. This would typically be addressed in the Highland Village Community Development Corporation (4B) budget as a trail project. However, this fund is not anticipated to have sufficient funding ability for a few years. With desire to accelerate this project, realized savings for a favorable street overlay project in FY 2018 was redirected to fund engineering for the trail connection. A remaining amount of \$130,000 is needed in funding – with options to be considered in the FY 2020 Budget.

Future Potential Capital Projects for Consideration Potential 2023 Bond Issuance

Public Works - Streets

The City has a program to evaluate and maintain street infrastructure. Generally, needed street overlays are addressed each year in the annual budget, while bonds are issued periodically to fund street reconstruction projects as needed. Streets currently in need of reconstruction are being addressed with the FY 2018 Bond Issue. Streets that have been identified in need of reconstruction within a 5 -7 year window total \$2.75M based on current costs. These will likely be addressed with a bond issuance in FY 2023, with debt issuance corresponding with reductions in existing debt service – with intent to provide consistent debt service levels.

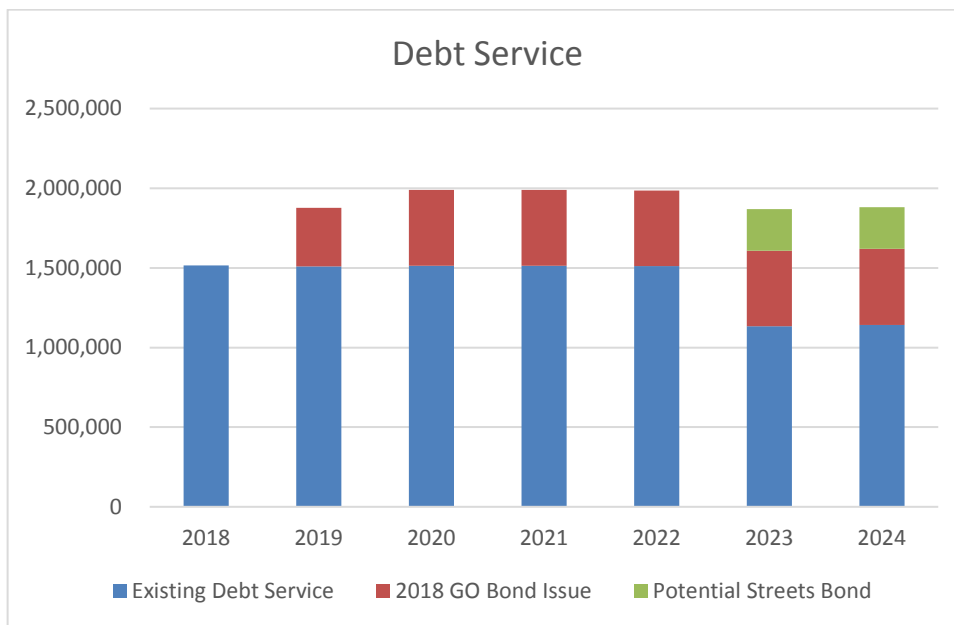
Parks

Playground equipment and structures in the neighborhood parks are regularly evaluated to ensure adherence to safety standards as well as functionality of meeting needs of residents. These accordingly are periodically changed out or updated as needed. Parks anticipated with need to be addressed in the five-year window are Lower Sellmeyer, Lions Club, and Turpin.

Five Year Outlook

In general, the focus of the CIP five-year outlook is to evaluate funding **ability** with suggested capital improvement programs – in regard to issued debt and associated debt service, as well as related ongoing operations costs. Maintaining sufficient fund balance levels is a key measure of evaluation. Financial policies require a minimum 20% fund balance with a targeted range of 20 - 25%.

Preliminary projections, which will be refined during the budget process through the summer months, does provide capacity to consider debt issues within the five-year outlook. Property values have experienced significant increases the past couple of years – and with expectation for a higher than historical average increase this year. However, increases in valuation seem to be leveling off, and coupled with State legislative action this session to limit property tax revenue growth in cities, will prompt a more conservative future outlook. This necessitates a disciplined approach to manage growth in operations cost and reduction in overall debt-service load. In the ten years prior to FY 2015, debt service represented about 20% of the tax rate. Current debt service now reflects roughly 15% of the tax rate. As revenues flatten with build-out, a continued focus on managing debt service is critical – both in terms of avoiding spikes, but also reducing to a lower, more manageable level for the future.



Projections for current bond projects exceed the proceeds on hand by roughly \$550,000. Council will evaluate various options to address this shortfall. In general, a preliminary projection of fund balances show sufficiency to provide this funding if desired.

The potential debt offerings shown above are included in a projected five-year outlook to provide a context in discussion of development of the current-year budget. The outlook is based on implementing an additional ½ cent decrease in FY 2021 and maintaining current tax rate following, also incorporating current trends in both revenues and expenditures to provide projections. Any number of factors could change the outcome considerably. Scenarios, such as a downturn in the economy, will be discussed during budget deliberations to assist City Council in decision-making process in regard to funding of the discussed capital projects.

The preliminary Five-Year Outlook provides a context of the projects identified to have sufficient funding for an extended time frame.

Five-Year Outlook

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Beginning Fund Bal	\$ 7,391,960	\$ 7,550,923	\$6,308,420	\$5,841,633	\$5,926,073	\$ 5,836,708	\$ 5,794,114
Revenue							
Property Tax Collections	10,588,194	10,857,989	11,392,733	11,725,871	12,112,843	12,722,842	13,220,501
Sales Tax	2,647,444	2,728,675	2,816,017	2,892,263	2,972,356	3,038,970	3,107,539
Franchise Fees	1,699,613	1,671,797	1,644,785	1,665,117	1,682,088	1,700,421	1,650,460
Licenses / Permits	460,833	519,407	351,138	407,923	395,762	403,656	292,606
Public Safety Fees	535,570	513,237	519,737	526,428	532,816	536,683	540,627
All Other	889,952	818,473	801,706	810,557	813,328	810,921	818,640
Subtotal	16,821,606	17,109,579	17,526,118	18,028,158	18,509,193	19,213,493	19,630,374
Transfers	575,695	534,000	534,000	534,000	534,000	534,000	534,002
Total Revenue	17,397,301	17,643,579	18,060,118	18,562,158	19,043,193	19,747,493	20,164,376
Expenditures							
Personnel	11,733,501	12,349,785	13,048,868	13,611,206	14,201,607	14,821,695	15,462,643
Services / Supplies	4,823,638	4,660,639	4,356,038	4,305,512	4,394,951	4,582,393	4,719,864
Supplemental	-	335,658	200,000	200,000	200,000	200,000	200,000
<i>Operating Expenditures</i>	16,557,139	17,346,082	17,604,905	18,116,718	18,796,558	19,604,087	20,382,508
Net Operating Rev.	840,162	297,497	455,213	445,440	246,635	143,406	(218,131)
Equip Replacement / Capital	665,199	1,474,000	826,000	300,000	225,000	170,000	180,000
Transfers Out	(16,000)	(66,000)	(96,000)	(61,000)	(111,000)	(16,000)	(16,000)
Net Revenues	158,963	(1,242,503)	(466,787)	84,440	(89,365)	(42,594)	(414,131)
Ending Fund Balance	\$ 7,550,923	\$ 6,308,420	\$5,841,633	\$5,926,073	\$5,836,708	\$ 5,794,114	\$ 5,379,982
	44%	34%	32%	32%	31%	29%	26%

Items to Note:

- **Preliminary** Five-Year Outlook – will be updated during FY 2020 Budget Process.

RECOMMENDATION:

Council to receive the FY 2020 Capital Improvement Budget.

CITY OF HIGHLAND VILLAGE
CITY COUNCIL

AGENDA# 16

MEETING DATE: 06/25/19

SUBJECT: Conduct Public Hearing and Consider an Ordinance relating to an application for a proposed change in zoning from SF-15 Residential Zoning District to a Residential Planned Development District on an approximate 2.713 + acre tract of land located in the E. Clary Survey, Abstract No. 248, commonly known as 1400 Highland Village Road

PREPARED BY: Autumn Aman, Community Development Coordinator

BACKGROUND:

On June 18, 2019, the Planning and Zoning Commission (Commission) heard this application, opened the public hearing, and received public comment on the application. After further discussion by the Commission, the Commission continued the public hearing and tabled action on the application to the Commission's July 2019 meeting. Because the Commission has not yet made a recommendation regarding this application, consideration of this item has been postponed pending action by the Planning and Zoning Commission.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 17

MEETING DATE: 06/25/19

SUBJECT: Consider Resolution 2019-2824 Authorizing Negotiation and Execution of a Contract for Professional Design and Construction Services for the Kids Kastle Playground Community Build Project

PREPARED BY: Phil Lozano, Director of Parks and Recreation

BACKGROUND:

In 1994, a community build playground was constructed in Unity Park, a City of Highland Village public park, named "Kids Kastle." This 20,000 square foot playground has become a favorite place for children and families to spend time together over the years. Kids Kastle has reached the end of its useful life and needs to be replaced.

IDENTIFIED NEED/S:

City Administration has identified the need to negotiate and sign an agreement for professional design and construction services relating to the rebuild and replacement of the Kids Kastle Playground at Unity Park. To keep the project on schedule, authority is also needed to negotiate and execute with the other proposer in the event negotiations with Play-by-Design are not successful.

OPTIONS & RESULTS:

PROGRESS TO DATE: (if appropriate)

A Special Joint Meeting of the Highland Village City Council and the Parks and Recreation Advisory Board was held on April 15, 2019, to discuss the replacement of Kids Kastle. During the touring portion of the meeting, staff was able to show and discuss with the Council and the Advisory Board problem areas associated with the playground equipment and surfacing.

On April 4, 2019, the City publicly posted Request for Statements of Qualifications (RFQ). The City received two proposals. The vendor packets were evaluated by staff, they each scored equally. The City then invited both vendors to interview with the joint City Staff and the Park Advisory Board panel to present presentations, Play By Design scored highest. Based off of the published selection criteria, interviews,

references, competence, and qualifications, it was determined that Play By Design was the front runner for the Kids Kastle Project.

At the June 17, Parks and Recreation Advisory Board meeting, the board agreed with staffs recommendation to recommend to council that the City Manager negotiate and execute a contract with Play By Design, and in the event the City Manager determines that negotiations with Play By Design are unsuccessful and should terminate, the City Manager is authorized to negotiate and execute a contract with Leathers and Associates for professional services relating to the design and construction support services for the Project.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

The funds for professional services for this project will be provided from the Bond Proceeds from the November 7, 2017, Bond Election.

RECOMMENDATION:

To approve Resolution 2019-2824

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2019-2824

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A CONTRACT FOR DESIGN AND CONSTRUCTION SERVICES RELATED TO THE KIDS KASTLE COMMUNITY BUILD PLAYGROUND AT UNITY PARK; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City administration advertised a Request for Statements of Qualifications (“RFQ”) for Professional Playground Design and Construction Services for Kids Kastle Community Build Playground at Unity Park (“the Project”); and

WHEREAS, having received, reviewed and evaluated the two responses to the RFQ, City administration has determined that Play By Design is the most qualified firm to perform the work based on qualifications and the criteria set forth in the RFQ and recommends negotiating a contract with Play By Design for professional playground design services and construction services for the Project; and

WHEREAS, The City Council concurs in the recommendation of the City administration and finds it in the public interest to proceed with negotiating the above contract;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS:

SECTION 1. The City Manager is authorized to negotiate and execute a contract with Play By Design for professional services relating to the design and construction support services for the Project.

SECTION 2. In the event the City Manager determines that negotiations with Play By Design are unsuccessful and should terminate, the City Manager is authorized to negotiate and execute a contract with Leathers and Associates for professional services relating to the design and construction support services for the Project.

SECTION 3. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED THIS THE 25TH DAY OF JUNE 2019.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:6/19/19:108903)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 19

MEETING DATE: 06/25/19

**SUBJECT: Status Reports on Current Projects and Discussion on Future
Agenda Items**

PREPARED BY: Karen Bradley, Administrative Assistant to City Secretary

COMMENTS

This item is on the agenda to allow a Councilmember to inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.



UPCOMING EVENTS

June 25, 2019	Regular City Council Mtg. 7:30 pm
July 4, 2019	City Offices Closed in Observance of Independence Day
July 9, 2019	Regular City Council Mtg. 7:30 pm CANCELLED
July 15, 2019	Park Board Mtg. 6:00 pm (if needed)
July 16, 2019	Planning & Zoning Commission Mtg. 7:00 pm (if needed)
July 23, 2019	Regular City Council Mtg. 7:30 pm
August 1, 2019	Zoning Board of Adjustment Mtg. 7:00 pm (if needed)
August 13, 2019	Regular City Council Mtg. 7:30 pm
August 19, 2019	Park Board Mtg. 6:00 pm (if needed)
August 20, 2019	Planning & Zoning Commission Mtg. 7:00 pm (if needed)
August 27, 2019	Regular City Council Mtg. 7:30 pm
September 2, 2019	City Offices Closed in Observance of Labor Day
September 5, 2019	Zoning Board of Adjustment Mtg. 7:00 pm (if needed)
September 10, 2019	Regular City Council Mtg. 7:30 pm
September 16, 2019	Park Board Mtg. 6:00 pm (if needed)
September 17, 2019	Planning & Zoning Commission Mtg. 7:00 pm (if needed)
September 24, 2019	Regular City Council Mtg. 7:30 pm

Note - Please visit www.highlandvillage.org or the City Hall bulletin board for the latest meeting additions and updates.

By: Karen Bradley, Administrative Assistant - City Secretary Office