

MINUTES OF THE SPECIAL SESSION MEETING OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, HELD ON JULY 21, 2020 AT 6:00 P.M. PURSUANT TO SECTION 418.016 OF THE TEXAS GOVERNMENT CODE.

Pursuant to Section 418.016 of the Texas Government Code, on March 16, 2020, the Governor of the State of Texas granted the Office of the Attorney General's request for the temporary suspension of certain provisions of the Texas Open Meetings Act to allow for telephonic or videoconference meetings of governmental bodies that are accessible to the public in an effort to reduce in-person meetings that assemble large groups of people, as a precautionary measure to contain the spread of novel coronavirus COVID-19.

Accordingly, the public was not allowed to be physically present at this Special Session of the City Council of the City of Jersey Village, Texas, but the meeting was available to members of the public and allowed for two-way communications for those desiring to participate via telephone with the following toll-free number: **346-248-7799 along with Webinar ID: 957 7632 6938.**

A. CALL TO ORDER AND ANNOUNCE A QUORUM IS PRESENT

The meeting was called to order by Mayor Mitcham at 6:23 p.m. with the following present:

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| Mayor, Andrew Mitcham | City Manager, Austin Bless |
| Council Member, Drew Wasson | City Secretary, Lorri Coody |
| Council Member, Greg Holden | |
| Council Member, Bobby Warren | |
| Council Member, James Singleton | |
| Council Member, Gary Wubbenhorst | |

Staff in attendance: Kirk Riggs, Chief of Police; Mark Bitz, Fire Chief; Isabel Kato, Finance Director; Harry Ward, Director of Public Works; and Bob Blevins, IT Director.

B. CITIZENS' COMMENTS

Any person who desires to address City Council regarding an item on the agenda will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the comment is on the agenda, the City staff and City Council Members are not allowed to discuss the subject. Each person is limited to five (5) minutes for comments to the City Council.

There were not citizens' comments.

C. Consider Resolution No. 2020-35, setting the 17th day of August 2020 at 7:00 p.m. in the Civic Center, 16327 Lakeview Drive, Jersey Village, Texas 77040 as the time, date, and place for the public hearing on the adopted 2020-2021 Crime Control and Prevention District's Budget.

Council Member Wubbenhorst moved to approve Resolution No. 2020-35, setting the 17th day of August 2020 at 7:00 p.m. in the Civic Center, 16327 Lakeview Drive, Jersey Village, Texas 77040 as the time, date, and place for the public hearing on the adopted 2020-2021 Crime Control and Prevention District's Budget. Council Member Warren seconded the motion. The vote follows:

Ayes: Council Members Wasson, Holden, Warren, Singleton, and Wubbenhorst

Nays: None

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The motion carried.

RESOLUTION NO. 2020-35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, SETTING A DATE, TIME AND PLACE FOR A PUBLIC HEARING ON THE ADOPTED FISCAL YEAR 2020-2021 CRIME CONTROL AND PREVENTION DISTRICT BUDGET; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

- D. Consider Resolution No. 2020-36, setting the 21st day of September 2020 at 7:00 p.m. in the Civic Center, 16327 Lakeview Drive, Jersey Village, Texas 77040 as the date, time, and place for a public hearing on the proposed fiscal year 2020-2021 municipal budget.**

Council Member Holden moved to approve Resolution No. 2020-36, setting the 21st day of September 2020 at 7:00 p.m. in the Civic Center, 16327 Lakeview Drive, Jersey Village, Texas 77040 as the date, time, and place for a public hearing on the proposed fiscal year 2020-2021 municipal budget. Council Member Wubbenhorst seconded the motion. The vote follows:

Ayes: Council Members Wasson, Holden, Warren, Singleton, and Wubbenhorst

Nays: None

The motion carried.

RESOLUTION NO. 2020-36

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JERSEY VILLAGE, TEXAS, SETTING A DATE, TIME AND PLACE FOR A PUBLIC HEARING ON THE PROPOSED FISCAL YEAR 2020-2021 MUNICIPAL BUDGET; AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.

- E. Consider Ordinance No. 2020-18, approving the request of the Board of Directors of the Crime Control And Prevention District to amend the 2019-2020 Crime Control and Prevention District's Budget in the amount of \$133,850.00; authorizing the funding associated with the purchase and installation of the WatchGuard In-Car and Body Worn Camera System from the Crime Control and Prevention District Fund; amending the annual budget of the City of Jersey Village, Texas for the fiscal year beginning October 1, 2019, and ending September 30, 2020 to reflect these changes.**

Kirk Riggs, Chief of Police introduced the item. Background information is as follows:

For the past nine years, the Jersey Village Police Department has been utilizing the M7 Coban computer/video system for our patrol vehicles. At the time of purchase, Coban was the only vendor offering an all-in-one computer/video system. Over the last few years, we have seen a drop in the quality of the Coban products and the company's customer service/support is severely lacking. The Police Department believes it is time to replace Coban with a system that is better equipped to meet our agency's needs. After researching the equipment available

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in today's market, consulting with multiple agencies, and testing out their products, we recommend the WatchGuard system to replace Coban.

At tonight's Crime Control and Prevention District meeting, the Board approved a budget amendment to allocate the necessary funds for the Watchguard system. The amount approved by the Board was increased to \$152,315. The updated amount included an additional costs of \$18,465 to purchase a server, 5 year warranty, and a hard drive, bringing the total amount to \$152,315. Additionally, the system includes in-car cameras, body cameras, and all the necessary computer hardware/software components to complete the project. We would utilize the BuyBoard purchasing cooperative program, contract #604-20 to make this purchase. As a member and participant in the BuyBoard purchasing cooperative, the City has met all formal bidding requirements. This agenda item is to approve the request of the CCPD, and amend the budget in the amount of \$152,315 for the purchase of the WatchGuard System, and in turn, amend the City's budget for fiscal year 2019-2020 to reflect this change.

With limited discussion on the matter, Council Member Warren moved to approve Ordinance No. 2020-18, approving the request of the Board of Directors of the Crime Control And Prevention District to amend the 2019-2020 Crime Control and Prevention District's Budget in the amount of \$152,315; authorizing the funding associated with the purchase and installation of the WatchGuard In-Car and Body Worn Camera System from the Crime Control and Prevention District Fund; amending the annual budget of the City of Jersey Village, Texas for the fiscal year beginning October 1, 2019, and ending September 30, 2020 to reflect these changes. Council Member Holden seconded the motion. The vote follows:

Ayes: Council Members Wasson, Holden, Warren, Singleton, and Wubbenhorst

Nays: None

The motion carried.

ORDINANCE NO. 2020-18

AN ORDINANCE OF THE CITY OF JERSEY VILLAGE, TEXAS, APPROVING THE REQUEST OF THE BOARD OF DIRECTORS OF THE CRIME CONTROL AND PREVENTION DISTRICT TO AMEND THE 2019-2020 CRIME CONTROL AND PREVENTION DISTRICT'S BUDGET IN THE AMOUNT OF \$152,315.00; AUTHORIZING THE FUNDING ASSOCIATED WITH THE PURCHASE AND INSTALLATION OF THE WATCHGUARD IN-CAR AND BODY WORN CAMERA SYSTEM FROM THE CRIME CONTROL AND PREVENTION DISTRICT FUND; AMENDING THE ANNUAL BUDGET OF THE CITY OF JERSEY VILLAGE, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019, AND ENDING SEPTEMBER 30, 2020 TO REFLECT THESE CHANGES; AND PROVIDING FOR SEVERABILITY.

F. Review and discuss the proposed fiscal year 2020-2021 municipal budget.

Before continuing with the review of the 2020-2021 proposed budget, City Manager Bleess provided responses to the questions from last night's meeting as follows:

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Based upon the discussion last night we combined the Pest Control Services line item in Dept 39 into one line item. That did not change the overall amount of the budget for that department. We also removed the revenue line item for Political Signs.

Other topics from last night are addressed as follows:

The salary line increase doesn't equal 3%. Why is that?

The proposed budget has a 3% merit increase factored in for all employees, which has been done historically. This does not mean that everyone will receive a 3% increase. If the work product merits a 4% raise, a person could receive that. A 4% raise is the most a person would receive at an annual review. If work product only merits a 2%, or 1% raise, then that is what the person would get.

In FY20 an employee in the Accounting Department received a 4% raise. Because of that 4% increase, that increases the budget for FY21 to accommodate the growth.

Using the Position Budgeting in INCODE 10 it took salaries as of June 15th. For anyone that had not yet had their Annual Review and potential merit raise for the fiscal year we calculated their rate of pay at 3% higher as of 10/1 to reflect a potential 3% merit raise.

Position budgeting factors in a 3% increase for all 26 pay periods, whereas before we would factor a 3% increase for the pay periods that are after their anniversary ate. For a person with an anniversary date in July they would only have 6 pay periods at the increased rate, but Position Budgeting factors in the increase for 26 pay periods.

For Example in FY20 we would budget the person in question at 21 pay periods at X salary, and another 5 pay periods at X salary plus 3%. Position Budgeting doesn't automatically do that split now, so it just factor in 3% increase for 26 pay periods.

When a position is open during budget season we always budget that position at the midpoint of the salary range, which may be higher than the person who left the position.

What are the new recurring costs versus new one-time costs?

Page 6 of the budget book breaks down the increases by one time versus recurring. On the sheet on Page 6 there is a line for increasing STEP by \$20,000, but that got pulled from the budget before it was sent to Council. So it is on this sheet, but is not actually a part of the budget. For the General Fund there \$899,719 in new proposed expenses, with \$717,359 being recurring and \$182,360.

What would it take to put sidewalks in where there are none?

We have approximately 9,322 LF of area that need sidewalk. That area is the residential area East of Rio Grande, and does not include properties that abut the lake. We are estimating about

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75% of that would be minimal work to install, which is \$15/LF. The other 25% we are estimating we would run into tree roots or other obstacles that would be a bit more expensive at \$40/LF. So with a small amount of rounding it would take approximately \$200,000 to put in sidewalks where there are none right now.

Discussion was had on the sidewalks and the costs for such a project. There was discussion about the width of the sidewalks and the ADA requirements. Public Works Director, Harry Ward will check this information and get back with Council, but feels that the ADA requirement for the width of a sidewalk is four (4) feet with turnarounds.

There was discussion about if there is merit in using packed gravel as opposed to concrete to complete the sidewalks. Public Works Director Ward stated that this would not comply with ADA requirements. Council then discussed how much of this work should be done this year. Some members felt getting input from the Comprehensive Plan Update Committee would be beneficial and; if warranted, this project can be added later.

With no further discussion, the review of the 2020-2021 budget resumed fund by fund. Following are the various discussions had by the Council concerning these funds.

Fund 2 - Utility Fund

City Manager Bless explained the revenue figures. The City is currently conducting a rate study. The results of the study will be presented to City Council next month, but a 3% rate increase has been built into the proposed budget. He also explained the other changes in revenue. The total revenue projected for the Utility Fund is \$4.772 Million.

City Manager Bless then went into the expense portion of the Utility Fund. What follows are the various departmental discussions had by Council.

Department 45 – Water and Sewer

Council engaged in discussion about the salary numbers. City Manager Bless and public Works Director Ward explained the increases. There was some discussion about the hiring freeze. City Manager Bless stated that the freeze had been lifted.

Department 46 – Utility Capital Projects

There was discussion about the monies not spent this year in this department. City Manager Bless explained that the West Road GST project will be postponed for a few years. Public Works Director Ward explained that a recent study reflected that this project is not needed for another two (2) years, which resulted in postponing the project.

With no further discussions on the Utility Fund, Council next reviewed the Debt Service Fund.

Fund 3 – Debt Service

Department 50 - 50

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There was discussion about what happens when our debt service is paid and how that affects the General Fund. City Manager Bless explained how this would work under the terms of the recent legislative changes concerning taxation. With this in mind, some members felt that we may need to keep a debt balance. Others felt that we should only issue debt when needed.

Fund 5 - Motel Tax Fund

There was discussion about Super 7 and when that work will be completed. City Manager Bless explained that the certificate of occupancy will be issued for Building 1 in August and the remaining certificates of occupancy will issue in September.

Fund 10 – Capital Improvement Fund

City Manager Bless explained the revenues for this fund, which include the home elevation grant monies. He also explained the expenditures along with the planned projects for the upcoming year. There was discussion about the Golf Course Reclaimed Water Project and the \$37,000 spent for engineering. There was also discussion about the monies allocated for the Golf Course Convention Center during the current fiscal year budget.

There was discussion about the gateway entrances. It looks like \$210,000 was spent over the past two years. City Manager Bless stated that \$1 Million was allocated this fiscal year and another \$1 Million for budget year 2020-2021, which will be used to finish the project.

There was discussion about when the funds from the General Fund are transferred into the Capital Improvements Fund. Finance Director Kato explained that they are transferred in August and that is why you see the negative balance.

Fund 11 – Golf Course Fund

City Manager Bless explained that we are taking a conservative budget approach with the Golf Course budget. He told the Council that we are anticipating an increase in the green fees in the coming months. There was discussion about the increase in fees as well as any revenue losses to be experienced by the Berm Project. Some wondered how long that project will delay play on the course. City Manager Bless explained that they anticipate about three (3) months. This delay was discussed. The amount of increase in fees was discussed. City Manager Bless explained that the amount of increase in the fees is not known at this time since this topic will be discussed by the Golf Course Advisory Committee who will make their recommendation.

The amount of transfer needed for this fund from the General Fund was discussed.

There was discussion about the Golf Course expenses. There was also discussion about the concessionaire contract. City Manager Bless explained that we will not go out for RFP for a new concessionaire. We will work directly with Backyard Grill.

In completing a review of all various funds, the fund summary page for the proposed 2020-2021 budget was reviewed. There was discussion about zero balances for the Golf Course Fund. City Manager Bless stated that this fund breaks even with the transfer from the General

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Fund, which results in a zero balance. Golf Course profits and General Fund transfers were discussed in detail.

In completing the line by line review of the 2020-2021 budget, City Council next reviewed the ten (10) year Capital Improvements Plan.

Capital Improvements Program (CIP)

City Manager Bless gave an overview of this program. He stated that having Public Works Director Ward on board during this budget process has been very helpful.

There was discussion by Council about the proposed street projects over the next ten (10) years. Some wondered about the condition of the streets being proposed for replacement. City Manager Bless stated that the streets listed need to be replaced. Some members wondered about the criteria that indicates the need for replacement. City Manager Bless explained how these streets are evaluated which includes a combination of age and condition. Some members wondered why Congo Street is not on the list, stating that many complaints have been received from residents for this street starting at Senate to the High School. City Manager Bless stated that Congo Street was replaced in 2011. There was discussion about the condition of streets in Jersey Village.

There was discussion about the planned projects for the coming year. Council also discussed the status of the Golf Course Convention Center Project given the bids came back much higher than anticipated and the project was placed on hold. Mayor Mitcham explained that he and Council Member Wubbenhorst recently met with Contractor Ken Kennard. Mr. Kennard is good at finding ways to cut costs, which is why he was consulted. Council Member Wubbenhorst stated that he recently did work for his church and comes very qualified. Mayor Mitcham stated that Mr. Kennard came back with the idea that to cut costs we could consider building what we currently have planned, but not finish out the second floor, which is the convention center piece. This approach does provide quite a bit of cost savings; so Council could go out for bid under this approach. Council discussed this approach. The problem is that residents use the Civic Center currently for events. The Golf Course Convention Center was to replace the Civic Center for such events currently being held in the Civic Center. Accordingly, if we do not complete the Golf Course Convention Center piece of the project, we would need to keep the Civic Center for resident use under this approach. There was also discussion about the concessions and the ability to get foods from one floor to the other under the revised approach. There was also discussion about using the HOT Funds, given that we would no longer be finishing out the convention center portion of this project. Council discussed HOT Funds and the uses for this project. Council also discussed if this project should be placed back into the CIP. After much discussion, it was the consensus of Council that this project should be delayed for further discussions in future budgets.

Council discussed the fund balance over time, taking into consideration the planned projects over the next ten (10) years.

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Council discussed the homestead exemptions and when we can budget additional increases for the exemptions. It was the consensus of Council that increasing the exemptions should not be increased in the 2020-2021 budget year, but will be revisited again at next year's retreat.

Council also discussed Senate Avenue, which is a county road. There was discussion about the City taking over responsibility of Senate Avenue given the problems that we have had dealing with the County during the recent gateway project. It would mean that the City would take on the repairs of street panels, curbs, and cross walk striping. The rest of any maintenance work is already being performed by the City. The benefit to the City of taking over this street was discussed. Some were not sure it would be beneficial.

With the discussions complete, Mayor Mitcham called on the Council Members for comments as follows:

Council Member Wasson: Council Member Wasson commended Staff for the conservative fiscal budget. It is an eye opening process. There were a few questions that were easily answered by Staff.

Council Member Holden: Council Member Holden thanked Staff for the amount of work put into this budget. He is always impressed with Staff's knowledge of every line item. He is pleased with the financial stability of the City. It goes back to good leadership. We have been able to do many things, especially during these trying times.

Council Member Warren: Council Member Warren echoes the compliments for Staff and their hard work. It is extremely impressive how the process gets better each year. The work product is extremely high quality. Overall we continue to see an approach of fiscal responsibility with a budget that balances revenues and expenses and plans for a budget surplus. Even with the pandemic, we still have a budget that produces a surplus. Encouraged that we are on track to be debt free after 2027 and able to pay for projects as we go. It will make future Councils' jobs much easier and accommodate emergencies when they arise.

Council Member Wubbenhorst: Council Member Wubbenhorst stated that this has been an extraordinary year. INCODE10 has paid for itself. He stated that we have a great City Staff. We are in good shape, both personnel and budget wise. We have a bit of a beat on the future and we are in pretty good shape. He does not see any issues with financing projects if such financing is approved by the residents in a bond election. Overall, we are in great shape.

Council Member Singleton: Council Member Singleton stated that Staff does a fantastic job. He appreciates Austin's guidance and expertise.

Mayor Mitcham: Mayor Mitcham stated that he moved to Jersey Village because it is a great community with great services. This is his last budget session and it has been an honor to work with everyone. Over the past years many things have been addressed. He listed the Comprehensive Plan, the Tax Day Flood, the COVID Pandemic and Village Center to name a few. All these things require planning and budgeting and we are in great financial shape as a

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result. He is proud to be the Mayor of Jersey Village and is honored. Thank you to all the Council Members. This is volunteer work for each of us. We always do it right in Jersey Village. Even with COVID going on we are in a good position. He thanked Staff and Council for their time and work on the 2020-2021 budget. Now our job is to put forward this budget and get feedback from residents. There will be a public hearing for input. This is a great budget given what is going on with COVID. We are still advancing public safety and infrastructure.

G. ADJOURN

There being no further business on the Agenda the meeting was adjourned at 8:40 p.m.



Lorri Coody, City Secretary