



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, APRIL 26, 2022 at 6:00 P.M.

EARLY WORK SESSION

City Council Chambers - 6:00 P.M.

Convene Meeting in Open Session

1. Receive an Update on the Doubletree Ranch Park Splash Pad
2. Continue Discussion of Fees and Ordinance Updates relating to Animal Control
3. Receive an Update on Parks Security Cameras
4. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for April 26, 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

City Manager's Conference Room

5. Hold a Closed Meeting in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
 - (b) Section 551.089 – Deliberation regarding Security Devices or Security Audits

OPEN SESSION

City Council Chambers – 7:00 P.M.

6. Call Meeting to Order
7. Prayer led by Councilmember Robert Fiester
8. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Robert Fiester: *“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”*

9. **Visitor Comments** (*Anyone wishing to address the City Council must complete a Speakers' Request Form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.*)
10. **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
 - Presentation of a Proclamation designating Mental Health Awareness Month and Children's Mental Health Awareness Day
 - Presentation of a Proclamation designating Child Abuse Prevention Month
 - Receive Presentation from Denton County Transportation Authority (DCTA) on upcoming Public Involvement Opportunities
11. **City Manager/Staff Reports**
 - Foodie Friday Video

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.

12. **Consider approval of Minutes of the Regular City Council Meeting held on April 12, 2022**
13. **Consider Ordinance 2022-1293 amending the Development Regulations relating to the Development and Use of Property described as The District of Highland Village, located at the Northwest Corner of the Intersection of Briarhill Boulevard and FM 407 (2nd and final read)**
14. **Consider Resolution 2022-2995 authorizing the Sale of a Firearm pursuant to Texas Government Code Section 614.051 to Commander Sherri Morrison on the Occasion of her Retirement from the Highland Village Police Department**

ACTION AGENDA

15. Take action, if any, on Matters discussed in Closed Session in accordance with the following Sections of the Texas Government Code:
 - (a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed
 - (b) Section 551.089 – Deliberation regarding Security Devices or Security Audits
16. Consider Resolution 2022-2996 adopting a Policy for Allowable Costs and Cost Principles for Expenditure of American Rescue Plan Act Coronavirus State and Local Recovery Funds

LATE WORK SESSION

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

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.)
18. 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 22ND DAY OF APRIL 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: 4/26/2022

SUBJECT: Receive an update on the Doubletree Ranch Park Splash Pad Surfacing Replacement Project

PREPARED BY: Phil Lozano, Parks and Recreation Director

COMMENTS

Receive an update on the Doubletree Ranch splash pad surfacing replacement project.

Staff will discuss

- Influencing factors of binder availability.
- Information provided on the Standard Aliphatic Binder and the Chlorine Resistant Aliphatic Binder.
- Estimated binder delivery and construction timeline.
- Increased cost of \$3,000 if using the Standard Aliphatic Binder.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 2

MEETING DATE: 4/26/2022

SUBJECT: Continued Discussion of Fees and Ordinance Updates relating to Animal Control

PREPARED BY: Doug Reim, Chief of Police

COMMENTS

City staff will provide a presentation and continue a discussion on proposed updates to the City Master Fee Schedule and Animal Control Ordinance.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 3

MEETING DATE: 4/26/2022

SUBJECT: Receive an Update on Parks Security Cameras

PREPARED BY: Doug Reim, Chief of Police

COMMENTS

City staff will provide an update on parks security cameras.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 10

MEETING DATE: 04/26/2022

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.

- Presentation of a Proclamation designating Mental Health Awareness Month and Children's Mental Health Awareness Day
- Presentation of a Proclamation designating Child Abuse Prevention Month
- Receive Presentation from Denton County Transportation Authority (DCTA) on upcoming Public Involvement Opportunities

Proclamation

The City of Highland Village

Whereas, the citizens of Denton county value their overall health and that of their families and fellow citizens, and are proud to support observances such as Mental Health Awareness Month and Children's Mental Health Awareness Day; and

Whereas, the need for comprehensive, coordinated mental health services for men, women, and children places upon our community a critical responsibility; and

Whereas, the Denton County Behavioral Health Leadership Team, Denton County MHMR Center, United Way of Denton County and the Wellness Alliance for Total Children's Health of Denton County led by Cook Children's have a unique partnership and prevention-based approach to serving children and adolescents to effectively address the mental health needs of children, youth, and families in our community; and

Whereas, each citizen, local business, school, government agency, healthcare provider, and faith-based organization shares the burden of mental health concerns and has a responsibility to promote mental wellness, recovery, and support prevention efforts; and

Whereas, it is appropriate that a month be set apart each year to direct our thoughts toward mental health education and the support of treatment and recovery.

NOW THEREFORE, I, Charlotte J. Wilcox, Mayor of the City of Highland Village, do hereby proclaim

**May 2022 as Mental Health Awareness Month and
May 7, 2022 as Children's Mental Health Awareness Day
in Highland Village**

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed on this 26th day of April 2022.

Charlotte J. Wilcox, Mayor

Proclamation

The City of Highland Village

Whereas, child abuse and neglect is a complex and ongoing problem in our society and child victims of abuse and neglect need and deserve support and assistance to help them cope with the tragedies in their young lives; and

Whereas, in 2021, Denton County Child Protective Services received 7,134 reports of child abuse, and of those 4,032 were assigned to Caseworkers; and

Whereas, in 2021, Denton County Child Protective Services had an average of 546 children in its protective custody; and

Whereas, Denton County has dedicated individuals and organizations who work daily to counter the problem of child maltreatment and to help parents obtain the assistance they need; and

Whereas, effective child abuse prevention programs succeed because of partnerships created among social service agencies, schools, faith communities, civic organizations, law enforcement agencies, and the business community; and

Whereas, National Child Abuse Prevention Month offers us all the opportunity to promote and support programs that offer protection and safety for our community's children.

NOW THEREFORE, I, Charlotte J. Wilcox, Mayor of the City of Highland Village, in honor of all children in Denton County, do hereby proclaim the month of April 2022 as

CHILD ABUSE PREVENTION MONTH in HIGHLAND VILLAGE

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed on this 26th day of April 2022.

Charlotte J. Wilcox, Mayor



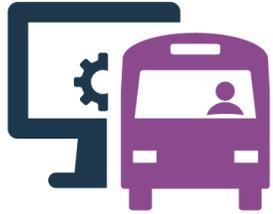
Comprehensive Operations and Fare Structure Analysis Public Involvement

History

- January 2021: DCTA Board Approved Contracts with Via for On-Demand Service Delivery
 - July 2021: DCTA Board Approves Final On-Demand Service Plan
 - October 2021: DCTA Board Approves Modifications to Fixed Route Service
 - December 2021: DCTA Board Approves Modifications to Fixed Route Service
 - January 2022: Go-Zone On-Demand Service Expands to Castle Hills
 - March 2022: New Fixed Route Service is Introduced in Denton
-

Comprehensive Operations Analysis Process

DCTA is undertaking a multi-faceted approach to create an integrated multimodal transportation system comprised of fixed route, GoZone, and the A-train



Analysis of Connect ridership to understand high-demand times and routes, historical trending, and areas in which Connect can supplement GoZone



Analysis of GoZone ridership data to understand demand areas, trends, and areas for improved access



Analysis and understanding of the impacts of fare prices on ridership, availability of vehicles, and wait times



Hosting public meetings and creating opportunities for questions, feedback, and for DCTA to gain an understanding of what can be improved

Potential Fare Structures

1

FLAT FARE

Flat fare regardless of distance

- Easy to understand and anticipate

2

DISTANCE-BASED FARE

Base fare + additional cost per mile

- Similar to a taxi or on-demand service
- Increased fare can encourage shorter trips and improve overall efficiency

3

HYBRID FARE MODEL

Combination of options 1 and 2

- Encourages most efficient trips (for example: using GoZone to connect to bus or rail at major hubs)



The Public Involvement Process

THE FEEDBACK WE NEED



Review of Services

- GoZone Boundaries
- Fixed Routes
- Service Days/Hours
- Multimodal Trips



Review of Fare Models

- Costs of Services
- Impacts on Existing Fare Types



General Feedback

- General Thoughts
- Concerns
- Additional Questions



Survey Participation

- General Survey
- Fare Survey
- Immediate Feedback Survey

Request for Presentations:

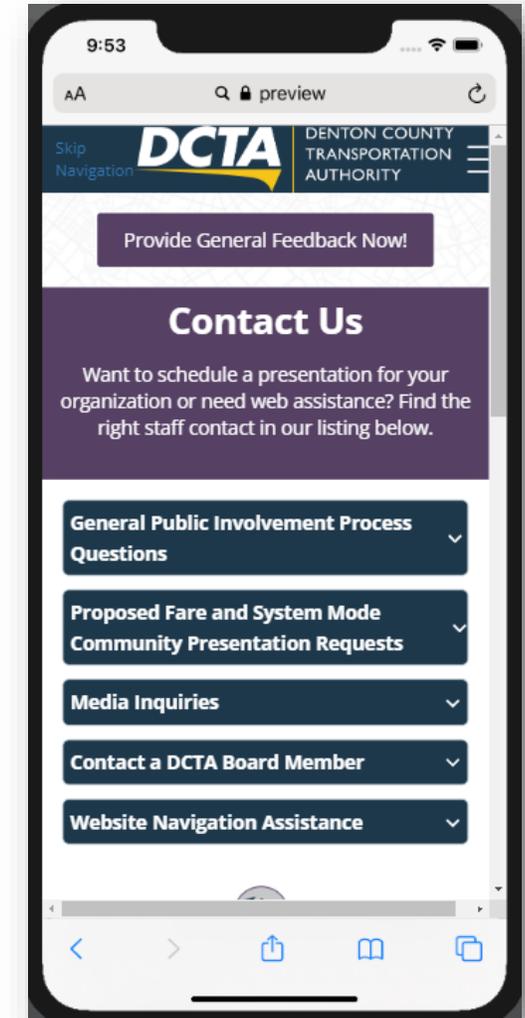
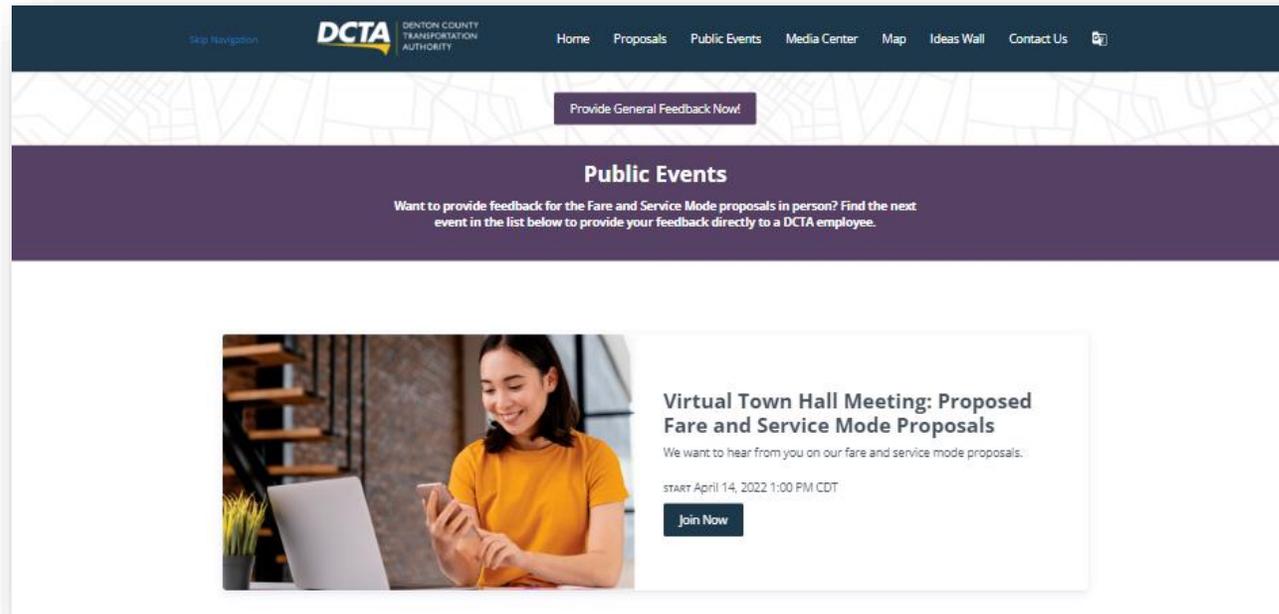
- Mary Worthington at mworthington@dcta.net
- Accepting requests through Friday, May 6, 2022

1:1 Q&A Session:

- Mary Worthington at mworthington@dcta.net
- Open April 18, 2022 through Tuesday, May 17, 2022

Ways to Share Your Feedback

- **Online at DCTAfeedback.net**
 - Interactive Service Map
 - General Feedback
 - Surveys
- **Virtual Meetings**
- **Scheduled In-Person Events**
 - Community Events
 - Local Government Meetings
 - DCTA-hosted Meetings
- **Open April 18 – May 17**



Upcoming Public Involvement Events

Date	Event	Event Type
Wednesday, April 25, 2022	Townhall Meeting (Morning, Virtual)	Townhall/Presentation
Tuesday, April 26, 2022	Lewisville Chamber – Luncheon Sponsor	Presentation
Friday, April 29, 2022	Townhall Meeting (Noon, Virtual)	Townhall/Presentation
Monday, May 2, 2022	In-Person Public Meeting (Lewisville)	Presentation/Forum
Thursday, May 5, 2022	Townhall Meeting (Evening, Virtual)	Townhall/Presentation
Tuesday, May 10, 2022	Townhall Meeting (Afternoon, Virtual)	Townhall/Presentation
Friday, May 20, 2022	Bike to Work Day	TBD
Saturday, June 4, 2022	National Trails Day	Tabling



DCTA | DENTON COUNTY
TRANSPORTATION
AUTHORITY

WE WANT TO HEAR FROM YOU!

FARE & SERVICE MODEL PROPOSALS

We are working to update our fare and service models to better meet the transportation needs of the public and encourage multimodal trips in Denton County.

The public comment period runs from **April 18 – May 17**.
Visit DCTAFeedback.net to learn more and provide feedback.

Thank You



CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12

MEETING DATE: 04/26/2022

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on April 12, 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 Regular City Council Meeting held on April 12, 2022.



**MEETING MINUTES OF THE REGULAR MEETING
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD
TUESDAY, APRIL 12, 2022**

EARLY WORK SESSION

Mayor Charlotte J. Wilcox called the meeting to order at 6:00 p.m. and announced Miss Bella Orona was serving as our Mayor for the Day.

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
	Joe Gorfida	City Attorney
	Angela Miller	City Secretary
	Mark Stewart	Assistant Police Chief
	Wes Fiddes	Animal Control Officer
	Mike Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Jana Onstead	Human Resources Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

1. Receive Presentation and Discuss Fees and Ordinance Updates relating to Animal Control

Assistant Police Chief Mark Stewart and Animal Control Officer Wes Fiddes reviewed the current animal services fees and provided a fee comparison with other area cities. Updates to the animal control ordinance were also presented. Council voiced the importance of covering costs for vaccinations and sterilization. Councilmember Heslep was not in favor of the trap permit fee. Officer Fiddes reported most of his workday is spent on wildlife and trap calls.

Further discussion will continue at the next regular City Council meeting.

2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda for April 12, 2022

No items were discussed.

Council concluded Early Work Session at 6:53 p.m. and took a short recess.

CLOSED SESSION

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)

Council did not meet in Closed Session.

OPEN SESSION

4. Call Meeting to Order

Mayor Charlotte J. Wilcox called the meeting to order at 7:05 p.m. and introduced Miss Bella Orona as Mayor for the Day.

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
	Joe Gorfida	City Attorney
	Angela Miller	City Secretary
	Mark Stewart	Assistant Police Chief
	Mike Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

5. Prayer led by Councilmember Tom Heslep

Councilmember Heslep gave the invocation.

6. Pledge of Allegiance to the U.S. and Texas flags led by Councilmember Tom Heslep

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

7. Visitor Comments

Mayor Wilcox read an email from resident Eric Britton who resides at 123 Scenic Drive. Mr. Britton was not able to attend but wanted his email read at the City Council meeting voicing his concern that current road improvements made by the City on Scenic Drive is directing water downhill and affecting properties on the block.

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 reported the HVBA luncheon was held earlier in the day and thanked staff for a successful event.

- **Presentation of a Proclamation celebrating the Mayor for the Day**

Mayor Wilcox recognized Miss Bella Orona by presenting her with a proclamation.

9. City Manager/Staff Reports

- **The Village Report**

This item was not presented.

CONSENT AGENDA
APPROVED (7 – 0)

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

11. Receive Budget Reports for Period Ending February 28, 2022

Motion by Mayor Pro Tem Lombardo, seconded by Councilmember Heslep, to approve Consent Agenda Items #10 and #11. Motion carried 7-0.

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 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

Council did not meet in Closed Session; no action was taken on this item.

13. **Conduct a Public Hearing and consider Ordinance 2022-1293 amending the Development Regulations relating to the Development and Use of Property described as The District of Highland Village, located at the Northwest Corner of the Intersection of Briarhill Boulevard and FM 407**

PUBLIC HEARING CONDUCTED
APPROVED 1ST READ (7 – 0)

Public Works Director Scott Kriston reported an application was received requesting an amendment to the development regulations of Planned Development No 2012-1, formerly known as The District and now known as Bowery Park, relating to wall and window signage, adding an additional multi-tenant monument sign, relocation of two (2) dumpsters, utilizing the Building VII site for additional parking until Building VII is constructed, and giving the property owner the option to finish out the live/work units in Building II to become residential without the required office space. At their March 15, 2022 meeting, the Planning & Zoning Commission voted 3-1 to send proposed Ordinance 2022-1293 to Council for consideration.

Mayor Wilcox opened the public hearing. With no one wishing to speak, she closed the public hearing.

With the property owner requesting to use a portion of the area designated for Building 7 as parking, Councilmember Jaworski asked if the owner still planned to develop the property with a building at some point. Mr. Zack Montana, representing the owner, stated more residential and commercial units have been leased recently, with additional commercial units still in build out. The owner wants to ensure there will be enough parking once build out is completed and would like to monitor the area and then reevaluate Building 7.

Councilmember Fiester asked if the proposed parking area would be impervious pavement. Mr. Montana stated the current plan is concrete with striping. Council also discussed the change in sign requirements. Mr. Montana reported the commercial tenants requested the change in height, which will help with visibility in the case of stacked letter signage.

Motion by Councilmember Fiester, seconded by Councilmember Jaworski, to approve the first read of Ordinance 2022-1293. Motion carried 7-0.

LATE WORK SESSION

14. **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.)**

Councilmember Fiester asked about Mr. Britton's email that was read during Visitor Comments. City Manager Paul Stevens reported the recent storm caused a heavy concentration of rain in a very short period. He also stated there are some things to work out and to clarify with the homeowners, which may require meeting(s) with Mr. Britton, and that he and Mr. Kriston would work to get that done.

15. Adjournment

Mayor Wilcox and Miss Orona adjourned the meeting at 7:40 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

DRAFT

CITY OF HIGHLAND VILLAGE
CITY COUNCIL

AGENDA# 13

MEETING DATE: 4/26/2022

SUBJECT: Consider on Ordinance No. 2022-1293 amending the development regulations of Planned Development District 2012-1 (PD 2012-1) relating to the development and use of property described as The District of Highland Village located at the northwest corner of the intersection of Briarhill Blvd. and FM 407 (2nd and final read)

PREPARED BY: Autumn Aman, Community Development Coordinator

BACKGROUND:

An application was received for review and consideration requesting an amendment to the development regulations of Planned Development No. 2012-1 (formerly known as “The District” but now known as “Bowery Park”) relating to wall and window signage, adding an additional multi-tenant monument sign, relocation of two (2) dumpsters, utilizing the Building VII site for additional parking until time that Building VII would be constructed, and giving the property owner the option to finish out the Live/Work units in Building II to become residential without the required office space.

The proposed text amendments to the PD 2012-1 regulations are as follows:

A. *Revise definition of “Live/Work Units”:* The applicant proposes to revise the definition of “Live/Work Units” to read as follows:

“Live/Work Units” shall mean units designed for Residential Use by one family and may also include areas for Retail and/or Office Uses.

The addition of the word “may” in the definition removes any obligation to develop such units with any retail and/or office use along with the residential use. Consequently, such units would be permitted to be used solely as multi-family units.

B. Amend Paragraph (2)(a) of Section 2.D, Paragraph (2)(a) to read as follows:

(2) Building II:

(a) First Floor: Retail, Office, and Live/Work Units (not to exceed seven (7) Live/Work Units). ~~If the Live/Work Units shall contain~~ **Retail/Office space, they shall contain** not less than 325 square feet of Retail/Office space facing and opening onto Main Street.

This amendment, combined with the amendment to the definition of “Live/Work Units,” will allow the Live/Work Units developed on the first floor of Building II to develop as apartments

with no obligation to develop any first floor accessible retail or office use within the unit.

C. Amend the fourth paragraph of Section VI “Monument Signs” of Exhibit “E, Section VI to read as follows:

~~Two~~**Three** (23) large multi-tenant signs will be permitted as shown on Exhibit A-3. The large multi-tenant signs will not exceed 17'-0” in height and 163 square feet in area as shown on Exhibit C.

The impact of this amendment will add one additional multi-tenant sign located along FM 407 as shown on the revised site plan.

D. Amend the first paragraph of Section VIII “Wall Building Signs” of Exhibit “E” to read as follows:

Current Language:

Each tenant will be allowed one attached wall building sign per tenant space per street frontage including FM 407 and Main Street, as shown on Exhibits E & F (Buildings C, I, II, IV & VII). Signage will be permitted on awnings and canopies as shown on Exhibit H, for the purpose of this development. All wall building mounted signs are not to exceed 30” in height, with exception to Exhibit M-2 and existing Dr Pepper sign located on the wall at main entrance west of building C.

Proposed Language:

Each tenant will be allowed no more than one (1) attached wall building sign per tenant space subject to the following:

(1) Tenant spaces located within Buildings C, I, II, IV and VII that have a public entrance facing both FM 407 and Main Street may have a wall sign at each entrance;

(2) Tenant spaces with more than one entrance on the same side of a building may have a wall sign at each entrance provided such wall signs are not less than ten feet (10') apart;

(3) Signs are permitted on awnings and canopies as shown on Exhibit E-9; and

(4) Except as shown on Exhibits E-3, E-5, E-6, and E-7, wall building mounted signs shall not exceed thirty inches (30”) in height.

The above amendment will (i) clarify the right to have a wall sign on each public entrance to a tenant space where the tenant space has a public entrance on each side of the building; (ii) allow for the first time more than one wall sign per tenant if the tenant has more than one entrance on the same side of the building, subject to a 10-foot separation between signs; and (iii) allow signs identified on Exhibits E-3, E-5, E-6, and E-7 (amended by this ordinance) to have a height of greater than 30 inches.

E. Retitle and amend Section IX “Under Canopy Signage” of Exhibit “E” is to read as follows:

IX. ~~UNDER CANOPY SIGNAGE~~BLADE SIGNS:

~~Each tenant will be allowed~~ **No more than one (1) two-sided blade sign with sign faces not exceeding six (6) square feet in area may be installed per tenant space not less than eight feet (8.0’) nor higher than fourteen feet (14.0’) above grade as shown on Exhibit “G.”** ~~under their canopy. Blade signs will be allowed to be two sided. Each blade sign will be no more than six square feet in total area on each side and have~~ **Such blade signs shall be attached to the building with a** ~~decorative metal support and frame, to be professionally prepared and approved by the landlord. Logos will be allowed~~ **on blade signs.** ~~The signs will not be lower than eight (8) feet, as shown on Exhibit G.~~

The above amendment removes the requirement that blade signs be located under a canopy. However, the amendment adds a restriction to keep blade signs below 14 feet above grade.

F. Amend Section 2.J. “Parking” by adding the following sentence:

The portion of the Property to be developed with Building 7 as shown on the Concept and Development Plan may be developed and used for parking until such time that Building 7 is constructed.

Presently, there is an area on the PD Concept Plan located on the east portion of the property that identifies a “Building 7” that was discussed at one time as a possible future stand-alone restaurant pad site. However, there is no obligation for that property to be developed for that purpose. The applicant has requested the above language that allows the Building 7 property to be used for parking until that portion of the property is developed with a building, if it ever is so developed.

G. Amend Exhibits “B-1”, “D”, “E-3”, “E-5”, “E-6” and “E-7” to Ordinance No. 2012-1132.

The exhibits identified above are revised to show changes in the locations of dumpster enclosures, the location of the additional multi-tenant sign, the locations and changes in dimensions to wall signs, and add the note allowing the Building 7 location to be used for parking.

IDENTIFIED NEED/S:

All public hearing notification requirements have been satisfied and required public hearings at both Planning and Zoning Commission and City Council have been held. Approval of an ordinance is required to adopt the requested amendments.

OPTIONS & RESULTS:

Options are to recommend that the Ordinance be (1) approved as presented, (2) approved with modifications, or (3) request denied. The City Council may also postpone any action in

order to receive any additional information which it requests be presented or review the Ordinance with any requested changes added prior to approval.

PROGRESS TO DATE: (if appropriate)

As of the date of preparation of this briefing, staff has received no calls or emails inquiring on this request. At the March 15, 2022, Planning and Zoning Commission meeting, the Commission recommended with a vote of 3-1 to send the Ordinance forward for approval as submitted. At their April 12, 2022 meeting, Council approved the first read of Ordinance No. 2022-1293.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

An amendment to the Ordinance is required. A copy of the draft ordinance prepared by the City Attorney is attached.

RECOMMENDATION:

Staff recommends the City Council approve the 2nd read of Ordinance 2022-1293.

**CITY OF HIGHLAND VILLAGE, TEXAS
ORDINANCE NO. 2022-1293**

AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, DENTON COUNTY, TEXAS, AMENDING THE HIGHLAND VILLAGE COMPREHENSIVE ZONING ORDINANCE AND ZONING MAP BY AMENDING THE DEVELOPMENT AND USE REGULATIONS OF PLANNED DEVELOPMENT NO. 2012-1 (PD 2012-1) FOR RETAIL, OFFICE, AND RESIDENTIAL USES, AS PREVIOUSLY AMENDED, RELATING TO THE SIGNAGE CRITERIA, LIVE/WORK UNITS, DUMPSTER LOCATIONS AND ADDITIONAL PARKING, PROVIDING FOR A CONFLICTS RESOLUTION CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission and the governing body of the City of Highland Village, Texas, in compliance with the laws of the State of Texas and the Ordinances of the City of Highland Village, Texas, have given the requisite notices by publication and otherwise, and after holding due hearings and affording a full and fair hearing to all the property owners generally and to all persons interested and situated in the affected area, and in the vicinity thereof, and in the exercise of its legislative discretion, have conclude that the Comprehensive Zoning Ordinance and Zoning District Map of the City of Highland Village, Texas, as previously amended, should be further amended as follows:

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

SECTION 1. The Comprehensive Zoning Ordinance (“CZO”) and the Zoning Map of the City of Highland Village, Denton County, Texas, as previously amended, be further by amending the development and use regulations of Planned Development No. 2012-1 (PD-2012-1), as enacted by Ordinance No. 2012-1132 and amended by Ordinance No. 2021-1285 (collectively, the “PD-2012-1 Regulations”), as follows:

A. The definition of “Live/Work Units” as set forth in Paragraph (2) of Section 2.B. is amended to read as follows:

(2) “Live/Work Units” shall mean units designed for Residential Use by one family and may also include areas for Retail and/or Office Uses.

B. Paragraph (2)(a) of Section 2.D is amended to read as follows:

(a) First Floor: Retail, Office, and Live/Work Units (not to exceed seven (7) Live/Work Units). If the Live/Work Units contain Retail/Office space, they shall contain not less than 325 square feet of Retail/Office space facing and opening onto Main Street.

C. The fourth paragraph of Section VI “Monument Signs” of Exhibit “E, Section VI, is amended to read as follows:

Three (3) large multi-tenant signs will be permitted as shown on Exhibit

“D”. The large multi-tenant signs will not exceed 17’0 in height and 163 square feet in area as shown on Exhibit E-2.

- D. The first paragraph of Section VIII “Wall Building Signs” of Exhibit “E” is amended to read as follows:

Each tenant will be allowed no more than one (1) attached wall building sign per tenant space subject to the following:

(1) Tenant spaces located within Buildings C, I, II, IV and VII that have a public entrance facing both FM 407 and Main Street may have a wall sign at each entrance;

(2) Tenant spaces with more than one entrance on the same side of a building may have a wall sign at each entrance provided such signs are not less than ten feet (10’) apart;

(3) Signs are permitted on awnings and canopies as shown on Exhibit E-9; and

(4) Except as shown on Exhibits E-3, E-5, E-6, and E-7, wall building mounted signs shall not exceed thirty inches (30”) in height.

- E. Section IX “Under Canopy Signage” of Exhibit “E” is retitled and amended to read as follows:

IX. BLADE SIGNS

No more than one (1) two-sided blade sign with sign faces not exceeding six (6) square feet in area may be installed per tenant space not less than eight feet (8.0’) nor higher than fourteen feet (14.0’) above grade as shown on Exhibit “G”. Such blade signs shall be attached to the building with a decorative metal support and frame. Logos are allowed on blade signs.

- F. Section 2.J. “Parking” is amended by adding the following sentence:

The portion of the Property to be developed with Building 7 as shown on the Concept and Development Plan may be developed and used for parking until such time that Building 7 is constructed.

- G. Exhibits “B-1”, “D”, “E-3”, “E-5”, “E-6” and “E-7” to Ordinance No. 2012-1132, as amended, are amended and replaced by Exhibits “B-1”, “D”, “E-3”, “E-5”, “E-6” and “E-7” attached hereto and incorporated herein by reference.

SECTION 2. All ordinances of the City of Highland Village related to the use and development of the Property heretofore adopted and in effect upon the effective date of this Ordinance are and shall remain in full force and effect except to the extent amended by this Ordinance or to the extent there is an irreconcilable conflict between the provisions of said other ordinance and the provisions of this Ordinance, in which case the provisions of this Ordinance shall be controlling.

SECTION 3. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance, or of the Comprehensive Zoning Ordinance, as amended hereby, be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said Ordinance or the Comprehensive Zoning Ordinance, as amended hereby, which shall remain in full force and effect.

SECTION 4. An offense committed before the effective date of this Ordinance is governed by prior law and the provisions of the Comprehensive Zoning Ordinance, as amended, in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 5. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be subject to the same penalty as provided for in Comprehensive Zoning Ordinance as previously amended, and upon conviction shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense.

SECTION 6. This ordinance shall take effect immediately from and after its passage on Second Reading and publication of the caption in accordance with the provisions of the Charter of the City of Highland Village, and it is accordingly so ordained.

FIRST READ ON THE 12TH DAY OF APRIL, 2022, BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE 26TH DAY OF APRIL, 2022.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

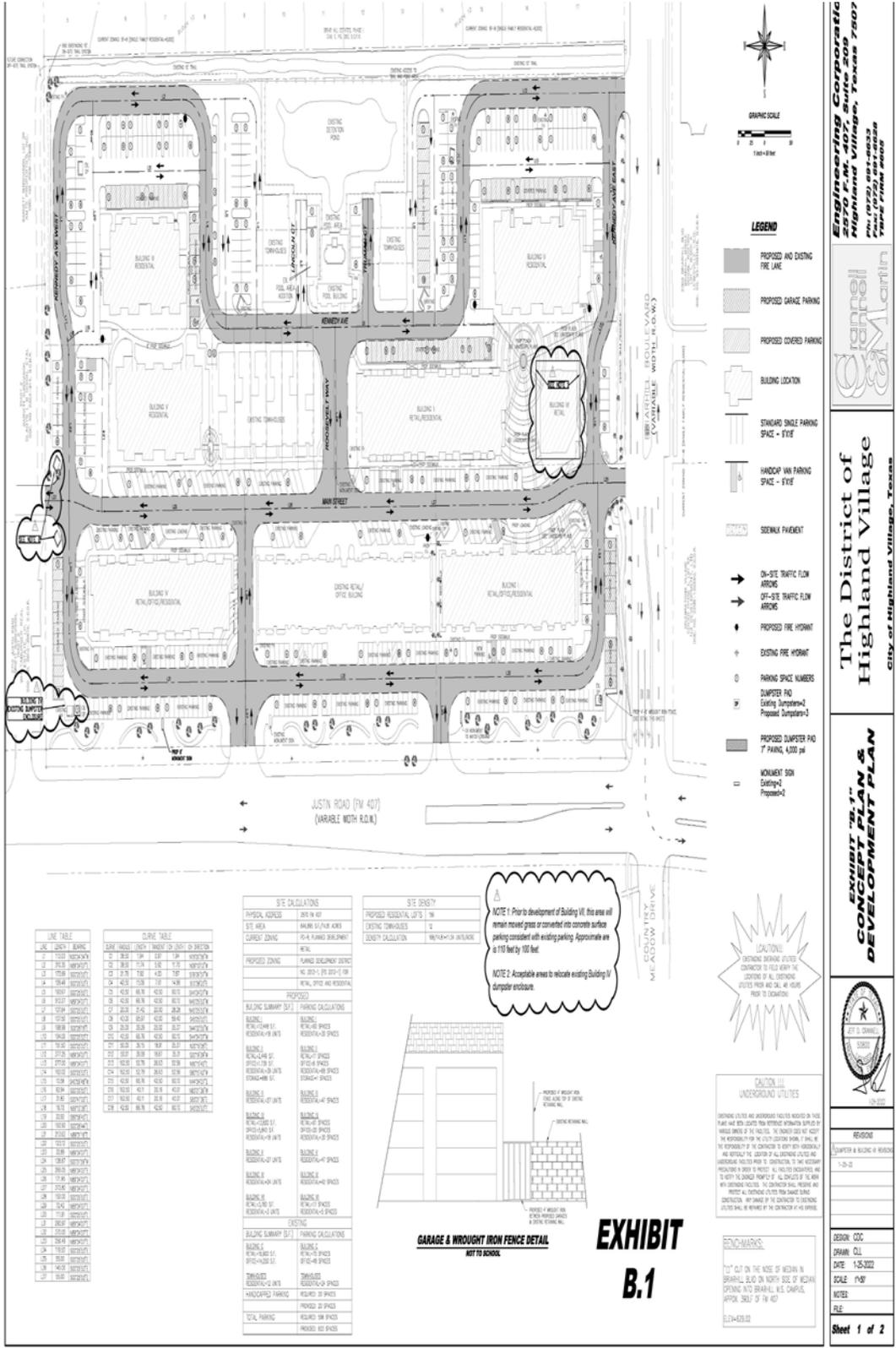
Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:3/10/2022:128309)

Ordinance No. 2022-1293 Exhibit B-1 – Concept and Development Plan (revised)



Engineering Corporate
 2970 F.M. 407, Suite 209
 Highland Village, Texas 7807
 Phone: (972) 981-1111
 Fax: (972) 981-1111

The District of Highland Village
 City of Highland Village, Texas

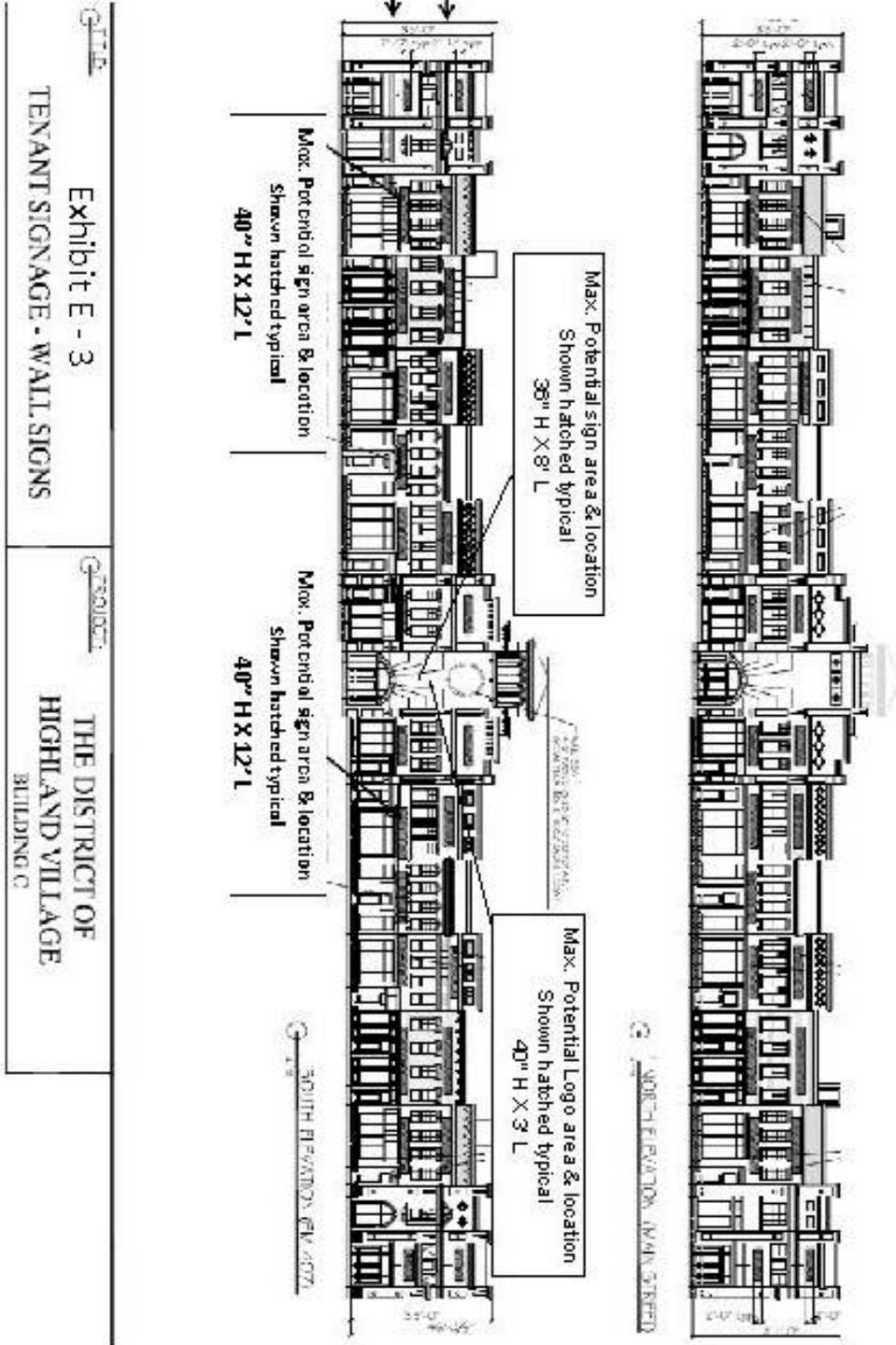
EXHIBIT "B.1" CONCEPT PLAN & DEVELOPMENT PLAN
 The District of Highland Village - Highland Village, Texas

REVISIONS
 DUMPER PAD AND BUILDING IN RESERVE
 1-3-22

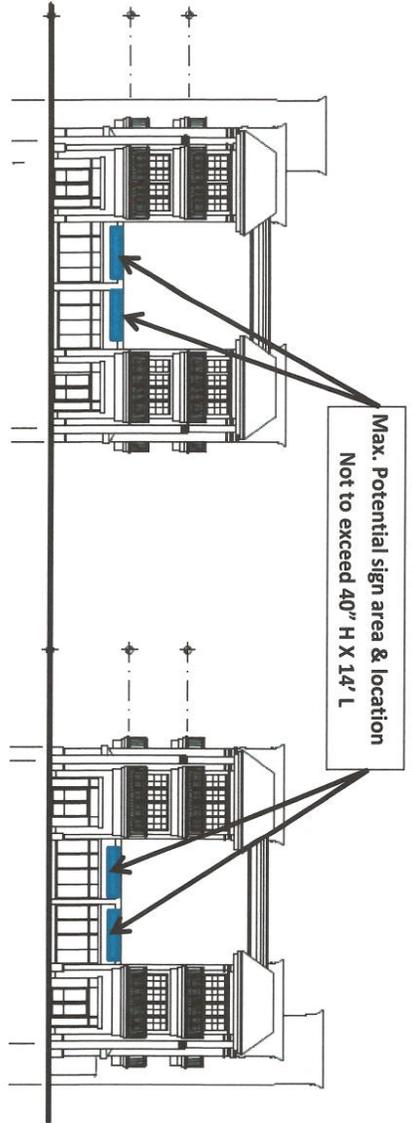
DESIGN: DCC
DRAWN: DCC
DATE: 1-3-2022
SCALE: 1/8"=1'-0"
NOTES:
FILE:

Sheet 1 of 2

**Ordinance No. 2022-1293
Exhibit E-3 –Signage Criteria (revised)**



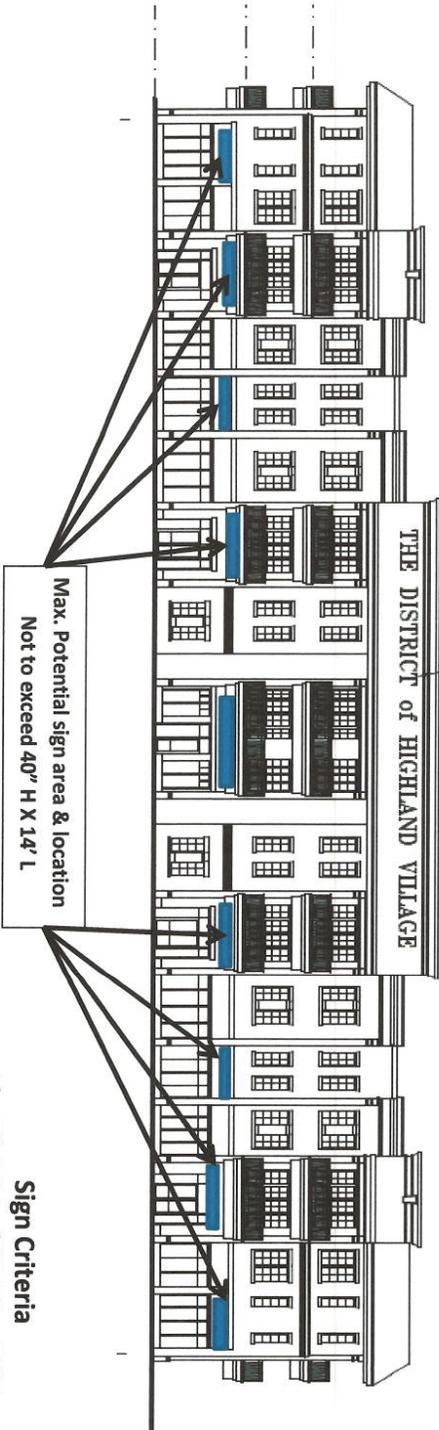
Ordinance No. 2022-1293
Exhibit E-5 – Signage Criteria (revised)



BLDG. I WEST ELEV.
SCALE: 1/32" = 1'-0"

42" Inscripted recessed
lettering

BLDG. I EAST ELEV.
SCALE: 1/32" = 1'-0"



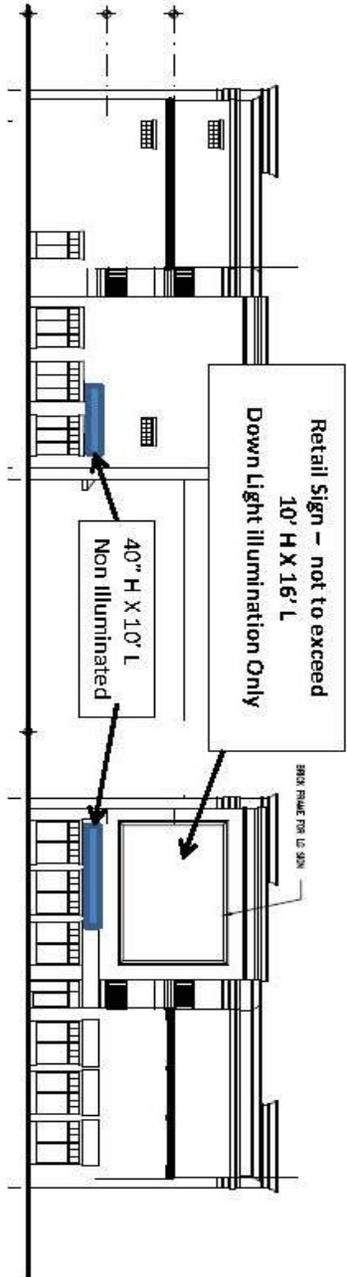
Max. Potential sign area & location
Not to exceed 40" H X 14' L

Building I South Elevation

E - 5

Sign Criteria
The District of Highland Village

**Ordinance No. 2022-1293
Exhibit E-6 – Signage Criteria (revised)**

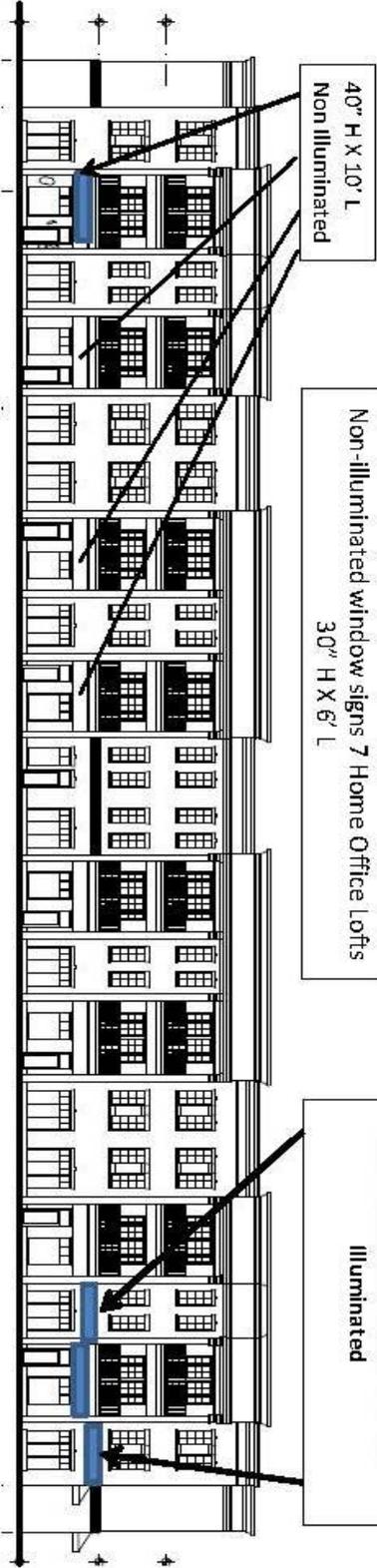


BLDG. II WEST ELEV.

SCALE: 1/32" = 1'-0"

BLDG. II EAST ELEV.

SCALE: 1/32" = 1'-0"



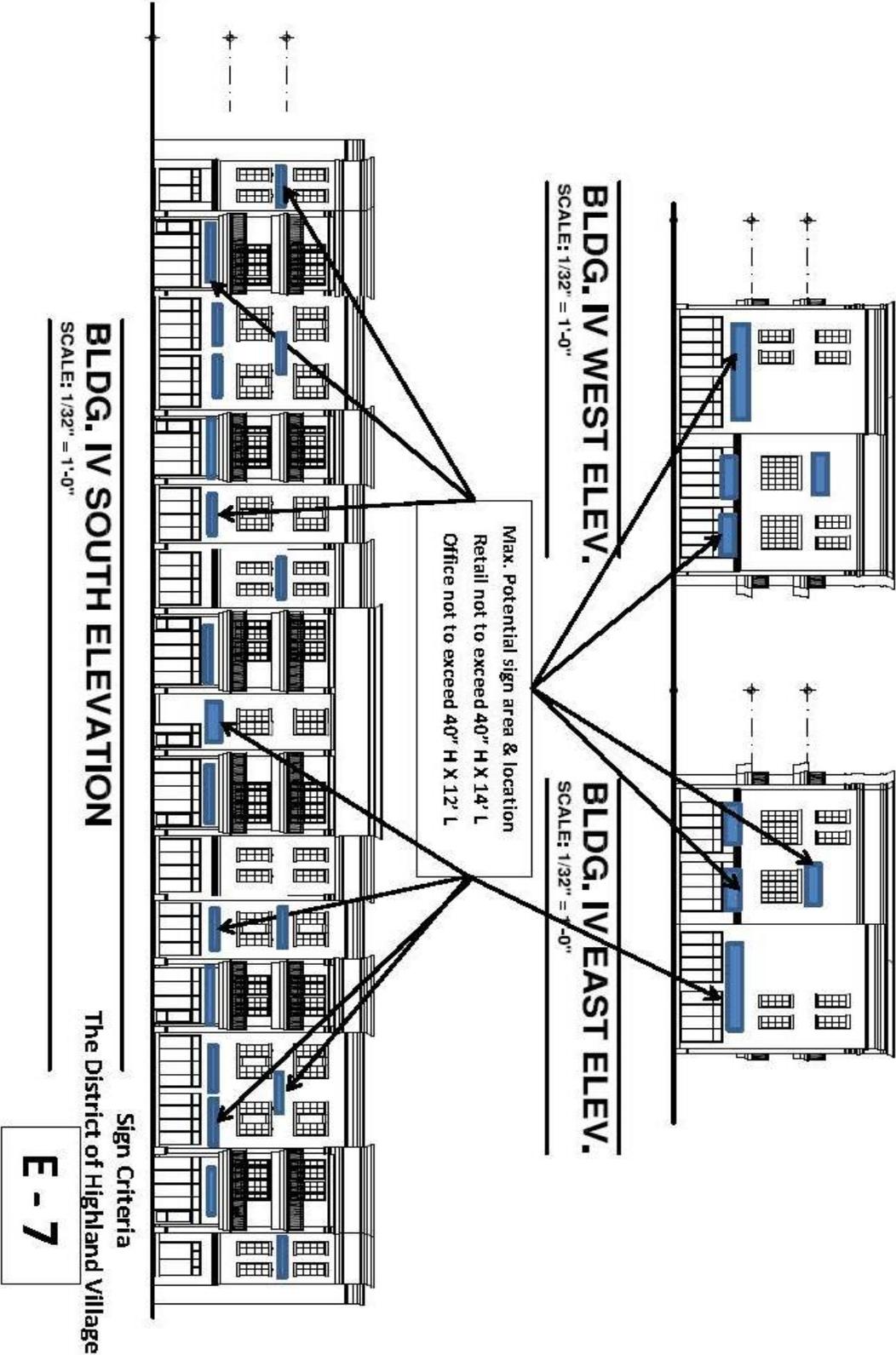
BLDG. II SOUTH ELEVATION

SCALE: 1/32" = 1'-0"

The District of Highland Village

Sign Criteria

Ordinance No. 2022-1293
Exhibit E-7 – Signage Criteria (revised)



CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14

MEETING DATE: 4/26/2022

SUBJECT: Consider Resolution 2022-2995 Authorizing the Sale of a Firearm Pursuant to Texas Government Code Section 614.051 to Commander Sheri Morrison on the Occasion of her Retirement; Establishing a Sales Price for Said Firearm

PREPARED BY: Doug Reim, Chief of Police

BACKGROUND:

Commander Sheri Morrison honorably retired from the City of Highland Village Police Department on March 23, 2022 with over twenty-nine (29) years of service. Texas Government Code §614.051 authorizes cities to sell to a police officer upon the officer's honorable retirement from the officer's department the firearm previously issued to that officer. State law also requires the city to establish a sales price for the firearm that is not greater than fair market value. Notably, the statute does not prevent a city from setting a sales price for less than fair market value. Consequently, the City Manager and Chief of Police recommend the firearm previously issued to Cmdr. Morrison be sold to Cmdr. Morrison for \$1.00. It should be noted that arrangements have been made for personal gifts to pay the purchase price of the firearm on behalf of Cmdr. Morrison so that Cmdr. Morrison will not be required to come out of pocket for the purchase price of the firearm.

IDENTIFIED NEED/S:

In order to allow Cmdr. Morrison to retain her department firearm upon her retirement, the City Council must authorize the sale of the firearm and set the sales price in order to comply with state law.

OPTIONS & RESULTS:

N/A

PROGRESS TO DATE: (if appropriate)

The City Attorney has prepared the required resolution for City Council consideration. Arrangements have been made for personal gifts to pay on Cmdr. Morrison's behalf the proposed purchase price for the firearm.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A.

RECOMMENDATION:

To approve Resolution 2022-2995.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2022-2995

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING THE SALE OF A FIREARM PURSUANT TO TEXAS GOVERNMENT CODE SECTION 614.051 TO COMMANDER SHERI MORRISON ON THE OCCASION OF HER RETIREMENT; ESTABLISHING A SALES PRICE FOR SAID FIREARM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Sheri Morrison honorably retired from her position as Commander of the City of Highland Village Police Department effective March 23, 2022; and

WHEREAS, Cmdr. Morrison has asked to retain possession of the firearm issued to her by the Police Department upon her retirement; and

WHEREAS, Texas Government Code §614.051 authorizes a city to sell a firearm to an individual who was a peace officer commissioned by the city and who is honorably retired from the officer's commission by the city the firearm had been previously issued to the individual by the city; and

WHEREAS, Texas Government Code §614.053 requires the City to establish the sales price for the firearm; and

WHEREAS, the City Council of the City of Highland Village finds it to be in the public interest to authorize the sale of the identified firearm to Cmdr. Morrison upon her retirement.

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 sell the following described firearm to Commander Sheri Morrison on the occasion of her retirement as Commander of the City of Highland Village Police Department for the purchase price of \$1.00:

Make: Sig Sauer
Model/Caliber: P320/9mm
Serial Number: 58A160763

SECTION 2. This resolution shall be effective immediately upon its approval.

PASSED AND APPROVED this the 26th day of April 2022.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:4/13.2022:129065)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 16

MEETING DATE: 4/26/2022

SUBJECT: Consider Resolution 2022-2996 Adopting Policy for Allowable Costs and Cost Principles for Expenditure of American Rescue Plan Act Coronavirus State and Local Recovery Funds

PREPARED BY: Ken Heerman, Asst. City Manager

BACKGROUND:

The City of Highland Village has received an allocation of funds in the amount of \$4,130,048 from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF) based on population. The first tranche of \$2,065,048 was received in August 2021 and the second tranche in the same amount is expected in August 2022. These funds may be used for certain projects, to the extent authorized by state law. The use of the funds has been identified for general government services for the Utility Fund. In addition to the Uniform Guidance, the US Department of Treasury has issued Interim Final Rule, Final Rule, and related compliance guidance which outlines the type of costs that are allowable.

IDENTIFIED NEED/S:

The Uniform Guidance requires nonfederal entities to have certain written policies and procedures surrounding the management of their award funds. The policy for Allowable Costs and Cost Principles will identify allowed costs under this award and assign responsibilities to the management and oversight of compliance.

OPTIONS & RESULTS:

The policy is submitted as a resolution for consideration.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

There is no impact to the budget, as the appropriation of these funds has been approved in the 2021-2022 budget for the Utility Fund.

RECOMMENDATION:

Council to approve Resolution 2022-2996 as submitted.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2022-2996

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ADOPTING A POLICY FOR ALLOWABLE COSTS AND COST PRINCIPLES FOR EXPENDITURE OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS; AND PROVIDING AN EFFECTIVE DATE

WHEREAS the City of Highland Village, Texas (“City”), has received an allocation of funds from the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (the “ARP/CSLFRF Funds” or “the Funds”); and

WHEREAS the Funds may be used for projects within the following categories, to the extent authorized by state law.

1. Support COVID-19 public health expenditures by funding COVID-19 mitigation and prevention efforts, medical expenses, behavioral healthcare, preventing and responding to violence, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to households, small businesses, non-profits, impacted industries, and the public sector;
3. Replace lost public sector revenue, using the Funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet; and

WHEREAS the ARP/CSLFRF Funds are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Sect. 200 (“UG”), as provided in the Assistance Listings published by the U.S. Department of the Treasury relating to Coronavirus State and Local Fiscal Recovery Funds; and

WHEREAS the Compliance and Reporting Guidance for the State and Local Fiscal Recovery Funds (published by the U.S. Department of the Treasury) provides, in relevant part:

Allowable Costs/Cost Principles. As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a recipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Recipients must implement robust internal controls and effective

monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

ARP/CSLFRF Funds may be, but are not required to be, used along with other funding sources for a given project. Note that ARP/CSLFRF Funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs, e.g., funds may not be used for the State share for Medicaid.

Treasury's Interim Final Rule, Final Rule, related guidance, and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

a. Administrative costs: Recipients may use funds for administering the SLFRF program, including costs of consultants to support effective management and oversight, including consultation for ensuring compliance with legal, regulatory, and other requirements. Further, costs must be reasonable and allocable as outlined in 2 CFR 200.404 and 2 CFR 200.405. Pursuant to the ARP/CSLFRF Award Terms and Conditions, recipients are permitted to charge both direct and indirect costs to their SLFRF award as administrative costs. Direct costs are those that are identified specifically as costs of implementing the ARP/CSLFRF program objectives, such as contract support, materials, and supplies for a project. Indirect costs are general overhead costs of an organization where a portion of such costs are allocable to the ARP/CSLFRF award such as the cost of facilities or administrative functions like a director's office. Each category of cost should be treated consistently in like circumstances as direct or indirect, and recipients may not charge the same administrative costs to both direct and indirect cost categories, or to other programs. If a recipient has a current Negotiated Indirect Costs Rate Agreement (NICRA) established with a Federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10 percent of the modified total direct costs pursuant to 2 CFR 200.414(f).

b. Salaries and Expenses: In general, certain employees' wages, salaries, and covered benefits are an eligible use of ARP/CSLFRF award funds;

and

WHEREAS Subpart E of the UG dictates allowable costs and cost principles for expenditure of ARP/CSLFRF funds; and

WHEREAS Subpart E of the UG (specifically, 200.400) states that:

The application of these cost principles is based on the fundamental premises that:

- (a) The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- (b) The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- (c) The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal award.
- (d) The application of these cost principles should require no significant changes in the internal accounting policies and practices of the non-Federal entity. However, the accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.
- (e) In reviewing, negotiating and approving cost allocation plans or indirect cost proposals, the cognizant agency for indirect costs should generally assure that the non-Federal entity is applying these cost accounting principles on a consistent basis during their review and negotiation of indirect cost proposals. Where wide variations exist in the treatment of a given cost item by the non-Federal entity, the reasonableness and equity of such treatments should be fully considered.
- (f) For non-Federal entities that educate and engage students in research, the dual role of students as both trainees and employees (including pre- and post-doctoral staff) contributing to the completion of Federal awards for research must be recognized in the application of these principles.
- (g) The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award; and

WHEREAS, the City Council of the City of Highland Village, Texas, finds it to be in the public interest to adopt various policies and guidelines relating to the use of the Funds.

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

SECTION 1. The Policy for Uniform Guidance Allowable Costs and Cost Principals for expenditure of American Rescue Plan Act Coronavirus State Funds, attached hereto as Exhibits "A" and "B," respectively, and incorporated herein by reference, are hereby adopted and enacted.

SECTION 2. This resolution shall become effective immediately from and after its passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE,
TEXAS, THIS THE 26th DAY OF APRIL 2022.**

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:4/20/2022:129149

EXHIBIT A
City of Highland Village Allowable Costs and Costs Principles Policy

I. ALLOWABLE COSTS AND COSTS PRINCIPLES POLICY OVERVIEW

Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart E, defines those items of cost that are allowable, and which are unallowable. The tests of allowability under these principles are: (a) the costs must be reasonable; (b) they must be allocable to eligible projects under the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (ARP/CSLFRF); (c) they must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances; and (d) they must conform to any limitations or exclusions set forth in these principles or in the ARP/CSLFRF grant award as to types or amounts of cost items. Unallowable items fall into two categories: expenses which are by their nature unallowable (e.g., alcohol), and unallowable activities (e.g., fund raising).

The City of Highland Village shall adhere to all applicable cost principles governing the use of federal grants. This policy addresses the proper classification of both direct and indirect charges to ARP/CSLFRF funded projects and enacts procedures to ensure that proposed and actual expenditures are consistent with the ARP/CSLFRF grant award terms and all applicable federal regulations in the UG.

Responsibility for following these guidelines lies with governing board (i.e., City Council) and city management, who are charged with the administration and financial oversight of the ARP/CSLFRF. Further, all local government employees and officials who are involved in obligating, administering, expending, or monitoring ARP/CSLFRF grant funded projects should be well versed with the categories of costs that are generally allowable and unallowable. Questions on the allowability of costs should be directed to the Finance Department. As questions on allowability of certain costs may require interpretation and judgment, local government personnel are encouraged to ask for assistance in making those determinations.

II. GENERAL COST ALLOWABILITY CRITERIA

All costs expended using ARP/CSLFRF funds must meet the following general criteria:

1. **Be necessary and reasonable for the proper and efficient performance and administration of the grant program.**

A cost must be *necessary* to achieve a project objective. When determining whether a cost is necessary, consideration may be given to:

- Whether the cost is needed for the proper and efficient performance of the grant project.
- Whether the cost is identified in the approved project budget or application.
- Whether the cost aligns with identified needs based on results and findings from a needs assessment.

- Whether the cost addresses project goals and objectives and is based on program data.

A cost is *reasonable* if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision to incur the cost was made. For example, “reasonable” means that sound business practices were followed, and purchases were comparable to market prices. When determining reasonableness of a cost, consideration must be given to:

- Whether the cost is a type generally recognized as ordinary and necessary for the operation of the City of Highland Village or the proper and efficient performance of the federal award.
- The restraints or requirements imposed by factors, such as: sound business practices; arm’s-length bargaining; federal, state, and other laws and regulations; and terms and conditions of the ARP/CSLFRF award.
- Market prices for comparable goods or services for the geographic area.
- Whether individuals concerned acted with prudence in the circumstances considering their responsibilities to the City of Highland Village, its employees, the public at large, and the federal government.
- Whether the City of Highland Village significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the ARP/CSLFRF award’s cost.

- 2. Be allocable to the ARP/CSLFRF federal award.** A cost is allocable to the ARP/CSLFRF award if the goods or services involved are chargeable or assignable to the ARP/CSLFRF award in accordance with the relative benefit received. This means that the ARP/CSLFRF grant program derived a benefit in proportion to the funds charged to the program. *For example, if 50 percent of a local government program officer’s salary is paid with grant funds, then the local government must document that the program officer spent at least 50 percent of his/her time on the grant program.*

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized by the ARP/CSLFRF, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required.

- 3. Be authorized and not prohibited under state or local laws or regulations.**
- 4. Conform to any limitations or exclusions set forth in the principles, federal laws, ARP/CSLFRF award terms, and other governing regulations as to types or amounts of cost items.**

5. **Be consistent with policies, regulations, and procedures that apply uniformly to both the ARP/CSLFRF federal award and other activities of the City of Highland Village.**
6. **Be accorded consistent treatment.** A cost MAY NOT be assigned to a federal award as a direct cost and also be charged to a federal award as an indirect cost. And a cost must be treated consistently for both federal award and non-federal award expenditures.
7. **Be determined in accordance with generally accepted accounting principles (GAAP), unless provided otherwise in the UG.**
8. **Be net of all applicable credits.** The term “applicable credits” refers to those receipts or reduction of expenditures that operate to offset or reduce expense items allocable to the federal award. Typical examples of such transactions are purchase discounts; rebates or allowances; recoveries or indemnities on losses; and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to and received by the local government related to the federal award, they shall be credited to the ARP/CSLFRF award, either as a cost reduction or a cash refund, as appropriate and consistent with the award terms.
9. **Be adequately documented.**

III. SELECTED ITEMS OF COST

The UG examines the allowability of fifty-five (55) specific cost items (commonly referred to as Selected Items of Cost) at 2 CFR § 200.420-.475.

The Finance Department is responsible for determining cost allowability and must be familiar with the Selected Items of Cost. The City of Highland Village must follow the applicable regulations when charging these specific expenditures to the ARP/CSLFRF grant. Finance Department personnel will check costs against the selected items of cost requirements to ensure the cost is allowable and that all process and documentation requirements are followed. In addition, State laws, the City of Highland Village policies, and program-specific rules may deem a cost as unallowable, and Finance Department personnel must follow those non-federal rules as well.

Exhibit B identifies and summarizes the Selected Items of Cost.

IV. DIRECT AND INDIRECT COSTS

Allowable and allocable costs must be appropriately classified as direct or indirect charges. It is essential that each item of cost be treated consistently in like circumstances either as a direct or an indirect cost.

Direct costs are expenses that are specifically associated with a particular ARP/CSLFRF-eligible project and that can be directly assigned to such activities relatively easily with a high degree of accuracy. Common examples of direct costs include salary and fringe benefits of personnel directly involved in undertaking an eligible project, equipment and supplies for the project, subcontracted service provider, or other materials consumed or expended in the performance of a grant-eligible project.

Indirect costs are (1) costs incurred for a common or joint purpose benefitting more than one ARP/CSLFRF-eligible project, and (2) not readily assignable to the project specifically benefited, without effort disproportionate to the results achieved. They are expenses that benefit more than one project or even more than one federal grant. Common examples of indirect costs include utilities, local telephone charges, shared office supplies, administrative or secretarial salaries.

For indirect costs, the City of Highland Village may charge a 10 percent de minimis rate of modified total direct costs (MTDC). According to UG Section 200.68, MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first \$25,000 of each subaward (regardless of the period of performance the subawards under the award). MTDC EXCLUDES equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000.

V. SPECIAL PROVISIONS FOR STATE AND LOCAL GOVERNMENTS

There are some special provisions of the UG that apply only to states, local governments, and Indian Tribes.

§ 200.444 General costs of government.

(a) For states, local governments, and Indian Tribes, the general costs of government are unallowable (except as provided in § 200.475). Unallowable costs include:

- (1) Salaries and expenses of the Office of the Governor of a state or the chief executive of a local government or the chief executive of an Indian tribe;
- (2) Salaries and other expenses of a state legislature, tribal council, or similar local governmental body, such as a county supervisor, city council, school board, etc., whether incurred for purposes of legislation or executive direction;
- (3) Costs of the judicial branch of a government;
- (4) Costs of prosecutorial activities unless treated as a direct cost to a specific program if authorized by statute or regulation (however, this does not preclude the allowability of other legal activities of the Attorney General as described in [§ 200.435](#)); and
- (5) Costs of other general types of government services normally provided to the general public, unless provided for as a direct cost under a program statute or regulation.

(b) For Indian tribes and Councils of Governments (COGs) (see definition for *Local government* in § 200.1 of this part), up to 50% of salaries and expenses directly attributable to managing and operating Federal programs by the chief executive and his or her staff can be included in the indirect cost calculation without documentation.

§ 200.416 COST ALLOCATION PLANS AND INDIRECT COST PROPOSALS.

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating

agencies, there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis. The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices V, VI and VII to this part.

§ 200.417 INTERAGENCY SERVICE.

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200.

VI. COST ALLOWABILITY REVIEW PROCESS

PREAPPROVAL COST ALLOWABILITY REVIEW

Before an ARP/CSLFRF-funded project is authorized, the Finance Department must review the proposed cost items within an estimated project budget to determine whether they are allowable and allocable and whether cost items will be charged as direct or indirect expenses. This review will occur concurrently with the review of project eligibility and *before* obligating or expending any ARP/CSLFRF funds.

- Local government personnel must submit proposed ARP/CSLFRF projects to the Finance Department for review. In addition to other required information, all proposed project submissions must delineate estimated costs by cost item.
- Along with a general review of project eligibility and conformance with other governing board management directives, the Finance Department must review estimated costs for specific allowable cost requirements, budget parameters, indirect rates, fringe benefit rates, and those activities/costs that require pre-approval by the US Treasury.

- If a proposed project includes a request for an unallowable cost, the Finance Department will return the proposal to the requesting party for review and, if practicable, resubmission with corrected cost items.
- Once a proposed project budget is pre-approved by the Finance Department, the City personnel responsible for implementing the project must conform actual obligations and expenditures to the pre-approved project budget.

POST-EXPENDITURE COST ALLOWABILITY REVIEW

Once an expenditure is incurred related to an eligible project, and an invoice or other demand for payment is submitted to the local government, the Finance Department must perform a second review to ensure that actual expenditures comprise allowable costs.

- All invoices or other demands for payment must include a breakdown by cost item. The cost items should mirror those presented in the proposed budget for the project. If an invoice or other demand for payment does not include a breakdown by cost item, the Finance Department will return the invoice to the project manager and/or vendor, contractor, or subrecipient for correction.
- The Finance Department must review the individual cost items listed on the invoice or other demand for payment to determine their allowability and allocability.
- If all cost items are deemed allowable and properly allocable, the local government personnel responsible for implementing the project must proceed through the local government's normal disbursement process.
- If any cost item is deemed unallowable, the Finance Department will notify the project management and/or vendor, contractor, or subrecipient that a portion of the invoice or other demand for payment will not be paid with ARP/CSLFRF funds. The Finance Department may in their discretion, and consistent with this policy, allow an invoice or other demand for payment to be resubmitted with a revised cost allocation. If the local government remains legally obligated by contract or otherwise to pay the disallowed cost item, it must identify other local government funds to cover the disbursement. The City of Highland Village's governing board must approve any allocation of other funds for this purpose.
- The Finance Department must retain appropriate documentation of budgeted cost items per project and actual obligations and expenditures of cost items per project.

VII. COST TRANSFERS

Any costs charged to the ARP/CSLFRF federal award that do not meet the allowable cost criteria must be removed from the award account and charged to an account that does not require adherence to federal UG or other applicable guidelines.

Failure to adequately follow this policy and related procedures could result in questioned costs, audit findings, potential repayment of disallowed costs and discontinuance of funding.

EXHIBIT B

Selected Items of Cost	Uniform Guidance General Reference	Allowability
Advertising and public relations costs	2 CFR § 200.421	Allowable with restrictions
Advisory councils	2 CFR § 200.422	Allowable with restrictions
Alcoholic beverages	2 CFR § 200.423	Unallowable
Alumni/ae activities	2 CFR § 200.424	Not specifically addressed
Audit services	2 CFR § 200.425	Allowable with restrictions
Bad debts	2 CFR § 200.426	Unallowable
Bonding costs	2 CFR § 200.427	Allowable with restrictions
Collection of improper payments	2 CFR § 200.428	Allowable
Commencement and convocation costs	2 CFR § 200.429	Not specifically addressed
Compensation – personal services	2 CFR § 200.430	Allowable with restrictions; Special conditions apply (e.g., § 200.430(i)(5))
Compensation – fringe benefits	2 CFR § 200.431	Allowable with restrictions
Conferences	2 CFR § 200.432	Allowable with restrictions
Contingency provisions	2 CFR § 200.433	Unallowable with exceptions
Contributions and donations	2 CFR § 200.434	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)
Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements	2 CFR § 200.435	Allowable with restrictions
Depreciation	2 CFR § 200.436	Allowable with qualifications
Employee health and welfare costs	2 CFR § 200.437	Allowable with restrictions
Entertainment costs	2 CFR § 200.438	Unallowable with exceptions
Equipment and other capital expenditures	2 CFR § 200.439	Allowability based on specific requirement

Exchange rates	2 CFR § 200.440	Allowable with restrictions
Fines, penalties, damages and other settlements	2 CFR § 200.441	Unallowable with exceptions
Fund raising and investment management costs	2 CFR § 200.442	Unallowable with exceptions
Gains and losses on disposition of depreciable assets	2 CFR § 200.443	Allowable with restrictions
General costs of government	2 CFR § 200.444	Unallowable with exceptions
Goods and services for personal use	2 CFR § 200.445	Unallowable (goods/services); allowable (housing) with restrictions
Idle facilities and idle capacity	2 CFR § 200.446	Idle facilities - unallowable with exceptions; Idle capacity - allowable with restrictions
Insurance and indemnification	2 CFR § 200.447	Allowable with restrictions
Intellectual property	2 CFR § 200.448	Allowable with restrictions
Interest	2 CFR § 200.449	Allowable with restrictions
Lobbying	2 CFR § 200.450	Unallowable
Losses on other awards or contracts	2 CFR § 200.451	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)
Maintenance and repair costs	2 CFR § 200.452	Allowable with restrictions
Materials and supplies costs, including costs of computing devices	2 CFR § 200.453	Allowable with restrictions
Memberships, subscriptions, and professional activity costs	2 CFR § 200.454	Allowable with restrictions; unallowable for lobbying organizations
Organization costs	2 CFR § 200.455	Unallowable except federal prior approval
Participant support costs	2 CFR § 200.456	Allowable with prior approval of the federal awarding agency
Plant and security costs	2 CFR § 200.457	Allowable; capital expenditures are subject to § 200.439

Pre-award costs	2 CFR § 200.458	Allowable if consistent with other allowabilities and with prior approval of the federal awarding agency
Professional services costs	2 CFR § 200.459	Allowable with restrictions
Proposal costs	2 CFR § 200.460	Allowable with restrictions
Publication and printing costs	2 CFR § 200.461	Allowable with restrictions
Rearrangement and reconversion costs	2 CFR § 200.462	Allowable (ordinary and normal)
Recruiting costs	2 CFR § 200.463	Allowable with restrictions
Relocation costs of employees	2 CFR § 200.464	Allowable with restrictions
Rental costs of real property and equipment	2 CFR § 200.465	Allowable with restrictions
Scholarships and student aid costs	2 CFR § 200.466	Not specifically addressed
Selling and marketing costs	2 CFR § 200.467	Unallowable with exceptions
Specialized service facilities	2 CFR § 200.468	Allowable with restrictions
Student activity costs	2 CFR § 200.469	Unallowable unless specifically provided for in the federal award
Taxes (including Value Added Tax)	2 CFR § 200.470	Allowable with restrictions
Termination costs	2 CFR § 200.471	Allowable with restrictions
Training and education costs	2 CFR § 200.472	Allowable for employee development
Transportation costs	2 CFR § 200.473	Allowable with restrictions
Travel costs	2 CFR § 200.474	Allowable with restrictions
Trustees	2 CFR § 200.475	Not specifically addressed

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 17

MEETING DATE: 4/26/2022

**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 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

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
June 20, 2022	Parks & Recreation Advisory Board Meeting – 6:00 pm
June 21, 2022	Planning & Zoning Commission Meeting – 7:00 pm
June 28, 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