



A G E N D A

**REGULAR MEETING
OF THE CITY COUNCIL
CITY OF HIGHLAND VILLAGE, TEXAS
TUESDAY, AUGUST 9, 2016, at 6:00 P.M.
HIGHLAND VILLAGE CITY COUNCIL CHAMBERS
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS**

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

**EARLY WORK SESSION
Training Room**

1. Receive an Update from Texas Municipal Retirement System Representative
2. Discuss PEG Fee and Utility Funds, and Follow Up from General Fund Budget Special Meeting for Fiscal Year 2016-2017
3. Clarification of Consent or Action Items listed on today's City Council Regular Meeting Agenda of August 9, 2016

(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 – 7:30 P.M.**

5. Call to Order
6. Prayer to be led by Councilmember John McGee
7. Pledge of Allegiance to the U.S. and Texas Flags to be led by Councilmember John McGee

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**
 - **HVTV Update**

CONSENT AGENDA

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

11. **Consider Approval of Minutes of the Regular Meeting held on July 26, 2016**
12. **Consider Resolution 2016-2650 Authorizing Adoption of the Vantagecare Retirement Health Savings Program**
13. **Consider Resolution 2016-2653 Authorizing a Task Order with BW2 Engineers, Inc. to Provide Professional Engineering and Surveying Services for the Winding Creek Drive and Oak Forest Drive Water Line Replacement Project**
14. **Consider Resolution 2016-2654 Authorizing the Purchase of a Gang Reel Mower from Professional Turf Products, LP, through the Cooperative Purchasing Agreement with Texas Local Government Purchasing Cooperative BuyBoard for the Parks and Recreation Department**
15. **Consider Resolution 2016-2655 Authorizing a Change Order with Four Star Excavating, Inc. for Construction of the Highland Shores Boulevard Water Line Replacement Project**
16. **Receive Investment Report for the Period Ending June 30, 2016**

ACTION AGENDA

17. **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)**

18. Consider Ordinance 2016-1205 Electing for the City to make Current Service and Prior Service Contributions to the City's Account in the Benefit Accumulation Fund of the Texas Municipal Retirement System at the Actuarially Determined Rate (1st of two reads)
19. Consider Ordinance 2016-1202 Amending Various Sections of Article 14.04 "Parks and Recreation" of the Code of Ordinances by Adopting Definitions for "Commercial Unmanned Aircraft," "Dog Owner," "Dog Park," "Unmanned Aircraft," and "Noncommercial Unmanned Aircraft;" by Adopting Regulations Relating to Use of Unmanned Aircraft in City Parks, Use of the City's Dog Park, and Use of the Splash Pad at Doubletree Ranch Park; by Conforming Regulations Regarding Use of Firearms in Parks to State Law; by Amending Refund Policy to include Doubletree Ranch Park; and by Deleting the Requirement to Provide a Driver's License Number on Special Event Applications (1st of two reads)
20. Consider Ordinance 2016-1203 Amending Code of Ordinances Chapter 24 "Building Regulations", Division 7 "Energy Conservation Code" by Adopting the 2015 Edition of the International Energy Conservation Code, including Local Amendments (1st of two reads)
21. Consider Resolution 2016-2652 Awarding and Authorizing a Contract with Reynolds Asphalt & Construction Company for the 2016 Asphalt Overlay Project
22. Discuss the Ad Valorem Tax Rate for Tax Year 2016 and Consider Taking a Record Vote if the Proposed Tax Rate Exceeds the Lower of the Rollback or the Effective Tax Rate and Consider Setting Two Public Hearing Dates of August 23, 2016 and September 13, 2016 on the Proposed Fiscal Year 2016-2017 Budget and Tax Rate
23. Consider Ordinance 2016-1204 Adopting Amendments to the Fiscal Year 2015-2016 Budget (1st of two reads)

LATE WORK SESSION

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

24. Status Reports on Current Projects and Discussion on Future Agenda Items (A Councilmember may inquire about a subject of which notice has not been given. A statement of specific factual information or the recitation of existing policy may be given. Any deliberation shall be limited to a proposal to place the subject on an agenda for a subsequent meeting.)
 - 35Express Update
25. 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 5th DAY OF AUGUST, 2016 NOT LATER THAN 4:00 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 _____, 2016 at _____ am/pm by

_____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1

MEETING DATE: 08/09/16

SUBJECT: Receive an Update from Texas Municipal Retirement System Representative

PREPARED BY: Martha Butz, Director of Human Resources

BACKGROUND:

The City of Highland Village is one of the 866 member cities in the Texas Municipal Retirement System (TMRS). In funding pensions, the City matches employee contributions of 7% at a 2:1 rate. The City does not participate in social security (FICA).

The original City Ordinance was approved in February 1979 to adopt the Texas Municipal Retirement System as the pension plan for City of Highland Village employees. The original ordinance included a statutory maximum of 13.50% for the city's contribution although the employees' contribution has remained at 7.0%. Most cities have dropped this requirement in order to properly fund outstanding pension obligations as TMRS has refined its actuarial assumptions over the years.

TMRS actuaries have determined the City's contribution rate for 2017 will be 13.64% based on the current TMRS funding policy. This represents a .35% increase from last year's contribution of 13.29% and exceeds the maximum established by ordinance in 1979.

A representative from TMRS will provide an update to Council during early work session. There is an item on tonight's action agenda to approve Ordinance 2016-1205 electing for the City to make current service and prior service contributions to the city's account in the Benefit Accumulation Fund of the Texas Municipal Retirement System at the actuarially determined rate of Total Employee Compensation.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 2

MEETING DATE: 08/09/16

**SUBJECT: Discuss PEG Fee and Utility Funds, and Follow Up from
General Fund Budget Special Meeting for Fiscal Year 2016-
2017**

PREPARED BY: Angela Miller, City Secretary

COMMENTS

City staff will present information relating to the PEG Fee and Utility Funds, and will have a follow up, if needed, between Council and staff on the General Fund Budget Special Meeting that was held on July 30, 2016.



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

August 9, 2016

Honorable Mayor Charlotte Wilcox and
Members of City Council
City of Highland Village

Dear Mayor and Members of City Council:

It is my pleasure to submit the City of Highland Village Fiscal Year 2016 – 2017 Budget and Program of Services to the City Council and citizens of Highland Village. The annual budget guides the City's plan for providing the services, facilities, and infrastructure that has made Highland Village one of the "Best Places to Live" by *D Magazine* and a great place to raise a family by the *Dallas Morning News*. One past statement about Highland Village that holds true today states "Perched along the shores of Lewisville Lake, Highland Village can brag about its access to parks and natural areas." Our Trail System, shopping and dining opportunities, low crime rate, rolling hills, and exemplary schools all play a role in our award winning community.

This year's budget combines the efforts and input from citizens, City Council, and City Staff to develop a positive and progressive approach to plan for the future. A major component in achieving success is the development of Goals and Objectives by the Council, and the continued focus on them. By keeping the Goals and Objectives in clear view, Council and staff are able to position the community in a positive direction and effectively provide necessary services for Highland Village.

In accordance with the Texas Local Government Code and the Charter of the City of Highland Village, the proposed Annual Budget for the Fiscal Year beginning October 1, 2016, and ending September 30, 2017, is constructed for your review and comment and filed with the City Secretary. It presents, in summary form, the revenues and expenditures for each of the City's Departments, as well as the five-year Capital Improvement Program (CIP).

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

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

I. OVERVIEW

While there is limited population and economic growth, the City of Highland Village still continues to improve and expand City services and programs. Our citizens are accustomed to a stable and predictable municipal tax rate with a high level of service. Highlighted in this document are the Goals and Objectives of the City Council, direction for growth, operational excellence, a financially sound government, enhanced quality of life, as well as a safe and secure community.

Each year, the Mayor gives a “State of the City” presentation that provides an overview and current status of the City of Highland Village. In Mayor Wilcox’s speech this year, she truly captured the essence of our role in preparing the budget each year, and I feel it’s appropriate to restate her personal message:

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

II. GOALS, OBJECTIVES, AND DEPARTMENTAL TASKS

The Council developed Goals and Objectives to direct Highland Village in meeting challenges and opportunities for future growth. The Goals and Objectives are relevant to successful programs and are further outlined in the *Strategic Goals and Long-Term Financial Plan* section.

Council also provided guidance in the Fiscal Year 2016 – 2017 Budget Development Considerations, which are as follows:

- Tax Rate Management – For the Fiscal Year 2016 – 2017 Budget, there is no tax rate increase proposed. The tax rate is currently allocated between Maintenance & Operations and Debt Service. We will continue to ensure that all Enterprise Funds, such as the Utility Fund, are covering indirect costs, as well as direct services. The tax rate of \$0.56963 has been maintained since 2000.
- Denton County Appraisal District is projecting growth in our assessed values, with the final certified tax role that was submitted on July 22. For Fiscal Year 2017, assessed valuations reflect an increase of 4.9% over the previous year.
- Fund Balances – The Fiscal Year 2016 – 2017 General Fund Budget will maintain an estimated Fund Balance of approximately 23% for the preliminary five-year outlook.
- A focus on the five-year General Fund forecast and CIP shall provide the guidance for development initiatives in for future years.
- The Fiscal Year 2016 – 2017 Budget Process – Departmental budgets were prepared using the thorough review of a budget software program, which facilitates justification for base budget items and supplemental requests.
- Our proposed competitive pay, benefits, and career development structure to attract and retain qualified personnel for Fiscal Year 2016 – 2017 has identified a 3% increase, which will be structured as a merit pool and wage adjustment.

Council Goal

Enhance the quality of life within Highland Village, while meeting the needs and expectations of the residential and business community.

Council Objectives: *Continue to Provide Superior Public Safety, Customer Service, Social, and Health Services to the Community*

- ✓ Maintain our recognized model in Police and Fire services; continually explore and develop programs to discourage crime and enhance safety.

- ✓ Investigate operational efficiencies in regard to utilization of public safety resources without compromise to safety of residents and businesses.
- ✓ Promote proactive programs and agreements to provide public safety (i.e. Vacation Watch, Police Involving Parents, cooperative inter-agency and interlocal agreements; as well as high visibility and community involvement for our Fire and Police employees).
- ✓ Support social services (i.e. Youth and Family Services, Children Advocacy Center, and other community organizations that provide services to our residents in our region).
- ✓ Actively pursue effective code enforcement to maintain high standards throughout the community.
- ✓ Provide all City functions in a courteous, effective, and efficient manner to all customers, responding quickly to requests for services and providing timely response to customer complaints.
- ✓ Investments in operations will continue to be made in technology that will optimize customer service.
- ✓ Promote responsible pet ownership through our Animal Services.
- ✓ Maintain effective emergency management disaster readiness.

Conduct the Business of the City in a Fiscally Responsible Manner

- ✓ Retain our current AA+ bond rating.
- ✓ Adhere to financial policies that are maintained to promote fiscal responsibility.
- ✓ Explore new and innovative revenue sources where appropriate and pursue efficiencies to minimize expenditures.
- ✓ Promote and utilize Highland Village business whenever possible in making municipal purchases.
- ✓ Adopt City budgets within the confines of existing tax rate and in context of the five-year forecast to demonstrate sustainability and emphasize funding of capital projects when capacity is available.

Promote Quality Transportation Services

- ✓ Continue implementation of the Transportation Master Plan
- ✓ Advocate the significance of DCTA rail and bus service for Highland Village residents and retail development and secure adequate DCTA availability for residents.
- ✓ Identify and monitor the FM 2499 corridor to effectively accommodate vehicular traffic while protecting the integrity of our neighborhoods.
- ✓ Enhance pedestrian-oriented means of travel in Highland Village and install improved pedestrian crossing system aimed at enhancing public safety.
- ✓ Work with the Texas Department of Transportation on the reconstruction of IH 35E.

Employ High Quality, Service Oriented Personnel

- ✓ Foster a work force comprised of professional, highly qualified, and customer friendly employees.
- ✓ Provide a work environment that promotes a high level of job satisfaction for employees.
- ✓ Promote educational standards and re-education opportunities that provide career development structure.
- ✓ Provide innovative and flexible compensation to ensure we remain competitive in our market.
- ✓ Provide succession planning for key positions throughout the City.

Provide for a Diversified Business Climate

- ✓ Promote existing and new retail businesses in Highland Village with the HVBA, with emphasis on high quality retail and restaurants.

- ✓ Enhance open communication between all government entities; the Business Community, City Hall, and City Residents.
- ✓ Pursue Economic Development and redevelopment through the use of innovative programs to emphasize retention and the expansion of existing business, especially on older developments.
- ✓ Instill a sense of community in all Highland Village's businesses and residential neighborhoods.
- ✓ Uphold and enhance commitment to public education and communication via holiday promotions, special events, shopping center meetings, and other available venues.

Provide Quality Leisure Opportunities

- ✓ Review existing and consider new recreational offerings for the residential and business communities on a regular basis to satisfy the growing needs of the community.
- ✓ Continue to support community and special events.
- ✓ Continue implementation of the Parks Master Plan and The Trail System Master Plan and related facilities and additions to the plan as deemed appropriate.
- ✓ Maintain the excellence of the Highland Village park system, maximizing the functionality of each park area.
- ✓ Continue to explore grant/alternative funding opportunities when possible.
- ✓ Connect trail systems throughout the City where feasible.

Work to instill a "Sense of Community" in Highland Village Residents

- ✓ Continue to build a sense of community through activities like the newsletters and the City Website.
- ✓ Work to find new avenues to involve more residents in the civic process and to serve on boards and commissions with the hope of developing new leaders from a cross section of the community.
- ✓ Create avenues that allow residents and members of the business community to have a sense of pride living and working in Highland Village.
- ✓ Utilize social media outlets to share information and involve residents with City.
- ✓ Identify and facilitate volunteer activities that serve the community.

Expand the Leadership Role of the Entire Council by Active Participation in Community Groups and Professional Development

- ✓ Council members will actively represent the City of Highland Village and participate in community groups, intergovernmental agencies, and professional associations.
- ✓ Encourage participation of Boards and Commission members in City activities.
- ✓ Support and advance Highland Village's participation at the local, state, and national levels.
- ✓ Maintain contact with area schools and promote programs that have a positive influence for youth in the community.
- ✓ Council members will utilize professional development opportunities provided by the Texas Municipal League and other professional groups.
- ✓ Continue exploring ways to inform residents/businesses about regional and state legislative developments that impact our City and its residents.

To Make Highland Village Developments and its Operations Sustainable so They Protect and Enhance the City's Quality of Life

- ✓ Evaluate City operations to identify areas where resources can be conserved in the provision of public service without significantly affecting the quality of services.

- ✓ Where financially and operationally practical, purchase supplies for City services that are comprised of recyclable materials and or will minimally impact the environment with their use.
- ✓ Actively recycle materials to divert items from landfills and initiate programs to promote recycling by the City's residents, businesses, and visitors.
- ✓ Uphold and enhance our commitment to public education and communication with regard to recycling and environmentally friendly programs.
- ✓ Enhance water conservation for the City and its customers.
- ✓ Maintain comprehensive programs to manage environmental/health concerns when possible, such as programs to address mosquito abatement that are appropriate and effective, with emphasis on proactive action.

III. III. GENERAL FUND BUDGET HIGHLIGHTS

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

For this Fiscal Year, we have experienced a 4.9% growth in our property values from Denton County Appraisal District. Although it is the largest element of General Fund revenues, property tax is only one of several revenue sources used to fund City operations. Other sources include sales tax, franchise fees, fines, development fees, charges for service, interest income, and miscellaneous revenue. The tax rate is split between two components – Maintenance & Operations and Debt Service.

The proposed base Fiscal Year 2016 – 2017 General Fund expenditures total \$15,842,050 with \$482,800 identified for supplemental requests. These expenditures are accounted for in twelve separate department budgets, which reflect a base budget increase of 0.4% from Fiscal Year 2015 – 2016, or an increase of 0.1% including supplemental requests.

	Total FY 2016 Budget	Base FY 2017	Supplemental	Total FY 2017 Budget
City Manager	\$563,557	\$646,560	-	\$646,560
Finance	1,482,564	1,483,887		1,483,887
Human Resources	477,384	487,948	50,000	537,948
City Secretary	299,525	304,402		304,402
Information Services	882,394	896,963	213,000	1,109,963
Police	4,347,903	4,668,087	8,800	4,676,887
Fire	2,745,224	2,788,905	58,000	2,846,905
Community Services	405,824	425,512	-	425,512
Streets	1,781,262	1,374,669	-	1,374,669
Building/Fleet Maintenance	896,814	787,459	111,000	898,459
Parks	1,547,279	1,529,130	42,000	1,571,130
Recreation	391,795	448,527	-	448,527
Total	15,821,526	15,842,050	482,800	16,324,850

Employee Salary and Benefits

- Our historic and current budget structure for the Personnel Category of the General Fund Budget has consistently ranged from 69% to 70%.
- The budget includes a 3% increase structured as a performance/merit pool and salary adjustment for employees. A Senior Dispatch position, as well as reclassification of a position in the Fire Department, is included as an opportunity for further career

development for employees. Additionally, the budget include an increase to the base minimum wage for entry level full time employees to \$15.00 per hour, making compression adjustments as needed, which will ultimately impact eight positions.

- In an ongoing effort to provide quality health care options, we are maintaining coverage with our current health insurance provider with an increase of 12%.

Community Identity

- Condition of our neighborhoods is always a priority. The adoption and implementation of the 2015 International Building Codes, International Energy Conservation Code, and the Fire Code will help to address our building codes and the need for overlays with both new construction and redevelopment as it applies to the revitalization of our aging housing market.
- Completion of Doubletree Ranch Park is of the utmost importance. This project remains unfinished largely due to a significant number of rain delays over the past two years. Considerable progress has been made, with completion expected in fall 2016.
- A Dog Park is currently under construction. Total cost of the project is \$296,770, with collected Park Development Fees in the amount of \$71,856 utilized, and the remaining balance coming from General Fund reserves.

Public Safety

- It is a proven fact that our Community Policing model works, which focuses on "Prevention through Citizen Awareness and Involvement." Working with the Highland Village Fire Department, we will implement a new program identified as our Emergency Care Attendant (ECA). This is a state recognized program in enhanced first aid for our emergency responders.
- The Highland Village Fire Department is a professional organization that delivers unmatched service to the citizens, regardless of whether the need is an emergency or a routine event. Development of a Deputy Chief position will create further career development opportunities within the department.
- The new Public Safety Radio System, with trunk service provided by the Denton County Sheriff's Department, will be a digital radio system requiring the replacement of all existing radios. It was determined to be in our best interest for both operations and increased efficiency to replace all radios this year. The new system will go live by October.

Infrastructure

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

- We have proactively developed a monitoring system for West Nile Virus and mosquito abatement through a series of traps to verify the potential increase in population, which allows a designated concentrated effort of mosquito control.

IV. FINANCIAL ASSESSMENT

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

Fund Balance

One unrestricted measure of a city's financial strength is the level of its Fund Balance. The City's estimated unrestricted Fund Balance in the General Fund is projected to be approximately \$3.7M. This balance represents 23% of Fiscal Year 2016 – 2017 total General Fund expenditures, exceeding the 20% Fund Balance reserve requirement established by the City's Financial Policies.

Bond Ratings

The City's bond ratings are further evidence of its financial strength. In 2016, the City received renewal of its General Obligation and Revenue bond ratings. Standard and Poor's, one of the nation's largest bond rating agencies, maintained its AA+ rating for General Obligation and affirmed the City's bonds are considered to be of excellent investment quality. For General Obligation bonds, the rating agencies commented that the City has a strong economy, strong tax base growth, very strong budgetary flexibility supported by strong financial practices, very strong management with strong financial policies and practices, stable financial performance, and solid reserve levels.

Anticipated Future Projects

A \$1.5M Tax Note was issued in 2016 to address targeted Public Safety and Public Works issues as follows:

\$433,724 for Computer Aided Dispatch (CAD) Software
\$690,000 related to Public Safety Radio System
\$205,000 related to rehab of existing screening walls adjacent to FM 2499
\$172,000 related to needed drainage improvements in the City
\$1,500,724 Total

<i>Projects In –Process</i>			
Description	Funding Source	Remaining Balance (FY 16 Year-end)	Status
Capital Projects Fund			
\$2.8M 2012 Certificate of Obligation, \$1.5M 2016 Tax Note			
Sellmeyer Road Improvements	- Remaining \$2.8M 2012 Bond Proceeds (\$640,000)	\$-0-	Wichita Estates developer to reconstruct adjacent section of

	earmarked for Sellmeyer Rd improvements – FY 15 Ending Balance - \$392,062) GF - \$744,000		Sellmeyer – with City reimbursement. Section at either end of this section to be reconstructed by City contractor. Completed Summer 2016.
Screening Walls	\$1.5 M Tax Note (\$205,000 Budget)	\$-0-	Complete
Drainage Projects	\$1.5 M Tax Note (\$172,000 Budget) Additional \$140,000 GF	\$-0-	Primary project – Canyon Creek bids opened in June 2016, however higher than anticipated. Will require supplemental GF funding. Completion anticipated by Year-end
Police CAD / RMS software	\$1.5 M Tax Note (\$433,724 Budget)	\$-0-	Substantially complete.
Dispatch Radio System	\$1.5 M Tax Note (\$690,000 Budget)	\$-0-	Dispatch consoles slated for installation in September 2016. Determined anticipated antennae for this component not needed – redirected to purchase radios.
<i>HV Community Development Fund</i>			
Doubletree Ranch Park	2014 Bond (\$6.7M) in conjunction with IH 35 Mitigation (\$2.8M) – Project Cost – \$9.3M	2,708,488	Construction in progress with expected completion in July 2016.
<i>Park Development Fee Fund</i>			
Dog Park	Collected Park Development Fees (\$72,662) General Fund (\$224,130) (Project Amt \$296,770)	\$287,370	Construction initiating in June 2016 with anticipated completion in July / August 2016.

<i>Projects In Process</i>						
<i>Projected Operating Costs</i>						
Dept	Description	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<i>Capital Projects Fund</i>						
Public Works	Sellmeyer Road, screening walls, and drainage projects	-	-	-	-	-
Public Safety	CAD software / Radio project	80,000	80,000	80,000	80,000	80,000
Public works improvements do not have additional associated maintenance costs as they do not add additional infrastructure than what currently exists in the City						
Public Safety CAD software adds annual maintenance of \$90,000 annually, partially offset by elimination of previous software (CRIMES) annual support of \$33,000. New radios purchased will increase annual maintenance by \$23,000. And all new radios will require eventual replacement. Useful life is anticipated at 15 years, thus no replacements shown in five-year window.						
<i>HV Community Development Fund</i>						
Parks	Doubletree Ranch Park	100,000	103,000	106,000	110,000	114,000
The Community Development Fund records projects solely related to trail construction and soccer facilities. Costs associated with on-going operations are shown in accordance to the cost to contract maintenance services. The City may choose to utilize City Staff, which would likely have similar cost – but also with a higher service level. Doubletree Ranch Park includes costs related to one additional position, as well as increased park maintenance and utilities.						
Total Costs related to projects in process		180,000	183,000	186,000	190,000	194,000

Debt Service Fund

This fund is utilized to account for the debt obligations of the City. Debt Service for Fiscal Year 2016 – 2017 is \$2,644,800 reflecting a decrease of \$10,533 from Fiscal Year 2016. The corresponding Debt Rate for Fiscal Year 2017 of \$0.08684 is compared to \$0.09146 in Fiscal Year 2016. Projected ending Fund Balance for the Debt Service Fund is \$146,210.

Utility Fund

A primary and critical task of any City is the provision of water and wastewater service to its residents. To its credit, Highland Village has secured a stable and reliable source for each of these services through owning and operating five water wells and a subscription with Upper Trinity Regional Water District (UTRWD), which are expected to be sufficient through build-out. The Utility Fund is an Enterprise Fund that is financed primarily through user charges. Utility rates are maintained to derive sufficient revenues to meet the obligations associated with the provision of water and wastewater services.

Utility rates are established to pay for delivery and maintenance of water and wastewater to City residents. The structure of the rates is bifocal, with charges associated with wholesale water/wastewater purchases from UTRWD presented as a pass-through charge to residents, and separate rates to address the City's cost of service.

V. CONCLUSIONS

In preparing the Fiscal Year 2016 – 2017 Budget, it is our goal to develop a budget that will maintain the desired quality of life, while balancing the needs of the residents. This year's budget document represents a collective effort by City Council and City Staff to meet the challenge. In our development of the budget, there are three essential areas that remain our focus in the fundamental understanding of government's role in providing enhanced core services to our residents: policy coordination and implementation between Council and Staff, communications, and measurement and evaluation. City Staff will continue to review and evaluate internal operations for opportunities to reduce costs and improve the provision of funded services.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Leavitt", with a stylized flourish at the end.

Michael Leavitt
City Manager

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 7 **MEETING DATE: 08/09/16**

SUBJECT: Pledge of Allegiance

PREPARED BY: Angela Miller, City Secretary

COMMENTS

A Councilmember will lead the Pledge of Allegiance to the U.S. and Texas Flags.

The Pledge to the Texas Flag is as follows:

“Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 9

MEETING DATE: 08/09/16

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Angela Miller, City Secretary

COMMENTS

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

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11	MEETING DATE 08/09/16
SUBJECT:	Consider Approval of Minutes of the Regular Meeting held on July 26, 2016
PREPARED BY:	Angela Miller, City Secretary

BACKGROUND:

Minutes are approved by 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 Department prior to the meeting with suggested changes. Upon doing so, the 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 July 26, 2016 Council Meeting minutes.

**MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS
HELD IN THE MUNICIPAL COMPLEX, LOCATED AT 1000 HIGHLAND VILLAGE ROAD
TUESDAY, JULY 26, 2016**

The City Council of the City of Highland Village, Texas met in Early Work Session on the 26th day of July, 2016 at 6:00 p.m., prior to the Regular Council Meeting.

Call to Order

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

Roll Call

Present:	Charlotte Wilcox	Mayor
	Michelle Schwolert	Mayor Pro Tem
	Mike Lombardo	Councilmember
	Barbara Fleming	Councilmember
	Fred Busche	Councilmember
	John McGee	Councilmember
Absent:	William Meek	Deputy Mayor Pro Tem
Staff Members:	Michael Leavitt	City Manager
	Kevin B. Laughlin	City Attorney
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Doug Reim	Police Chief
	Scott Kriston	Public Works Director
	Laurie Mullens	Public Affairs Manager
	Andrew Boyd	Senior A/V Technician
	Karen Bradley	Administrative Assistant

1. Discuss the 2016 Resident Satisfaction Survey

Public Affairs Manager Laurie Mullens presented background information and results of the recent resident satisfaction survey. The survey, conducted by Creative Consumer Research (CCR), took place between April 7 and May 11, 2016. CCR administered 402 sample surveys via the following: 202 web-based surveys and 200 telephone surveys. The survey measured resident's opinion in aspects of life in Highland Village, the services provided by each department, and the interaction with staff members. A main focus of the survey was on Public Safety by assessing satisfaction with Police and Fire handling of calls and response time to calls. Communication with residents was also a focus of the survey by evaluating current communication tools and inquiries as to the best method of communication with our residents.

Residents rated the appearance of Highland Village high in regard to quality of life, as well as the safety of the community and the parks & trails system. Positive results were shown with 65% of residents expressing satisfaction with the services they receive in relation to the property and sales taxes paid. The survey also showed the most common way residents receive information regarding the City of Highland Village is through the City's website, although residents preferred email as their method of communication.

Complete survey results are available on the City's website.

2. Clarification of Consent or Action Items listed on today's City Council Regular Meeting Agenda of July 26, 2016

There was no discussion on this item.

Mayor Wilcox announced Council would meet in Closed Session and she read the agenda for Items #3(a) and #3(b) for Closed Session.

CLOSED SESSION

Council convened into Closed Session at 6:40 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 551.071 - Consultation with City Attorney requiring confidential attorney/client discussion and advice regarding legal issues related to development of property located within the City of Highland Village pursuant to proposed Ordinance No. 2016-1201

Council concluded Closed Session at 7:15 p.m.

OPEN SESSION

4. Call to Order

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

Roll Call

Present:	Charlotte Wilcox Michelle Schwolert Mike Lombardo Barbara Fleming Fred Busche John McGee	Mayor Mayor Pro Tem Councilmember Councilmember Councilmember Councilmember
Absent:	William Meek	Deputy Mayor Pro Tem
Staff Members:	Michael Leavitt Kevin B. Laughlin Ken Heerman Angela Miller Doug Reim Brad Goudie Scott Kriston Martha Butz Laurie Mullens Andrew Boyd	City Manager City Attorney Assistant City Manager City Secretary Police Chief Fire Chief Public Works Director Human Resources Director Public Affairs Manager Senior A/V Technician

5. Prayer to be led by Councilmember Fred Busche

Councilmember Busche gave the Invocation.

6. Pledge of Allegiance to the U.S. and Texas Flags to be led by Councilmember Fred Busche

Councilmember Busche led the pledge to the U.S. and Texas flags.

7. Visitor Comments

The following people spoke:

Jim Carter (1005 Roadrunner Road, Bartonville, TX) – Mr. Carter stated he currently represents the City of Highland Village on the Denco Area 9-1-1 District Board of Managers. He thanked the Council for nominating him a few months ago as a candidate to represent Highland Village. He reported there have been nineteen votes cast, in which he received seventeen. Mr. Carter stated he would like to continue serving on the Denco Area 9-1-1 District Board of Managers and he provided his resume and information about Denco Area 9-1-1 to the Council.

8. Mayor and Council Reports on Items of Community Interest

Councilmember Fleming invited everyone to attend the 29th Annual Highland Village Lion's Club Balloon Festival to be held on August 19-21, 2016 at Unity Park. She reported the opening ceremony will be held on August 19 at 6:30 p.m. with State Senator Jane Nelson, Denton County Commissioner Bobbie Mitchell, and Mayor Charlotte Wilcox scheduled to speak. This year's event is dedicated to long time resident Pat Falcon.

Mayor Wilcox reported she, Mayor Pro Tem Schwolert, Councilmember Fleming, and City Manager Michael Leavitt attended the Unity in Communities Luncheon today where Special Abilities of North Texas won the 2015 Non-Profit of the Year award.

9. City Manager/Staff Reports

- **HVTV Update**

The latest video report from HVTV News was shown:

Highland Village Lion's Club Balloon Festival – this year's event will be held August 19-21 at Unity Park and will feature live music, a car show, balloon rides, and wiener dog races; this is the 29th year for this event

Non-Profit of the Year – The HVBA, Flower Mound and Lewisville Chambers of Commerce hosted the Unity in Communities Luncheon on July 26th; the luncheon recognizes our local non-profit organizations and introduces them to the business community; Special Abilities of North Texas won this year; the organization provides high quality care, training, and support to adults with special needs, giving them opportunities to succeed in life, family and the community, while offering respite to their caregivers

HVBA Luncheon – The HVBA will host its quarterly luncheon on Tuesday, August 9 at 9 Social; the luncheon is great way to network with others in the business community

City Manager Michael Leavitt reported our own Laurie Mullens and Andrew Boyd had produced videos that highlighted the top three non-profit organizations that were

competing for Non-Profit of the Year. The videos were shown at today's Unity in Communities Luncheon. Mr. Leavitt thanked them for their hard work.

CONSENT AGENDA

10. Consider Approval of Minutes of the Regular Meeting held on July 12, 2016
11. Consider Resolution 2016-2647 Casting the City's Vote for Representation to the Denco Area 9-1-1 District Board of Managers
12. Consider Resolution 2016-2648 Authorizing the City Manager to Enter into an Interlocal Agreement with Denton County for Collection of Ad Valorem Taxes
13. Consider Resolution 2016-2649 Approving and Adopting the Highland Village Community Development Corporation Annual Updates to the Facilities Development Capital Improvement Program (FDCIP) and Five-Year Budget
14. Receive Budget Report for Period Ending May 31, 2016

Councilmember Busche requested Agenda Item #17 be moved up from the Regular Agenda to the Consent Agenda. With no objections, Mayor Wilcox moved the item up to the Consent Agenda.

17. Consider Ordinance 2016-1201 amending the Comprehensive Zoning Ordinance and Zoning Map relating to the use and development of a 15.0969 ± acre tract of land located in the J. Edmonson Survey, Abstract No. 398, and an 11.05 ± acre tract of land located in the G. Jackson Survey, Abstract No. 1599, City of Highland Village presently zoned SF-40 Single Family Residential by creating Planned Development No 2016-01 for Detached Single Family Residential Condominium Development (2nd and final read)

Motion by Councilmember McGee, seconded by Councilmember Busche, to approve Consent Agenda Items #10, #11 - with language added to cast the City's vote for Jim Carter, #12, #13, #14 and #17. Motion carried 6-0.

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

No action was taken on this item.

- (b) Section 551.071 - Consultation with City Attorney requiring confidential attorney/client discussion and advice regarding legal issues related to development of property located within the City of Highland Village pursuant to proposed Ordinance No. 2016-1201

NO ACTION TAKEN

No action was taken on this item.

16. Consider Resolution 2016-2651 Approving the Appointment by the City Manager of Brad Goudie as Fire Chief for the City of Highland Village

APPROVED

Mr. Leavitt stated what an honor it was to make this decision. He stated Chief Goudie has been a Fire Chief in another community, and he is confident in his leadership and knowledge that he brings to Highland Village.

Motion by Councilmember Fleming, seconded by Mayor Wilcox, to approve Resolution 2016-2651. Motion carried 6-0.

City Secretary Angela Miller swore in Mr. Brad Goudie as the Fire Chief for the City of Highland Village.

Agenda Item #17 was moved up to the Consent Agenda.

LATE WORK SESSION

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 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.)

Councilmember Busche reported the sidewalk on Highland Shores Boulevard is nearing completion.

Mr. Leavitt reminded everyone there is a Special Meeting of the City Council that will be held this Saturday, July 30th at 8:30 a.m. to review the General Fund Budget and Special Revenue Funds for Fiscal Year 2016-2017. The meeting will be held at the Municipal Service Center located at 948A Highland Village Road.

- **35Express Update**

Mr. Leavitt provided the following update regarding the 35Express Project:

Staff is currently in discussion with TxDOT and AGL regarding elements of Highland Village Road and the service road connection at I-35. He reported TxDOT and County Commissioner Bobbie Mitchell have notified the City that the new lake bridge across I-35 will open and traffic will be shifted to the new bridge on or around September 9th or 10th. He further reported that one major hurdle that has to be completed during this time frame is the closing of Highland Village Road in order for it to tie into the outer service road. That intersection may be closed for approximately two (2) weeks while the work is completed there. Staff is waiting to hear on confirmation on scheduling, but the City will notify the public once specific details are known.

Mayor Pro Tem Schwolert asked if there was any update on how the DCTA Connect is working. Mr. Leavitt said he did not know, but would find out.

Councilmember Lombardo asked if everything is on schedule with The District. City Manager Leavitt stated City inspectors have reported there are more dedicated crews and staffing resources being applied to that project than ever before. Staff believes they will have all buildings under construction by end of this year.

Mayor Wilcox reminded everyone applications for boards/commissions are currently being accepted. The deadline to submit has been extended to August 12th.

19. Adjournment

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

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12	MEETING DATE: 08/09/16
SUBJECT:	Consider Resolution 2016-2650 Authorizing Adoption of the Vantagecare Retirement Health Savings Program
PREPARED BY:	Martha Butz, Human Resources Director

BACKGROUND:

While discussing the City Manager's annual review at the April 12, 2016, City Council meeting, Council voted and approved the authorization for staff to establish a City Manager Retirement Health Savings Plan and to fund \$5,000 in the City Manager's account.

IDENTIFIED NEED/S:

The City's 457 and 401a plan vendor, ICMA-RC, offers the VantageCare Retirement Health Savings (RHS) Plan, which is an employer-sponsored health benefit savings vehicle that allows employees to invest pre-tax earnings and employer contributions in Vantage Trust II Funds, a Collective Investment Trust, for future healthcare-related needs in retirement.

OPTIONS & RESULTS:

ICMA is the only deferred compensation vendor that offers the RHS Plan. Employer contributions will be established as a discretionary amount to be determined each plan year. Employee Contributions will be established in the plan document.

PROGRESS TO DATE: (if appropriate)

See Exhibit A, Resolution #2016-2650 Authorizing adoption of the RHS program

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

\$5,000 initial contribution to the City Manager Account, ICMA administrative fees are based on employee account balance, and are paid through the employee's RHS account balance quarterly. The only cost to the City will be the annual contribution.

RECOMMENDATION:

Council approval of Resolution 2016-2650 adopting the RHS program and authorizing staff to prepare and execute all related agreements.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2016-2650

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AUTHORIZING ADOPTION OF THE VANTAGECARE RETIREMENT HEALTH SAVINGS PROGRAM; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the establishment of a retiree health savings program for the City's employees serves the interest of the City by enabling the City to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in the City's personnel management system; and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the City Council has determined that the establishment of a retiree health savings program ("the Program") serves the foregoing objectives and to be in the public interest;

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

SECTION 1. The City hereby adopts the ICMA Retirement Corporation's VantageCare Retirement Health Savings Program ("Program") through the City's integral part trust ("Trust") and the City's employee benefits plan ("Plan").

SECTION 2. The assets of the Plan relating to the Program shall be held in trust, with the City of Highland Village, serving as Trustee for the exclusive benefit of the Plan participants and their survivors, and the assets of the Plan relating to the Program shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan relating to the Program.

SECTION 3. The City Manager or designee is hereby authorized to sign on behalf of the City the Declaration of Trust of the City of Highland Village substantially in the form of the sample trust made available by the ICMA Retirement Corporation, subject to approval as to form by the City Attorney, and such other documents as the City Manager may determine to be reasonable and necessary to establish participation in the Program.

SECTION 4. The Director of Human Resources or such other person as may be designated by the City Manager shall be the coordinator and contact for the Program for purpose of receiving necessary reports, notices, etc. under the Program.

SECTION 5. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED THIS THE 9TH DAY OF AUGUST, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl: 8/3/16:77950)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA#	13	MEETING DATE:	08/09/16
SUBJECT:	Consider Resolution 2016-2653 Authorizing a Task Order with BW2 Engineers, Inc. for Professional Engineering and Surveying Services for the Winding Creek Drive and Oak Forest Drive Water Line Replacement Project		
PREPARED BY:	Scott Kriston, Director of Public Works		

BACKGROUND:

Several years ago, the City implemented a program to replace the older water lines in the water system. The older water lines primarily consist of pipelines made of asbestos cement (A/C) pipe. The A/C pipe is susceptible to breaking and cracking, which normally requires significant repair work. The A/C water lines need to be replaced due to their condition and their age. Also, replacement of the A/C water lines will be consistent with TCEQ mandate for the replacement of the A/C water lines in the system. The A/C water lines will be replaced with polyvinyl chloride (PVC) pipe. The City has been using PVC pipeline since it was readily available, and all the newer water lines in the City consist of PVC pipe. PVC pipe is a flexible type of pipe and is a more dependable and durable pipe and is not as susceptible to breaking or corrosion.

IDENTIFIED NEED/S:

The water lines that need to be replaced at this time are the A/C water lines located along Winding Creek Drive and Oak Forest Drive. These water lines need to be replaced, not only to continue the program of replacing the A/C water lines with PVC water lines, but also to prepare for some future road improvements in the area. From a timing perspective, these particular water lines need to be replaced at this time in order to take care of any underground utility work that needs to be done before the road improvements are made.

OPTIONS & RESULTS:

Construction of this water line replacement project ensures a more reliable, dependable water system and will comply with current TCEQ guidelines.

PROGRESS TO DATE: (if appropriate)

A Task Order has been received from BW2 Engineers, Inc, for the provision of professional engineering and surveying services required for this project.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funded through the Utility Fund.

RECOMMENDATION:

To approve Resolution 2016-2653.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2016-2653

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING A TASK ORDER WITH BW2 ENGINEERS, INC. TO PROVIDE PROFESSIONAL ENGINEERING AND SURVEYING SERVICES FOR THE WINDING CREEK DRIVE AND OAK FOREST DRIVE WATER LINE REPLACEMENT PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City administration, having obtained a Task Order for the Winding Creek Drive and Oak Forest Drive Water Line Replacement Project from BW2 Engineers, Inc. in an amount of \$48,700.00, recommends execution of the task order be approved for these professional services; and

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

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

SECTION 1. The City Manager is hereby authorized to execute a Task Order with BW2 Engineers, Inc. to provide professional engineering and surveying services for the Winding Creek Drive and Oak Forest Drive Water Line Replacement Project for a contract amount of \$48,700.00 and, subject to applicable state laws, city policies, and, in the event change order(s) result in an increase in the contract amount, the availability of funds for such purpose, to negotiate and sign such change order(s) to said contract as the City Manager determines to be in the best interest of the City.

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

PASSED AND APPROVED THIS 9th DAY OF AUGUST, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:8/3/16:78141)

CITY OF HIGHLAND VILLAGE
CITY COUNCIL BRIEFING

AGENDA#: 14

MEETING DATE: 08/09/16

SUBJECT: Consider Resolution 2016-2654 Authorizing the purchase of a Five Gang Reel Mower from Professional Turf Products, L.P. through the Local Government Purchasing Cooperative BuyBoard

PREPARED BY: Linda Cornelius, Director of Parks and Recreation

BACKGROUND:

Doubletree Ranch Park will open for Greater Lewisville Area Soccer Association (GLASA) Fall Youth Soccer League play and general public use on Saturday, August 20, 2016. The Parks and Recreation Department began taking over turf maintenance on Monday, August 3rd.

IDENTIFIED NEED/S:

As a result of the park opening and the acceptance of field/turf maintenance, it is necessary to purchase a reel mower. The recommended five gang reel mower allows for mowing of 7.5 acres in one hour and provides the best cut for athletic fields. The efficiency of the 11-foot wide mowing track would allow for best maintenance practices of mowing 2 – 3 times per week.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

The funding for the purchase of the reel mower will come from 4B sales tax funds.

RECOMMENDATION:

To approve Resolution 2016-2654 authorizing the purchase of a five gang reel mower from Professional Turf Products, L. P. through the Local Government Purchasing Cooperative BuyBoard.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2016-2654

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING THE PURCHASE OF A FIVE GANG REEL MOWER FROM PROFESSIONAL TURF PRODUCTS, L.P. THROUGH THE COOPERATIVE PURCHASING AGREEMENT WITH TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE BUYBOARD IN AN AMOUNT NOT TO EXCEED \$29,312.70; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Highland Village has identified the need to purchase a five (5) gang reel mower to utilize in the maintenance of the turf and athletic fields located at Doubletree Ranch Park; and

WHEREAS, City Administration, while in the process of soliciting bids in accordance with state law, determined that the purchase of equipment can be made for the lowest price from Professional Turf Products, L.P. through the City's cooperative purchasing agreement with the Texas Local Government Cooperative BuyBoard ("BuyBoard"), and recommends such purchase from said vendor; and

WHEREAS, the City Council of the City of Highland Village finds it to be in the public interest to authorize the above-described purchase;

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 purchase (1) Five Gang Reel Mower from Professional Turf Products, L.P. through the City's cooperative purchasing agreement with BuyBoard in an amount not to exceed \$29,312.70.

SECTION 2. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED this the 9th day of August, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin Laughlin, City Attorney
(kbl:8/3/16:78142)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 15

MEETING DATE: 08/09/16

SUBJECT: Consider Resolution 2016-2655 Authorizing a Change Order with Four Star Excavating, Inc. for the Highland Shores Boulevard Water Line Replacement Project

PREPARED BY: Scott Kriston, Director of Public Works

BACKGROUND:

Previous Council action dated November 10, 2015, approved the construction of the Highland Shores Blvd. Water Line Replacement Project ("the Project"). The Project consists of replacing the 16-inch water line and all appurtenances along Highland Shores Blvd. between Highland Village Rd. and Briarhill Blvd. Unforeseen underground conditions and less than perfect record drawings caused some additional quantities of the bid items needed and some bid items to be deleted from the proposed Project. The construction phase is near completion and a reconciliation change order was generated to true up quantities used and deleted on the entire project. The change order resulted in a net increase to the project of \$26,120.00.

IDENTIFIED NEED/S:

As a result of truing up quantities used for the Project, a net increase change order was generated to facilitate completing the Project.

OPTIONS & RESULTS:

Construction of this replacement water line will ensure a more reliable and dependable water distribution system and comply with TCEQ mandates.

PROGRESS TO DATE: (if appropriate)

Change Order #1 was generated and executed by the contractor.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funded through the Utility Fund.

RECOMMENDATION:

To approve Resolution 2016-2655.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2016-2655

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AUTHORIZING A CHANGE ORDER WITH FOUR STAR EXCAVATING, INC. FOR CONSTRUCTION OF THE HIGHLAND SHORES BOULEVARD WATER LINE REPLACEMENT PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City administration, reviewed the bid items for the Highland Shores Boulevard Water Line Replacement Project (the "Project") and determined that a change order is needed to true up the bid quantity items used in the contract with Four Star Excavating, Inc. in an amount of \$26,120.00, and recommends authorizing a change order for 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 contract agreement; and

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

SECTION 1. The City Manager is hereby authorized to execute a change order with Four Star Excavating, Inc. in the amount of \$26,120.00 for the Project and, subject to applicable state laws, city policies, and, in the event change order(s) result in an increase in the contract amount, the availability of funds for such purpose, to negotiate and sign such change order(s) to said contract as the City Manager determines to be in the best interest of the City.

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

PASSED AND APPROVED THIS 9TH DAY OF AUGUST, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:8/4/16:78167)

CITY OF HIGHLAND VILLAGE

COUNCIL BRIEFING

AGENDA# 16

MEETING DATE: 08/09/16

SUBJECT: Receive Investment Report for Quarter Ending June 30, 2016

PREPARED BY: Heather Miller, Assistant Finance Director

BACKGROUND:

The Public Funds Investment Act, Chapter 2256.023 of the Government Code requires the investment officer of each local government to submit its governing body a quarterly report of investment transactions. The City staff has compiled the following information for your review and to comply with this reporting requirement.

IDENTIFIED NEED/S:

N/A

OPTIONS & RESULTS:

The detailed transactions for March 31, 2016 through June 30, 2016 follow this briefing.

- TexPool (Texas Local Government Investment Pool, a public funds investment pool that matures July 1, 2016)
- TexSTAR (Texas Short Term Asset Reserve Program, a public funds investment pool, custodial, and depository services are provided by JP Morgan Chase Bank and subsidiary J.P. Morgan Investor Services Co. that matures July 1, 2016)
- Independent DDA (Demand Deposit Account that matures July 1, 2016 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Independent NOW (Negotiable Order of Withdraw that matures July 1, 2016 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Southside MMA (Money Market Account that matures July 1, 2016, collateralized by pledged securities held in custody by the Federal Home Loan Bank)
- Independent CD (Certificates of Deposit that matures April 23, 2016 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Wallis State Bank CD (Certificates of Deposit that matures July 26, 2016 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)

Bank)

- Independent CD (Certificates of Deposit that matures September 12, 2016 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Wallis State Bank CD (Certificates of Deposit that matures January 26, 2017 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Wallis State Bank CD (Certificates of Deposit that matures July 26, 2017 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)

This information reports that the beginning market value for all cash and investments was \$18,027,344 and the ending market value on June 30, 2016 was \$14,078,420. The rate of return for the quarter ending June 30, 2016 in pooled, demand deposit, negotiable order of withdrawal, and money market accounts (0.41%) is less than the six-month term treasuries. The beginning pool, demand deposit, negotiable order of withdrawal, and money market accounts invested balance at March 31, 2016 was \$10,062,746 and the ending balance at March 31, 2016 was \$7,608,270 or 54% of the City's total portfolio. The weighted average maturity of the City's portfolio at June 30, 2016 is 84 days.

The average total portfolio yield for the quarter ending June 30, 2016 was 0.54%.

The book value and market value for the City's total portfolio for the beginning and end of the reporting period is as follows:

	<u>Book Value</u>	<u>Market Value</u>
March 31, 2016	\$18,027,344	\$18,027,344
June 30, 2016	\$14,078,420	\$14,078,420

I hereby certify that the attached report is in compliance with the Public Funds Investment Act and that all investments held and transactions made during the reporting period were duly authorized and properly recorded and valued.



Heather Miller
Investment Officer



Ken Heerman
Assistant City Manager

¹Note:

Par is the stated legal dollar value or principal value at maturity.

Book value is what we paid for the instrument adjusted by any accretion or amortization costs.

Market value is what we could reasonably sell the instrument for in the current market.

PROGRESS TO DATE: (if appropriate)

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

RECOMMENDATION:

Council to receive the Investment Reports for the period ending June 30, 2016.



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

June 30, 2016

Prepared by

Valley View Consulting, L.L.C.

The investment portfolio of the City of Highland Village is in compliance with the Public Funds Investment Act and the City of Highland Village Investment Policy and Strategies.

Ken Heerman, Assistant City Manager

Heather Miller, Assistant Finance Director

Disclaimer: These reports were compiled using information provided by the City of Highland Village. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	Ave. Yield	June 30, 2016		March 31, 2016	
		Book Value	Market Value	Book Value	Market Value
MMA/NOW/Pools	0.41%	\$ 7,608,270	\$ 7,608,270	\$ 10,062,746	\$ 10,062,746
Securities/CDs	0.69%	6,470,150	6,470,150	7,964,598	7,964,598
Totals		\$ 14,078,420	\$ 14,078,420	\$ 18,027,344	\$ 18,027,344

Current Quarter Average Yield (1)

Total Portfolio 0.54%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 0.42%

Rolling Three Mo. Treas. Yield 0.26%

Rolling Six Mo. Treas. Yield 0.42%

Rolling Three Mo. Treas. Yield 0.23%

Rolling Six Mo. Treas. Yield 0.35%

Average Quarterly TexPool Yield 0.29%

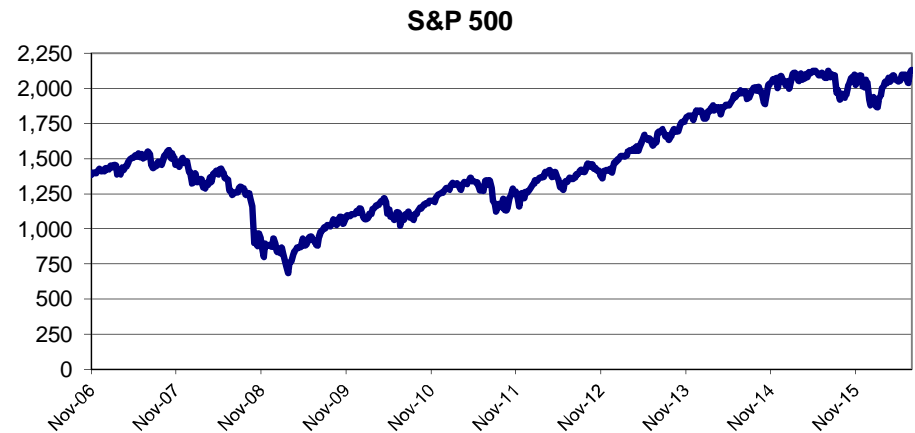
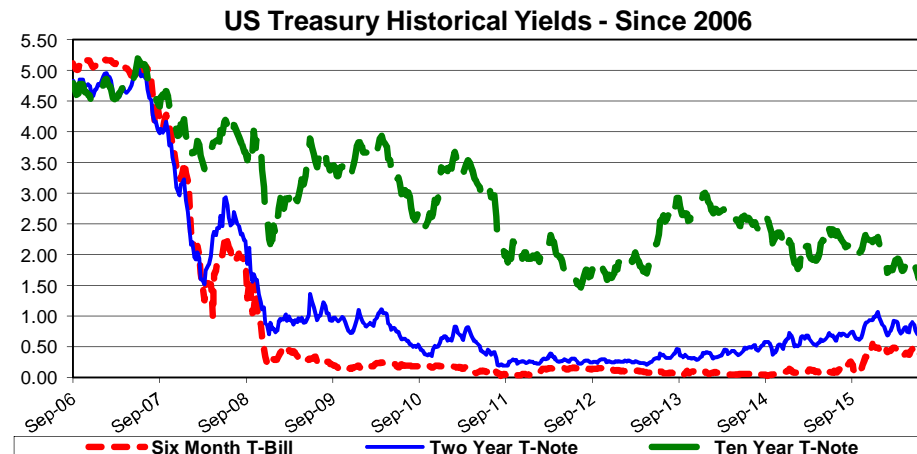
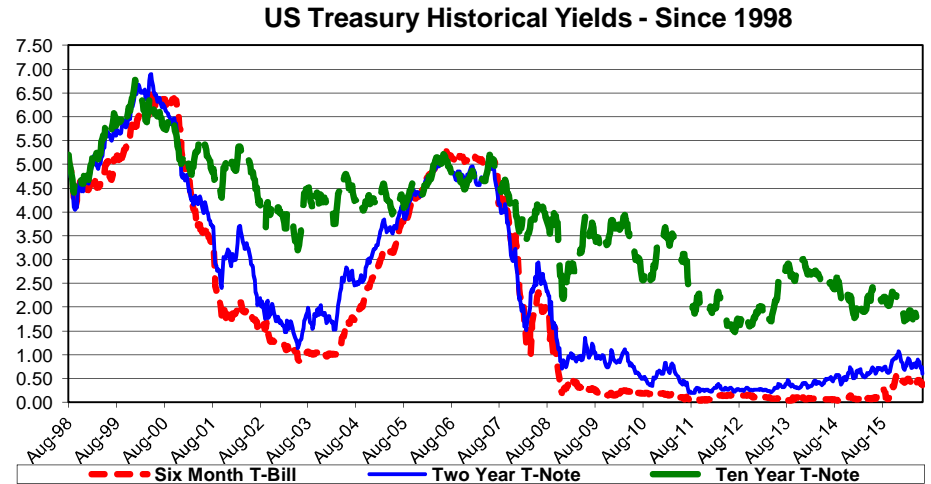
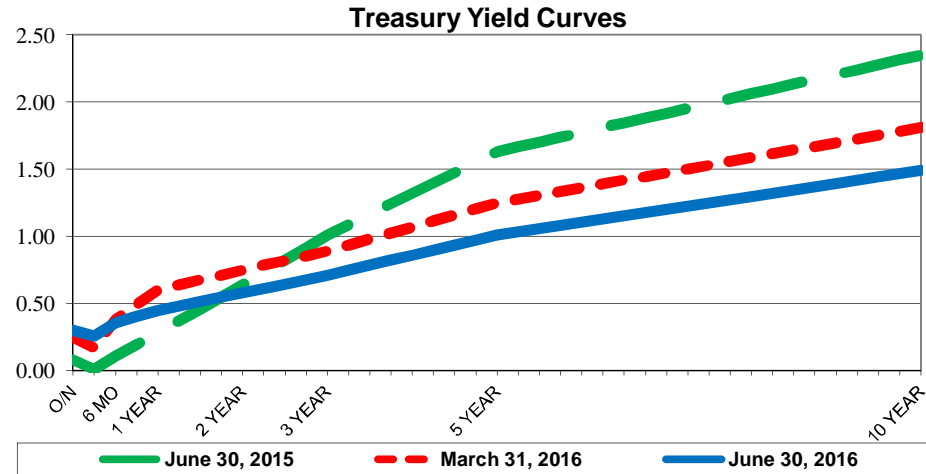
(1) Average Yield calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

6/30/2016

The Federal Open Market Committee (FOMC) maintained the Fed Funds target range of 0.25% - 0.50% (actual Fed Funds trading +/-35 to 40 bps). The June FOMC meeting expressed concerns over reduced economic expectation. First Quarter US GDP was revised up to +1.1% (final revision). The June Non-Farm Payroll surged 287k new jobs, although other unemployment data remained modest. The British "Brexit" vote to leave the European Union Global jolted the markets. The US Stock markets plunged, then recovered. Treasury yields dove on the flight to quality. Taxable municipal bonds or CDs offer the best interest earnings opportunity, if available.



Investment Holdings

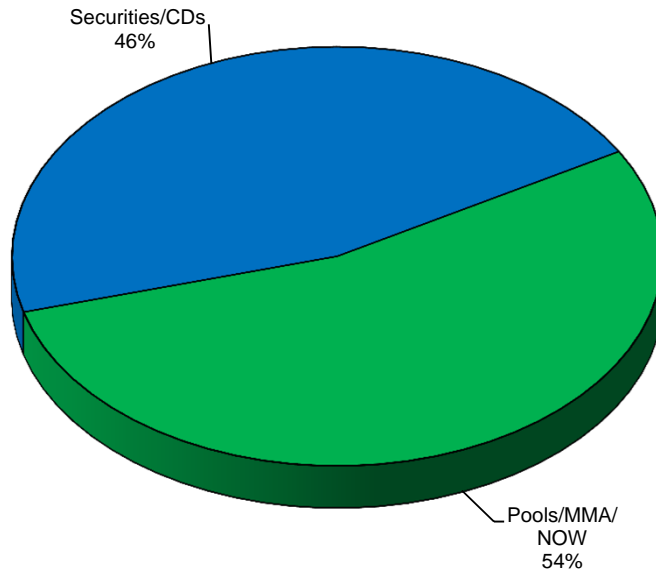
June 30, 2016

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face\ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
TexPool	AAAm	0.36%	07/01/16	06/30/16	\$ 1,880,115	\$ 1,880,115	1.000	\$ 1,880,115	1	0.36%
TexSTAR	AAAm	0.39%	07/01/16	06/30/16	1,785,518	1,785,518	1.000	1,785,518	1	0.39%
Independent DDA		0.35%	07/01/16	06/30/16	278,053	278,053	1.000	278,053	1	0.35%
Independent NOW		0.40%	07/01/16	06/30/16	2,358,643	2,358,643	1.000	2,358,643	1	0.40%
Southside MMA		0.51%	07/01/16	06/30/16	1,305,940	1,305,940	1.000	1,305,940	1	0.51%
Wallis State Bank CD		0.55%	07/26/16	01/26/16	1,451,988	1,451,988	100.000	1,451,988	26	0.55%
Independent CD		0.60%	09/12/16	03/12/15	2,012,054	2,012,054	100.000	2,012,054	74	0.60%
Wallis State Bank CD		0.75%	01/26/17	01/26/16	1,001,870	1,001,870	100.000	1,001,870	210	0.75%
Wallis State Bank CD		0.85%	07/26/17	01/26/16	2,004,238	2,004,238	100.000	2,004,238	391	0.85%
					\$ 14,078,420	\$ 14,078,420		\$ 14,078,420	84	0.54%
										(1) (2)

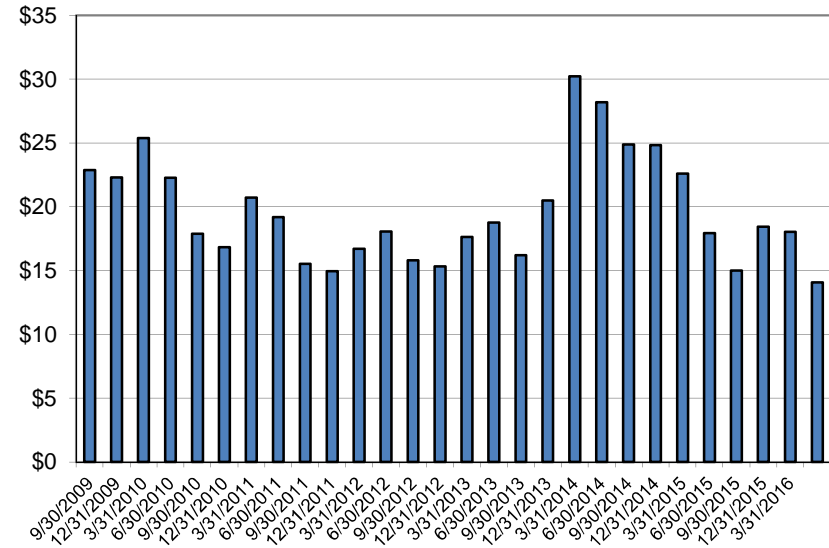
(1) **Weighted average life** - For purposes of calculating weighted average life, pool and bank account investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

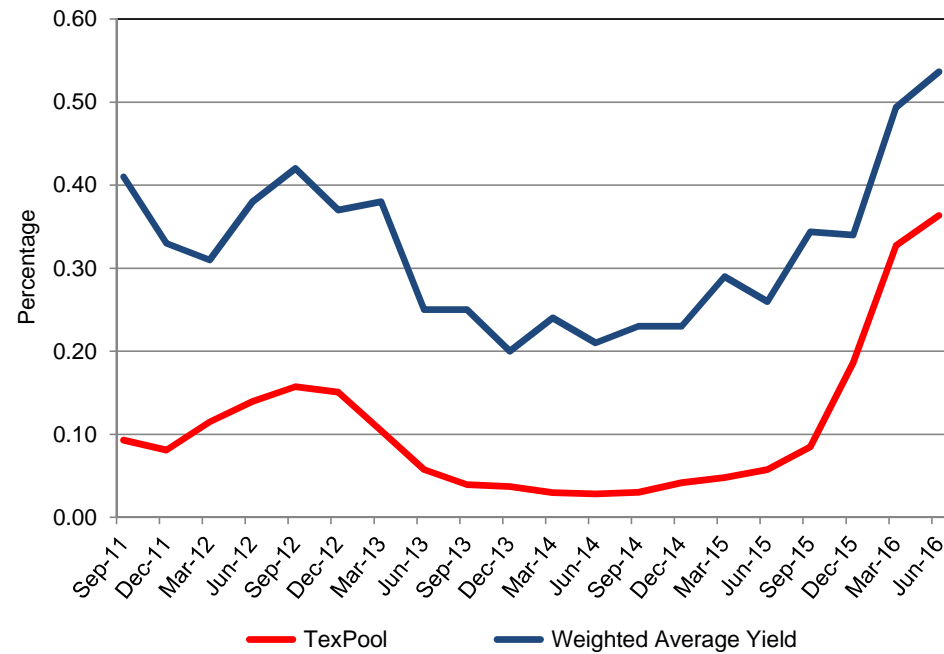
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book Value Comparison

Description	Coupon/ Discount	Maturity Date	March 31, 2016		Purchases/ Accretions	Amortizations/ Sales/Maturities	June 30, 2016	
			Original Face/ Par Value	Book Value			Original Face/ Par Value	Book Value
TexPool	0.36%	07/01/16	\$ 1,878,489	\$ 1,878,489	\$ 1,625	\$ —	\$ 1,880,115	\$ 1,880,115
TexSTAR	0.39%	07/01/16	3,725,307	3,725,307		(1,939,789)	1,785,518	1,785,518
Independent DDA	0.35%	07/01/16	873,539	873,539		(595,486)	278,053	278,053
Independent NOW	0.40%	07/01/16	3,280,651	3,280,651		(922,008)	2,358,643	2,358,643
Southside MMA	0.51%	07/01/16	304,760	304,760	1,001,180		1,305,940	1,305,940
Independent CD	0.49%	04/23/16	1,505,543	1,505,543		(1,505,543)	—	—
Wallis State Bank CD	0.55%	07/26/16	1,450,000	1,450,000	1,988		1,451,988	1,451,988
Independent CD	0.60%	09/12/16	2,009,055	2,009,055	2,999		2,012,054	2,012,054
Wallis State Bank CD	0.75%	01/26/17	1,000,000	1,000,000	1,870		1,001,870	1,001,870
Wallis State Bank CD	0.85%	07/26/17	2,000,000	2,000,000	4,238		2,004,238	2,004,238
TOTAL			\$ 18,027,344	\$ 18,027,344	\$ 1,013,901	\$ (4,962,825)	\$ 14,078,420	\$ 14,078,420

Market Value Comparison

Description	Coupon/ Discount	March 31, 2016			Qtr-to-Qtr Change	June 30, 2016		
		Original Face/ Par Value	Market Price	Market Value		Original Face/ Par Value	Market Price	Market Value
TexPool	0.36%	\$ 1,878,489	1.00	\$ 1,878,489	\$ 1,625	\$ 1,880,115	1.00	\$ 1,880,115
TexSTAR	0.39%	3,725,307	1.00	3,725,307	(1,939,789)	1,785,518	1.00	1,785,518
Independent DDA	0.35%	873,539	1.00	873,539	(595,486)	278,053	1.00	278,053
Independent NOW	0.40%	3,280,651	1.00	3,280,651	(922,008)	2,358,643	1.00	2,358,643
Southside MMA	0.51%	304,760	1.00	304,760	1,001,180	1,305,940	1.00	1,305,940
Independent CD	0.49%	1,505,543	100.00	1,505,543	(1,505,543)	—		—
Wallis State Bank CD	0.55%	1,450,000	100.00	1,450,000	1,988	1,451,988	100.00	1,451,988
Independent CD	0.60%	2,009,055	100.00	2,009,055	2,999	2,012,054	100.00	2,012,054
Wallis State Bank CD	0.75%	1,000,000	100.00	1,000,000	1,870	1,001,870	100.00	1,001,870
Wallis State Bank CD	0.85%	2,000,000	100.00	2,000,000	4,238	2,004,238	100.00	2,004,238
TOTAL		\$ 18,027,344		\$ 18,027,344	\$ (3,948,924)	\$ 14,078,420		\$ 14,078,420

Allocation by Fund
June 30, 2016
Book and Market Value

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Southside MMA	Certificates of Deposit				Total	Interest This Quarter
						7/26/2016	9/12/2016	1/26/2017	7/26/2017		
Interest & Sinking	\$ 433,010	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 433,010	\$ 188
Replacement Reserve	448,102									448,102	387
Operations	5,077				263,139	751,028				1,019,244	1,352
Impact Fees	62,613				41,991	700,960				805,564	1,039
2013 CO Utility Capital Projects		63,176			1,000,810					1,063,986	2,986
Sub Total	\$ 948,802	\$ 63,176	\$ -	\$ -	\$ 1,305,940	\$ 1,451,988	\$ -	\$ -	\$ -	\$ 3,769,906	\$ 5,952
General Funds											
Operations	\$ 113,449	\$ 885,327	\$ -	\$ 2,034,378	\$ -	\$ -	\$ 2,012,054	\$ 1,001,870	\$ 2,004,238	\$ 8,051,316	\$ 13,055
Pooled Cash			278,053							278,053	616
Interest & Sinking	461,977	62,367								524,344	445
Drainage Utility	156,211									156,211	158
Sub Total	\$ 731,637	\$ 947,694	\$ 278,053	\$ 2,034,378	\$ -	\$ -	\$ 2,012,054	\$ 1,001,870	\$ 2,004,238	\$ 9,009,924	\$ 14,274
General Capital Project Funds											
Park Development	\$ 63,272	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,272	\$ 55
2015 Tax Note Capital Projects		768,900								768,900	1,136
Sub Total	\$ 63,272	\$ 768,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 832,172	\$ 1,191
Corp Leased Park Funds											
Corp LeasedTXDot Mitigation	\$ -	\$ 3	\$ -	\$ 324,266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 324,269	\$ 322
Sub Total	\$ -	\$ 3	\$ -	\$ 324,266	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 324,269	\$ 322
HV Community Development Funds											
Operations	\$ 136,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 136,403	\$ 33
HVCDC TXDot Mitigation		5,745								5,745	5
2014 CO HVCDC Capital Projects										-	399
Sub Total	\$ 136,403	\$ 5,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 142,149	\$ 437
Totals	\$ 1,880,115	\$ 1,785,518	\$ 278,053	\$ 2,358,643	\$ 1,305,940	\$ 1,451,988	\$ 2,012,054	\$ 1,001,870	\$ 2,004,238	\$ 14,078,420	\$ 22,178

Allocation by Fund
March 31, 2016
Book and Market Value

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Southside MMA	Certificates of Deposit					Total	Interest This Quarter
						4/23/2016	7/26/2016	9/12/2016	1/26/2017	7/26/2017		
Interest & Sinking	\$ 480	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 480	\$ 265
Replacement Reserve	447,715										447,715	333
Operations	5,072				262,820		750,000				1,017,892	532
Impact Fees	122				41,940		700,000				742,063	314
2013 CO Utility Capital Projects		666,216				1,505,543					2,171,760	2,389
Sub Total	\$ 453,389	\$ 666,216	\$ —	\$ —	\$ 304,760	\$ 1,505,543	\$ 1,450,000	\$ —	\$ —	\$ —	\$ 4,379,909	\$ 3,832
General Funds												
Operations	\$ 163,551	\$ 710,633	\$ —	\$ 2,956,707	\$ —	\$ —	\$ —	\$ 2,009,055	\$ 1,000,000	\$ 2,000,000	\$ 8,839,946	\$ 4,558
Pooled Cash			873,539								873,539	1,645
Interest & Sinking	414,229	62,308									476,538	464
Drainage Utility	131,350										131,350	89
Sub Total	\$ 709,131	\$ 772,941	\$ 873,539	\$ 2,956,707	\$ —	\$ —	\$ —	\$ 2,009,055	\$ 1,000,000	\$ 2,000,000	\$ 10,321,373	\$ 6,756
General Capital Project Funds												
Park Development	\$ 72,618	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 72,618	\$ 54
2012 CO Capital Projects		41									41	62
2015 Tax Note Capital Projects		1,395,695									1,395,695	1,108
Sub Total	\$ 72,618	\$ 1,395,737	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,468,354	\$ 1,224
Corp Leased Park Funds												
Corp LeasedTXDot Mitigation	\$ —	\$ 3	\$ —	\$ 323,944	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 323,947	\$ 322
Sub Total	\$ —	\$ 3	\$ —	\$ 323,944	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 323,947	\$ 322
HV Community Development Funds												
Operations	\$ 643,352	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 643,352	\$ 391
HVCDC TXDot Mitigation		5,740									5,740	4
2014 CO HVCDC Capital Projects		884,669									884,669	807
Sub Total	\$ 643,352	\$ 890,409	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,533,761	\$ 1,202
Totals	\$ 1,878,489	\$ 3,725,307	\$ 873,539	\$ 3,280,651	\$ 304,760	\$ 1,505,543	\$ 1,450,000	\$ 2,009,055	\$ 1,000,000	\$ 2,000,000	\$ 18,027,344	\$ 13,336

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 18

MEETING DATE: 08/09/16

SUBJECT: Consider Ordinance 2016-1205 Electing for the City to make Current Contributions to the City's Account in the Benefit Accumulation Fund of the Texas Municipal Retirement System at the Actuarially Determined Rate

PREPARED BY: Martha Butz, Director of Human Resources

BACKGROUND:

City of Highland Village is one of the 866 member cities in the Texas Municipal Retirement System (TMRS). In funding employee pensions, the City matches employee contributions of 7% at a 2:1 rate. The City does not participate in social security (FICA).

IDENTIFIED NEED/S:

The original City Ordinance was approved in February 1979 to adopt the Texas Municipal Retirement System as the pension plan for City of Highland Village employees. The original ordinance included a statutory maximum of 13.50% for the city's contribution although the employees' contribution has remained at 7.0%. Most cities have dropped this requirement in order to properly fund outstanding pension obligations as TMRS has refined its actuarial assumptions over the years.

OPTIONS & RESULTS:

TMRS actuaries have determined the City's contribution rate for 2017 will be 13.64% based on the current TMRS funding policy. This represents a .35% increase from last year's contribution of 13.29% and exceeds the maximum established by ordinance in 1979.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Included in the 2016/2017 Fiscal Year Budget.

RECOMMENDATION:

To approve Ordinance 2016-1205 electing for the City to make current service and prior service contributions to the city's account in the Benefit Accumulation Fund of the Texas Municipal Retirement System at the actuarially determined rate of Total Employee Compensation.

CITY OF HIGHLAND VILLAGE, TEXAS

ORDINANCE NO. 2016-1205

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, DENTON COUNTY, TEXAS ELECTING TO MAKE CURRENT SERVICE AND PRIOR SERVICE CONTRIBUTIONS TO THE CITY'S ACCOUNT IN THE BENEFIT ACCUMULATION FUND OF THE TEXAS MUNICIPAL RETIREMENT SYSTEM AT THE ACTUARIALLY DETERMINED RATE OF TOTAL EMPLOYEE COMPENSATION; REPEALING ANY CONFLICTING ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Highland Village (the "City"), is a participating municipality in the Texas Municipal Retirement System (the "System"), and has undertaken to provide certain retirement, death and disability benefits to its employees pursuant to Subtitle G, Title 8, Government Code, (hereinafter, the "TMRS Act"); and

WHEREAS, in accordance with prior state law, the City has adopted ordinances relating to the City's participation in the System placing a cap on the City's current and prior service contributions to the City's account in the Benefit Accumulation Fund of the System; and

WHEREAS, the laws and regulations governing participation in the System requires local government participants in the System to contribute an actuarially determined amount in order to insure full funding of employee retirement benefits, which amount may from year to year exceed to existing cap on such contributions adopted by prior ordinance; and

WHEREAS, the City Council of the City of Highland Village finds it to be in the public interest to authorize funding of such benefits as required by applicable law;

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

SECTION 1. Pursuant to Section 855.407(g) of the TMRS Act, the City hereby elects to make future normal and prior service contributions to its account in the Benefit Accumulation Fund of the System at such combined rate of the total compensation paid by the City to employees who are members of the System, as the System's actuary shall annually determine as the rate necessary to fund, within the amortization period determined as applicable to the City under the TMRS Act, the costs of all benefits which are or may become chargeable to or are to be paid out of the City's account in said accumulation fund, regardless of other provisions of the TMRS Act limiting the combined rate of city contributions.

SECTION 2. All provisions of the ordinances of the City of Highland Village in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Highland Village not in conflict with the provisions of this ordinance shall remain in full force and effect.

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. This Ordinance shall take effect on January 1, 2017, from and after its passage on second reading and publication in accordance with the provisions of the Charter of the City of Highland Village, and it is accordingly so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THIS THE 9TH DAY OF AUGUST, 2016.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE _____ DAY OF _____, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:8/3/16:78144)

CITY OF HIGHLAND VILLAGE

CITY COUNCIL BRIEFING

AGENDA#	19	MEETING DATE:	08/09/16
SUBJECT:	Consider Ordinance Number 2016-1202, Amending Various Sections of Article 14.04 "Parks And Recreation" of the Code of Ordinances by Adopting Definitions for "Commercial Unmanned Aircraft," "Dog Owner," "Dog Park," "Unmanned Aircraft," and "Noncommercial Unmanned Aircraft;" by Adopting Regulations Relating to Use of Unmanned Aircraft in City Parks, Use of the City's Dog Park, and Use of the Splash Pad at Doubletree Ranch Park; by Conforming Regulations Regarding Use of Firearms in Parks to State Law; by Amending Refund Policy to Include Doubletree Ranch Park; and by Deleting the Requirement to Provide a Driver's License Number on Special Event Applications		
PREPARED BY:	Linda Cornelius, Director of Parks and Recreation		

BACKGROUND:

Operational procedures and guidelines for Parks and Recreation programs and facilities are better enforced if they are included in the official code of ordinances.

With the opening of Doubletree Ranch Park and anticipated opening of the Unity Dog Park it is necessary to amend Article 14.04 of the code of ordinances to reflect necessary rules and procedures in order to operate these new facilities adequately.

Due to the need to amend Article 14.04, we did an overall review of the Article. With that, we also propose the addition of guidelines for un-manned aircraft in an effort to keep our active park areas safe for park patrons.

At the regular meeting of the Parks and Recreation Advisory Board, held on July 18th, the Board approved by a unanimously vote all proposed amendments to Article 14.04 as presented.

ARTICLE 14.04 PARKS AND RECREATION*

Division 1. Generally

Sec. 14.04.001 Definitions

Commercial unmanned aircraft. An unmanned aircraft that is used for business purposes and has gained Federal Aviation Administration approval for flying civil unmanned aircraft systems.

Dog Owner. Any person who is supervising, controlling, or in possession of any dog which the person has placed within the boundaries of a dog park regardless of whether or not the person actually holds title to the dog.

Dog Park. A public park specifically designated by the City Council as a place for dogs to exercise and play off-leash in a controlled environment under the supervision, possession, or control of their owner(s).

Unmanned aircraft. An aircraft that is operated remotely through (i) use of an electronic controller device with no physical attachment between the controller device and the aircraft such as a string or wire or (ii) autonomously through the use of an on-board computer.

Noncommercial unmanned aircraft. Any unmanned aircraft that is not a commercial unmanned aircraft and includes, but is not limited to, all hobby and recreational uses of unmanned aircraft and any business uses of unmanned aircraft that has not gained Federal Aviation Administration approval for flying civil unmanned aircraft systems.

Division 3. General Use Regulations

Sec. 14.04.072 Animals

(b) It shall be unlawful for any person to bring any animal into any public park or recreation facility that is not under the immediate control of a responsible individual by means of a cage, leash or rope at all times. This subsection shall not apply to guide dogs or other animals used to assist handicapped or disabled persons, **or animals that are (i) part of an activity authorized by the director, (ii) in park areas or recreation facilities designated as leash free, or (iii) in an off leash dog park.**

(g) Dog Park

(1) In general, all dog parks are open for public use each day from 5 a.m. to 11 p.m. unless otherwise posted. The dog park will close without prior notice when wet, icy, when hazardous conditions exist, or maintenance needs are necessary.

(2) No person nine (9) years of age or younger is allowed in the off leash area of a dog park.

(3) People who are older than nine (9) years but not older than fifteen (15) years of age must be under adult supervision at all times while with the off-leash area of a dog park.

(4) It shall be unlawful for any person to bring a dog into the dog park area which does not have current rabies vaccination, is aggressive, or has a contagious condition, disease, parasites, or open wound.

(5) Female dogs in season are not allowed in the off-leash dog park area.

- (6) No animals other than dogs are allowed in the dog park.**
- (7) No dogs younger than four (4) months of age are allowed in the dog park.**
- (8) A maximum of two (2) dogs per owner are permitted in the dog park at any one time.**
- (9) Dogs must be leashed when entering or leaving the dog park and off-leash while inside the dog park.**
- (10) No person shall run with or chase dogs within the dog park.**
- (11) A dog owners must pick-up and dispose of the feces excreted by the dog owner's dog regardless of whether inside or outside the boundaries of the dog park.**
- (12) No carriages, bicycles, skate boards, scooters, skates, roller blades, sport activities, children's toys, or any motorized vehicles are allowed in the dog park, unless necessary by reason of handicap or disability.**
- (13) No food or treats for dogs or humans is allowed in the dog park.**
- (14) Digging is not allowed in the dog park. A dog owner must repair any damage caused by his dog resulting from digging.**
- (15) A person may not groom a dog within the boundaries of the dog park.**
- (16) A dog owner must remain within the dog park with the dog owner's dog(s).**
- (17) While within a dog park, a dog must at all times be within view and under voice control of the dog's owner.**
- (18) No dog owner shall use a spiked, prong, choke, or pinch collar to hold and control a dog while in the dog park.**
- (19) A person must wear shoes at all times while in the dog park.**
- (20) No person may use the dog park for commercial purposes, including the conduct of dog training classes.**
- (21) No person shall solicit business from and/or advertise to people while in the dog park.**
- (22) No dog designated, declared, or found to be a "dangerous dog" or "dangerous animal" in accordance with Art. 4.04 Domestic Animals of this Code shall be allowed in the dog park.**

(23) Park users and dog owners assume all risk related to the off leash area and park use.

Sec. 14.04.074 Explosives, firearms, other weapons and fireworks

(a) The possession of loaded firearms, ammunition, loaded projectile firing devices, bows and arrows, crossbows, or other weapons within a public park or recreation facility is prohibited unless:

- (1) In the possession of a federal, state or local law enforcement officer;
- (2) Written permission has been received from the director; or
- (3) The person is in possession of the firearm consistent Texas Government Code chapter 411, subchapter H, as it may be amended.

Sec. 14.04.078 Unmanned aircraft

(a) No person may operate an unmanned aircraft in the area of a park where recreation facilities are located or where scheduled recreational activities are occurring.

(b) No person may operate an unmanned aircraft in a public park without the prior written approval of the director.

Sec. 14.04.079 Splash Pad

The use of the splash pad facility at Doubletree Ranch Park shall be subject to the following:

(a) No animals other than service animals are permitted within the area of the splash pad.

(b) No person ten (10) years of age or younger shall be on the splash pad unless accompanied and supervised by a person who is 18 years of age or older.

(c) Changing of soiled diapers within six (6) feet of the edge of the splash pad water features is prohibited.

(d) Use of the splash pad water features when ill with diarrhea, or contagious disease is prohibited.

(e) No food, beverages, and glass containers are allowed in the splash pad area.

(f) Children who are not toilet trained must wear swim diapers within the splash pad.

(g) No rough-housing, aggressive behavior and or profanity is allowed.

- (h) No furniture or chairs allowed in the splash pad play area.
- (i) No skateboards, roller blades, skates, bicycles, scooters and similar recreational equipment are allowed in the splash pad area.
- (j) No inflatable pool toys, water balloons, beach balls, pool noodles, cups, buckets, water guns, permitted in splash pad area.
- (k) No soap, detergents, and shampoos allowed in splash pad area.

Division 5. Fees and Charges

Sec. 14.04.134 Refunds

(c) Refunds for fees for use of the Robert and Lee DuVall Center **and indoor rental spaces at Doubletree Ranch Park located in the concession/restroom “Barn” facility** shall be subject to the following:

- (1) In order to receive a full refund of rental fee(s) and deposits(s) for rentals at the Robert and Lee DuVall Center **and Doubletree Ranch Park facilities**, written notification of cancellation must be received by the department no later than thirty (30) days prior to the event date. Notification of cancellation received by the department less than thirty (30) days prior to the date of the event will result in a forfeiture of the entire deposit.

Part II. Permits

Sec. 14.04.192 Application

(b) An application to conduct a special event must contain the following information:

- (1) The name, home address and telephone number, office address and telephone number, and date of birth, of the promoter, and of any other persons responsible for the conduct of the special event;

RECOMMENDATION:

Approve on First Read of Ordinance No. 2016–1202 Amending various sections of Article 14.04 of the Code of Ordinances.

CITY OF HIGHLAND VILLAGE, TEXAS

ORDINANCE NO. 2016-1202

AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AMENDING VARIOUS SECTIONS OF ARTICLE 14.04 "PARKS AND RECREATION" OF THE CODE OF ORDINANCES BY ADOPTING DEFINITIONS FOR "COMMERCIAL UNMANNED AIRCRAFT," "DOG OWNER," "DOG PARK," "UNMANNED AIRCRAFT," AND "NONCOMMERCIAL UNMANNED AIRCRAFT;" BY ADOPTING REGULATIONS RELATING TO USE OF UNMANNED AIRCRAFT IN CITY PARKS, USE OF THE CITY'S DOG PARK. AND USE OF THE SPLASH PAD AT DOUBLETREE RANCH PARK; BY CONFORMING REGULATIONS REGARDING USE OF FIREARMS IN PARKS TO STATE LAW; BY AMENDING REFUND POLICY TO INCLUDE DOUBLETREE RANCH PARK; AND BY DELETING THE REQUIREMENT TO PROVIDE A DRIVER'S LICENSE NUMBER ON SPECIAL EVENT APPLICATIONS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED \$500 PER OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in order to address the opening of Doubletree Ranch Park and its various facilities, the construction of the City's Dog Park, changes in state law relating to the licensed carrying of firearms, and other matters, the Director of Parks and Recreation and the Parks and Recreation Advisory Board have reviewed Article 14.04 of the Code of Ordinances and are recommending adopted certain amendments to said article; and

WHEREAS, having reviewed and considered the recommended amendments, the City Council of the City of Highland Village, Texas, finds it in the public interest to enact the proposed amendments;

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

SECTION 1. Article 14.04 "Parks and Recreation" of the Code of Ordinances of the City of Highland Village, Texas is amended as follows:

- A. **Section 14.04.001 "Definitions" is amended by adding new definitions for the words and phrases "Commercial Unmanned Aircraft," "Dog Owner," "Dog Park," "Unmanned Aircraft," and "Noncommercial Unmanned Aircraft" to read as follows:**

Commercial unmanned aircraft. An unmanned aircraft that is used for business purposes and has gained Federal Aviation Administration approval for flying civil unmanned aircraft systems.

Dog Owner. Any person who is supervising, controlling, or in possession of any dog which the person has placed within the boundaries of a dog park regardless of whether or not the person actually holds title to the dog.

Dog Park. A public park specifically designated by the City Council as a place for dogs to exercise and play off-leash in a controlled environment under the supervision, possession, or control of their owner(s).

Unmanned aircraft. An aircraft that is operated remotely through (i) use of an electronic controller device with no physical attachment between the controller device and the aircraft such as a string or wire or (ii) autonomously through the use of an on-board computer.

Noncommercial unmanned aircraft. Any unmanned aircraft that is not a commercial unmanned aircraft and includes, but is not limited to, all hobby and recreational uses of unmanned aircraft and any business uses of unmanned aircraft that has not gained Federal Aviation Administration approval for flying civil unmanned aircraft systems.

B. Paragraph (b) of Section 14.04.072 “Animals” is amended to read as follows:

(b) It shall be unlawful for any person to bring any animal into any public park or recreation facility that is not under the immediate control of a responsible individual by means of a cage, leash or rope at all times. This subsection shall not apply to guide dogs or other animals used to assist handicapped or disabled persons, or animals that are (i) part of an activity authorized by the director, (ii) in park areas or recreation facilities designated as leash free, or (iii) in an off leash dog park.

C. Section 14.04.072 “Animals” is amended by adding a new paragraph (g) to read as follows:

(g) Dog Park

(1) In general, all dog parks are open for public use each day from 5 a.m. to 11 p.m. unless otherwise posted. The dog park will close without prior notice when wet, icy, when hazardous conditions exist, or maintenance needs are necessary.

(2) No person nine (9) years of age or younger is allowed in the off leash area of a dog park.

(3) People who are older than nine (9) years but not older than fifteen (15) years of age must be under adult supervision at all times while with the off-leash area of a dog park.

(4) It shall be unlawful for any person to bring a dog into the dog park area which does not have current rabies vaccination, is aggressive, or has a contagious condition, disease, parasites, or open wound.

(5) Female dogs in season are not allowed in the off-leash dog park area.

(6) No animals other than dogs are allowed in the dog park.

- (7) No dogs younger than four (4) months of age are allowed in the dog park.
- (8) A maximum of two (2) dogs per owner are permitted in the dog park at any one time.
- (9) Dogs must be leashed when entering or leaving the dog park and off-leash while inside the dog park.
- (10) No person shall run with or chase dogs within the dog park.
- (11) A dog owners must pick-up and dispose of the feces excreted by the dog owner's dog regardless of whether inside or outside the boundaries of the dog park.
- (12) No carriages, bicycles, skate boards, scooters, skates, roller blades, sport activities, children's toys, or any motorized vehicles are allowed in the dog park, unless necessary by reason of handicap or disability.
- (13) No food or treats for dogs or humans is allowed in the dog park.
- (14) Digging is not allowed in the dog park. A dog owner must repair any damage caused by his dog resulting from digging.
- (15) A person may not groom a dog within the boundaries of the dog park.
- (16) A dog owner must remain within the dog park with the dog owner's dog(s).
- (17) While within a dog park, a dog must at all times be within view and under voice control of the dog's owner.
- (18) No dog owner shall use a spiked, prong, choke, or pinch collar to hold and control a dog while in the dog park.
- (19) A person must wear shoes at all times while in the dog park.
- (20) No person may use the dog park for commercial purposes, including the conduct of dog training classes.
- (21) No person shall solicit business from and/or advertise to people while in the dog park.
- (22) No dog designated, declared, or found to be a "dangerous dog" or "dangerous animal" in accordance with Art. 4.04 Domestic Animals of this Code shall be allowed in the dog park.

(23) Park users and dog owners assume all risk related to the off leash area and park use.

E. Paragraph (a) of Section 14.04.074 “Explosives, firearms, other weapons and fireworks” is amended to read as follows:

(a) The possession of loaded firearms, ammunition, loaded projectile firing devices, bows and arrows, crossbows, or other weapons within a public park or recreation facility is prohibited unless:

- (1) In the possession of a federal, state or local law enforcement officer;
- (2) Written permission has been received from the director; or
- (3) The person is in possession of the firearm consistent Texas Government Code Chapter 411, Subchapter H, as it may be amended.

F. Add a new Section 14.04.078 titled “Unmanned Aircraft” to read as follows:

Sec. 14.04.078 Unmanned aircraft

- (a) No person may operate an unmanned aircraft in the area of a park where recreation facilities are located or where scheduled recreational activities are occurring.
- (b) No person may operate an unmanned aircraft in a public park without the prior written approval of the director.

G. Add a new Section 14.04.079 titled “Splash Pad” to read as follows:

Sec. 14.04.079 - Splash Pad

The use of the splash pad facility at Doubletree Ranch Park shall be subject to the following:

- (a) No animals other than service animals are permitted within the area of the splash pad.
- (b) No person ten (10) years of age or younger shall be on the splash pad unless accompanied and supervised by a person who is 18 years of age or older.
- (c) Changing of soiled diapers within six (6) feet of the edge of the splash pad water features is prohibited.
- (d) Use of the splash pad water features when ill with diarrhea, or contagious disease is prohibited.
- (e) No food, beverages, and glass containers are allowed in the splash pad area.

- (f) Children who are not toilet trained must wear swim diapers within the splash pad.
- (g) No rough-housing, aggressive behavior and or profanity is allowed.
- (h) No furniture or chairs allowed in the splash pad play area.
- (i) No skateboards, roller blades, skates, bicycles, scooters and similar recreational equipment are allowed in the splash pad area.
- (j) No inflatable pool toys, water balloons, beach balls, pool noodles, cups, buckets, water guns, permitted in splash pad area.
- (k) No soap, detergents, and shampoos allowed in splash pad area.

H. Paragraph (c) of Section 14.04.134 “Refunds” is amended to read as follows:

(c) Refunds for fees for use of the Robert and Lee DuVall Center and indoor rental spaces at Doubletree Ranch Park located in the concession/restroom “Barn” facility shall be subject to the following:

- (1) In order to receive a full refund of rental fee(s) and deposits(s) for rentals at the Robert and Lee DuVall Center and Doubletree Ranch Park facilities, written notification of cancellation must be received by the department no later than thirty (30) days prior to the event date. Notification of cancellation received by the department less than thirty (30) days prior to the date of the event will result in a forfeiture of the entire deposit.
- (2) Notification of cancellation received by the department less than seventy-two (72) hours prior to the time the reservation was to commence will result in a forfeiture of the entire deposit and any rental fee paid to date.
- (3) The online convenience fee is non-refundable regardless of when the request for refund is received.

I. Paragraph (b)(1) of Section 14.04.192 “Application” is amended to read as follows:

- (1) The name, home address and telephone number, office address and telephone number, and date of birth of the promoter, and of any other persons responsible for the conduct of the special event;...

SECTION 2. All provisions of the ordinances of the City of Highland Village in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Highland Village not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 4. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

SECTION 5. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be punished by a fine not to exceed the sum of Five Hundred Dollars (\$500) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense.

SECTION 6. The amendments to the Code of Ordinances set forth in this ordinance shall take effect immediately 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.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THIS THE 9TH DAY OF AUGUST, 2016.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE _____ DAY OF _____, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:8/4/16:78146)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 20

MEETING DATE: 08/09/16

SUBJECT: Consider Ordinance 2016-1203 Amending Chapter 24, Article 24.02, Division 7 of the Code of Ordinances Adopting the 2015 International Energy Conservation Code and Related Local Amendments

PREPARED BY: Billy Spencer, Building Official

BACKGROUND:

Since the Fall of 2013, the City of Highland Village has been enforcing the 2009 International Building Codes (IBC). Effective September 1, 2016, the energy efficiency provisions of the International Residential Code are adopted as the energy code in this state for single-family residential construction as it is defined in the Health and Safety Code, 388.002(12).

With respect to all other residential, commercial, and industrial, construction, effective September 1, 2016, the International Energy Conservation Code - is adopted as the energy code for use throughout the state for all residential, commercial, and industrial construction that is not single-family residential construction. Many cities in Texas have already adopted the 2015 IBC and other associated Codes.

IDENTIFIED NEED/S:

The following codes will be presented at a later date for consideration of adoption:

International Building Code-2015 Edition with Regional Amendments.
International Residential Code-2015 Edition with Regional Amendments
International Fire Code-2015 Edition with Regional Amendments
International Plumbing Code- 2015 Edition with Regional Amendments
International Mechanical Code-2015 Edition with Regional Amendments
International Fuel Gas Code-2015 Edition with Regional Amendments
International Property Maintenance Code-2015 Edition with Regional Amendments
International Existing Building Code- 2015 Edition with Regional Amendments
National Electrical Code-2014 Edition with Regional Amendments

The North Central Texas Council of Governments recommends that all municipalities adopt all the codes with the regional amendments in order to reduce confusion and provide regional uniformity, which benefits builders, architects, contractors and consequently home buyers.

OPTIONS & RESULTS:

The State of Texas requires all municipalities to adopt the 2015 International Energy Conservation Code. The remaining 2015 International Codes should be adopted in order to be compatible with the State mandated Codes. This will standardize the regulations for the design and construction of all buildings.

PROGRESS TO DATE: (if appropriate)

Staff has reviewed the recommendation for the regional amendments and has added additional amendments in order to comply with existing Zoning Ordinances. The Zoning Board of Appeals was presented with the consideration of the adoption of the 2015 Building Codes on July 7, 2016. The board members had a few questions pertaining to the adoption of codes and their questions were answered during the meeting, and there were no objections to the adoption of the building codes.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Budget amounts have been addressed during the 2016-17 budget year.

RECOMMENDATION:

Staff recommends the adoption of Ordinance 2016-1203 in order that local regulations are in compliance with state law.

CITY OF HIGHLAND VILLAGE, TEXAS

ORDINANCE NO. 2016-1203

AN ORDINANCE OF THE CITY OF HIGHLAND VILLAGE, TEXAS, AMENDING IN ITS ENTIRETY DIVISION 7 "ENERGY CONSERVATION CODE" OF CHAPTER 24, "BUILDING REGULATIONS," ARTICLE 24.02 "TECHNICAL AND CONSTRUCTION CODES AND STANDARDS" OF THE CODE OF ORDINANCES OF THE CITY OF HIGHLAND VILLAGE, TEXAS, BY ADOPTING THE 2015 EDITION OF THE INTERNATIONAL ENERGY CONSERVATION CODE WITH LOCAL AMENDMENTS; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OF FINE NOT TO EXCEED \$2000 PER VIOLATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the International Code Council (ICC) has developed a set of comprehensive and coordinated national model construction codes (known generally as the "International Codes"); and

WHEREAS, the City of Highland Village has been involved throughout the development process of the International Codes through participation with the North Texas Chapter of the International Code Council and through the regional review process by the Regional Codes Coordinating Committee of the North Central Texas Council of Governments (NCTCOG); and

WHEREAS, the creation of the 2015 editions of the International Codes by the ICC was in conjunction with the International Conference of Building Officials (ICBO), the organization whose codes the City of Highland Village has adopted since the 1970s; and

WHEREAS, the International Codes have been reviewed by the NCTCOG and City staff; and

WHEREAS, the City's building and construction codes are intended to be updated periodically, with the 2015 editions of the International Codes being the most current published building and construction codes for which local amendments have been developed; and

WHEREAS, the City Council of the City of Highland Village has determined that it is in the best interest of the citizens of the City of Highland Village to adopt the 2015 editions of the International Codes, as stated herein, as the minimum standards for the construction, use, occupancy and maintenance of buildings and structures within the City limits, as set forth herein, and to adopt local amendments to said codes in order to account for unique local practices and/or conditions relating to the design and construction of structures within the City;

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

Section 1: Division 7 "Energy Conservation Code" of Chapter 24, "Building Regulations," Article 24.02 "Technical and Construction Codes and Standards" of the Code of Ordinances of the City of Highland Village, Texas, is hereby amended to read in its entirety as follows:

Sec. 24.02.301 Adoption of 2015 International Energy Conservation Code

The 2015 Edition of the International Energy Conservation Code, as published by the International Code Council and as amended pursuant to Sec. 24.02.302, is hereby adopted. Copies of the Energy Conservation Code are on file in the office of the city secretary for permanent record and inspection and are incorporated into this section as if fully set forth herein. The chief building official, or his authorized representative, is hereby authorized and directed to enforce all provisions of the Energy Conservation Code. For purposes of this Division, the phrase "Energy Conservation Code" means collectively (i) the 2015 Edition of the International Energy Conservation Code, as published by the International Code Council and (ii) the local amendments adopted pursuant to Sec. 24.02.302.

Sec. 24.02.302 Local Amendments Adopted

For purposes of enforcement of the provisions of the Energy Conservation Code within the incorporated limits of the City, the following sections, paragraphs, and sentences of the *2015 Edition of the International Energy Conservation Code* are hereby amended as follows:

Section C102/R102 is amended by adding a new Section C102.1.2 and a new Section R102.1.2 to read as follows:

C102.1.2 Alternative compliance. A building certified by a national, state, or local accredited energy efficiency program and determined by the Energy Systems Laboratory to be in compliance with the energy efficiency requirements of this section may, at the option of the Code Official, be considered in compliance. The United States Environmental Protection Agency's Energy Star Program certification of energy code equivalency shall be considered in compliance.

R102.1.2 Alternative compliance. A building certified by a national, state, or local accredited energy efficiency program and determined by the Energy Systems Laboratory to be in compliance with the energy efficiency requirements of this section may, at the option of the Code Official, be considered in compliance. The United States Environmental Protection Agency's Energy Star Program certification of energy code equivalency shall be considered in compliance. Regardless of the program or the path to compliance, each 1- and 2-family dwelling shall be tested for air and duct leakage as prescribed in Section R402.4 and R403.3.3 respectively.

Section C202 and R202 are amended by adding definitions for the phrases "Projection Factor" to read as follows:

PROJECTION FACTOR. The ratio of the horizontal depth of the overhang, eave or permanently attached shading device, divided by the distance measured vertically from the bottom of the fenestration glazing to the underside of the overhang, eave or permanently attached shading device.

Section R202 is amended by adding a definition for the phrase "Dynamic Glazing" to read as follows:

DYNAMIC GLAZING. Any fenestration product that has the fully reversible ability to change its performance properties, including *U*-factor, solar heat gain coefficient (SHGC), or visible transmittance (VT).

Table R402.1.2 is amended by changing the WOOD FRAME WALL R-VALUE for CLIMATE ZONE 3 to read “13”.

Table R402.1.4 is amended by changing the WOOD FRAME WALL U-FACTOR for CLIMATE ZONE 3 to read “0.082”.

Section R402.3.2 is amended by adding a paragraph and table following the “Exception” to read as follows:

Where vertical fenestration is shaded by an overhang, eave, or permanently attached shading device, the SHGC required in Table R402.1.2 shall be reduced by using the multipliers in Table R402.3.2 SHGC Multipliers for Permanent Projections.

Table R402.3.2 SHGC Multipliers for Permanent Projections ^a

Projection Factor	SHGC Multiplier (all Other Orientation)	SHGC Multiplier (North Oriented)
0 - 0.10	1.00	1.00
>0.10 – 0.20	0.91	0.95
>0.20 – 0.30	0.82	0.91
>0.30 – 0.40	0.74	0.87
>0.40 – 0.50	0.67	0.84
>0.50 – 0.60	0.61	0.81
>0.60 – 0.70	0.56	0.78
>0.70 – 0.80	0.51	0.76
>0.80 – 0.90	0.47	0.75
>0.90 – 1.00	0.44	0.73

^a North oriented means within 45 degrees of true north.

Section R402.4.1.2 is amended by amending the first sentence to read as follows:

R402.4.1.2 Testing. The building or dwelling unit shall be tested and verified as having an air leakage rate of not exceeding 5 air changes per hour in Climate Zone 3....

Section C402.2/R402.2 is amended by adding a new Section C402.2.7 and R402.2.14 to read as follows:

Section C402.2.7/R402.2.14 Insulation installed in walls. To insure that insulation remains in place, insulation installed in walls shall be totally enclosed on all sides consisting of framing lumber, gypsum, sheathing, wood structural panel sheathing or other equivalent material approved by the building official.

Section R402.4.1.2 is amended by adding the following at the end of the section:

Mandatory testing shall only be performed by individuals that are certified to perform air infiltration testing certified by national or state organizations as approved by the building official. The certified individuals must be an independent third-party entity, and may not be employed; or have any financial interest in the company that constructs the structure.

Section R403.3.3 is amended by adding the following at the end of the section:

Mandatory testing shall only be performed by individuals that are certified to perform duct testing leakage testing certified by national or state organizations as approved by the building official. The certified individuals must be an independent third-party entity, and may not be employed; or have any financial interest in the company that constructs the structure.

Section 405.6.2 is amended by add the following sentence to the end of paragraph:

Acceptable performance software simulation tools may include, but are not limited to, REM RateTM, Energy Gauge and IC3. Other performance software programs accredited by RESNET BESTEST and having the ability to provide a report as outlined in R405.4.2 may also be deemed acceptable performance simulation programs and may be considered by the building official.

TABLE R406.4 is amended to read as follows:

**TABLE R406.4¹
MAXIMUM ENERGY RATING INDEX**

CLIMATE ZONE	ENERGY RATING INDEX
3	65

¹ This table is effective until August 31, 2019.

**TABLE R406.4²
MAXIMUM ENERGY RATING INDEX**

CLIMATE ZONE	ENERGY RATING INDEX
3	63

² The table is effective from September 1, 2019 to August 31, 2022.

**TABLE R406.4³
MAXIMUM ENERGY RATING INDEX**

CLIMATE ZONE	ENERGY RATING INDEX
3	59

³ This table is effective on or after September 1, 2022.

Sec. 24.02.303 Fees and Charges.

Any and all fees and charges proscribed by the Energy Conservation Code, whether or not originally adopted by ordinance, shall be adopted or amended by resolution approved by the city council and incorporated into an official schedule of fees, a copy of which shall be placed on file and maintained in the office of the city secretary and made available for public inspection.

Sec. 24.02.304 Conflicts with Comprehensive Zoning Ordinance; Other Pool Regulations

a. To the extent of any irreconcilable conflicts between the Energy Conservation Code and the provisions of the City's Comprehensive Zoning Ordinance, as amended, the regulation imposing the more stringent requirement(s) shall control.

b. To the extent of any irreconcilable conflict between the provisions of the Energy Conservation Code and Article 24.03 of the Code of Ordinances relating to the regulation of swimming pools, the provisions of said Article 24.03 shall be controlling.

Sec. 24.02.305 Penalty

The provisions of this division constitute a police regulation, the violation of which shall be subject to the penalty set forth in Section 1.01.009(b) of this Code of Ordinances.

SECTION 2. Except as provided in Section 1 of this Ordinance, all provisions of the Ordinances of the City of Highland Village, Texas, in conflict with the provisions of this ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. An offense committed before the effective date of this ordinance is governed by prior law and the provisions of the Code of Ordinances, as amended, in effect when the offense was committed and the former law is continued in effect for this purpose.

SECTION 4. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal or unconstitutional, and shall not affect the validity of the Ordinance as a whole.

SECTION 5. Any person, firm or corporation violating any of the provisions or terms of this Ordinance shall be punished by a fine not to exceed the sum of Two Thousand Dollars (\$2,000) for each offense; and each and every day such violation shall continue shall be deemed to constitute a separate offense as set forth in Section 1.01.009 of the Code of Ordinances.

SECTION 6. This ordinance shall take effect on the first day of the calendar month following its passage on second reading and publication in accordance with the provisions of the state law and the Charter of the City of Highland Village.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON FIRST READING ON THIS THE 9TH DAY OF AUGUST, 2016.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, ON SECOND READING ON THIS THE _____ DAY OF _____, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Diane A. Callahan, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:8/4/16:78132)

CITY OF HIGHLAND VILLAGE

COUNCIL BRIEFING

AGENDA#	21	MEETING DATE:	08/09/16
SUBJECT:	Consider Resolution 2016-2652 Awarding and Authorizing a Contract with Reynolds Asphalt & Construction Company for the 2016 Asphalt Overlay Project		
PREPARED BY:	Scott Kriston, Director of Public Works		

BACKGROUND:

The City of Highland Village typically overlays certain asphalt roadways on an annual basis to assist in maintaining these roadways and increasing their longevity. The City staff targets existing roadways that have shown pavement deterioration and/or pavement failures. The City staff has identified Foggy Glen, Trails End, and Meadowlark Lane as three roadways meeting the criteria for recommended overlay improvements. These three roadways will be overlaid with new asphalt pavement. Also, wedge milling of the edges of the pavement will be done in order to facilitate connection to existing driveways.

The City issued this project for bid with a Base Bid and Add Alternate Bids for two other streets in the same area. The Base Bid included improvements to Foggy Glen, Trails End, and Meadowlark Lane. The Add Alternate Bids included improvements to Millwood Drive and the north end of Medina Drive, which also need pavement improvements if the funds are available.

Bids were received on Tuesday, August 2, 2016, for the project from six general contractors. The total of the Base Bid and Add Alternate bids for each contractor is provided below:

Reynold Asphalt & Const. Co.	Peachtree Const.	Reyes Group, Ltd.	Advanced Paving	Old Castle Pavement Solutions	SPI Asphalt
\$91,603.85	\$101,029.10	\$107,657.90	\$120,886.95	\$166,891.80	\$182,917.54

Due to the very good bids that were received, it is recommended that the Base Bid and the two Add Alternate Bids be accepted at this time. The lowest bidder is Reynolds Asphalt & Construction Company with a total bid in the amount of \$91,603.85. The low bid has been reviewed and evaluated and is considered the lowest responsible bid. Reynolds Asphalt & Construction Company has sufficient resources to construct this project and has performed similar projects for the City in the past.

IDENTIFIED NEED/S:

The City of Highland Village needs to overlay Foggy Glen, Trails End, and Meadowlark Lane at this time, and Millwood Drive and the north end of Medina Drive also need to be overlaid.

OPTIONS & RESULTS:

The asphalt overlay of Foggy Glen, Trails End, Meadowlark Lane, Millwood Drive and the north end of Medina Drive will provide additional longevity and ride quality to the pavement structures.

PROGRESS TO DATE: (if appropriate)

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

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funding through the General fund (Streets Operations Budget).

RECOMMENDATION:

To approve Resolution 2016-2652.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2016-2652

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AWARDED AND AUTHORIZING A CONTRACT WITH REYNOLDS ASPHALT & CONSTRUCTION COMPANY FOR THE 2016 ASPHALT OVERLAY PROJECT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, City administration, having solicited, received, and reviewed the bids for the 2016 Asphalt Overlay Project (the "Project") to improve Foggy Glen, Trails End, Meadowlark Lane, Millwood Drive, and the north end of Medina Drive by providing new asphalt overlay on the existing pavement structure, has determined that Reynolds Asphalt & Construction Company has submitted the lowest most responsible bid in an amount of \$91,603.85, and recommends award of a contract for the Project to said bidder; and

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

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

SECTION 1. The City Manager is hereby authorized to execute a contract with Reynolds Asphalt & Construction Company in the amount of \$91,603.85 for the Project and, subject to applicable state laws, city policies, and, in the event change order(s) result in an increase in the contract amount, the availability of funds for such purpose, to negotiate and sign such change order(s) to said contract as the City Manager determines to be in the best interest of the City.

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

PASSED AND APPROVED THIS 9th DAY OF AUGUST, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:8/3/16:78143)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 22

MEETING DATE: 08/09/16

SUBJECT: Discuss the Ad Valorem Tax Rate for Tax Year 2016 and Consider Taking a Record Vote if the Proposed Rate Exceeds the Lower of the Rollback or the Effective Tax Rate and Consider Setting Public Hearing Dates of August 23, 2016 and September 13, 2016 on the Proposed Fiscal Year 2016/2017 Budget and Tax Rate

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

Truth in Taxation requires two public hearings, preceded by certain required public notices of the public hearings and the proposed real property tax rate before implementing a property tax rate if a rate is **considered** which will exceed the lower of the Rollback or Effective Rate. The Effective Rate is generally equal to the prior year's taxes divided by the current taxable value or properties that were also on the tax roll in the prior year.

IDENTIFIED NEED/S:

As the current tax rate of \$0.56963 exceeds the Effective Rate of \$0.55058, Council must vote to place a proposal to adopt the rate on the agenda of a future meeting as an action item if it is to consider continuation of the current property tax rate. This vote must be recorded, and the proposal must specify the desired rate – the Council cannot vote to adopt a proposal to increase taxes by an unspecified amount. If the motion passes, the governing body must schedule two public hearings on the proposal.

OPTIONS & RESULTS:

This vote does not commit Council to a tax rate; however, the Council cannot ultimately adopt a tax rate that exceeds the rate that is proposed in the motion approved by the Council. In other words, the tax rate in the Ordinance adopting the tax rate for Tax Year 2016 to fund the Fiscal Year 2016-17 budget can be less than the rate contained in the motion approved at tonight's meeting, but cannot be greater than said rate. However, for Council to even consider maintaining the current rate, the Council must approve at tonight's meeting a motion that proposes adoption of the current tax rate so that notices to that effect can be published in accordance with state law. Council will set the tax rate at a subsequent meeting following adoption of the budget.

The City Charter also calls for a public hearing on the budget – Staff suggests that this be combined with the public hearing on the tax rate.

Suggested Calendar:

- August 19th

- Post recommended budget on City Web site
- August 23rd (Regular Council Meeting)
 - Presentation of City Manager Recommended Budget
 - Public Hearing on tax rate and budget
- September 13th (Regular Council Meeting)
 - Public Hearing on tax rate and budget
 - 1st read on tax rate and budget
- September 27th (Regular Council Meeting)
 - 2nd read on tax rate and budget

PROGRESS TO DATE: (if appropriate)

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

RECOMMENDATION:

Approve the following motion:

I move that \$0.56963 per \$100 valuation be proposed for adoption as the City's Ad Valorem tax rate for the 2016 tax year and set August 23, 2016, and September 13, 2016, as the dates for holding the public hearings to receive public comment on said tax rate and the 2016-2017 Fiscal Year budget.

CITY OF HIGHLAND VILLAGE

COUNCIL BRIEFING

AGENDA# 23

MEETING DATE: 08/09/16

SUBJECT: Consider Ordinance 2016-1204 Authorizing Certain Budget Amendments Pertaining to the Fiscal Year 2015-2016 Budget

PREPARED BY: Ken Heerman, Assistant City Manager

BACKGROUND:

Each department is responsible to not exceed the amounts budgeted in each of three categories – Personnel, Services/Supplies, and Capital. Category subtotals of departmental expenditures thus provide the level of budgetary control. Should a need arise for reallocation between categories or between departments, budget amendments are then presented for Council consideration.

IDENTIFIED NEED/S:

This is the first amendment presented to Council this fiscal year – this amendment mirrors the year-end projections detailed in the budget discussions. Some of the proposed adjustments reflect encumbrances from FY 2015 that were actually paid in FY 2016. This amendment is to ensure sufficient appropriation for the year-end projections. In total, projected expenditures of \$15,889,291 are \$67,765 more than the original budget of \$15,821,526. In addition, increased transfers-out of \$997,990 to other funds, partially offset by increased transfers-in of \$306,000, resulted in a net \$691,900 reduction of general fund balance. The projected FY 2016 year-end fund balance is \$4,026,746 – still exceeding the original budgeted projected amount of \$3,838,205. The presented amendments are primarily to ensure sufficient appropriation for each category – not every deviation from the budget amount is enumerated.

General Fund

- 1) Two primary factors comprise the majority of the requested increased budget appropriation – Sellmeyer Road improvements and construction of a Dog Park at Unity Park. Collectively, these projects account for \$997,990 in additional transfers from the General Fund to designated special revenue funds accounting for these projects. The primary project of smoothing the Sellmeyer Rd. “S” curve was anticipated the past few years, and was accordingly addressed with remaining bond proceeds. However, companion improvements at the adjacent sections at either end were identified – these improvements prompting an additional \$774,000 in expenditures. This amount is included in a transfer to the Capital Project Fund (expenditures for this project are recorded in this fund). Funding for the Dog Park is partially accommodated by remaining Park Development Fee funds, but an additional transfer from the General Fund of \$224,000 is needed to fully fund this project.
- 2) Personnel budget changes in various departments are suggested to address factors incurred during the year that were not known when budgeted, such as

mid-year adjustments, personnel changes, insurance coverage election, etc. In total, projected personnel expenditures are within the budgeted amounts. Personnel budget amendments are in total, decreased by \$45,000, primarily related to Information Resources (delays in hiring new positions added last year), and the Police Department (resulting from turnover).

3) Other items requiring additional appropriation include:

- Police Dept (Services / Supplies) – Increase \$70,000 related to professional services for continued evaluation and implementation of new radio system as well as the new Computer Aided Dispatch software system.
- Fire Department (Services / Supplies) – Increase \$15,000 primarily related to peripheral equipment related to procurement of a new ambulance and command vehicles. (Capital) – Increase \$290,000 related to purchase of three new explorers for command vehicles as well as accounting for purchase of the ambulance (budgeted amt for 1st year capital lease pmt, but will record full purchase price – offset by lease proceeds).
- Maintenance Department (Services / Supplies) – Decrease \$60,000 due to fuel cost considerably less than anticipated in Budget,
- Parks and Recreation (Services / Supplies) – Increase \$50,000 to align with actual accounting for Tennis program. This program is outsourced to an outside entity. The City collects revenues on their behalf, retaining an annual rental amount for the tennis center. Thus, in practice, revenues and expenditures are booked. However, only net revenues were budgeted – this amendment aligns the related appropriation.
- Finance (Services / Supplies) – Increase \$5,000 related to costs for HVBA luncheons related to speaker fees.
- Human Resources (Services / Supplies) – Increase \$5,000 for consideration of potential relocation reimbursement.
- Community Services (Services / Supplies) – Increase \$6,000 resulting from increased plan review services and updated reference materials.
- Information Services (Services / Supplies) – Increase \$10,000 related to general network infrastructure upgrades. (Capital) – Increase \$50,000 related to acquisition of network storage device. The storage capacity was increased to also include HVTV needs, with shared funding. An equivalent transfer will be received in the General Fund from the Peg Fee Fund accordingly.
- Streets (Capital) – Increase \$200,000 related to rehab of screening walls adjacent to FM 2499. Funding for this project was accommodated by the FY 2015 Tax Note in the Capital Projects Fund. However, related engineering was previously recorded to the Streets budget, thus necessitating recording of expenditures in this budget as well.

Other Funds

- 1) Utility UTRWD (Services / Supplies) – Increase \$200,000 related to increased sewer effluent charges (\$300,000) resulting from Spring flooding in the City. This was partially offset (\$-100,000) by reduced water volume charges.
- 2) HVEDC (Services / Supplies) Increase \$140,000 related to furnishings for Doubletree Ranch Park (anticipated last fiscal year). (Capital) - \$1,990,000 associated with Doubletree Ranch Park construction carried over from FY 15 related to 2014 \$6.7M bond issue.
- 3) PEG Fee Fund (Transfers) Increase \$55,000 to accommodate transfer to General Fund for purpose of acquiring network storage device.
- 4) Capital Projects Fund (Capital) Increase \$1,200,000 related to improvements

to Sellmeyer Road (carried over from FY 2015) (Transfers) – Overall decrease of \$624,000: Increase Transfers-Out by \$150,000 (to Drainage Utility) related to Tax Note proceeds earmarked for drainage projects. This is offset by Transfers-In of \$774,000 transferred from the General Fund related to funding Sellmeyer Road improvements.

- 5) Public Safety Fund (Revenues) Increase \$64,000, (Services / Supplies) – Increase \$29,000, (Capital) Increase \$35,000. These expenditures are related to acquisition of electronic fingerprinting system and related maintenance agreement with anticipated grants to be received from Denton County.(Transfers) – Increase \$2,000 related to collected Denton County Child Safety Funds – transferred to the General Fund to offset Crossing Guard expenditures.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Budgetary changes to Fund Balance are detailed on the request worksheets following.

RECOMMENDATION:

Council to approve Ordinance No. 2016-1204 as presented.

Budget Amendment Request Worksheet

Line Item for Proposed Change:

<u>Department</u>	<u>Category</u>	<u>Current Budget (Annual)</u>	<u>Proposed Budget (Annual)</u>	<u>Increase / Decrease</u>
City Manager	Personnel	370,229	380,229	10,000
Finance	Personnel	964,415	1,004,415	40,000
Finance	Services/Supplies	518,149	523,149	5,000
Human Resources	Services/Supplies	93,808	98,808	5,000
City Secretary	Personnel	177,815	187,815	10,000
Information Services	Personnel	525,692	445,692	(80,000)
Information Services	Services / Supplies	294,702	304,702	10,000
Information Services	Capital	62,000	112,000	50,000
Police	Personnel	3,947,596	3,877,596	(70,000)
Police	Services / Supplies	350,307	420,307	70,000
Fire	Services / Supplies	472,220	487,220	15,000
Fire	Capital	118,500	408,500	290,000
Community Services	Personnel	383,620	413,620	30,000
Community Services	Services / Supplies	22,204	28,204	6,000
Streets	Capital	45,000	245,000	200,000
Maintenance	Services / Supplies	565,889	505,889	(60,000)
Recreation	Personnel	181,957	196,957	15,000
Recreation	Services / Supplies	209,838	259,838	50,000
Other Sources	Transfers In	(534,000)	(840,000)	(306,000)
Transfers	Transfers Out	16,000	1,014,000	998,000
General Fund Balance			Net Change	\$ - 1,288,000

Reason for Request

Personnel (Various departments) – Actual charges vary from budget resulting from various issues: employee changes in selected insurance coverage, retirements (pmt of accrued balances), certifications, promotions, etc) in total budget for personnel adjusted by \$-45,000 related to delays in filling new positions (IT) and turnover in PD

Finance Services / Supplies – \$5,000 related to costs for HVBA luncheons related to speaker fees..

Human Resources Services / Supplies – \$5,000 for consideration of potential relocation reimbursement

Information Services Services / Supplies – \$10,000 related to general network infrastructure upgrades.

(Capital) – Increase \$50,000 related to acquisition of network storage device.

Police Services / Supplies – \$70,000 related to professional services for continued evaluation and implementation of new radio system as well as the new Computer Aided Dispatch software system

Fire Services / Supplies- \$15,000 primarily related to peripheral equipment related to procurement of a new ambulance and command vehicles. (Capital) – Increase \$290,000 related to purchase of three new explorers for command vehicles as well as accounting for purchase of the ambulance (budgeted amt for 1st year capital lease pmt, but will record full purchase prices – offset by lease proceeds).

Community Services Services / Supplies - \$6,000 resulting from increased plan review services and updated reference materials

Streets Capital – \$200,000 related to rehab of screening walls adjacent to FM 2499.

Maintenance Services / Supplies – \$60,000 due to reduced fuel cost.

Recreation Services / Supplies – \$50,000 to align with actual accounting for Tennis program..

Other Sources – Capital Lease proceeds (251,000) and Transfer-In from Peg Fee Fund of \$55,000 to supplement funding of network storage device

Transfers- \$998,000 transfer to Capital Projects Fund (\$774,000) associated with Sellmeyer road improvements, and transfer of \$224,000 to Park Development Fee Fund for construction of Dog Park.

Budget Amendment Request Worksheet

Line Item for Proposed Change:

<u>Department</u>	<u>Category</u>	<u>Current Budget (Annual)</u>	<u>Proposed Budget (Annual)</u>	<u>Increase / Decrease</u>
UTRWD	Services / Supplies	4,270,525	4,470,525	200,000
HVDCDC	Services / Supplies	168,039	308,039	140,000
HVDCDC	Capital	20,000	2,010,000	1,990,000
Corps Leased Parks	Services / Supplies	119,374	121,074	1,700
Corps Leased Parks	Capital	34,000	62,000	28,000
PEG Fee Fund	Transfers	0	55,000	55,000
Park Develop Fee	Transfers	0	(225,000)	(225,000)
Park Develop Fee	Capital	0	300,000	300,000
Public Safety Fund	Revenues	(25,600)	(89,600)	(64,000)
Public Safety Fund	Services / Supplies	3,600	32,600	29,000
Public Safety Fund	Transfers	22,000	24,000	2,000
Public Safety Fund	Capital	0	35,000	35,000
Drainage Utility	Capital	0	280,000	280,000
Drainage Utility	Revenues	(480,075)	(585,075)	(105,000)
Drainage Utility	Transfers	0	(150,000)	(150,000)
Capital Projects Fund	Capital	1,500,724	2,700,724	1,200,000
Capital Projects Fund	Transfer	0	(624,000)	(624,000)

Reason for Request

UTRWD – \$200,000 Increase related to increased sewer effluent due to flooding (\$300,000), partially offset by decreased water purchases (\$-100,000) due to elevated rainfall.

HVDCDC – \$140,000 increase related to furnishings / concession equipment purchased for Doubletree Ranch Park, \$1,990,000 related to construction of Doubletree Ranch Park (both carried over from last yr)

Corps Leased Parks – \$28,000 and \$1,700 related to purchase of automatic gate system and accompanying dues.

PEG Fee Fund - \$55,000 transfer to General Fund to supplement purchase of Network Storage Device

Park Development Fee Fund - \$300,000 related to construction of Dog Park, and 225,000 transfers from GF for funding supplementing fees on hand.

Public Safety Fund – \$64,000 anticipated forfeiture funds from Denton County to purchase electronic fingerprinting system (and associated maintenance). Also, additional \$2,000 transfer to GF for collected Child Safety fees – used to offset cost for Crossing Guards

Drainage Utility – \$280,000 increase for Canyon Creek drainage repairs. This is offset by anticipated FEMA reimbursement (\$105,000) and transfer from Capital Projects of \$150,000 (earmarked portion of 2015 Tax Note)

Capital Projects Fund - \$774,000 transfers from General Fund for remaining Sellmeyer Road improvements, partially offset by \$150,000 transfer to the Drainage Utility related to the Canyon Creek project.

UTILITY.FUND	Net Change \$ - 200,000
HVDCDC	Net Change \$- 2,130,000
CORPS LEASED PARKS FUND	Net Change \$ - 29,700
PEG FEE FUND	Net Change \$ - 55,000
PARK DEVELOPMENT FEE FUND	Net Change \$ - 75,000
PUBLIC SAFETY FUND	Net Change \$ - 2,000
DRAINAGE UTILITY	Net Change \$ -25,000
CAPITAL PROJECTS FUND	Net Change \$ - 576,000

CITY OF HIGHLAND VILLAGE, TEXAS

ORDINANCE NO. 2016-1204

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS ADOPTING AMENDMENTS TO THE FISCAL YEAR 2015-2016 BUDGET; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Highland Village, Texas has lawfully adopted a budget for fiscal year 2015-2016 ("2015-16 Budget"), by prior action of the City Council; and

WHEREAS, the City Manager has prepared, as required by Article VI, Section 6.08 of the City Charter, an amendment to certain appropriations and expenditures in the 2015-16 Budget, and has submitted same to the City Council for its review and approval, a copy of which is attached to this Ordinance; and

WHEREAS, the City Council of the City of Highland Village has determined that this budget amendment is necessary and appropriate to preserve and protect the health, safety and welfare of the citizens of the City of Highland Village as well as other persons in the City.

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

SECTION 1. The fiscal year 2015-16 Budget amendments, attached hereto as Exhibit "A" and incorporated herein by reference, are hereby authorized, approved and adopted.

SECTION 2. If any section, subsection, paragraph, sentence, clause, phrase or word in this Ordinance or application thereof to 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 this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect, and to this end, the provisions of this Ordinance are declared severable.

SECTION 3. This Ordinance shall take effect immediately from and after its passage on second reading.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS ON THE FIRST READING, THIS THE 9th DAY OF AUGUST, 2016.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS ON THE SECOND READING, THIS THE _____ DAY OF _____, 2016.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:7/23/15:72635)

**Ordinance No. 2016-1204
Exhibit "A"**

Budget Amendment Request Worksheet

Line Item for Proposed Change

<u>Department</u>	<u>Category</u>	<u>Current Budget (Annual)</u>	<u>Proposed Budget (Annual)</u>	<u>Increase / Decrease</u>
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Reason for Request

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HVCDC	Net Change \$- 2,130,000
CORPS LEASED PARKS FUND	Net Change \$ - 29,700
PEG FEE FUND	Net Change \$ - 55,000
PARK DEVELOPMENT FEE FUND	Net Change \$ - 75,000
PUBLIC SAFETY FUND	Net Change \$ - 2,000
DRAINAGE UTILITY	Net Change \$ -25,000
CAPITAL PROJECTS FUND	Net Change \$ - 576,000

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 24	MEETING DATE: 08/09/16
SUBJECT:	Status Reports on Current Projects and Discussion on Future Agenda Items
PREPARED BY:	Angela Miller, City Secretary

COMMENTS

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

- 35Express Update



UPCOMING EVENTS

Expected Absences: None

August 4, 2016 Zoning Board of Adjustment Mtg. 7:00 pm (if needed)

August 9, 2016 Regular City Council Mtg. 7:30 pm

August 15, 2016 Park Board Mtg. 6:00 pm (if needed)

August 16, 2016 Planning & Zoning Commission Mtg. 7:00 pm (if needed)

August 18, 2016 Public Art Advisory Board Mtg. 7:00 pm (if needed)

August 23, 2016 Regular City Council Mtg. 7:30 pm

September 1, 2016 Zoning Board of Adjustment Mtg. 7:00 pm (if needed)

September 5, 2016 Labor Day Holiday – City Offices Closed

September 13, 2016 Regular City Council Mtg. 7:30 pm

September 15, 2016 Public Art Advisory Board Mtg. 7:00 pm (if needed)

September 19, 2016 Park Board Mtg. 6:00 pm (if needed)

September 20, 2016 Planning & Zoning Commission Mtg. 7:00 pm (if needed)

September 27, 2016 Regular City Council Mtg. 7:30 pm

October 6, 2016 Zoning Board of Adjustment Mtg. 7:00 pm (if needed)

October 11, 2016 Regular City Council Mtg. 7:30 pm

October 17, 2016 Park Board Mtg. 6:00 pm (if needed)

October 18, 2016 Planning & Zoning Commission Mtg. 7:00 pm (if needed)

October 20, 2016 Public Art Advisory Board Mtg. 7:00 pm (if needed)

October 25, 2016 Regular City Council Mtg. 7:30 pm

*****Please visit www.highlandvillage.org or the City Hall bulletin board for latest additions, updates and changes*****

By: Karen Bradley, Administrative Assistant - City Secretary Office