



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, MARCH 22, 2022 at 6:00 P.M.

EARLY WORK SESSION
Training Room – 6:00 P.M.

Convene Meeting in Open Session

1. **Receive Presentation of the Annual Comprehensive Financial Report for Fiscal Year 2020-2021**
2. **Discuss Appointments to Fill Vacancies for Unexpired Terms on the Ethics Board and the Parks and Recreation Advisory Board**
3. **Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for March 22, 2022**

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

CLOSED SESSION
Training Room

4. **Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**

OPEN SESSION
City Council Chambers – 7:00 P.M.

5. **Call Meeting to Order**
6. **Prayer led by Deputy Mayor Pro Tem Barbara Fleming**
7. **Pledge of Allegiance to the U.S. and Texas flags led by Deputy Mayor Pro Tem Barbara Fleming: *"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."***

8. **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.)*
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
10. **City Manager/Staff Reports**
 - **The Village Report**

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.

11. **Consider approval of Minutes of the Special Joint Workshop held on February 8, 2022 and of the Regular City Council Meeting held on March 8, 2022**
12. **Consider Ordinance 2022-1292 amending Chapter 22 "Utilities" Article 22.02 "Water Service," Division 2 "Rates and Charges" of the City's Code of Ordinances as it relates to Billing Adjustments following a Residential Water Leak (2nd and final read)**
13. **Receive the Annual Comprehensive Financial Report for Fiscal Year 2020-2021**

ACTION AGENDA

14. **Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**
15. **Consider Resolution 2022-2992 canceling the Special Election to be held on May 7, 2022 to Elect a City Council Member to Place 7 to Fill an Unexpired Term and Declaring the Unopposed Candidate Elected to Office**

16. Consider Resolution 2022-2993 appointing Members to Fill Vacancies for Unexpired Terms on the Ethics Board and the Parks and Recreation Advisory Board
17. Consider Resolution 2022-2994 authorizing an Agreement with Trisura Insurance Company and Talbran Enterprises, LLC for Completion of Construction of the 2021 Sidewalk Improvements

LATE WORK SESSION

(Items may be discussed during Early Work Session, time permitting)

18. 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 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.)
19. 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 18TH DAY OF MARCH 2022 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 _____, 2022 at _____

am / pm by _____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1

MEETING DATE: 03/22/2022

SUBJECT: Receive Presentation of the Annual Comprehensive Financial Report for FY 2021

PREPARED BY: Ken Heerman, Assistant City Manager

COMMENTS

Accountability is the essence of governmental financial reporting. The audit demonstrates this accountability. The Annual Comprehensive Financial Report represents a yearly audit of City finances and records.

The City received an unqualified opinion from the auditors (Pattillo, Brown, & Hill L.L.P.) in this report – indicating that the financial statements present fairly, the financial position of the City of Highland Village, as of September 30, 2021. A representative from Pattillo, Brown & Hill will review the report with Council.

The report is on file in the City Secretary's Office, as well as the report from the auditors. It has also been submitted to GFOA for consideration of an Excellence in Financial Reporting Award. An electronic version will also be placed on the City web site.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 2	MEETING DATE: 03/22/2022
SUBJECT:	Discuss Appointments to Fill Vacancies for Unexpired Terms on the Ethics Board and the Parks and Recreation Advisory Board
PREPARED BY:	Angela Miller, City Secretary

COMMENTS

City ordinance states that Council shall make annual appointments to the City's boards and commissions no later than the second regularly scheduled Council meeting in September. Citizens interested in volunteering their time to serve on one of the City's boards or commissions may submit an application to the City Secretary's Office for consideration by Council.

The annual appointments are for terms of two years, unless an individual is appointed to fill a vacancy. A "term year" is from October 1st until September 30th of the following year. The terms expire on the 30th day of September of the second year.

In the case of a vacancy, the Council shall appoint replacements to fill an unexpired term.

The Ethics Board is composed of five (5) members. One (1) member of the Ethics Board resigned, thereby leaving a vacancy with an unexpired term, which will expire on September 30, 2023.

If Council desires to make an appointment to fill this vacancy, the options are:

- a) Consider appointing a person from the remaining applications currently on file; or
- b) Delay filling the vacancy.

The Parks and Recreation Advisory Board is composed of seven (7) members, which includes five (5) regular members and two (2) alternate members. One (1) alternate member of the Parks and Recreation Board resigned, thereby leaving a vacancy for Alternate Place 2 with an unexpired term, which will expire on September 30, 2022.

If Council desires to make an appointment to fill this vacancy, the options are:

- a) Consider appointing a person from the remaining applications currently on file; or
- b) Delay filling the vacancy.

An item has been placed on the regular meeting agenda should Council wish to make any appointments.

BOARD AND COMMISSION APPLICANT PREFERENCES

Applicant Name	Ethics Board	HVCDC	Parks Board	P & Z	ZBA
ATKINSON, Lora	5	1	2	3	4
BATES, Jason	1			2	
BILLINGS, Tyler	4	3	2	1	5
CASEY, Peter	1	3	2		
CLEARY, Brian		3	1	2	
CYPHER, James	4	1	2	3	5
HAMILTON, Joseph (Joe)		3	2	1	
HEATHINGTON, Hogan		3	2	1	
SOLOW, Mark		2	1		

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 9

MEETING DATE: 03/22/2022

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# 11

MEETING DATE: 03/22/2022

SUBJECT: Consider approval of Minutes of the Special Joint Workshop with the Planning and Zoning Commission held on February 8, 2022 and of the Regular City Council Meeting held on March 8, 2022

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 Special Joint Workshop with the Planning and Zoning Commission held on February 8, 2022 and of the Regular City Council Meeting held on March 8, 2022.



**MEETING MINUTES OF THE
SPECIAL JOINT WORKSHOP OF THE
HIGHLAND VILLAGE CITY COUNCIL AND
PLANNING AND ZONING COMMISSION
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD
TUESDAY, FEBRUARY 8, 2022**

Convene Meeting in Open Session

The Highland Village City Council and the Planning and Zoning Commission met in a special joint workshop on the 8th day of February, 2022.

1. Call Meeting to Order – City Council

Mayor Charlotte J. Wilcox called the meeting to order at 6:00 p.m.

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember

Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

2. Call Meeting to Order – Planning and Zoning Commission

Chair Guy Skinner called the meeting to order at 6:00 p.m.

Roll Call

Present:	Guy Skinner	Chairman
	Jared Christianson	Commissioner
	Dale Butler	Commissioner
	Denver Kemery	Vice Chairman
	Michael George	Commissioner
	Brent Myers	Alternate Commissioner
	Cindy Richter	Alternate Commissioner

Staff Members:

Scott Kriston
Autumn Aman

Public Works Director
Community Development Coordinator

3. Receive a Presentation and Discuss Possible Development of Property located at 102 Barnett Boulevard

City Manager Paul Stevens reported the City is in the process of updating the Comprehensive Plan, Thoroughfare Plan, Park and Recreation Master Plan, Hike and Bike Trail Master Plan and also creating a FM 407 Corridor Plan. With the Comprehensive Plan update, Mr. Stevens voiced the importance of looking closely at the vacant tracts of property (78 acres total) available within the city and determining what the best use would be by considering the overall addition to the quality of life for the residents, tax base growth and potential sales tax.

Mr. Stevens added that preference would be for potential developers to wait until the comprehensive plan update is completed, but understands some developers wish to move forward with certain projects. He reported that the possible development being presented would require a zoning change, whereby notices would be sent to the property owners located within 200' of the project, public hearings conducted and meetings of the Planning and Zoning Commission and the City Council being held. Mr. Stevens reminded everyone that tonight's presentation was for informational purposes only.

Mr. Dusty Broadway of Broadway Builders presented Whitestone Village, a development consisting of sixty-five (65) new townhomes located on Barnett Boulevard. Findings of a location analysis were shown, indicating the development would be within walking proximity or within a short drive to local restaurants, retail, grocery, and schools. Mr. Broadway presented a site plan that included additional parking, exterior lighting, landscaping, central mailbox location(s) and a retaining wall located along the west side. Mr. Broadway added there may possibly be an additional retaining wall located along the north side near the elementary school.

Mr. Broadway reported the existing homes located west of the townhomes were taken into account when considering traffic, privacy, placement of and number of townhomes within the development. A six foot (6') retaining wall with a wood fence on top is proposed along the west side of the development. The townhomes that back up to the existing homes have been designed to provide privacy for the neighbors as there will be no windows upstairs facing into the backyards.

The townhomes would range from 1,802 to 2,190 square feet, with 3 bedrooms (all located upstairs), 2.5 bath and 2-car garage options with front or rear entries. Mr. Broadway provided an exterior finish board that shows black exterior fixtures with a white painted brick exterior finish. He further added it would be a full brick masonry project with hardie board on the fascia only. The price point would be approximately \$400,000 per townhome and there would be an HOA.

Concerns raised during the meeting included increased traffic during school drop off / pick up times and availability of additional parking since there are no driveways. A meeting with the neighboring homeowners was suggested to Mr. Broadway.

4. Adjournment – City Council

Mayor Wilcox adjourned the meeting at 6:57 p.m.

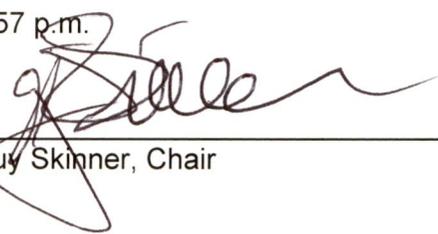
Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

5. Adjournment – Planning and Zoning Commission

Chairman Skinner adjourned the meeting at 6:57 p.m.



Guy Skinner, Chair

ATTEST:



Autumn Aman, Community Development Coordinator



**MEETING MINUTES OF THE REGULAR MEETING
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD
TUESDAY, MARCH 8, 2022**

EARLY WORK SESSION

Mayor Charlotte J. Wilcox called the meeting to order at 6:00 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
	Tom Heslep	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Scott Kriston	Public Works Director
	Jana Onstead	Human Resources Director
	Kim Lopez	Human Resources Manager
	Fince Espinoza	Deputy Director of Parks & Trails
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

1. Receive a Presentation on the Employee Wellness Program and achieving Gold Level Designation by the American Heart Association

Human Resources Manager Kim Lopez gave a presentation on how the City achieved Gold Level Designation by the American Heart Association by taking significant steps to build a culture of health and well-being for the workplace. The City of Highland Village is one of more than 450 organizations nationwide that completed the index assessment this year. Highland Village scored 149 out of 151, earning the Gold Level Workplace Health Achievement Award.

2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for March 8, 2022

Regarding Agenda Item #13, Mayor Pro Tem Lombardo asked for clarification on services being provided by Schaumburg & Polk. Public Works Director Scott Kriston reported the project is part of the 2022 Street Improvements Project, which was included in the bond package. This portion of the project includes professional engineering and surveying services for twenty-five (25) streets throughout the city. Due to the condition of the streets, restoration is needed and consists of full depth reclamation. This is a construction process that will result in better ride quality and extended life for the streets.

Mayor Wilcox announced Council would meet in Closed Session and read Agenda Items #3(a) and #3(b).

CLOSED SESSION

Council convened into Closed Session at 6:17 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 – Deliberate the Employment and Evaluation of the City Manager and City Secretary**

Council ended Closed Session at 7:00 p.m.

OPEN SESSION

4. Call Meeting 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
	Tom Heslep	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Paul Stevens	City Manager
	Ken Heerman	Assistant City Manager
	Kevin Laughlin	City Attorney
	Angela Miller	City Secretary
	Doug Reim	Chief of Police
	Mike Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Fince Espinoza	Deputy Director of Parks and Trails
	Jana Onstead	Human Resources Director
	Kim Lopez	Human Resources Manager
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

5. Prayer led by Mayor Pro Tem Mike Lombardo

Mayor Pro Tem Lombardo gave the invocation.

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

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

7. Visitor Comments

There were no requests to speak.

8. 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

Deputy Mayor Pro Tem Fleming announced the Highland Village Women's Club would be hosting a meet & greet on March 23 at 5:30 p.m. for anyone that would like to attend. Contact her for further details.

Mayor Wilcox offered condolences to Councilmember Heslep and his family for the recent passing of his father.

- **Presentation of a Proclamation for the BetteRx Safe than Sorry Campaign**

Mayor Wilcox presented a proclamation recognizing Winning the Fight's (WTF) new campaign and their efforts to educate communities on the importance of using strong and durable safes in homes to securely store prescription and over the counter medication.

- **Presentation of the American Heart Association Workplace Health Achievement Award**

Mayor Wilcox presented the award to Human Resources staff for their role in helping the City of Highland Village achieve the American Heart Association's Workplace Health Achievement Award.

9. City Manager/Staff Reports

- **Presentation of the State of the City Video**

The annual State of the City video was shown and Mayor Wilcox thanked the Marketing and Communications Department for their hard work in creating the video.

CONSENT AGENDA

10. Consider approval of Minutes of the Regular City Council Meeting held on February 22, 2022

11. Consider Ordinance 2022-1291 re-adopting in its entirety Article 14.04 “Parks and Recreation” Division 7 “Youth Services Standards of Care” of the City of Highland Village, Texas Code of Ordinances, setting forth and adopting the Standards of Care for Youth Programs offered by the Parks and Recreation Department (*2nd and final read*)
12. Consider Resolution 2022-2990 adopting the Texas Subdivision and Special District Election and Release Form regarding the Teva Texas Statewide Opioid Settlement
13. Consider Resolution 2022-2991 authorizing a Task Order with Schaumburg & Polk, Inc. (SPI) to provide Professional Services for the 2022 Street Improvements Project
14. Receive Budget Reports for Period Ending January 31, 2022

Motion by Councilmember Heslep, seconded by Deputy Mayor Pro Tem Fleming, to approve Consent Agenda Items #10 through #14. Motion carried 7-0.

ACTION AGENDA

15. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

No action taken on this item.

- (b) Section 551.074 – Personnel – Deliberate the Employment and Evaluation of the City Manager and City Secretary

Motion by Deputy Mayor Pro Tem Fleming, seconded by Councilmember Jaworski, authorizing the Mayor to sign an amendment to the City Manager’s employment agreement to extend the term of the agreement to September 30, 2028, and provide for an annual contribution to a 401(a) deferred compensation plan in the annual amount of \$10,000 commencing October 1, 2022. Motion carried 7-0.

Motion by Deputy Mayor Pro Tem Fleming, seconded by Councilmember Jaworski, authorizing the Mayor to sign an amendment to the City Secretary’s employment agreement to extend the term of the agreement to September 30, 2028, and amend the annual contribution to her 401(a) deferred compensation plan to an annual amount of \$9,000 commencing October 1, 2022. Motion carried 7-0.

16. Consider Ordinance 2022-1292 amending Chapter 22 “Utilities” Article 22.02 “Water Service,” Division 2 “Rates and Charges” of the City’s Code of Ordinances as it relates to Billing Adjustments following a Residential Water Leak (*1st of two reads*)

APPROVED 1ST READ (7 – 0)

Assistant City Manager Ken Heerman reported the City’s policy relating to a utility billing adjustment in the event of a residential water leak was reviewed and discussed with Council at their February 22, 2022 meeting, with alternative calculation methodologies presented, along with updated criteria for consideration. The consensus of Council during that meeting was to change the policy, as reflected in proposed Ordinance 2022-1292.

Also included in the ordinance is that a written request for an adjustment must be received no later than sixty (60) days following the end of the month of the billing cycle for which the leak adjustment is requested and a requirement that the resident register for the City's leak notification service & remain enrolled for a period of not less than two (2) years thereafter.

In an effort to increase participation in the leak notification service, Mr. Heerman reported that Chief Reim offered assistance. As City staff monitors water usage and becomes aware of high usage, officers from the Police Department can make contact with the property owner. As part of the Police Department's Areas of Responsibility Program, this provides another opportunity for officers to meet more Highland Village residents and officers can provide information about the leak notification system at that time.

Motion by Councilmember Fiester, seconded by Councilmember Heslep, to approve the first read of Ordinance 2022-1292. Motion carried 7-0.

LATE WORK SESSION

17. **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 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.)**

Mayor Wilcox announced the May 7, 2022 General Election to elect members to City Council for Places 1 (Mayor), 2, 4 and 6.

Councilmember Fiester asked the next steps in the update of the Master Plan project. City Manager Paul Stevens reported there will be additional opportunities for residents to provide input, as well as meetings with the property owners along FM 407 to provide their input.

18. **Adjournment**

Mayor Wilcox adjourned the meeting at 7:39 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12

MEETING DATE: 03/22/2022

SUBJECT: Consider Ordinance 2022-1292 amending Section 22.02.048(d) of the Code of Ordinances Regarding Billing Adjustments to Residential Customer Bills Relating to Water Leaks (2nd and final read)

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

Included in the City's Utility Ordinance regarding utility billing is a provision for billing adjustments following excess water usage from resulting from a water leak, the receipt of which is predicated on satisfaction of various criteria. The usage associated with a water leak is often accompanied by a substantially inflated water bill. Accordingly, as a courtesy to residents, the City has a mechanism to provide a billing adjustment to mitigate the impact of an unexpected high bill. This policy has been in place for a number of years. This policy was reviewed with Council at the February 22, 2022 Council Meeting, with alternative calculation methodologies presented along with updated criteria for consideration.

IDENTIFIED NEED/S:

Code of Ordinances Section 22.02.048(d) setting forth the current leak adjustment policy reads as follows:

A residential customer may be entitled to a billing adjustment upon providing proof of repairing a water leak in plumbing or water distributions lines on the customer side of the meter subject to the following:

- (1) Only one month's billing may be considered for adjustment;
- (2) The water use for the month during which the leak was found to exist must exceed a seasonal average by at least 50 percent;
- (3) The seasonal average may be established by using hourly read information to determine water loss related to the leak, water use in months preceding and following, the corresponding three months of previous years, or any combination thereof;
- (4) The customer must provide to the city proof the water leak has been repaired;
- (5) The billing adjustment provided may not exceed 50 percent of the difference of the billed water amount and water charges associated with the seasonal average usage; and

- (6) A resident may only receive one leak adjustment within a two-year period.

With the change in rate structure in 2017, there is now a flat rate of \$3.00 per 1,000 gallons for water usage up to 50,000 gallon; however, for usage over 50,000 gallons/month, the rate increases substantially to \$15.00 per thousand gallons. Water leaks causing substantial usage over the 50,000 gallon/month threshold have accompanying inflated charges compared to the previous rate structure. While the adjustment policy provides for the City absorbing one-half of the difference of the increase above the customer's normal bill, there is still a hefty charge remaining for the resident when leak related usage exceeds the 50,000 gal threshold.

OPTIONS & RESULTS:

The review of the current policy with the City Council included discussion of two alternate adjustment calculations for consideration. The alternate approaches focus on applying a reduced rate to the determined leak related usage – adding this to the amount associated with the resident's seasonal average usage for the month in which the leak was discovered and the adjustment applied.

Current Policy Calculation: The billing adjustment provided may not exceed 50 percent of the difference of the billed water amount and water charges associated with the seasonal average usage.

The consensus of Council was to change the policy to reflect the following adjustment calculation:

Updated Policy Calculation

The Leak Adjusted Amount will consist of:

- Water charges associated with the seasonal average usage; plus
- Wholesale water volume rate applied to the leak related usage (Billed usage exceeding the determined seasonal average usage)

If the proposed ordinance is adopted, the billing adjustment will consist of the Billed Water Amount less the calculated Leak Adjusted Amount.

Example at Current Rates:

Billed Water Amount - 60,000 gal (w/leak) \$ 379.00

Leak Adjusted Amount calculation:

- Seasonal average usage – 8,000 gal \$ 51.00
- Leak related usage (60,000 gal – 8,000 gal) x (\$1.00 / 1,000 gal)* 52.00

** Water wholesale volume rate / 1,000 gal*

Leak Adjusted Amount \$103.00

Billing Adjustment \$379.00 - \$103.00 = \$276.00

Other Suggested Changes:

- Add timeframe to request leak adjustment

- Suggest requirement of written request for leak adjustment to be received within two (2) months following the end of the month of the billing cycle the adjustment is requested.
- Change criterion for required usage variance
 - Suggest 2 times seasonal average rather than current 1.5
- Require customer to register for leak notification service and remain enrolled for a minimum period of time.

At their March 8, 2022 meeting, City Council approved the first read of Ordinance 2022-1292.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

Council to approve the final read of Ordinance 2022-1292.

**CITY OF HIGHLAND VILLAGE
ORDINANCE NO. 2022-1292**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AMENDING CHAPTER 22, "UTILITIES" ARTICLE 22.02 "WATER SERVICE," DIVISION 2 "RATES AND CHARGES" OF THE CODE OF ORDINANCES BY AMENDING SUBSECTION (d) OF SECTION 22.02.048 "BILLING PROCEDURES" RELATING TO BILLING ADJUSTMENTS FOLLOWING A RESIDENTIAL WATER LEAK; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council has previously enacted Subsection (d) of Section 22.02.048 of the Code of Ordinances to provide for an adjustment in a customer water bill for unusual water use resulting from a residential water leak subject to certain criteria and conditions; and

WHEREAS, having reviewed the current ordinance and the recommendation of City Administration, the City Council of the City of Highland Village finds it to be in the public interest and necessary for the protection of the health and safety of the residents of the City of Highland Village to amend of Section 22.02.048(d) of the Code of Ordinances.

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

SECTION 1. Chapter 22 "Utilities," Article 22.02 "Water Service," Division 2 "Rates, Charges, and Billing" of the Code of Ordinances of the City of Highland Village, Texas, is amended by amending Subsection (d) of Section 22.02.048 "Billing Procedures" in its entirety to read as follows:

- (d) Leak adjustment. A residential customer may be entitled to a billing adjustment following discovery of a water leak on the customer's side of the meter (such billing adjustment referred to in this subsection (d) as a "leak adjustment") subject to the following:
- (1) Only one month's billing may be considered for a leak adjustment;
 - (2) The water use for the billing cycle during which the leak was discovered must exceed the customer's seasonal average (as determined in accordance with paragraph (4), below) by not less than 100 percent;
 - (3) A written request for consideration of a leak adjustment must be received not later than 60 days following the end of the month of the billing cycle for which the leak adjustment is requested;
 - (4) The customer's seasonal average may be established by using hourly read information to determine water loss related to the leak, water use in the month immediately preceding and the month immediately following the month in which the leak was reported, the average water use for the corresponding three months of the three (3) previous years (if there is sufficient customer history), or any combination thereof;

- (5) The customer must provide to the City proof the water leak has been repaired;
- (6) The customer must register for leak notification through the City electronic meter read system prior to receipt of the adjustment and remained enrolled for a period of not less than two (2) years thereafter unless the customer ceases occupation of the property prior to that date or such notification service is no longer available. The City shall have the right to charge back to the customer the leak adjustment if the customer fails to remain registered for the leak notification service for the required period, in which case such amount shall become due and payable in the date of the bill on which the amount is charged back; and
- (7) The amount of a leak adjustments (the “Leak Adjustment Amount” will be calculated as follows:
 - (i) Water charges associated with the customer’s seasonal average usage (as determined in accordance with paragraph (4), above; plus
 - (ii) The wholesale water volume rate applied to the leak related usage (i.e., the billed usage exceeding the determined seasonal average usage).

The leak adjustment granted will consist of the Billed Water Amount less the calculated Leak Adjusted Amount.

A leak adjustment on a residential customer account may not be granted earlier than two-years after the grant of a leak adjustment on the same residential customer account.

SECTION 2. If any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstance is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portion shall remain in full force and effect.

SECTION 3. This ordinance shall become effective upon final adoption of this ordinance and publication of the caption as required by law and the city charter.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS ON THE FIRST READING, THIS THE 8th DAY OF MARCH 2022.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE,
TEXAS ON THE SECOND READING, THIS THE 22ND DAY OF MARCH 2022.**

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:3/1/2022:128046)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 13

MEETING DATE: 03/22/2022

SUBJECT: Receive Annual Comprehensive Financial Report for FY 2021

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

Accountability is the essence of governmental financial reporting. The audit demonstrates this accountability. The Annual Comprehensive Financial Report represents a yearly audit of City finances and records.

IDENTIFIED NEED/S:

The Annual Comprehensive Financial Report is presented to Council for acceptance.

OPTIONS & RESULTS:

The City received an unqualified opinion from the auditors (Pattillo, Brown, & Hill L.L.P.) in this report – indicating that the financial statements present fairly, the financial position of the City of Highland Village, as of September 30, 2021.

The report is on file in the City Secretary's Office as well as the report from the auditors. It has also been submitted to GFOA for consideration of an Excellence in Financial Reporting Award. An electronic version will be placed on the City web site. The Management Discussion and Analysis section of the report follows this briefing.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

Council to receive the City Financial Report for FY 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Highland Village, we offer readers of the City of Highland Village's financial statements this narrative overview and analysis of the financial activities of the City of Highland Village for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Highland Village exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$55,964,141. Of this amount, \$5,958,531 may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Highland Village's total net position increased by \$1,492,682. A \$1,076,428 increase in net position related to governmental activities and an increase of \$416,254 in net position in business-type activities.
- As of September 30, 2021, the City of Highland Village's governmental funds reported combined ending fund balances of \$12,432,925 a decrease of \$5,593 in comparison with the prior year. Approximately 50 percent of this total amount, \$6,177,286, is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$6,177,286, or 34 percent of total General Fund expenditures.
- The City of Highland Village's total debt decreased by \$3,165,000 during the current fiscal year. This is attributed to scheduled debt payments for the governmental activities and business-type activities of \$2,250,000 and \$915,000, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

The management's discussion and analysis are intended to serve as an introduction to the City of Highland Village's basic financial statements. The City of Highland Village's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Highland Village's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Highland Village's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these items reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Highland Village is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both the statement of net position and the statement of activities are prepared utilizing the accrual basis of accounting as opposed to the modified accrual basis used in the governmental fund financial statements.

In the Statement of Net Position and the Statement of Activities, the City is divided between two kinds of activities:

Governmental activities. Most of the City's basic services are reported here, including the police, fire, community development, public works, information services, park services, municipal court, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.

Business-type activities. The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water, sewer and drainage utilities are reported here.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by state law or bond covenants. However, the City Council also establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the City of Highland Village can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method identified as the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. By comparing information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements, readers may better understand the long-term impact of the government's near-term financing decisions. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are detailed in a reconciliation following the fund financial statements.

The City of Highland Village maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and Capital Projects Fund, all of which are considered to be major funds. Data from the other 8 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City charges customers for the services it provides, whether to outside customers or to other units within the City. These services are generally reported in proprietary funds. Proprietary funds are reported in the same manner that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's Enterprise Fund (a component of proprietary funds) is identical to the business-type activities that are reported in the government-wide statements, but provide more detail and additional information, such as cash flows.

The City of Highland Village maintains an Enterprise Fund to account for water and sewer services provided to the City's retail and wholesale customers. All activities associated with providing such services are accounted for in this fund, including administration, operation, maintenance, debt service, capital improvements, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Highland Village's budgetary comparison schedules and its progress in funding its obligation to provide pension benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City’s combined net position was \$55,964,141 as of September 30, 2021. Analyzing the net position of governmental and business-type activities separately, governmental activities’ net position was \$45,748,088 and business-type activities’ net position was \$10,216,053. This analysis focuses on the net position (Table 1), and the changes in net position (Table 2).

The largest portion of the City’s net position reflects its net investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TABLE 1

CITY OF HIGHLAND VILLAGE’S NET POSITION

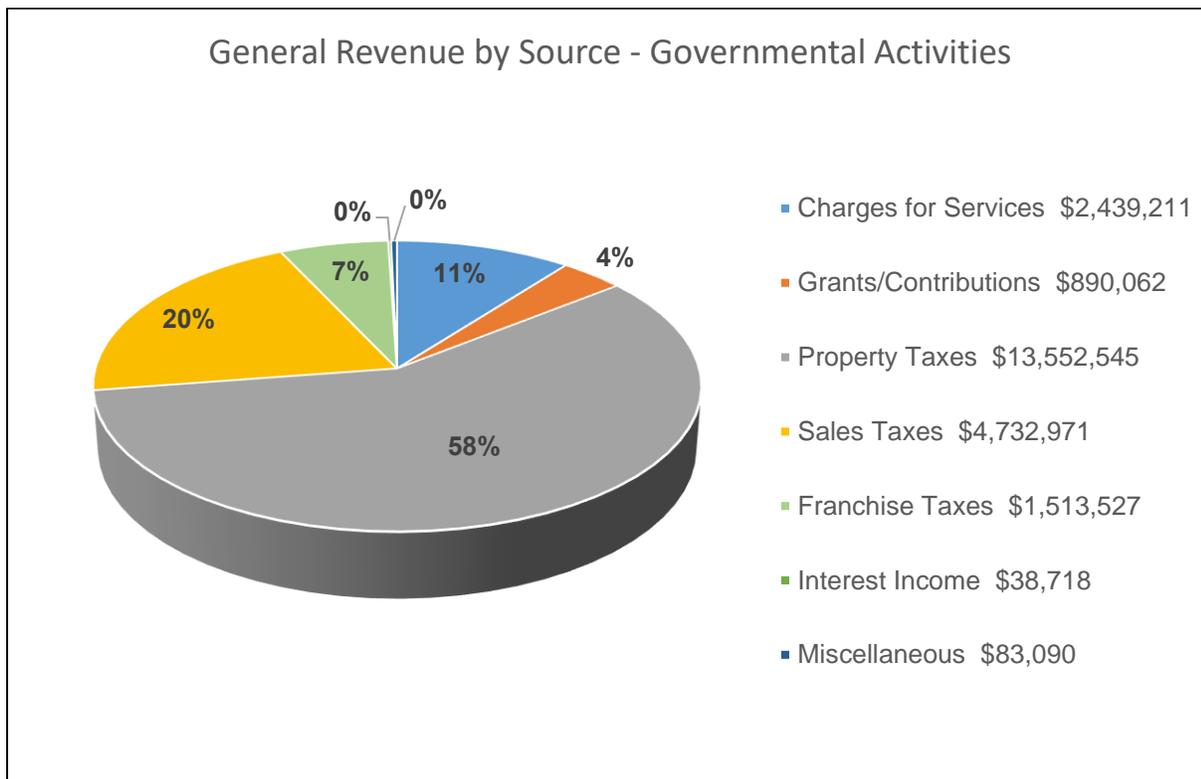
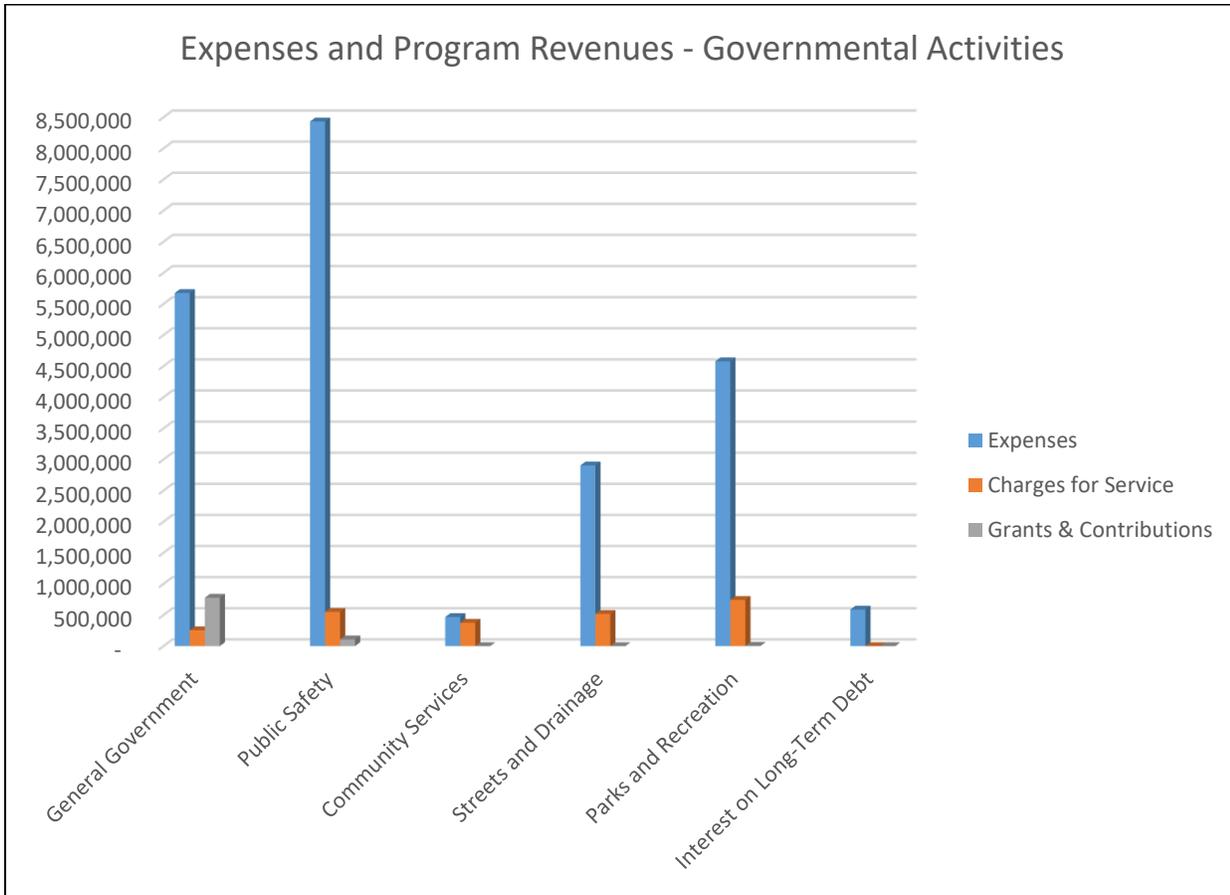
	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 14,128,323	\$ 14,036,845	\$ 8,954,143	\$ 7,861,947	\$ 23,082,466	\$ 21,898,792
Capital assets	<u>58,375,544</u>	<u>59,840,351</u>	<u>15,087,162</u>	<u>14,937,997</u>	<u>73,462,706</u>	<u>74,778,348</u>
Total assets	<u>72,503,867</u>	<u>73,877,196</u>	<u>24,041,305</u>	<u>22,799,944</u>	<u>96,545,172</u>	<u>96,677,140</u>
Deferred outflows of resources	<u>1,398,151</u>	<u>1,503,654</u>	<u>189,970</u>	<u>218,467</u>	<u>1,588,121</u>	<u>1,722,121</u>
Long-term liabilities	22,163,683	24,861,546	9,823,426	10,817,141	31,987,109	35,678,687
Other liabilities	<u>4,697,754</u>	<u>4,528,661</u>	<u>4,026,725</u>	<u>2,208,652</u>	<u>8,724,479</u>	<u>6,737,313</u>
Total liabilities	<u>26,861,437</u>	<u>29,390,207</u>	<u>13,850,151</u>	<u>13,025,793</u>	<u>40,711,588</u>	<u>42,416,000</u>
Deferred inflows of resources	<u>1,292,493</u>	<u>1,318,983</u>	<u>165,071</u>	<u>192,819</u>	<u>1,457,564</u>	<u>1,511,802</u>
Net position:						
Net investment in capital assets	40,488,662	40,526,620	7,252,431	6,637,826	47,741,093	47,164,446
Restricted	1,057,266	723,473	1,207,251	1,075,324	2,264,517	1,798,797
Unrestricted	<u>4,202,160</u>	<u>3,421,567</u>	<u>1,756,371</u>	<u>2,086,649</u>	<u>5,958,531</u>	<u>5,508,216</u>
Total net position	<u>\$ 45,748,088</u>	<u>\$ 44,671,660</u>	<u>\$ 10,216,053</u>	<u>\$ 9,799,799</u>	<u>\$ 55,964,141</u>	<u>\$ 54,471,459</u>

The following table (Table 2) provides a summary of the City's operations for the year ended September 30, 2021. Governmental activities increased the City's net position by \$1,076,428 and business-type activities increased the City's net position by \$416,254, resulting in a net \$1,492,682 increase in total net position.

TABLE 2
CITY OF HIGHLAND VILLAGE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	2,439,211	2,582,225	9,552,361	9,439,260	11,991,572	12,021,485
Operating grants and contributions	113,234	959,705	-	-	113,234	959,705
Capital grants and contributions	776,828	141,007	1,199,342	164,859	1,976,170	305,866
General revenues:						
Property taxes	13,552,545	13,332,678	-	-	13,552,545	13,332,678
Sales taxes	4,732,971	4,258,100	-	-	4,732,971	4,258,100
Franchise fees	1,513,527	1,522,345	-	-	1,513,527	1,522,345
Interest income	38,718	205,714	15,064	63,203	53,782	268,917
Gain on sale of asset	-	-	-	-	-	-
Miscellaneous	83,090	303,001	-	-	83,090	303,001
Total revenues	<u>23,250,124</u>	<u>23,304,775</u>	<u>10,766,767</u>	<u>9,667,322</u>	<u>34,016,891</u>	<u>32,972,097</u>
Expenses:						
General government	5,532,530	5,312,238	-	-	5,532,530	5,312,238
Public safety	8,432,376	8,772,628	-	-	8,432,376	8,772,628
Community services	467,764	498,662	-	-	467,764	498,662
Streets and drainage	3,046,868	2,857,021	-	-	3,046,868	2,857,021
Parks and recreation	4,577,551	4,939,557	-	-	4,577,551	4,939,557
Interest on long-term debt	586,607	641,904	-	-	586,607	641,904
Water and wastewater	-	-	9,880,513	9,247,141	9,880,513	9,247,141
Total expenses	<u>22,643,696</u>	<u>23,022,010</u>	<u>9,880,513</u>	<u>9,247,141</u>	<u>32,524,209</u>	<u>32,269,151</u>
Increases in net position before transfers	606,428	282,765	886,254	420,181	1,492,682	702,946
Transfers	470,000	470,000	(470,000)	(470,000)	-	-
Change in net position	1,076,428	752,765	416,254	(49,819)	1,492,682	702,946
Net position, ending	<u>44,671,660</u>	<u>43,918,895</u>	<u>9,799,799</u>	<u>9,849,618</u>	<u>54,471,459</u>	<u>53,768,513</u>
Net position, ending	<u>\$ 45,748,088</u>	<u>\$ 44,671,660</u>	<u>\$ 10,216,053</u>	<u>\$ 9,799,799</u>	<u>\$ 55,964,141</u>	<u>\$ 54,471,459</u>

Governmental activities. The City’s expenses for governmental activities are detailed below – with associated program revenues.



Net position associated with governmental activities increased \$1,076,528 in FY 2021 – this compared to a \$752,765 increase in net position in FY 2020.

- FY 2021 revenues decreased \$54,651 from the previous year. Key elements of this increase is as follows:
 - Charges for services decreased \$143,014, primarily reflective of park fees received in FY 2020 for a new development, The Reserve at Chapel Hill – with no new developments coming online in FY 2021.
 - Operating grants and contributions reflected a decrease of \$846,471 relative to the receipt of CARES ACT funding of \$909,535 in FY 2020.
 - Capital grants and contributions increased \$635,821 related to infrastructure donated to the City with approval of the Reserve at Chapel Hill subdivision.
 - Property taxes increased by \$219,867 during the year. Most of this increase is the product of a 1.9% increase in the taxable assessed value of the property.
 - Sales tax revenue increased by \$474,871. Collected sales tax were increased 11% from the prior year. FY 2020 had a slight decrease, affected by shutdowns associated with the COVID19 pandemic.
 - Investment earnings decreased by \$166,996, resulting from lower yields.
 - Miscellaneous revenue decreased by \$219,911 largely resulting from a supplemental insurance settlement payment related to roof replacements damaged from a previous hailstorm that was received in FY 2020.

- FY 2021 expenses decreased \$378,314 from FY 2020, reflecting inflation and increased service demand. The total expense amount of \$22,643,696 was less than total revenues – creating a \$606,428 increase in net position before transfers. This compares to a \$282,765 increase in FY 2020 net position.
 - General government expenses increased by \$220,292. This increase is primarily attributed to roof replacements for Parks facilities totaling \$376,031 in FY 2021.
 - Public safety expenses decreased \$340,252 primarily due to the decrease in net pension liability and compensated absences liability which resulted in a reduction in personnel cost.
 - Streets and drainage expenses increased by \$189,847 primarily due to a decrease in street maintenance expenses.
 - Parks and recreation expenses decreased by \$362,006. This decrease is largely attributed to expenditures in FY 2020 for improvements to the Unity Park entry in conjunction with the reconstruction of Kids Kastle not repeated in FY 2021.

Business-type activities: Business-type activities reflected a \$416,254 increase in the City’s net position – this compared to a \$49,819 decrease in net position in FY 2020. Overall, revenue exceeded expense and transfers.

- Charges for service increased \$113,101 from last year’s total of \$9,439,260. Water sales slightly decreased from the previous year as a result of decreased consumption during summer months, offset by an increase in sewer sales from the previous year.
- Capital grants and contributions increased \$1,034,483 largely resulting from increased water and sewer capital improvements contributed by the developer of the Reserve at Chapel Hill subdivision in FY 2021.
- Interest income decreased \$48,139, reflective of lower yields.
- Expenses reflected an increase of \$633,372 from last year largely related to increased maintenance costs.

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

Governmental funds. The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$12,432,925 a decrease of \$5,593 in comparison with the prior year. Approximately 50 percent of this total amount, or \$6,177,286, constitutes unassigned fund balance, which is available for spending at the City’s discretion. The remainder of fund balance is not available for spending because it has already been restricted - \$3,495,442, committed - \$668,496, assigned - \$2,031,671, or non-spendable - \$60,030.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$6,177,286, while total fund balance was \$8,268,987. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 34 percent of total General Fund expenditures, while total fund balance represents 46 percent of that same amount.

The original budget for FY 2021 reflected a \$612,636 drawdown of fund balance, primarily to fund capital equipment purchases – while still providing for sufficient reserve balances. Revenues of \$17,661,950 exceeded the budgeted amount by \$24,718, and expenditures of \$17,907,743 in FY 2021 were below the budgeted amount by \$1,441,119. These variances comprised the majority of the increase in fund balance of \$316,387. Key factors affecting fund balance are as follows:

- Total General Fund revenues of \$17,661,950 were decreased from FY 2020 by \$596,873.
 - Taxes reflected a \$624,288 increase from FY 2020.
 - Property tax revenue increased \$293,423 largely resulting from a 1.9% increase in assessed valuation.
 - Sales tax revenue increased \$324,279.
 - Franchise fees slightly increased by \$6,586.
 - Intergovernmental decreased \$921,936 resulting from receipt of CARES ACT grants in FY 2020.
 - Licenses, permits and fees increased \$59,031 reflecting modest increase in building permits issued in FY 2021.
 - Investment earnings decreased \$112,897 resulting from decreased yields.
 - Charges for Services revenues experienced a \$12,551 decrease, primarily reflective of decreased collections from ambulance service fees.
 - Miscellaneous decreased \$220,911, resulting primarily from a received insurance settlement in FY 2020.
- Total General Fund expenditures of \$17,907,743 represent an increase of \$342,699 from the previous year. The FY 2021 actual expenditures were \$1,441,119 below the original budgeted amount.
 - Personnel expenditures decreased by \$114,286 from FY 2020. Salaries slightly increased by \$8,331. Overall salary increases of 3% were largely offset by reductions from increased turnover. Benefit costs decreased by \$122,617 largely related to lower expenditures for medical insurance coverage.
 - Services / Supplies expenditures increased by \$563,249.
 - Roof replacement of parks buildings related to a prior hail storm totaling \$376,031, as well as HVAC replacements of \$101,671, comprised the bulk of the increase for the services/supplies category.
 - Recreation programming costs increased \$43,364 from FY 2020.
 - Street Maintenance increased \$87,585 partially related to delayed implementation of the FY 2020 street overlay program, with expenditures carrying over to FY 2021.
 - Professional services decreased \$63,628 in FY 2021, largely reflective of several studies conducted in FY 2020 including a security assessment for City facilities and a fleet management review.
 - Capital Outlay expenditures decreased by \$106,264 in FY 2021, largely due to expenditures in FY 2020 related to the Unity Park Kids Kastle plaza improvement project.

- Total Other Financing Sources (Uses) reflected a net total of \$562,180 – a \$41,296 decrease from FY 2020. Base elements of this total include transfers-in of \$470,000, \$28,000, and \$16,000 respectively, from the Utility Fund, Highland Village Economic Development Corporation and Drainage Utility Fund for support functions provided by the General Fund, as well as a transfer-in of \$20,155 from the Public Safety Fund related to collected Child Safety Fees. Also included were \$61,549 related to reimbursement from the Texas Division of Emergency Management for provided public safety assistance. The funds were received in the Public Safety Fund, however transferred to the General Fund to offset personnel costs expended for the deployment. These transfers-in were partially offset by transfers to the Drainage Utility Fund of \$36,000 for the City’s drainage fees and capital equipment.

The Debt Service Fund has a total fund balance of \$137,976, an increase of \$11,740, all of which is restricted for the payment of debt service.

The Capital Projects Fund ended the year with a \$2,384,916 fund balance, decreased \$837,846 from FY 2020 related to capital expenditures for parks and streets projects identified in the \$6.905M bond issuance in FY 2019.

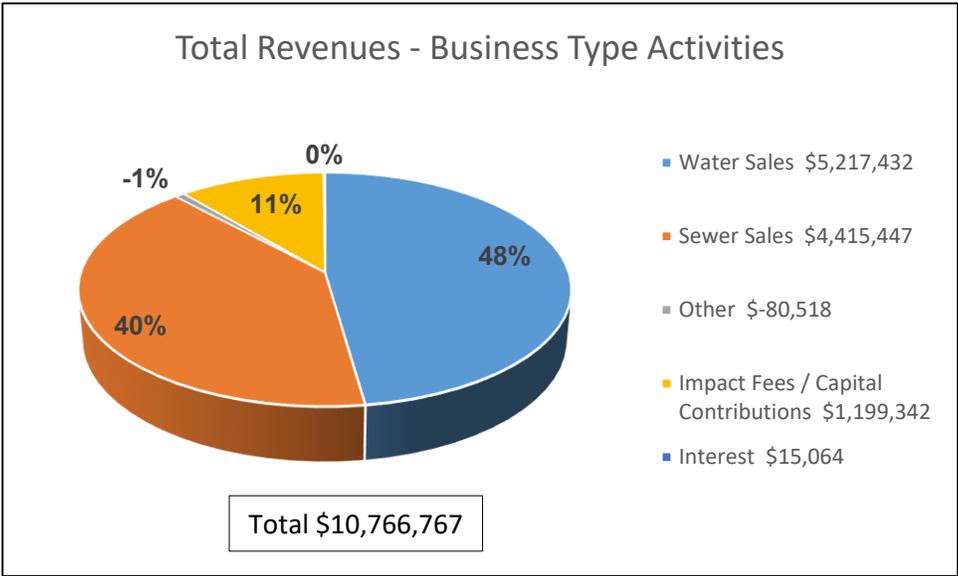
Remaining governmental funds reported a combined ending fund balance of \$1,641,046, reflecting an increase of \$504,126.

- Revenues for these funds reflected an increase of \$54,154 from the previous year. Sales tax collections in the Highland Village Community Development Fund increased \$150,592. This was offset by a \$161,327 decrease in Licenses, permits, and fees largely related to Park Development fees, as FY 2020 reflected collection of fees with a new development – The Reserve at Chapel Hill. Intergovernmental revenues increased \$66,530, primarily comprised on a received reimbursement from the Texas Division of Emergency Management related to public safety assistance provided.
- Combined expenditures decreased \$250,459. The decrease is largely related to decreased capital expenditures totaling \$-154,350 across several funds (PEG Fee Fund - \$-45,393, Drainage Fund - \$-78,565, Highland Village Community Development Fund - \$-30,392) as well as reduced Parks and recreation expenditures of \$57,263 – largely in the Highland Village Community Development Fund. In addition, Drainage Fund expenditures decreased \$31,284.
- Total Other Financing Sources (Uses) reflected a net total of \$-896,662 – a net \$30,757 decrease from FY 2020. This decrease is primarily reflective of a 63,828 transfer from the Public Safety Fund to the General Fund regarding collected reimbursement from the Texas Division of Emergency Management to offset related public safety personnel cost, offset by a reduction of \$100,000 in the Drainage Utility reflecting transfers to for capital equipment of this amount in FY 2020.

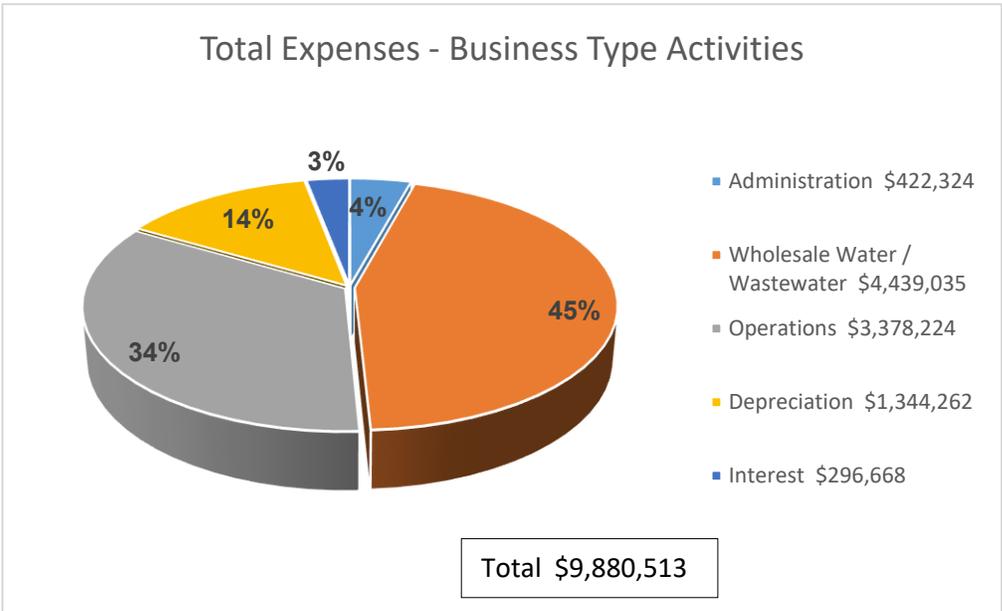
Proprietary funds. The City’s proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Net position in the Enterprise Fund totaled \$10,216,053 at the end of the fiscal year 2021, an increase of \$416,254, or 4.2%. Included in net position is \$1,207,251 restricted for capital projects and unrestricted net position of \$1,756,371. The remaining net position balance of \$7,252,431 consists of net investments in capital assets.

- Utility operating revenues of \$9,552,361 reflected a modest increase of \$113,101 or 1.2%, in FY 2021.
 - Water sales decreased \$110,347.
 - Sewer sales increased \$157,682.
 - Permits increased \$11,475
 - Fees increased \$11,634



- Utility operating expenses of \$9,583,845 increased \$521,510, or 5.8%.
 - Administration expenses increased \$55,881 in FY 2021.
 - Maintenance and Operations increased \$441,720.
 - Wholesale water / sewer treatment cost increased \$61,377.
 - Personnel expenses decreased \$25,385.
 - Services and supplies increased \$405,725. The primary component of this increase is a \$459,282 water storage tank painting project in FY 2021. In addition, lift station maintenance increased \$59,306 for pump replacements, while sewer line maintenance reflected a \$43,825 decrease – increased in FY 2020 due to an emergency sewer line repair. Well lot maintenance also decreased by \$24,398 in FY 2021, reflecting increased well repairs in FY 2020.
 - Depreciation increased in FY 2021 by \$23,909.



GENERAL FUND BUDGETARY HIGHLIGHTS

During fiscal year 2020-2021, the City Council of the City of Highland Village amended the budget for the General Fund on one occasion, resulting in an increase in budgeted expenditures of \$601,000. The majority of these appropriations relate to actions taken to fund unbudgeted items during the fiscal year, including the acceptance of grants during the year.

Staff reviewed each supplemental appropriation throughout the year and determined that revenues provided sufficient reserves to recommend their increase. All budget amendments presented had either offsetting reductions or sufficient available fund balances reserves.

For fiscal year 2020-2021, actual expenditures on a budgetary basis were \$17,907,743. This total was less than the original budgeted expenditures of \$18,747,862 by \$840,119, and \$1,441,119 below the revised budget. The supplemental requests approved during the year are summarized following:

- Personnel expenditures increased by a total of \$65,000 which consists of increases in Marketing (\$15,000), Information Services (\$45,000), Fire (\$40,000), Community Services (\$50,000), Maintenance (\$15,000), and Parks (\$20,000) Departments, offset by decreases in the Police (\$-70,000), and Streets (\$-50,000) Departments. These changes resulted from mid-year adjustments, personnel changes, insurance coverage elections, etc. In addition, the amendments addressed the reallocation of some items budgeted in a single department, such as incentive pay, with actual expenditures charged to the respective departments.
- Services and supplies expenditures increased in total by \$330,000 which consists of the following amendments:
 - Finance – Increased \$15,000 resulting from actual insurance premium exceeding the budget estimate.
 - Information Services – Decreased \$45,000 resulting from a project put on hold.
 - Fire - Decreased \$15,000 mostly related to decreased tools/supplies needed.
 - Parks – Increased \$50,000 related supplies for Kids Kastle rebuild project.
 - Police – Increased \$13,000 related to the purchase of data processing equipment and increased animal care supplies.
 - Community Services – Increased \$3,000 associated with increased dues/memberships.
 - Streets – Increased \$5,000 related to increased engineering costs.
 - Maintenance - Increased \$400,000 related to anticipated security improvements to City facilities.
- Increased Capital Outlay in total by \$110,000 which consists of the following amendment:
 - Streets – Increased \$110,000 due to a dump truck purchase carried over from FY 2020.

Actual revenue on a budgetary basis was \$17,661,950 compared to the original budget of \$17,637,232, providing a positive variance of \$24,718. Actual tax revenues were \$329,336 more than the budget amount, primarily related to Sales Tax receipts. Licenses, permits and fees actual revenues were less than budgeted by \$55,127. Investment earnings were \$119,317 less than budgeted, reflective of lower yields. Fines / forfeitures were \$34,534 below the budgeted amount resulting from reduced traffic citations issued.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets, for its governmental and business-type activities as of September 30, 2020, amounted to \$73,462,706 (net of accumulated depreciation). This investment in capital assets includes land, building, park facilities, roads, bridges, water and sewer lines, and machinery and equipment.

Major capital asset events during the current fiscal year included the following:

Project	Amount
Kids Kastle Community Build Playground	\$ 995,059
Reserve at Chapel Hill – Street Improvements	704,599
Street Reconstruction Phase 2	608,831
Street Reconstruction Phase 3	577,112
Reserve at Chapel Hill – Sewer Improvements	560,440
Street Reconstruction Phase 1	520,011
Reserve at Chapel Hill – Water Improvements	354,729
Unity Park Pond Drainage Pipeline	288,223
2021 John Deere 410L	119,148
2021 John Deere 410L	119,148
2021 Freightliner M2 106 Dump Truck	93,686
HPE Nimble HF40 126TB Raw	77,380
2021 Ford F-250 Supercab	70,418
Toro Workman HDX – 2WD Kubota Diesel	49,677
2021 Ford F-150 Supercab	31,418

TABLE 3

CITY OF HIGHLAND VILLAGE’S CAPITAL ASSETS AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 17,183,848	\$ 17,183,848	\$ 75,713	\$ 75,713	\$ 17,259,561	\$ 17,259,561
Land improvements	14,548,054	14,651,683	-	-	14,548,054	14,651,683
Buildings and improvements	5,063,994	5,570,842	717,943	789,864	5,781,937	6,360,706
Distribution system	-	-	12,872,218	13,067,316	12,872,218	13,067,316
Equipment and machinery	3,313,935	3,569,770	775,392	817,702	4,089,327	4,387,472
Infrastructure	16,875,450	15,193,420	7,989	8,605	16,883,439	15,202,025
Intangibles	73,908	142,127	-	-	73,908	142,127
Construction in progress	<u>1,316,355</u>	<u>3,528,661</u>	<u>637,907</u>	<u>178,797</u>	<u>1,954,262</u>	<u>3,707,458</u>
Total capital assets	<u>\$ 58,375,544</u>	<u>\$ 59,840,351</u>	<u>\$ 15,087,162</u>	<u>\$ 14,937,997</u>	<u>\$ 73,462,706</u>	<u>\$ 74,778,348</u>

Additional information on the City’s capital assets can be found in Note E on pages 40-41 of this report.

Long-term debt. At the end of the current fiscal year, the City had total bonds outstanding of \$30,325,000. Of this amount, \$22,430,000 is tax-supported debt. The remainder of the City of Highland Village’s debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

TABLE 4

CITY OF HIGHLAND VILLAGE’S OUTSTANDING DEBT AT YEAR-END

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
General obligations	\$ 12,145,000	\$ 13,590,000	\$ 3,900,000	\$ 4,520,000	\$ 16,045,000	\$ 18,110,000
Combination tax and revenue certificates of obligation	7,745,000	8,260,000	6,245,000	6,540,000	13,990,000	14,800,000
Tax notes	<u>290,000</u>	<u>580,000</u>	<u>-</u>	<u>-</u>	<u>290,000</u>	<u>580,000</u>
	<u>\$ 20,180,000</u>	<u>\$ 22,430,000</u>	<u>\$ 10,145,000</u>	<u>\$ 11,060,000</u>	<u>\$ 30,325,000</u>	<u>\$ 33,490,000</u>

The City’s total debt decreased by \$3,165,000 during the current fiscal year. A key factor in this decrease was the scheduled debt payments of \$3,165,000.

The City's tax supported debt is rated "AAA" by Standards & Poor's. The current ratio of tax-supported debt to assessed value of all taxable property is 0.8 percent.

Additional information on the City's outstanding debt can be found in Note G and H on page 42-44 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The fiscal year 2021-2022 budget was adopted by ordinance on September 14, 2021. The following summarizes the significant factors that were considered in adopting the budget.

- General fund revenues are budgeted to increase by 6.6% over FY 2021 original budget with property taxes making up 65% of the general fund budgeted revenues. While there was not a proposed property tax rate increase, the property tax taxable values increased by 5.3%. The Council approved a tax rate of \$0.56302 per \$100 valuation, with \$0.482635 apportioned to maintenance and operation expenses and \$0.080385 apportioned to pay interest and principle maturities on outstanding debt. Sales tax represents 17% of the budget general fund revenues. Sales tax collections are expected to increase 15% over the FY 2021 budgeted amount.
- General fund expenditures are budgeted to increase by 9.9% over the FY 2021 original budget.
 - Personnel expenditures represent 68% of budgeted general fund expenditures. The proposed total increase in personnel is \$532,274 or 3.9% over FY 2021. The majority of this increase, \$307,141, is related to an overall 3% salary increase. Targeted Public Safety market adjustments comprised \$86,369. Overtime increased \$30,398, primarily in the Fire Department, resulting from a switch to a 48 hour shift schedule. Base salaries will experience a \$66,764 reduction resulting from turnover of tenured employees. Health insurance is expected to increase by \$145,064.
 - Supplies and services expenditures represent 29% of the budgeted general fund expenditures. Expenditures in this category are expected to increase by \$1,219,282 or 25% from FY 2021. Professional Services will increase \$453,938 – this largely comprised of two items: a one-time expenditure of \$350,000 related to a Comprehensive Master Plan update and a new \$65,000 lease program for Police body-worn cameras and taser replacements. Supplies and equipment provide for a \$119,620 increase, stemming from anticipated increased fuel costs (\$39,820 and Parks supplemental items totaling \$61,000 related to tennis court resurfacing at Unity Park and FM 2499 median landscape replacement/irrigation repairs stemming from the 2021 winter freeze event. Additionally, there is a one-time expenditure for the City's pro-rata portion of funding to construct a regional joint fire training facility of \$396,591.
 - Capital outlay expenditures represent 3% of the budgeted general fund expenditures. Capital expenditures are budgeted at \$516,947 a \$99,947 or 24% increase from the FY 2021 original budget. Capital base expenditures (\$230,675) are \$186,025 decreased from FY 2021, reflective of the transition to a lease program for City vehicles. Supplemental items (\$286,272) are comprised of a backup network storage device (\$120,000), adding an HVAC system to Doubletree Ranch Barn (\$131,710), and replacement of the lightning warning systems at Unity and Brazos parks (\$34,562).
- The water sales are budgeted at \$5,303,200 representing a decrease of 6.4% from the budget for FY 2021. The decrease results from adjustment of projected usage to reflect a current reduced consumption trend. Wastewater sales are budgeted at \$4,419,688, representing a slight increase from FY 2021.
- Water and wastewater expenses are budgeted at \$8,398,123 representing a \$3,055 or .04% decrease compared to FY 2021 budget.

Information on subsequent events is detailed in Note K on pages 50-51 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Highland Village, Finance Department, 1000 Highland Village Road, Highland Village, TX, 75077.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 15

MEETING DATE: 03/22/2022

SUBJECT: Consider Resolution 2022-2992 canceling the Special Election to be held on May 7, 2022 to Elect a City Council Member to Place 7 to Fill an Unexpired Term and Declaring the Unopposed Candidate Elected to Office

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

On February 8, 2022, the City Council ordered a Special Election to be held on May 7, 2022 for the purpose of electing a City Council member to Place 7 to fill an unexpired term. The filing period for placement on the ballot for the special election and declaration of a write-in candidacy have passed, with only one (1) application received.

Pursuant to Chapter 2 of the Texas Election Code, the City Secretary certifies with written notification that a candidate is unopposed for the Special Election to fill an unexpired term for City Council Place 7. Upon receipt of notification, the City Council is authorized to adopt an order declaring the unopposed candidate elected to office and canceling the Special Election. The following candidate is unopposed, and upon approval of a resolution to cancel the Special Election, will be declared elected to the specified office:

Brian Fiorenza, Place 7

The candidate will begin their official duties at the May 24, 2022 City Council meeting.

IDENTIFIED NEED/S:

To receive certification of an unopposed candidate from the City Secretary (see attached) and to cancel the May 7, 2022 Special Election in accordance with the Texas Election Code.

OPTIONS & RESULTS:

N/A

PROGRESS TO DATE: (if appropriate)

The filing deadline for placement on the ballot and declaration of write-in candidacy for the Special Election have passed and the City Secretary has received one application for Place 7. The City Secretary's Certification of Unopposed Candidate is included with this briefing.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

The General Election for City Officers will still be held on May 7, 2022, therefore there will not be any cost savings as a result of canceling the Special Election.

RECOMMENDATION:

To approve Resolution 2022-2992.

**CERTIFICATION OF UNOPPOSED CANDIDATE FOR
OTHER POLITICAL SUBDIVISIONS (NOT COUNTY)
CERTIFICACIÓN DE CANDIDATOS ÚNICOS
PARA OTRAS SUBDIVISIONES POLITICAS (NO EL CONDADO)**

To: Presiding Officer of Governing Body
Al: Presidente de la entidad gobernante

As the authority responsible for having the official ballot prepared, I hereby certify that the following candidate is unopposed for election to office for the election scheduled to be held on May 7, 2022.

Como autoridad a cargo de la preparación de la boleta de votación oficial, por la presente certifico que los siguientes candidato son candidato únicos para elección para un cargo en la elección que se llevará a cabo el 7 de mayo 2022.

List offices and names of candidates:
Lista de cargos y nombres de los candidatos:

Office *Cardo*
City Council Place 7

Candidate *Candidato*
Brian A. Fiorenza



Signature (Firma)

Angela Miller
Printed name (Nombre en letra de molde)

City Secretary
Title (Puesto)

03/18/2022
Date of Signing (Fecha de firma)



CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2022-2992

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, CANCELING THE MAY 7, 2022, SPECIAL ELECTION TO FILL THE UNEXPIRED TERM FOR COUNCIL MEMBER PLACE 7; ORDERING THAT THE UNOPPOSED CANDIDATE FOR SAID OFFICE BE DECLARED ELECTED TO OFFICE; ORDERING THE POSTING OF THIS RESOLUTION AT EACH POLLING PLACE ON ELECTION DAY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on February 8, 2022, the City Council ordered a special election to be held on May 7, 2022, for the purpose of electing a City Council member to Place 7 to fill an unexpired term; and

WHEREAS, the filing deadlines for placement on the ballots and declaration of write-in candidacy have passed; and

WHEREAS, the City Council has received the City Secretary's written certification that the candidate is unopposed for the special election; and

WHEREAS, in these circumstances, Texas Election Code §2.053 authorizes a governing body to adopt an order declaring the unopposed candidate elected to office and canceling the special election.

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

SECTION 1. Having received the certification from the City Secretary that the following candidate is unopposed in the May 7, 2022 special election, the following person is hereby declared elected to the specified office and shall be issued a certificate of election after Election Day in accordance with the Texas Election Code.

Brian A. Fiorenza, City Council Place 7

SECTION 2. The City Secretary shall post a copy of this resolution at the designated polling place on May 7, 2022, as required by the Texas Election Code.

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

PASSED AND APPROVED this the 22nd day of March, 2022.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:3/15/2022:128425)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 16

MEETING DATE: 03/22/2022

SUBJECT: Consider Resolution 2022-2993 Appointing Members to Fill Vacancies for Unexpired Terms on the Ethics Board and the Parks and Recreation Advisory Board

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

City ordinance states that Council shall make annual appointments to the City's boards and commissions no later than the second regularly scheduled Council meeting in September. Citizens interested in volunteering their time to serve on one of the City's boards or commissions may submit an application to the City Secretary's Office for consideration by Council.

The annual appointments are for terms of two years, unless an individual is appointed to fill a vacancy. A "term year" is from October 1st until September 30th of the following year. The terms expire on the 30th day of September of the second year.

In the case of a vacancy, the Council shall appoint replacements to fill an unexpired term. Council may consider appointing alternate members of said boards, if available, to fulfill the vacancy prior to appointing new applicants.

IDENTIFIED NEED/S:

The Ethics Board is composed of five (5) members. One member of the Ethics Board resigned, thereby leaving a vacancy with an unexpired term, which will expire on September 30, 2023.

If Council desires to make an appointment to fill this vacancy, the options are:

- a) Consider appointing a person from the remaining applications currently on file; or
- b) Delay filling the vacancy.

The Parks and Recreation Advisory Board is composed of seven (7) members, which includes five (5) regular members and two (2) alternate members. One alternate member of the Parks and Recreation Board resigned, thereby leaving a vacancy for Alternate Place 2 with an unexpired term, which will expire on September 30, 2022.

If Council desires to make an appointment to fill this vacancy, the options are:

- a) Consider appointing a person from the remaining applications currently on file; or
- b) Delay filling the vacancy.

PROGRESS TO DATE: (if appropriate)

Council discussed filling the vacancies earlier tonight during Early Work Session.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve Resolution 2022-2993 appointing persons to fill the vacancies for unexpired terms on the Ethics Board and the Parks and Recreation Advisory Board.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2022-2993

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS APPOINTING MEMBERS TO FILL VACANCIES FOR UNEXPIRED TERMS ON THE ETHICS BOARD AND THE PARKS AND RECREATION ADVISORY BOARD; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Highland Village desires to make appointments to the Ethics Board and the Parks and Recreation Advisory Board to fill vacancies for unexpired terms.

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

SECTION 1. The following person is hereby appointed to the indicated position on the Board of Ethics with a term ending as indicated below:

Name	Place	Expiration
_____	N/A	September 30, 2023

SECTION 2. The following person is hereby appointed to the indicated position on the Parks and Recreation Advisory Board with a term ending as indicated below:

Name	Place	Expiration
_____	Alternate 2	September 30, 2022

SECTION 3. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 22nd day of March 2022.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:3/15/2022:128426)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 17	MEETING DATE: 03/22/2022
SUBJECT:	Consider Resolution 2022-2994 authorizing a Tender Agreement with Trisura Insurance Company and Talbran Enterprises, LLC for Completion of Construction of the 2021 Sidewalk Improvements Project
PREPARED BY:	Scott Kriston, Director of Public Works

BACKGROUND:

Previous Council action dated June 22, 2021, authorized the City Manager to execute a contract with DBi Services, LLC (“DBi”) to construct the 2021 Sidewalk Improvements Project (the “Project”). Due to unfortunate circumstances, the contractor defaulted on the contract, leaving the Project largely unfinished. Following DBi’s default, the City Manager filed a claim against the performance bond issued to the City pursuant to the Project contract. Trisura Insurance Company (“Trisura”), the surety company that issued the performance bond, has procured (i.e., “tendered”) a new contractor who has agreed to finish the remaining portion of the Project.

Construction of the Victoria Park and Brazos Park portions of the Project was completed by DBi before it left the job. Construction of the Highland Village Road Sidewalk Phases 2 & 3 portion of the Project remains. The City has performed a final walk through of the Victoria Park Sidewalk and the Brazos Park Sidewalk and developed a punch list. The punch list will be completed by the new contractor. The bid total for the contract is provided below:

	Trisura Ins. Co.	Talbran Enterprises, LLC
Base	\$26,255.65	\$849,737.00
Punch list		\$12,000.00
Total	\$26,255.65	\$861,737.00

The original approved Project contract was in the amount of \$883,350.00. The City paid out \$47,868.65 leaving \$835,481.35 remaining on the original contract. The new contractor has provided its bid proposal to the Trisura that includes a \$26,255.65 increase in contract price. Trisura will pay that difference to the City as part of its obligations under the performance bond. The contractor tendered by Trisura, Talbran Enterprises, LLC, has been reviewed and evaluated and is considered a responsible contractor with sufficient resources to construct this remainder of the Project.

IDENTIFIED NEED/S:

Finalize an agreement with the bonding company pursuant to the performance bond issued for the City's benefit as part of the Project contract to accept a substitute contractor to complete construction of the Project and accept the payment of difference in the original contract price and the contract price of the new contractor in settlement of the City's claim.

OPTIONS & RESULTS:

The sidewalks included in the 2021 Sidewalk Improvements project will complete several sidewalk systems and will provide additional pedestrian mobility in those areas.

PROGRESS TO DATE: (if appropriate)

The Trisura has presented a tender agreement to the City naming a new contractor for construction of the remainder of the Project and payment of the cost differences between the original contract and the costs for completion of the Project to be paid to the new contractor. The Agreement has been evaluated by City staff and City Attorney and approved as to form.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funding through the 2018 Bond Program.

RECOMMENDATION:

To approve Resolution 2022-2994.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2022-2994

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING A TENDER AGREEMENT WITH TRISURA INSURANCE COMPANY AND TALBRAN ENTERPRISES, LLC, FOR COMPLETION OF CONSTRUCTION OF THE 2021 SIDEWALK IMPROVEMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the contractor engaged to construct the 2021 Sidewalk Improvements Project (the "Project") ceased operations nationally and defaulted on the Project contract without completing construction of the Project; and

WHEREAS, City administration filed a claim on the performance bond issued to the City pursuant to the Project contract; and

WHEREAS, in settlement of the City's claim on the performance bond, Trisura Insurance Company has identified Talbran Enterprises, LLC ("Talbran") to complete the Project the amount of \$861,737.00 and has agreed to pay the City the amount of \$26,255.65 to cover the difference in contract price between the original contractor and the amount to be paid to Talbran to complete the Project; 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 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 tender agreement with Trisura Insurance Company and Talbran Enterprises, LLC in the amount of \$835,481.35 and, accept a payment of \$26,255.65 from Trisura Insurance Company in settlement of the City's claim on the performance bond issued by Trisura.

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

PASSED AND APPROVED THIS 22ND DAY OF MARCH 2022.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:3/17/2022:128493)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 18

MEETING DATE: 03/22/2022

**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

March 22, 2022	Regular City Council Meeting - 7:00 pm
April 7, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
April 12, 2022	Regular City Council Meeting - 7:00 pm
April 15, 2022	City Offices Closed in Observance of Good Friday Holiday
April 18, 2022	Parks & Recreation Advisory Board Meeting – 6:00 pm
April 19, 2022	Planning & Zoning Commission Meeting – 7:00 pm
April 26, 2022	Regular City Council Meeting - 7:00 pm
May 5, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
May 10, 2022	Regular City Council Meeting - 7:00 pm
May 16, 2022	Parks & Recreation Advisory Board Meeting – 6:00 pm
May 17, 2022	Planning & Zoning Commission Meeting – 7:00 pm
May 24, 2022	Regular City Council Meeting - 7:00 pm
May 30, 2022	City Offices Closed in Observance of Memorial Day Holiday
June 2, 2022	Zoning Board of Adjustment Meeting - 6:00 pm
June 14, 2022	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