



A G E N D A

REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, JULY 28, 2020, at 5:30 P.M.

Pursuant to Governor Greg Abbott's temporary suspension of various provisions of the Texas Open Meetings Act and in an effort to protect the health and safety of the public, the public will not be allowed to attend the City Council meeting in person. Members of the public may view the City Council meeting live at no cost via the following Internet link:
<https://www.highlandvillage.org/922/Highland-Village-Television>

Any person wishing to provide comments on any matter to be considered on this agenda should email such comments to the City Secretary at amiller@highlandvillage.org by 1:00 p.m. on Tuesday, July 28, 2020.

EARLY WORK SESSION

City Council Chambers – 5:30 P.M.

Convene Meeting in Open Session

1. Follow up Discussion on the General Fund and Discuss Special Revenue Funds for Fiscal Year 2020-2021 Budget
2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for July 28, 2020

(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

City Council Chambers

3. 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 551.074 – Personnel – Discuss the Employment or Appointment of City Manager

OPEN SESSION

City Council Chambers – 7:00 P.M.

4. Call to Order

5. Prayer led by Councilmember Tom Heslep
6. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Tom Heslep: *“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”*
7. **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.)*
8. **City Manager/Staff Reports**
 - COVID-19 Update
9. 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

Anyone wishing to address the City Council on any item posted on the City Council agenda for possible action, including matters placed on the Consent Agenda or posted as a Public Hearing, must complete a Speakers’ Request Form available at the entrance to the City Council Chambers and present it to the City Secretary prior to the Open Session being called to order. Speakers may be limited to three (3) minutes and given only one opportunity to speak on an item. Other procedures regarding speaking on matters posted for action on the City Council agenda are set forth on the Speakers’ Request Form. Subject to applicable law, the City Council reserves the right to modify or waive at any time the procedures relating to members of the public speaking on matters placed the Council’s agenda.

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.

10. Consider approval of Minutes of the Regular City Council Meeting held on July 14, 2020
11. Consider Resolution 2020-2892 receiving an Annual Report from the Highland Village Community Development Corporation and approving the Facilities Development Capital Improvement Program (FDCIP)

ACTION AGENDA

12. 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 a 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 551.074 – Personnel – Discuss the Employment or Appointment of City Manager

13. Consider Resolution 2020-2893 awarding and authorizing a Contract with Jagoe Public Company for the 2020 Asphalt Overlay Project
14. Consider Resolution 2020-2894 ratifying the Emergency Declaration by the City Manager authorizing Work to be Performed by Four Star Excavating Company and Sunbelt Rentals, Inc. relating to the Repair of Sanitary Sewer Infrastructure in the Highland Shores 12-L Subdivision

LATE WORK SESSION

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

15. Discuss the Upcoming Annual Board and Commission Appointments
16. 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.)
17. 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 24TH DAY OF JULY, 2020 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 _____, 2020 at _____ am / pm by _____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1

MEETING DATE: 07/28/2020

**SUBJECT: Follow up Discussion on the General Fund and Discuss
Special Revenue Funds for Fiscal Year 2020-2021 Budget**

PREPARED BY: Michael Leavitt, City Manager

COMMENTS

City staff will provide information relating to the General Fund Budget and Special Revenue Funds for Fiscal Year 2020-2021.



CITY MANAGER
1000 Highland Village Road
Highland Village, TX 75077
972-899-5131 F 972-317-0237
www.highlandvillage.org

July 28, 2020

Honorable Mayor Charlotte Wilcox and Members of City Council,

The following Budget message and information provided is a living document, our assumptions and actual revenue and expenditures will be modified throughout our budget process due to direction of Council and until we are in receipt of our final certified tax roll, from Denton Central Appraisal District (DCAD).

It is my pleasure to submit the City of Highland Village Fiscal Year 2020 – 2021 Annual Budget and Program of Services. The annual budget guides the City's plan for providing the services, facilities, and infrastructure that has made Highland Village one of the best places to live in Southern Denton County.

Our Mission Statement and Values provided us an excellent framework in stating our City Objectives. A major component for achieving success is our Mission Statement, Values, and City Objectives, which provide a clear direction for not only this Fiscal Year, but in guiding our five-year forecast as well. It is the goal of both Council and staff to maintain our organization and the community as a whole in a positive direction, efficiently providing necessary services for residents. Included within the budget message are our refined Departmental Objectives which reflect the corresponding Values.

In accordance with the Texas Local Government Code and the Charter of the City of Highland Village, the Annual Budget and Program of Services for the Fiscal Year beginning October 1, 2020, and ending September 30, 2021, is constructed for your review and comment and filed with the City Secretary. It presents the revenues and expenditures for each of the City's Departments, as well as the five-year Capital Improvement Program (CIP).

To communicate and facilitate the City's Budget and Program of Services, this budget message is divided into the following sections:

- I. **Overview**
- II. **Mission, Values, City Objectives, and Departmental Objectives**
- III. **General Fund Budget Highlights**
- IV. **Financial Assessment**
- V. **Conclusion**

I. OVERVIEW

The start of this budget year has been like no other. Dealing with a Disaster Declaration issued by the State of Texas over the Coronavirus pandemic, an economic shut down of our economy, social issues at the forefront over an African-American man being killed by a police officer and finally the realization of S.B. 2 and the effects this new legislation is having on Municipal Government Budgets in providing service to our residents. It's stated many times our local elected officials, "City Council" are the most accountable to tax paying residents for any forum of government. It's our goal to be held accountable in providing the highest standard of service to our resident's at the most efficient manner possible with the Annual Budget & Program of Services for Fiscal Year 2020-2021.

Highlighted in this document are the Mission Statement, Values, City Objectives, and Departmental Objectives for the City. Thus providing the direction for growth, operational excellence, a financially sound government, enhanced quality of life, as well as a safe and secure community.

Mayor Wilcox captures the essence of our role in preparing the budget each year:

“As Mayor of Highland Village, working with City Council and staff, as each decision comes before us I always frame my questions with ‘how will our residents benefit from this?’ It is our goal to be responsible with your money, transparent in how your money is spent, and conscientious of ensuring you, the taxpayer, receive the best service and amenities your money can buy.”

While there is limited population growth within the City of Highland Village, our assessed valuation growth has been very positive and steady. The Denton Central Appraisal District (DCAD) estimated assessed valuations from DCAD for total real property for 2020 is \$2,489,426,202 this is an increase from last year certified tax value of \$2,357,793,866. Of the estimated assessed valuations approximately 36% of the amount is still under review/protest at this time. Due to the combination of a solid year end projection along with an increase in our final tax role, we are projecting a Fund Balance of 30%, or \$5,901,517 before considering Departmental supplemental requests.

II. MISSION, VALUES, CITY OBJECTIVES, AND DEPARTMENTAL OBJECTIVES

The following assumptions are priorities in our budget development considerations for Fiscal Year 2020 – 2021.

- **Tax Rate Management:** For Fiscal Year 2021, our estimated tax roll provides a projected increase of 4.5%. The tax rate is allocated between Maintenance & Operations and Debt Service. We will continue to ensure that all Enterprise Funds, such as the Utility Fund, are covering indirect costs, as well as direct services. No change in our tax rate of \$0.56302 will be recommended for Fiscal Year 2020 – 2021.
- **Fund Balances:** Our Financial Policies require a minimum of 20% Fund Balance, with a targeted range of 20% to 25%. Our projection in the five-year forecast reflects an estimated Fund Balance of approximately 30% for Fiscal Year 2021.
- **Five-Year Forecast:** A focus on the five-year General Fund forecast and CIP shall provide guidance for development initiatives in future years.
- **Budget Process:** Departmental budgets are prepared using the thorough review of a budget software program, which facilitates justification for base budget items and supplemental requests.
- **Salary and Benefits:** Our competitive pay, benefits, and career development structure to attract and retain qualified personnel for Fiscal Year 2020 – 2021 has identified a 3% performance/merit pool increase.

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.

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 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 the 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 the 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 responses 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.

DEPARTMENTAL OBJECTIVES WITH CORRESPONDING CORE VALUES

Finance Department

Marketing & Communications

Human Resources

City Secretary

Information Services

Police Department

Fire Department

Community Services

Street Department

Maintenance Department

Parks and Recreation Department

Utilities (Water/Wastewater & Drainage)

III. GENERAL FUND BUDGET HIGHLIGHTS

The General Fund supports all municipal operations with the exception of water, wastewater, and drainage utility operations.

For this Fiscal Year, we have experienced a 5% growth in our estimated property values at this time from Denton Central Appraisal District. Although it is the largest element of General Fund

revenues, property tax is only one of several revenue sources used to fund City operations. Other revenue sources include the following projected increases/decreases. We are projecting sales tax to be flat/no increase, franchise fees (-5%), licenses and permits (-17.9%), public safety fees 4.8%, interest income (-6.3%), and miscellaneous revenue .7%. The tax rate is split between two components – Maintenance & Operations and Debt Service.

The base Fiscal Year 2020 – 2021 General Fund expenditures total \$18,674,373 with \$940,110 identified for supplemental requests. At the July 28th City Council meeting we will be providing a recommendation based on Council dialog for appropriate funding of supplemental items. These expenditures are accounted for in twelve separate department budgets. Which reflect a base budget decrease of (-0.2%) from Fiscal Year 2019 – 2020, with the removal of non-recurring supplemental items from the FY2019-20 the adjusted Base Budget is an increase of 1.9%. With the total change in Base Budget of \$353,868.

Summary Descriptions	2019-20 Budget Adopted	2019-20 Year-End Estimate	2018-19 \$Increase/ (Decrease)	2018-19 Variance %	2020-21 Base Budget	2020-21 Increase/ (Decrease)	2020-21 Variance %
Revenues:							
Property Tax	11,277,706	11,302,556	24,850	0.2%	11,842,351	564,645	5%
Sales Tax	2,818,962	2,779,336	(39,626)	-1.4%	2,828,047	9,085	0%
Franchise Fees	1,662,980	1,547,087	(115,893)	-7.0%	1,581,265	(81,715)	-5%
Other	1,775,362	1,832,395	57,033	0	1,700,413	(74,949)	-4%
Total Revenues	\$ 17,535,010	\$ 17,461,374	\$ (73,636)	-0.4%	\$ 17,952,076	417,066	2%
Other Sources:							
Total Other Sources	\$ 534,000	\$ 1,443,535	\$ 909,535		\$ 534,000		
Expenditures:							
City Manager Office	720,422	725,773	5,351	0.7%	603,533	(116,889)	-16%
Finance	1,720,240	1,743,924	23,684	1.4%	1,345,313	(374,927)	2%
Human Resources	567,051	543,224	(23,827)	-4.2%	565,742	(1,309)	0%
City Secretary Office	405,932	295,392	(110,540)	-27.2%	309,041	(96,891)	-24%
Information Services	1,166,155	1,075,112	(91,043)	-7.8%	1,084,104	(82,051)	-7%
Comm/Marketing					401,072	401,072	
Police	5,125,210	5,114,320	(10,890)	-0.2%	5,379,687	254,476	5%
Fire	3,109,185	3,070,781	(38,404)	-1.2%	3,059,303	(49,882)	-2%
Community Services	393,139	500,599	107,460	27.3%	422,845	29,706	8%
Streets	1,775,758	1,675,713	(100,045)	-5.6%	1,651,199	(124,559)	-7%
Building/Fleet Maint	1,071,928	1,976,688	904,760	84.4%	1,087,030	15,102	1%
Parks	2,079,297	2,478,275	398,978	19.2%	2,201,160	121,863	6%
Recreation	581,297	322,936	(258,361)	-44.4%	564,343	(16,954)	-3%
Total Operating Exp	\$ 18,715,616	\$ 19,522,737	\$ 807,121	4.3%	\$ 18,674,373	(41,243)	-0.2%
Transfers Out		136,000	136,000		-		46,000
Net Incr (Decr)	\$ (782,606)	\$ (753,828)					\$ (234,297)
Fund Balance							
Beginning Fund Balance	5,981,920	6,655,345					5,901,517
+ Net Increase (Decrease)	(782,606)	(753,828)					(234,297)
Ending Fund Balance	5,199,314	5,901,517					5,667,220
		28%	30%				30%

Employee Salary and Benefits

- Our current philosophy in salary structure is for each position to be established at the midpoint of our market cities, and for our healthcare benefit offerings to compare at the

upper tier of the market. This provides us a total compensation package that places us near the top compensation ranges of our market cities. This strategy has been a very effective in retention and maintaining our public safety employees.

- Employee salaries are structured as a performance/merit pool along with a salary adjustment for employees. To ensure that we remain competitive with the market, we have proposed a 4% market/merit pool increase, which includes an across-the-board increase of at least 3% for all full time employees.
- Our health insurance premiums for the first time this upcoming year will remain flat, with assistance from Higginbotham, the City's insurance broker, we were able to maintain our existing coverage and plan design with an actual decrease for the City's portion by (\$59,426). It's our understanding due to the decrease in elective procedures and reduction in larger claims Blue Cross Blue Shield of TX. (BCBSTX) was willing to provide an outstanding quote to the City.

Community Identity

- We are currently working with two different development groups on two new single family residential developments that will potentially provide over 84 single family lots for new homes. (The Reserve at Chapel Hill - David Weekly Homes; Tequesta - Bud Bartley Homes)

Public Safety

- Our Community Policing model focusing on "Prevention through Citizen Awareness and Involvement" continues to be successful for the Police Department.
- Upgrading and augmenting the City's Outdoor Warning Sirens System will help ensure the safety of Highland Village residents, visitors, and businesses by giving them as much forewarning as possible during severe weather events.
- The Highland Village Fire Department is a professional organization that delivers unmatched service to citizens, regardless of whether the need is an emergency or a routine event. By obtaining the Best Practices Designation from the Texas Fire Chiefs Association, we will provide that confirmation to our residents.
- Fire Department shift change to 48/96, continue to monitor for retention and recruitment.

Infrastructure

- In our current CIP for both the General Fund and Enterprise Funds, we have identified facilities and infrastructure that will need to be addressed with growth and development of Highland Village.
- We continue to model our existing water and wastewater systems for Capital Planning for future issuance of Utility Bonds.

IV. FINANCIAL ASSESSMENT

The City of Highland Village continues to be strong financially. Through sound fiscal management over the years, the City has positioned itself well to cope with growth, create a positive atmosphere for economic development, and provide greater flexibility on budgetary issues. The City is able to balance revenues and expenditures while maintaining a high level of service.

Fund Balance

One unrestricted measure of a city's financial strength is the level of its Fund Balance. The base Fiscal Year 2020 – 202 General Fund expenditures total \$18,674,373 our final recommended identified supplemental requests by Departments will be presented at the July 28th Council meeting. At this time, the total budgeted amount is \$18,674,373. The ending fund balance of \$5,901,517 represents 30% of Fiscal Year 2021's projected General Fund expenditures, exceeding the target range of 20% to 25%.

Bond Ratings

The City's bond ratings are further evidence of its financial strength. Standard and Poor's, one of the nation's largest bond rating agencies, upgraded the City to a AAA rating for General Obligation and affirmed the City's bonds are considered to be of excellent investment quality. For General Obligation bonds, the rating agencies commented that the City has a strong economy, strong tax base growth, very strong budgetary flexibility supported by strong financial practices, very strong management and Financial Policies, stable financial performance, as well as solid reserve levels.

Current-Year Capital Projects

A \$7.15M General Obligation Bond was issued in 2018 to address targeted Street Improvements (\$2.8M) and Parks and Recreation Improvements (\$4.29M).

Parks and Recreation Improvements (\$4.29M)

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. The dredging is complete, and construction to replace the drainage pipe will commence immediately following completion of Kids Kastle.

Original estimate: \$925,431

Revised estimate: \$688,602

- **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.

Play by Design was the vendor selected to facilitate the community build with a targeted date of March 2020 for the build. In addition, in the design process, a determination was made to create an all-inclusive playground. This prompted additional costs largely associated with surfacing that will facilitate access to the entire playground for those with disabilities. However, the shutdown associated with COVID-19 delayed the project, also prompting reconsideration of how to proceed with the build. A determination was made to add additional oversight from Play by Design and proceed with two phases: Phase I would utilize City Staff to install vertical posts and other foundation elements of the playground. This was accomplished in May 2020. Phase II, targeted for August 2020 will solicit community involvement along with City Staff to finish the project.

Original estimate: \$600,250

Revised estimate: \$1,062,687

*Note: Donations from the community will offset a portion of the cost increase.

- **Softball Field** - A section of the park was targeted to be redeveloped to add an additional softball field to complement the existing baseball fields. This project is substantially complete in June 2020.
Original estimate: \$1,021,250
Revised estimate: \$1,039,168

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 this project, with the City to provide funding for the remainder. Design for this project was previously completed and funded in the General Fund. The anticipated construction cost of the project, \$244,708, is anticipated to be funded with General Fund reserves. This project will be completed in conjunction with the rebuild of Kids Kastle.

Brazos Park Parking Lot – (Completed in February 2019)

Popularity of the fields has prompted the need to increase the size of the parking area by an additional 50 spaces.

Original estimate: \$353,000

Revised estimate: \$396,438

Victoria Park – (Bid / Construction winter 2020)

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.

Original estimate: \$198,000

Revised estimate: \$212,388

Highland Village Road Sidewalk - (Bid / Construction winter 2020)

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.

Original estimate: \$922,300

Revised estimate: \$968,952

Sunset Point Park – (Complete Spring 2020)

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. Reduced-scale project of roadway improvements only was implemented to provide the turn-around capability for emergency vehicles. Further development of the park is not anticipated.

Original estimate: \$162,700

Revised estimate: \$149,963

Street Improvements (\$2.8M)

The City of Highland Village conducts a Pavement Condition Inventory Survey to determine the priority of streets that need repair, overlay, or full reconstruction. The streets to be addressed with this bond have reached the end of their life cycle and are in need of full reconstruction. The project will be divided into four roughly equal segments. They are as follows:

Engineering for total project: Status: In process Contract amount: \$261,500

Phase 1: Status: Construction Complete (\$494,157)

Streets:

- Rosedale
- Ranier
- Snowdon Ct.
- Sheldon Ct.
- Catesby Pl.
- Shasta Ct. – Overlay added
- Sugar Loaf Ct. – Overlay added

Phase 2 Status: Construction Substantially Complete \$584,267

Streets

- Baird Cir.
- Donna Cir.
- Oak Forest
- Winding Creek
- Dickinson
- East Whittier – Overlay added

Phase 3 Status: Current under construction Contract amount: \$522,800

Streets

- Park Lane
- Creek Place
- Arbor Ct.
- DuVall Blvd.
- Rain Tree
- Greensprings

Phase 4 Status: (In design)

Streets

- Rockland
- Hickory Ridge
- S. Clearwater
- N. Clearwater
- Scenic
- Springway
- Pecan

Phase 4 is currently in design, with anticipated construction in the winter of 2020. Of the remaining \$2.8 million of the Street Bond program, we have available funding of \$937,216 for the construction of Phase 4 streets.

Anticipated Future Projects

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, associated engineering was funded previously in the General Fund. For the construction, this project is to be included in a bid with Highland Village Road trail and Victoria Park with the hope a favorable bid will allow this to be funded with remaining 2018 bond proceeds. The estimated cost for this project is \$194,258.

Animal Care Facility

The City has contracted with Animal Medical Center of Highland Village since 2002 for animal care services, leasing 769 square feet along with provided services by Animal Medical Center employees. The agreement has a term of 20 years, set to expire in May 2022. This agreement has served the City well, with the desire to continue this relationship. However, the growth of the City has also expanded service needs. Additional space is required, as well as a review of the service provided. A proposal was developed and presented to Animal Medical Center owners regarding a long-term extension for consideration. The proposal includes a provision of the City providing building improvements that would add an additional 1,070 square feet (the current lease providing 769 square feet) at a projected cost of \$500,000. The offer was considered by the owners, however deciding it was not in their best interest to continue this arrangement.

The identified alternative is for the City to construct a 1,500 - 2,000 square feet. Stand-alone facility at property adjacent to the Municipal Complex. This would require additional staffing of at least one position and provision for services. Anticipated cost would be \$1M to \$1.5M for the facility. These options will be discussed and considered in the FY 2021 Budget process, with funding likely to be provided by a tax note or bond issuance.

Participation in joint Fire Training Center

In mid-2019, the Highland Village Fire Department was approached by the Lewisville Fire Department to gauge interest in partnering with Lewisville and Flower Mound to build a joint regional fire training facility. The regional approach has been used successfully by many area fire departments. The regional model is recognized as the best use of taxpayer funds as all capital and operating costs are shared between the partner cities. It also provides enhanced ability for interagency and multi-company training.

Using the three-city regional model, Highland Village's share of the \$5,000,000 capital project would be \$357,000 for Fiscal Year 2021. This investment would give Highland Village a 7.2% ownership stake in the joint regional fire training facility. It is estimated that the cost of construction will increase by 5% every year, which would increase Highland Village's initial capital cost by the same percentage.

Debt Service Fund

This fund is utilized to account for the debt obligations of the City. At this time we have not received our estimated final property values from Denton Central Appraisal District to calculate the I&S portion and the M&O component of the Tax Rate. It is our recommendation to maintain our current Tax Rate of \$0.56302.

Utility Fund

A primary and critical task of any City is the provision of water and wastewater service to its residents. To its credit, Highland Village has secured a stable and reliable source for each of

these services through owning and operating five water wells and a subscription with Upper Trinity Regional Water District (UTRWD), which are expected to be sufficient through build-out.

The Utility Fund is an Enterprise Fund that is financed primarily through user charges. Utility rates are maintained to derive sufficient revenues to meet the obligations associated with the provision of water and wastewater services. They are established to pay for delivery and maintenance of water and wastewater to City residents. The structure of the rate is bifocal, with charges associated with wholesale water/wastewater purchases from UTRWD presented as a pass-through charge to residents, and separate rates to address the City's cost of service.

V. CONCLUSION

I had the honor eighteen years ago to write my first Budget message for the City of Highland Village. In reviewing that message it is still as valid today as then; "We need to maintain our focus on the fundamental understanding of government's role in providing basic core services, while facilitating positive development, for our employees and citizens, with responsible spending and providing efficient operations".

So in my final preparation for the Fiscal Year 2020 – 2021 Annual Budget and Program of Services, it was our goal to develop a budget that will maintain the desired quality of life, while balancing the needs of the residents. This year's budget document represents a collective effort by City Council and City Staff to meet the challenge. To everyone, I say thank you! The opportunity to work with so many talented individuals has been an honor, we have made a difference and each and every Department has made a positive impact on someone's life each and every day during this time. "To leave the world a bit better, whether by a healthy child, a garden patch, or a redeemed social condition; to know that even one life has breathed easier because you have lived - that is to have succeeded"— Ralph Waldo Emerson

Sincerely,



Michael Leavitt
City Manager

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 9

MEETING DATE: 07/28/2020

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Karen McCoy, Executive Assistant

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.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 10

MEETING DATE: 07/28/2020

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on July 14, 2020

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 July 14, 2020.



**MINUTES OF THE REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD
TUESDAY, JULY 14, 2020**

EARLY WORK SESSION

Mayor Charlotte J. Wilcox called the meeting to order in open session at 5:30 p.m. and announced pursuant to Governor Greg Abbott's temporary suspension of various provisions of the Texas Open Meetings Act and in an effort to protect the health and safety of the public, the meeting is being conducted using social distancing practices. Members of the public are not allowed to attend the City Council meeting in person, but may view the City Council meeting live at no cost via www.highlandvillage.org/HVTV.

In addition, she reported any person wishing to provide comments on any matter to be considered on this agenda were to email such comments to the City Secretary by 1:00 p.m. on Tuesday, July 14, 2020. She asked if any public comments were received; City Secretary Angela Miller reported none were received.

Roll Call

Present:	Charlotte J. Wilcox Jon Kixmiller Michael Lombardo Barbara Fleming Robert A. Fiester Daniel Jaworski	Mayor Councilmember Mayor Pro Tem Deputy Mayor Pro Tem Councilmember Councilmember
Absent:	Tom Heslep	Councilmember
Staff Members:	Michael Leavitt Ken Heerman Kevin Laughlin Angela Miller Scott Kriston Jana Onstead Sunny Lindsey Phil Lozano Andrew Boyd	City Manager Assistant City Manager City Attorney City Secretary Public Works Director Human Resources Director Information Services Director Parks and Recreation Director Media Specialist

Mayor Wilcox announced that Closed Session would be addressed first on the agenda. She read Agenda Items #3(a) and #3(b).

CLOSED SESSION

Council convened into Closed Session at 5:30 p.m.

3. **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 551.074 – Personnel – Discuss the Employment or Appointment of City Manager**

Council concluded Closed Session at 5:48 p.m.

Convene Meeting in Open Session

Council reconvened into Early Work Session at 5:54 p.m.

1. Discuss the General Fund Budget for Fiscal Year 2020-2021

Assistant City Manager Ken Heerman presented year end projections for Fiscal Year (FY) Budget 2019-2020 and the proposed General Fund Budget for FY 2020-2021, along with Supplemental Requests. Sales tax revenue for the current fiscal year is expected to end slightly under projections. While franchise fees and license/permit revenues have seen a decrease, he reported a cost savings due to the cancellation of special events, training and travel, and receipt of CARES Act funding helped to achieve a solid year end.

Mr. Heerman provided a history of the City's revenues and expenditures. With existing debt service being paid off in 2023, a potential 2022 bond issue to cover the following potential projects could be considered:

- Street reconstruction
- Highland Shores Boulevard - Engineering Services
- Highland Village Road - Engineering Services
- Sellmeyer Overlay
- Highland Shores Boulevard Overlay
- Joint Fire Training
- Animal Care Facility
- Soccer Field Rehab
- Lower Sellmeyer
- Brazos Park

Relating to an Animal Care Facility, City Manager Michael Leavitt reported staff is still working to find the most accessible and affordable long-term service for residents.

Due to time constraints, Mayor Wilcox announced further budget discussion would continue during Late Work Session.

2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for July 14, 2020

No items were discussed.

Mayor Wilcox announced Council would take a short recess before the regular open session meeting and adjourned Early Work Session at 7:00 p.m.

OPEN SESSION

4. Call to Order

Mayor Charlotte J. Wilcox called the meeting to order at 7:10 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Absent:	Tom Heslep	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Doug Reim	Police Chief
	Michael Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Jana Onstead	Human Resources Director
	Sunny Lindsey	Information Services Director
	Phil Lozano	Parks and Recreation Director
	Andrew Boyd	Media Specialist

5. Prayer led by Councilmember Robert Fiester

Councilmember Fiester gave the invocation.

6. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Robert Fiester

Councilmember Fiester led the Pledge of Allegiance to the U.S. and Texas flags.

7. Visitor Comments

Mayor Wilcox announced any person wishing to provide comments on any matter to be considered on this agenda were to email such comments to the City Secretary by 1:00 p.m. on Tuesday, July 14, 2020. She asked if any public comments were received; City Secretary Angela Miller reported none were received.

8. City Manager/Staff Reports

City Manager Michael Leavitt reported he received notification the City would receive a capital credit check from CoServ in the amount of \$43,383.48.

- **COVID-19 Update**

Fire Chief Michael Thompson reported the number of cases have increased throughout the nation and in Texas, with higher numbers in Harris and Dallas County. He stated the number of cases in Denton County has also increased but not at the same rate as some of the larger counties. He updated everyone on the most recent orders by Governor Abbott.

- **Kids Kastle Rebuild Project Update**

Mr. Leavitt provided an update on the project. The Phase II community build that was scheduled for July 20-25, 2020 has been cancelled due to the current state of COVID-19 in North Texas and the recent Executive Orders issued by Governor Abbott. He reported the leadership team had met after the recent orders were issued and the difficult decision was made to cancel Phase II. There are still some smaller projects that staff can focus on and will continue to work with small groups of ten (10) volunteers to complete, while still meeting CDC Guidelines. Mr. Leavitt reported Parks and Public Works crews are currently in their peak maintenance season therefore we are not able to utilize them to complete the project at this time. An all-City staff build is still an option, just not at this time.

Parks staff will work to reduce the footprint of the fenced area in order to provide more space for the community to enjoy the park. Parks and Recreation Director Phil Lozano is working on plans to keep the project moving forward in a safe manner, including obtaining a cost for a turn-key project. Councilmember Kixmiller asked for clarification on different costs and asked if any of the CARES Act funding could be used toward completion of the project. Mr. Leavitt reported the CARES Act funding will be used for the enhanced safety improvements in all City Facilities.

- **HVTV Update**

The Update provided information on how to and who should wear a mask. The Foodie Friday segment featured Delhi6.

9. **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**

Mayor Wilcox compliments the work done by the company doing the asphalt overlay in Highland Village.

CONSENT AGENDA
APPROVED (6 – 0)

10. **Consider approval of Minutes of the Regular City Council Meeting held on June 23, 2020 and Special City Council Meetings held on June 30, 2020 and July 9, 2020**
11. **Consider Ordinance 2020-1275 amending Section 20.03.052 “Maximum Speed Limits on Specific Streets” to adopt and amend the Maximum Prima Facia Speed Limits for the Segment of FM 2499 located within the Corporate Limits of Highland Village (2nd and final read)**
12. **Consider Resolution 2020-2889 authorizing the Purchase of a Dump Truck Vehicle from Houston Freightliner through the City’s Cooperative Purchasing Agreement with the Houston-Galveston Area Council of Governments Cooperative (HGAC)**
13. **Consider Resolution 2020-2891 awarding and authorizing a Contract with Advantage Mechanical for the Replacement of Heating, Ventilation and Air Conditioning Units at the City Municipal Complex**
14. **Receive Budget Reports for Period Ending April 30, 2020**

15. Receive Budget Reports for Period Ending May 31, 2020

Regarding Agenda Item #13, Mayor Pro Tem Lombardo voiced concern with the difference in quotes received for the replacement of heating/AC units at the municipal complex. Public Works Director Scott Kriston stated the quote has been reviewed, resources verified and prior successful projects in Highland Village were all evaluated.

Motion by Deputy Mayor Pro Tem Fleming, seconded by Councilmember Kixmiller, to approve Consent Agenda Items #10 through #15. Motion carried 6-0.

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 a Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

NO ACTION TAKEN

(b) Section 551.074 – Personnel – Discuss the Employment or Appointment of City Manager

NO ACTION TAKEN

17. Consider Resolution 2020-2890 authorizing an Interlocal Cooperation Agreement between Denton County and the City of Highland Village for a Grant of Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) Funds

APPROVED (6 – 0)

Mr. Leavitt reported Denton County has established a COVID-19 municipality funding program, which allows the County to grant money to Denton County municipalities from the funds received from the U.S. Department of the Treasury under the Coronavirus Relief Fund (“CRF”), as provided for in the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. The City can receive up to \$909,535, which is based on \$55 per capita. Highland Village will submit payroll expenses for the Fire and Police Departments between March 1, 2020 and December 30, 2020; cost of security upgrades to all municipal facilities; and costs for personal protection equipment (PPE), disinfectant and total supplies spent to address COVID-19.

Motion by Councilmember Kixmiller, seconded by Mayor Pro Tem Lombardo, to approve Resolution 2020-2890. Motion carried with a vote of 6-0.

LATE WORK SESSION

Discussion during Early Work Session relating to Agenda Item #1 was continued in Late Work Session.

1. Discuss the General Fund Budget for Fiscal Year 2020-2021

Mr. Heerman presented a Five-Year Forecast, which included revenue and fund balance projections. He reported vehicle/equipment replacement presents a significant increase in capital cost, therefore a consultant has been hired to review replacement criteria for City vehicles/equipment. Because additional costs are incurred over time in a lease situation,

the City has typically paid cash for those items rather than leasing. Mr. Heerman also provided a five-year outlook that included a previously proposed ½-cent tax decrease in FY 2020-2021.

Mr. Leavitt presented supplemental requests for FY 2020-2021. Initial requests totaled \$940,110, however after further review by City staff the total requests were reduced to \$73,200. Councilmember Jaworski asked for clarification on several of the items. Mr. Leavitt added he did not recommend the ½-cent tax decrease at this time, although Council ultimately determines that during the budget process. Councilmember Kixmiller asked about increasing personnel costs. With Highland Village being a high service community, Mr. Heerman reported that personnel are needed to maintain that level of service. Council discussed personnel costs, total number of employees, competitive pay rates, and level of services provided to residents. Mr. Leavitt added that the ½-cent reduction in tax rate was initially discussed prior to SB 2. Some Councilmembers voiced concern about lowering the tax rate and then having to raise it again in a few years. Council directed staff to provide costs for the proposed positions in the next budget review.

18. Discuss the Upcoming Annual Board and Commission Appointments

City Secretary Angela Miller reported Council has held a Meet and Greet in September prior to making annual board and commission appointments. However, other options may need to be considered this year because of COVID-19 and the Executive Orders issued by Governor Abbott. Further discussion will continue at the next regular Council meeting.

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.)

City staff reported on the following:

- The FM 407 water well is back on line and producing at higher gallons per minute (gpm) range than originally anticipated.
- Bids for the 2020 asphalt overlay project will open on July 15.
- Phase III of the road construction project is in its final stages. Phase IV is in the design phase.

20. Adjournment

Mayor Wilcox adjourned the meeting at 9:07 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11

MEETING DATE: 07/28/2020

SUBJECT: Consider Resolution 2020-2892 Receiving an Annual Report from the Highland Village Community Development Corporation and Approving the Facilities Development Capital Improvement Program (“FDCIP”)

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

The Bylaws of the Highland Village Community Development Corporation require an annual update to the Facilities Development Capital Improvement Program (FDCIP). The FDCIP details projects and implementation in regard to the approved 4B projects: the City comprehensive trail system and a soccer complex. In addition, the Bylaws also require an annual report to be submitted by the end of July of each year to the City Council to include: A review of the accomplishments of the Corporation in the area of project development during the past year; and the planned activities of the Corporation for the budget year addressed in the report. This report is included within the submitted FDCIP.

At the HVDC July 28th meeting, prior to this Council Meeting, the updated FDCIP was presented to the Board. And a public hearing was also held at this meeting as required.

IDENTIFIED NEED/S:

The Corporation is to adopt an annual FDCIP – this enumerating any new projects. An annual budget is also to be approved – this being the first year of the five-year outlook included in the FDCIP. Following approval by the HVDC Board, Council approval is required in accordance to the by-laws.

OPTIONS & RESULTS:

Previous year project status

- Doubletree Ranch Park – Construction for Doubletree Ranch Park was completed in FY 2017, with FY 2018 being the first complete year open to the public. In FY 2019, staff started the following projects
 - Shade covers adjacent to the splash pad
 - Playground for ages 2-12
 - Swing set geared to teens and adultsThe shade covers were completed in FY 2019, and the playground and swings were completed in FY 2020.

- Also, given the lack of available funding for projects, City Council placed an initiative on the 2018 Bond Election for construction of a 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. Engineering is 95% complete and bid advertisement is expected to go out in September, with construction anticipated to start in early winter. The cost is estimated at \$922,300 and will be funded with ad valorem tax revenues.
- Supplemental items approved in the FY 2020 Budget that were completed:
 - Addition of river rock to landscaping beds to contain the mulch at Doubletree Ranch Park (\$10,000)
 - Doubletree Ranch Park splash pad sealant to extend the life of the surfacing (\$23,000)
 - Addition of synthetic grass under the new shade structure (\$28,000)

With uncertainty of sales tax revenues stemming from the COVID-19 shutdown, several supplemental items identified for this fiscal year were delayed. The items that were not funded are as follows,

- Removal of the cedar fencing at Doubletree Ranch Park (around the splash pad) and replacing it with metal railing (\$8,000)
- Sealing the pergola around the splash pad to prolong the life of the pergola (\$9,000).

The items mentioned above are noted for future consideration in 2022.)

- Aaron M. Hudson Memorial Bridge
In May of 2019, the city was approached by a group of residents wanting to honor a Highland Village fallen veteran, Aaron M. Hudson, by naming the new bridge at Doubletree Ranch Park after him. A committee was formed, and staff received approval from the U.S. Army Corps of Engineers for the design and the naming of the new bridge, the "Aaron M. Hudson Memorial Bridge." On October 22, 2019, the committee formally presented to Council a naming application for approval, which Council unanimously approved naming the bridge at Doubletree Ranch Park "The Aaron M. Hudson Memorial Bridge." The total estimated cost of the project is \$10,000. The committee started a "go fund me" page, and to-date has raised 100% of the funds for the project. Due to COVID-19, the original date of April 18 for the ceremony was moved twice, the new date for the dedication ceremony is scheduled for September 19, 2020.
- The impact of COVID-19
The COVID-19 pandemic has disrupted nearly every aspect of normal life, from stay at home orders to social distancing guidelines to even how parks and social spaces are used. During this challenging time, we started noticing an increase in trail usage almost immediately from biking, walking, and jogging. The increase in usage required additional maintenance and supplies, such as pet station bags, debris removal, and more touches on amenity station for cleaning. With a total of 23 miles of city-maintained park trails, residents have enjoyed the trail system here in Highland Village. Soccer, on the other hand, is a different story. Our primary tenant, Greater Lewisville Area Soccer Association (GLASA), canceled their spring season for all age groups. The summer season was opened to older age groups only U-9 and above, and since Doubletree Ranch Park is primarily used to host

the U-6 and below, the fields were not used all summer. As of today, we are unsure if the GLASA will have a fall season for the six and under kids.

Anticipated projects for upcoming year – previously identified in FDCIP:

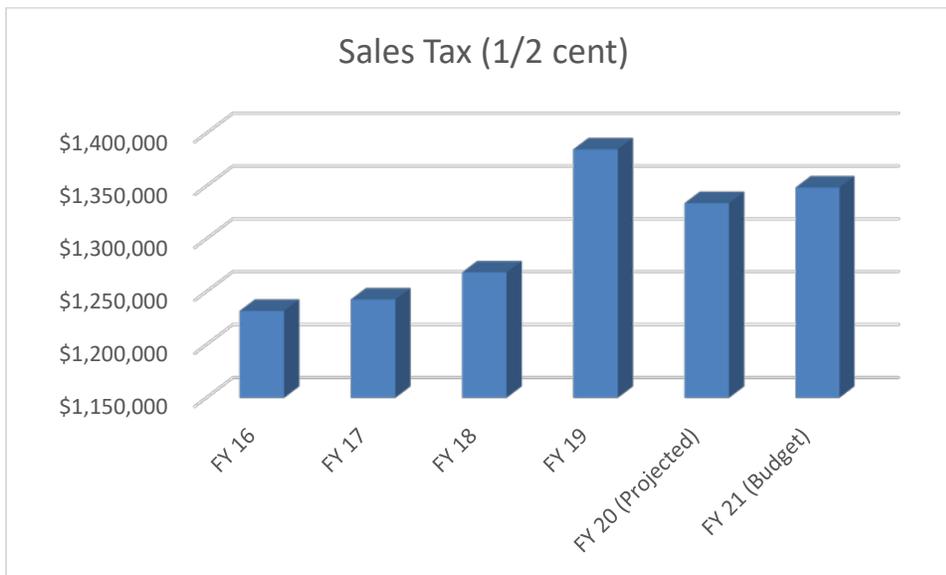
- **Miscellaneous small, fill-in connector sections** – Various locations of trail / sidewalks throughout the City that are identified in our Comprehensive Trail System Master Plan have small sections that are incomplete or need to be replaced. Often, a natural path is evident where people have naturally traversed these areas. Small annual funding amounts are proposed to address these sections as discovered or are requested. However, for this fiscal year, there is no available funding.
 - No projects anticipated.

New projects identified in updated FDCIP:

- There are no new projects identified in this year's updated FDCIP. Funding for projects – primarily secured through debt issuance, will be fully expended with completion of the projects in process. The primary emphasis over the next two years will be to fully determine operational costs associated with Doubletree Ranch Park and build working capital balances.

Financial Outlook

Sales tax revenues, the primary funding source for this fund have reflected modest increases over the past several years.



Increases of just 1% and 2.1% in FY 2017 through FY 2018, was followed with a 9.2% increase in FY 2019. The projected sales tax revenues for FY 2020 reflect the first decrease in quite some time, due to ramifications of COVID 19 shutdowns. However, this is only a 3.7% reduction, which is an outstanding outcome, given the severity of economic ramifications stemming from the shutdown. Clearly, the Supreme Court ruling regarding collecting sales tax on Internet sales has resulted in a positive impact, as internet related sales have largely offset losses from local retail and restaurant sales. For FY 2021 there is considerable uncertainty regarding the economy. Reflected in the budget is a modest increase from this year, however less than received in FY 2019. Following next year, projected sales tax revenues over the next several years are expected to reflect more subdued increases – reflective of a larger trend of volatility in the retail market, as well as the effect of our major retail centers maturing. With several years of established history with our new developments, we feel more confident to have a reliable income stream, but with no expectation of an explosion of revenues. Thus, a cautious, deliberate approach to future debt issuance is warranted; with emphasis on first building sufficient working capital balances.

The \$6.7M debt issuance in 2014, coupled with the previously received remediation monies (\$2.8M) resulting from the I-35 widening project, effectively provided for substantial completion of the three remaining identified major projects: Doubletree Ranch Park, Castlewood Trail (also including tie-in to the 2499 pedestrian tunnel), and Lakeside Community Park. An additional \$281,152 funding from Operations in FY 2017 to accommodate the final cost of the last remaining project (Doubletree Ranch Park), resulting in a reduced working capital balance.

Since FY 2017, despite a desire to rebuild working capital balances, they have remained below our targets due to increased operational expenditures with the new amenities. While the next several years will focus on rebuilding working capital balances, this will continue to be challenged by the new threshold of operations expenditures. With only modest increases anticipated in sales tax revenues in the immediate time frame, and debt service remaining at

current levels through 2024, there is no expectation to achieve working capital balances sufficient for new debt issuance over the next five years. A respite from new projects will allow a redirected focus on the operational side to better evaluate future funding ability for projects. An exception to this was inclusion in the FY 2018 Bond Election of a trail section adjacent to Highland Village Road from City Hall to Sellmeyer. This will provide a connection along Highland Village Road from FM 407 to Doubletree Ranch Park – and further connection to Copperas Branch Park. This was not funded through the 4B Sales Tax, rather the ad valorem tax base. This reflects a holistic view of the City park / trail system to complement the trail system with use of an alternate funding source.

A financial summary follows this narrative – depicted in two parts: Working Capital and Projects. The working capital section displays the operations budget. Revenues are primarily derived from sales tax proceeds (1/2 cent). Expenditures consist of four full-time positions (the fourth position added in FY 2018) – supplemented with outsourced mowing contracts, costs associated with maintenance activities, and debt service. The HVCDC has an agreement with the City to repay debt service the City issued on behalf of the HVCDC. As Doubletree Ranch Park is a mixture of 4B approved expenditures (soccer facilities and trail components) and general fund programming (splash pad), Staff recommendation is to withhold \$50,000 annually from the 4B related debt payment to the General Fund to address the general fund components. Trail development, with related project expenditures, is the primary mission of the corporation. And these are primarily funded with debt issues. Maintaining sufficient working capital balances are the determining driver in regard to timing and amount of debt issues to fund the projects.

The working capital balance for year-end FY 2021 in the HVCDC is projected at only \$52,379. As the primary revenue source is sales tax, with associated higher degree of volatility, a reasonably healthy level of reserves is suggested.

	<i>Actual 2017-18</i>	<i>Actual 2018-19</i>	<i>Budget 2019-20</i>	<i>Revised 2019-20</i>	<i>Proposed 2020-21</i>
Beginning Fund Balance	106,954	30,522	24,216	98,101	70,647
REVENUES					
4B Sales Tax	\$ 1,268,252	\$ 1,384,756	\$ 1,348,631	\$ 1,333,775	\$ 1,348,631
Park Fees	47,569	27,979	28,400	8,798	9,000
Rental Income	28	26,672	35,000	21,000	35,000
Concession Fees	-	-	-	-	-
Linear Park Fees	-	-	-	24,108	-
Interest Income	492	734	800	700	800
Total	1,316,340	1,440,141	1,412,831	1,388,381	1,393,431
EXPENDITURES					
Personnel					
Salaries	169,617	191,567	193,674	192,783	222,942
Benefits	94,178	120,045	130,556	148,850	147,661
Total Personnel	263,795	311,612	324,231	341,633	370,603
Services / Supplies					
Professional Services	62,341	59,064	124,500	67,596	106,166
Employee Development	505	0	2,635	561	2,635
Supplies / Equipment	125,464	82,041	96,140	128,809	52,063
Utilities	41,982	41,587	53,250	40,950	47,750
Other	-	-	-	-	-
Total Services / Supplies	230,292	182,692	276,525	237,916	208,614
Reimburse GF (Support Functions)			28,000	28,000	28,000
Transfer from GF				(30,392)	
Reimburse GF (Debt Service)	898,685	834,827	808,286	808,286	804,482
Total Non-Capital Exp.	1,392,772	1,329,131	1,437,042	1,385,443	1,411,699
Equipment	-	43,431	-	30,392	-
Net Increase / (Decrease)	(76,432)	67,579	(24,211)	(27,454)	(18,268)
Working Capital Balance	\$ 30,522	\$ 98,101	\$ 5	\$ 70,647	\$ 52,379

	<i>Proposed 2020-21</i>	<i>Proposed 2021-22</i>	<i>Proposed 2022-23</i>	<i>Proposed 2023-24</i>	<i>Proposed 2024-25</i>
Beginning Fund Balance	70,647	52,379	\$ 2,072	\$ 46,164	\$ 119,880
REVENUES					
4B Sales Tax	\$ 1,348,631	1,386,160	1,425,607	1,458,307	1,491,981
Park Fees	9,000	9,400	10,100	10,100	10,100
Rental Income	35,000	40,000	44,000	48,000	55,000
Concession Fees	-	0	0	0	0
Linear Park Fees	-	0	0	0	0
Interest Income	800	1,000	2,000	2,000	2,200
Total	1,393,431	1,436,560	1,481,707	1,518,407	1,559,281
EXPENDITURES					
Personnel					
<i>Salaries</i>	222,942	229,630	236,519	243,614	250,923
<i>Benefits</i>	147,661	154,306	161,250	168,506	176,089
Total Personnel	370,603	383,936	397,769	412,120	427,012
Services / Supplies					
<i>Professional Services</i>	106,166	93,666	105,166	93,766	105,666
<i>Employee Development</i>	2,635	2,635	2,635	2,685	2,685
<i>Supplies / Equipment</i>	52,063	119,523	49,753	49,543	70,153
<i>Utilities</i>	47,750	48,750	48,850	48,850	48,950
<i>Other</i>	-	-	-	-	-
Total Services / Supplies	208,614	264,574	206,404	194,844	227,454
Reimburse GF (Support)	28,000	28,000	28,000	28,000	28,000
Transfer from GF					
Reimburse GF (Debt Service)	804,482	810,357	805,442	809,726	486,818
Total Non-Capital Exp.	1,411,699	1,486,867	1,437,615	1,444,691	1,169,283
Equipment	-	-	-	-	-
Net Increase / (Decrease)	(18,268)	(50,307)	44,092	73,716	389,998
Working Capital Balance	\$ 52,379	\$ 2,072	\$ 46,164	\$ 119,880	\$ 509,878

No Debt Financed Projects anticipated in five-year window.

Project Summary

Completed Projects

- City Trail
- Victoria Trail
- Market Trail
- Village Park Trail
- Lake Vista Trail
- Highland Village Road (Village Park Trail connection to RR crossing)
- Practice Soccer Fields (LISD property)
- Crosswalk at FM 2499
- Market Trail / Village Park Connection
- Pedestrian Crosswalk Enhancements (Victoria Trail crossing @ Highland Village Rd), and City Trail crossing @ Briarhill Blvd)
- FM 2499 Sidewalk (City Trail at FM 2499 south to connect with Market Trail)
- Highland Village Road Trail - Phase IIb (Lions Club Park to Doubletree Ranch Park)
- Highland Village Road RR Crossing
- Marauder Park Lake Access
- Twin Coves Drive West side of Road @ Highland Shores Blvd. 5' sidewalk connector
- Castlewood Trail (including tie-in to FM 2499 Pedestrian Tunnel and City Trail)
- Southwood Trail
- Lakeside Community Park (707 HV Rd) Trailhead
- Doubletree Ranch Park

Small fill-in / connector sections completed

- Trail connection from Remington Dr. E. to Highland Village Road.
- Twin Coves Drive West side of Road @ Highland Shores Blvd. 5' sidewalk connector
- Trail Section on Spring Oaks Drive

-

Projects (Previously Identified) for Future Consideration (Listed in Priority Order)

Projects

- Highland Village Road (Service Center to Sellmeyer Ln.) Estimated cost: \$561,200 (Eng. \$73,200, Construction \$488,000) **In process (Included in 2018 Parks Bond Issue)**
- Highland Village Road (City Hall to Service Center) Estimated cost: \$361,100 (Eng. \$47,100, Construction \$314,000) **In process (Included in 2018 Parks Bond Issue)**
- Chapel Hill City Trail / FM 2499 Pedestrian Tunnel Connector Estimated cost: \$220,908 (Eng. \$26,650, Construction \$194,258) Engineering funded with redirected savings from favorable street overlay bid, and this is in progress. Funding for construction not yet determined.
- Marauder Park Trail Head Estimated cost: \$391,000 (Eng. \$48,000, Construction \$343,000)
- Pilot Knoll Trail (Connection from FM 2499 Sidewalk at City Trail to Pilot Knoll Park)
- Victoria Trail (remainder)
- Pedestrian tunnel under KCS RR

Identified small fill-in / connector sections

- Briarhill Blvd. Across from the Jr. HS West side between the District Trail and Shannon Lane 5' sidewalk connector Estimate \$80,000 **To be submitted as supplemental request for consideration in FY 2020 Street Budget.**

- Trail/Sidewalk connection on Castlewood Blvd. (west side) at FM 2499/Highland Shores Blvd. – Estimated cost: \$44,850 (Eng. \$5,850, Construction \$39,000)
- Highland Shores Blvd. at H. V. Road South Side 5' sidewalk/trail connector where bike lane ends due to right turn lane, connect to City Trail Estimate \$8,665 - Engineer currently evaluating best options for bike lane. On street bike lane markings may be the best solution for this location. If so, the City Street Dept. could do the markings at a minimal cost.
- Trail connector from Marauder Park Trail under FM2499 Bridge to connect to Shoreline access point (have easement from TxDOT for trail)

There are no proposed updates to the Facilities Development Capital Improvement Program (FDCIP) for FY 2021.

RECOMMENDATION:

Receive annual report and approve annual update to the HVCCDC FDCIP.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2020-2892

A RESOLUTION OF THE CITY OF HIGHLAND VILLAGE, TEXAS, RECEIVING THE ANNUAL REPORT FROM THE HIGHLAND VILLAGE COMMUNITY DEVELOPMENT CORPORATION (HVDCD), APPROVING THE ANNUAL UPDATES TO THE FACILITIES DEVELOPMENT CAPITAL IMPROVEMENT PROGRAM (“FDCIP”); AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Bylaws of the Highland Village Community Development Corporation (“HVDCD”), require the HVDCD to present an annual report to the City Council and develop and update a combined Facilities Development Capital Improvement Program (“FDCIP”) for the City which shall include and set forth both short term and long-term goals for implementation development and construction of the inland trail public park master plan project and the soccer complex amateur sports facility project; and

WHEREAS, the adoption of the annual update for the FDCIP requires approval of both the HVDCD and City Council; and

WHEREAS, having given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all persons interested, on July 28, 2020, the HVDCD voted to approve the annual update for the FDCIP for Fiscal Year 2020-2021; and

WHEREAS, the City Council finds it to be in the public interest to approve the annual update to the FDCIP for Fiscal Year 2020-2021 as approved by the HVDCD;

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

Section 1. The FDCIP for the period beginning on October 1, 2020 and ending September 30, 2021, attached hereto as Exhibit “A” and incorporated herein by referenced is hereby authorized, approved and adopted.

Section 2. This Resolution shall be effective immediately upon approval.

PASSED AND APPROVED ON THE 28th DAY OF JULY 2020.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:7/16/19:109503)

Exhibit A
(Resolution 2020-2892)

2021 Budget Highlights

- Total base proposed non-capital expenditures for the FY 2021 operating budget reflects an overall decrease of \$25,343 (-2%) from FY 2020.
- Personnel
- Concurrent with the opening of Doubletree Ranch Park, an additional position was added in FY 2018, bringing the total number of positions funded by the 4B to four. This crew is focused on maintenance of all city trails, also including Lakeside Community Park and Doubletree Ranch Park. Parks employees funded by the General Fund are also used to supplement as needed. Addition of the Splash Pad at Doubletree Ranch Park, in addition to the other amenities has provided challenges for the Parks Department with the increased workload. Overtime has increased as a result. For FY 21, Personnel reflects a \$370,603 proposed budget – a \$46,372 increase from FY 2020.
 - Roughly \$12,000 of this increase reflects reallocation of personnel – specifically, addition of a seasoned Crew Leader.
 - Proposed Market Adjustment of 3% represents a \$5,580 increase
 - Increase overtime of \$4,200
 - Health insurance increase of \$12,000 resulting from changes in coverage selected by employees
- Expenditures for Services / Supplies decreased \$67,911.
 - Opportunities for contracted services are reviewed each year, and have primarily been utilized for mowing along City trails and the City-maintained soccer fields on LISD property. The new contract for FY 21 reflected a reduction of \$18,334.
 - Park Maintenance budget reflected a decrease of \$44,000, related to last year including \$50,000 of supplemental one-time expenditures. The ongoing operational budget reflects a \$6,000 increase, associated with annual application of sealant to the Splash Pad.
 - Utilities decreased \$5,550 reflective of budgeted cost for provided WIFI at Doubletree overstated in FY 2020. While corrected to reflect actual annual cost of \$8,500, is currently being reviewed to evaluate this as a needed service.

There is no equipment replacement identified for FY 2021.

There are no supplemental requests identified for FY 2021.

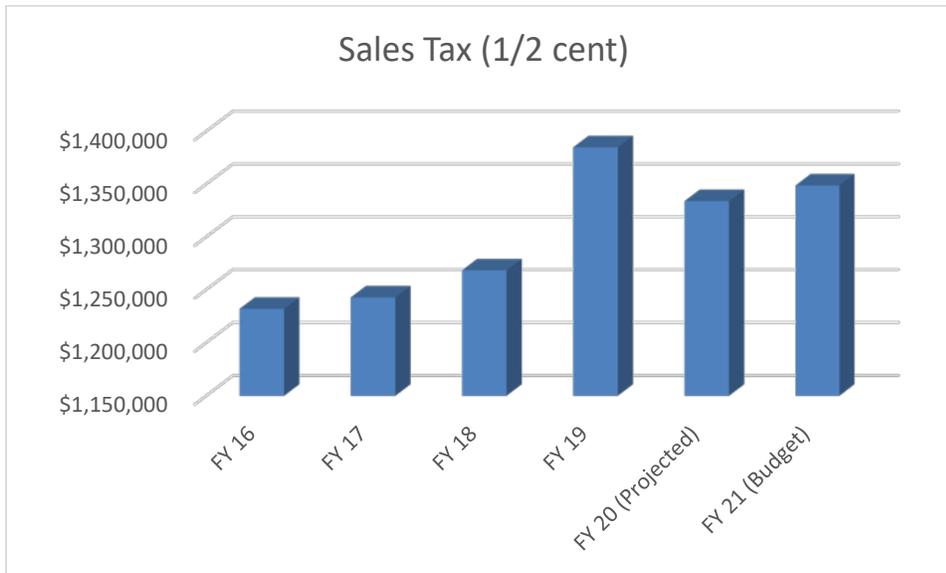
With completion of Doubletree Ranch Park in FY 2017, exhausting all remaining bond proceeds, the primary focus now targets maintenance and programming of this park – along with the now extensive trail system throughout the City. With no new projects planned in the immediate future, the operations / maintenance budget is expected to be primarily maintained at its current level, with increases accounting for inflation only.

Project Summary

No projects are anticipated for FY 2021, as all remaining available funding was exhausted with completion of Doubletree Ranch Park.

Financial Outlook

Sales tax revenues, the primary funding source for this fund have reflected modest increases over the past several years.



Increases of just 1% and 2.1% in FY 2017 through FY 2018, was followed with a 9.2% increase in FY 2019. The projected sales tax revenues for FY 2020 reflect the first decrease in quite some time, due to ramifications of COVID 19 shutdowns. However, this is only a 3.7% reduction, which is an outstanding outcome, given the severity of economic ramifications stemming from the shutdown. Clearly, the Supreme Court ruling regarding collecting sales tax on Internet sales has resulted in a positive impact, as internet related sales have largely offset losses from local retail and restaurant sales. For FY 2021 there is considerable uncertainty regarding the economy. Reflected in the budget is a modest increase from this year, however less than received in FY 2019. Following next year, projected sales tax revenues over the next several years are expected to reflect more subdued increases – reflective of a larger trend of volatility in the retail market, as well as the effect of our major retail centers maturing. With several years of established history with our new developments, we feel more confident to have a reliable income stream, but with no expectation of an explosion of revenues. Thus, a cautious, deliberate approach to future debt issuance is warranted; with emphasis on first building sufficient working capital balances.

The \$6.7M debt issuance in 2014, coupled with the previously received remediation monies (\$2.8M) resulting from the I-35 widening project, effectively provided for substantial completion of the three remaining identified major projects: Doubletree Ranch Park, Castlewood Trail (also including tie-in to the 2499 pedestrian tunnel), and Lakeside Community Park. An additional \$281,152 funding from Operations in FY 2017 to accommodate the final cost of the last remaining project (Doubletree Ranch Park), resulting in a reduced working capital balance.

Since FY 2017, despite a desire to rebuild working capital balances, they have remained below our targets due to increased operational expenditures with the new amenities. While the next several years will focus on rebuilding working capital balances, this will continue to be challenged by the new threshold of operations expenditures. With only modest increases anticipated in sales tax revenues in the immediate time frame, and debt service remaining at current levels through 2024, there is no expectation to achieve working capital balances sufficient for new debt issuance over the next five years. A respite from new projects will allow a redirected focus on the operational side to better evaluate future funding ability for projects. An exception to this was inclusion in the FY 2018 Bond Election of a trail section adjacent to Highland Village Road from City Hall to Sellmeyer. This will provide a connection along Highland Village Road from FM 407 to Doubletree Ranch Park – and further connection to Copperas Branch Park. This was not funded through the 4B Sales Tax, rather the ad valorem tax base. This reflects a holistic view of the City park / trail system to complement the trail system with use of an alternate funding source.

A financial summary follows this narrative – depicted in two parts: Working Capital and Projects. The working capital section displays the operations budget. Revenues are primarily derived from sales tax proceeds (1/2 cent). Expenditures consist of four full-time positions (the fourth position added in FY 2018) – supplemented with outsourced mowing contracts, costs associated with maintenance activities, and debt service. The HVDCDC has an agreement with the City to repay debt service the City issued on behalf of the HVDCDC. As Doubletree Ranch Park is a mixture of 4B approved expenditures (soccer facilities and trail components) and general fund programming (splash pad), Staff recommendation is to withhold \$50,000 annually from the 4B related debt payment to the General Fund to address the general fund components. Trail development, with related project expenditures, is the primary mission of the corporation. And these are primarily funded with debt issues. Maintaining sufficient working capital balances are the determining driver in regard to timing and amount of debt issues to fund the projects.

The working capital balance for year-end FY 2021 in the HVDCDC is projected at only \$52,379. As the primary revenue source is sales tax, with associated higher degree of volatility, a reasonably healthy level of reserves is suggested.

	<i>Actual 2017-18</i>	<i>Actual 2018-19</i>	<i>Budget 2019-20</i>	<i>Revised 2019-20</i>	<i>Proposed 2020-21</i>
Beginning Fund Balance	106,954	30,522	24,216	98,101	70,647
REVENUES					
4B Sales Tax	\$ 1,268,252	\$ 1,384,756	\$ 1,348,631	\$ 1,333,775	\$ 1,348,631
Park Fees	47,569	27,979	28,400	8,798	9,000
Rental Income	28	26,672	35,000	21,000	35,000
Concession Fees	-	-	-	-	-
Linear Park Fees	-	-	-	24,108	-
Interest Income	492	734	800	700	800
Total	1,316,340	1,440,141	1,412,831	1,388,381	1,393,431
EXPENDITURES					
Personnel					
Salaries	169,617	191,567	193,674	192,783	222,942
Benefits	94,178	120,045	130,556	148,850	147,661
Total Personnel	263,795	311,612	324,231	341,633	370,603
Services / Supplies					
Professional Services	62,341	59,064	124,500	67,596	106,166
Employee Development	505	0	2,635	561	2,635
Supplies / Equipment	125,464	82,041	96,140	128,809	52,063
Utilities	41,982	41,587	53,250	40,950	47,750
Other	-	-	-	-	-
Total Services / Supplies	230,292	182,692	276,525	237,916	208,614
Reimburse GF (Support Functions)			28,000	28,000	28,000
Transfer from GF				(30,392)	
Reimburse GF (Debt Service)	898,685	834,827	808,286	808,286	804,482
Total Non-Capital Exp.	1,392,772	1,329,131	1,437,042	1,385,443	1,411,699
Equipment	-	43,431	-	30,392	-
Net Increase / (Decrease)	(76,432)	67,579	(24,211)	(27,454)	(18,268)
Working Capital Balance	\$ 30,522	\$ 98,101	\$ 5	\$ 70,647	\$ 52,379

	<i>Proposed 2020-21</i>	<i>Proposed 2021-22</i>	<i>Proposed 2022-23</i>	<i>Proposed 2023-24</i>	<i>Proposed 2024-25</i>
Beginning Fund Balance	70,647	52,379	\$ 2,072	\$ 46,164	\$ 119,880
REVENUES					
4B Sales Tax	\$ 1,348,631	1,386,160	1,425,607	1,458,307	1,491,981
Park Fees	9,000	9,400	10,100	10,100	10,100
Rental Income	35,000	40,000	44,000	48,000	55,000
Concession Fees	-	0	0	0	0
Linear Park Fees	-	0	0	0	0
Interest Income	800	1,000	2,000	2,000	2,200
Total	1,393,431	1,436,560	1,481,707	1,518,407	1,559,281
EXPENDITURES					
Personnel					
<i>Salaries</i>	222,942	229,630	236,519	243,614	250,923
<i>Benefits</i>	147,661	154,306	161,250	168,506	176,089
Total Personnel	370,603	383,936	397,769	412,120	427,012
Services / Supplies					
<i>Professional Services</i>	106,166	93,666	105,166	93,766	105,666
<i>Employee Development</i>	2,635	2,635	2,635	2,685	2,685
<i>Supplies / Equipment</i>	52,063	119,523	49,753	49,543	70,153
<i>Utilities</i>	47,750	48,750	48,850	48,850	48,950
<i>Other</i>	-	-	-	-	-
Total Services / Supplies	208,614	264,574	206,404	194,844	227,454
Reimburse GF (Support)	28,000	28,000	28,000	28,000	28,000
Transfer from GF					
Reimburse GF (Debt Service)	804,482	810,357	805,442	809,726	486,818
Total Non-Capital Exp.	1,411,699	1,486,867	1,437,615	1,444,691	1,169,283
Equipment	-	-	-	-	-
Net Increase / (Decrease)	(18,268)	(50,307)	44,092	73,716	389,998
Working Capital Balance	\$ 52,379	\$ 2,072	\$ 46,164	\$ 119,880	\$ 509,878

No Debt Financed Projects anticipated in five-year window.

Project Summary

Completed Projects

- City Trail
- Victoria Trail
- Market Trail
- Village Park Trail
- Lake Vista Trail
- Highland Village Road (Village Park Trail connection to RR crossing)
- Practice Soccer Fields (LISD property)
- Crosswalk at FM 2499
- Market Trail / Village Park Connection
- Pedestrian Crosswalk Enhancements (Victoria Trail crossing @ Highland Village Rd), and City Trail crossing @ Briarhill Blvd)
- FM 2499 Sidewalk (City Trail at FM 2499 south to connect with Market Trail)
- Highland Village Road Trail - Phase IIb (Lions Club Park to Doubletree Ranch Park)
- Highland Village Road RR Crossing
- Marauder Park Lake Access
- Twin Coves Drive West side of Road @ Highland Shores Blvd.. 5' sidewalk connector
- Castlewood Trail (including tie-in to FM 2499 Pedestrian Tunnel and City Trail)
- Southwood Trail
- Lakeside Community Park (707 HV Rd) Trailhead
- Doubletree Ranch Park

Small fill-in / connector sections completed

- Trail connection from Remington Dr. E. to Highland Village Road.
- Twin Coves Drive West side of Road @ Highland Shores Blvd. 5' sidewalk connector
- Trail Section on Spring Oaks Drive

Projects (Previously Identified) for Future Consideration (Listed in Priority Order)

Projects

- Highland Village Road (Service Center to Sellmeyer Ln.) Estimated cost: \$561,200 (Eng. \$73,200, Construction \$488,000) **In process (Included in 2018 Parks Bond Issue)**
- Highland Village Road (City Hall to Service Center) Estimated cost: \$361,100 (Eng. \$47,100, Construction \$314,000) **In process (Included in 2018 Parks Bond Issue)**
- Chapel Hill City Trail / FM 2499 Pedestrian Tunnel Connector Estimated cost: \$220,908 (Eng. \$26,650, Construction \$194,258) Engineering funded with redirected savings from favorable street overlay bid, and this is in progress. Funding for construction not yet determined.
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- Pilot Knoll Trail (Connection from FM 2499 Sidewalk at City Trail to Pilot Knoll Park)
- Victoria Trail (remainder)
- Pedestrian tunnel under KCS RR

Identified small fill-in / connector sections

- Briarhill Blvd. Across from the Jr. HS West side between the District Trail and Shannon Lane 5' sidewalk connector Estimate \$80,000 **To be submitted as supplemental request for consideration in FY 2020 Street Budget.**
- Trail/Sidewalk connection on Castlewood Blvd. (west side) at FM 2499/Highland Shores Blvd. – Estimated cost: \$44,850 (Eng. \$5,850, Construction \$39,000)

- Highland Shores Blvd. at H. V. Road South Side 5' sidewalk/trail connector where bike lane ends due to right turn lane, connect to City Trail Estimate \$8,665 - Engineer currently evaluating best options for bike lane. On street bike lane markings may be the best solution for this location. If so, the City Street Dept. could do the markings at a minimal cost.
- Trail connector from Marauder Park Trail under FM2499 Bridge to connect to Shoreline trail access point (have easement from TxDOT for trail)

There are no proposed updates to the Facilities Development Capital Improvement Program (FDCIP) for FY 2021.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 13	MEETING DATE: 07/28/2020
SUBJECT:	Consider Resolution 2020-2893 authorizing a contract with Jagoe-Public Company for the 2020 Asphalt Overlay Project
PREPARED BY:	Scott Kriston, Director of Public Works

BACKGROUND:

The City of Highland Village typically overlays certain asphalt roadways each year as part of the City's Pavement Condition Index Program (PCI) to assist in maintaining these roadways and increasing their longevity. City staff targets existing roadways that have shown pavement deterioration and/or pavement failures. City staff identified Pebble Knoll, Sandy Hook, Willow Way, Sleepy Hollow, Shaded Place Drive, Windy Court, and Merriman Drive as seven roadways meeting the criteria for recommended overlay improvements as part of the City's PCI Program. These seven roadways will have new asphalt pavement placed on them. Also, wedge milling of the edges of the pavement will be done in order to facilitate connection to existing driveways.

The City issued the project for bid with a Base Bid including asphalt overlay improvements for the seven roadways mentioned above. Bids were received on Thursday, July 16, 2020 for the project from seven general contractors. The bid total for each contractor is provided below:

Jagoe-Public Company	Anderson Asphalt	Eurovia Atlantic Coast	Reynolds Asphalt	Pavecon Public Works	Reliable Paving	Advanced Paving
\$158,506.86	\$165,063.50	\$165,500.00	\$167,530.00	\$169,520.50	\$181,496.50	\$186,302.50

Several very good bids were received for the project. The lowest bidder is Jagoe-Public Company with a total bid in the amount of \$158,506.86. The low bid has been reviewed and evaluated and is considered the lowest responsible bid. Jagoe-Public Company has sufficient resources to construct this project.

IDENTIFIED NEED/S:

The City of Highland Village needs to asphalt overlay Pebble Knoll, Sandy Hook, Willow Way, Sleepy Hollow, Shaded Place Drive, Windy Court, and Merriman Drive.

OPTIONS & RESULTS:

The asphalt overlay of Pebble Knoll, Sandy Hook, Willow Way, Sleepy Hollow, Shaded Place Drive, Windy Court, and Merriman Drive will provide additional longevity and ride quality to the pavement structures.

PROGRESS TO DATE: (if appropriate)

Contractors' bids for construction on the project have been received and evaluated.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funding through the General fund.

RECOMMENDATION:

To approve Resolution 2020-2893.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2020-2893

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AWARDED AND AUTHORIZING A CONTRACT WITH JAGOE PUBLIC COMPANY FOR THE 2020 ASPHALT OVERLAY PROJECT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, City administration, having solicited, received, and reviewed the bids for the 2020 Asphalt Overlay Project (the "Project") to improve Pebble Knoll, Sandy Hook, Willow Way, Sleepy Hollow, Shaded Place Drive, Windy Court, and Merriman Drive by providing new asphalt overlay on the existing pavement structure, has determined that Jagoe-Public Company has submitted the lowest, most responsible bid in an amount of \$158,506.86, and recommends award of a contract for the Project to said bidder; 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.

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 contract with Jagoe-Public Company in the amount of \$158,506.86 for the Project and, subject to applicable state laws, city policies, and, in the event change order(s) result in an increase in the contract amount, the availability of funds for such purpose, to negotiate and sign such change order(s) to said contract as the City Manager determines to be in the best interest of the City.

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

PASSED AND APPROVED THIS 28TH DAY OF JULY, 2020.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:7/22/2020:116885)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14

MEETING DATE: 07/28/2020

SUBJECT: Consider Resolution 2020-2894 Ratifying the Emergency Declaration by the City Manager authorizing work to be performed by Four Star Excavating Co. and Sunbelt Rentals, Inc. for the Highland Shores 12-L Subdivision Sanitary Sewer Manhole Repairs; Authorizing Additional Agreements and Change Orders

PREPARED BY: Scott Kriston, Public Works Director

BACKGROUND:

On June 24, 2020, the City's Public Works Utilities Division responded to a call for service regarding a sewer back-up in the Highland Shores 12-L subdivision. After investigating the issue, the utility technicians found that a sanitary sewer manhole located along the lakefront had been compromised by shifting soils causing the manhole to dislodge from its base and to be filled with mud and debris blocking the sewerage flows. Upon further investigation, it was discovered that approx. forty (40) residential properties were affected by the sewer line blockage. To stay in compliance with TCEQ mandates and avoid raw sewerage overflowing from the upstream manholes in the area, staff contacted Sunbelt Rentals, Inc. and had an emergency by-pass system delivered and set up on June 24th, 2020. Staff felt the need to get assistance with the excavation of the manhole due to the location and depth of the needed repairs, therefore staff made contact with several contractors that had performed similar utility work for the City in the past that we knew had the capabilities and experience to make the needed repairs.

The public health hazard posed to the citizens of the City of Highland Village by the unexpected failure of the manhole and wastewater collections system is significant and constitutes an emergency. Therefore, pursuant to Section 6.17.B. of the City Charter of the City of Highland Village, upon staff recommendation, the City Manager declared that an emergency existed, that the immediate procurement of goods and services related to returning the wastewater collections line and manhole into proper working condition was necessary for (i) the preservation of the public health and safety of the City's residents and (ii) the repair of unforeseen damage to public machinery, equipment, or other property, and that, pursuant to Texas Local Government Code §§252.022(a)(2) and (3), such procurement shall be exempt from the bidding requirements set forth in Chapter 252 of the Texas Local Government Code.

IDENTIFIED NEED/S:

Ratify the City Manager's emergency declaration and authorization of the emergency repairs to the Highland Shores 12-L sanitary sewer collections system and manhole repairs conducted to date and authorize additional agreements and change orders relating to completion of the well repairs subject to availability of current funds.

OPTIONS & RESULTS:

If the City did not repair the sanitary sewer manhole and restore flow in the sewer collections system, a public health hazard would be imposed as well as the City would be in violation of Chapter 217 TCEQ mandates and would be subject to possible fines.

PROGRESS TO DATE: (if appropriate)

Staff contacted both Sunbelt Rentals, Inc. (who has performed sewer bypass operations in the City previously), and Four Star Excavating, Co. to obtain needed excavation experience and larger heavy equipment that could reach the depth of the repair point. Four Star Excavating, Co. was able to mobilize on July 15th, 2020. The sewer manhole was excavated and repairs were made, allowing City forces to restore the sewerage flows in the area on July 20th, 2020.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funded through the Utility Fund.

RECOMMENDATION:

To approve Resolution 2020-2894 as presented.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2020-2894

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, RATIFYING THE EMERGENCY DECLARATION BY THE CITY MANAGER AUTHORIZING WORK TO BE PERFORMED BY FOUR STAR EXCAVATING COMPANY AND SUNBELT RENTALS, INC. RELATING TO THE REPAIR OF SANITARY SEWER INFRASTRUCTURE; AUTHORIZING ADDITIONAL AGREEMENTS AND CHANGE ORDERS RELATING TO THE REPAIR OF SAID INFRASTRUCTURE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, a sanitary sewer manhole in the Highland Shores Phase 12-L subdivision (“the Manhole”) failed on June 24, 2020; and

WHEREAS, the public health hazard posed to the citizens of the City of Highland Village by the unexpected failure of the Manhole is significant and constitutes an emergency; and

WHEREAS pursuant to Section 6.17.B. of the City Charter of the City of Highland Village, the City Manager declared that an emergency existed, that the immediate procurement of goods and services related to returning the Manhole to proper working condition was necessary for (i) the preservation of the public health and safety of the City’s residents and (ii) the repair of unforeseen damage to public machinery, equipment, or other property, and, that, pursuant to Texas Local Government Code §§252.022(a)(2) and (3), such procurement shall be exempt from the bidding requirements set forth in Chapter 252 of the Texas Local Government Code; and

WHEREAS, pursuant to the foregoing declaration, the City Manager entered into agreements on behalf of the City with (i) Four Star Excavating Co. to excavate and repair the Manhole and (ii) Sunbelt Rentals, Inc. to supply a sanitary sewer bypass system pending completion of repairs; and

WHEREAS the City Council of the City of Highland Village, Texas, finds it to be in the public interest to approve, ratify and authorize the actions of the City Manager described above and additional procurement necessary to complete the work if necessary.

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

SECTION 1. The emergency declaration of the City Manager and the City Manager’s acts in entering into agreements on behalf of the City with Four Star Excavating Company and Sunbelt Rentals, Inc. to provide the above described services relating to repair of the Manhole are hereby ratified, approved and authorized as if originally approved by the City Council prior to such actions being taken.

SECTION 2. The City Manager is authorized to pay for the foregoing services from current funds available for such purposes and, subject to applicable state laws, city policies, and the availability of current funds for such purpose, is further authorized to negotiate and sign such other agreements and change orders as the City Manager determines to be in the best interest of the City and necessary for completion of the repairs to the Manhole.

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

PASSED AND APPROVED THIS THE 28TH DAY OF JULY 2020.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:7/22/2020:116886)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 16

MEETING DATE: 07/28/2020

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

PREPARED BY: Karen McCoy, Executive Assistant

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 MEETINGS

July 28, 2020 Highland Village Community Development (4B) – 4:30 pm

July 28, 2020 Regular City Council Meeting - 7:00 pm

August 6, 2020 Zoning Board of Adjustment Meeting - 6:00 pm

August 11, 2020 Regular City Council Meeting - 7:00 pm

August 17, 2020 Parks & Recreation Advisory Board Meeting - 6:00 pm

August 18, 2020 Planning & Zoning Commission Meeting – 7:00 pm

August 25, 2020 Regular City Council Meeting - 7:00 pm

September 3, 2020 Zoning Board of Adjustment Meeting - 6:00 pm

September 7, 2020 City Offices Closed for the Labor Day Holiday

September 8, 2020 Regular City Council Meeting - 7:00 pm

September 15, 2020 Planning & Zoning Commission Meeting – 7:00 pm

September 21, 2020 Parks & Recreation Advisory Board Meeting - 6:00 pm

September 22, 2020 Regular City Council Meeting - 7:00 pm

October 1, 2020 Zoning Board of Adjustment Meeting - 6:00 pm

October 13, 2020 Regular City Council Meeting - 7:00 pm

October 19, 2020 Planning & Zoning Commission Meeting – 7:00 pm

October 20, 2020 Parks & Recreation Advisory Board Meeting - 6:00 pm

October 27, 2020 Regular City Council Meeting - 7:00 pm

Note – The Zoning Board of Adjustment, Parks & Recreation Advisory Board, and the Planning & Zoning Commission meetings are held monthly, IF NEEDED. Please visit www.highlandvillage.org or the City Hall bulletin board for the latest meeting additions and updates.

By: Karen McCoy, Executive Assistant – City of Highland Village