



A G E N D A

**REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD, HIGHLAND VILLAGE, TEXAS
TUESDAY, FEBRUARY 25, 2020, at 6:00 P.M.**

EARLY WORK SESSION

City Council Chambers – 6:00 P.M.

Convene Meeting in Open Session

- 1. Discuss Changing the Start Time and Schedule for Regular Meeting Dates of the City Council**
- 2. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda of February 25, 2020**

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

CLOSED SESSION

City Manager's Conference Room

- 3. Hold a closed meeting in accordance with the following sections of the Texas Government Code:
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)
(b) Section 551.074 – Personnel – Deliberate the Employment and Evaluation of the City Manager and City Secretary**

OPEN SESSION

City Council Chambers – 7:30 P.M.

- 4. Call to Order**
- 5. Prayer to be led by Councilmember Tom Heslep**
- 6. Pledge of Allegiance to the U.S. and Texas flags to be led by Councilmember Tom Heslep: *"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."***

7. **Visitor Comments** *(Anyone wishing to address the City Council must complete a Speakers' Request Form and return it to the City Secretary. In accordance with the Texas Open Meetings Act, the City Council is restricted in discussing or taking action on items not posted on the agenda. Action on your statement can only be taken at a future meeting. In order to expedite the flow of business and to provide all visitors the opportunity to speak, the Mayor may impose a three (3) minute limitation on any person addressing the City Council. A thirty (30) minute time allotment is set for this section, and the remaining speakers will be heard at the end of the Action Agenda.)*
8. **City Manager/Staff Reports**
 - **Presentation of the State of the City Address**
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**
 - **Swearing In Ceremony of Officers Brian Murphy and Michael McLaughlin**

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

CONSENT AGENDA

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

10. **Consider approval of Minutes of the Regular City Council Meeting held on February 11, 2020**
11. **Consider Resolution 2020-2872 canceling the May 2, 2020 General Election for City Officers and Declaring Unopposed Candidates Elected to Office**
12. **Receive the Investment Report for Quarter Ending December 31, 2019**

ACTION AGENDA

13. **Take action, if any, on matters discussed in closed session in accordance with the following sections of the Texas Government Code:**
 - (a) **Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on a Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)**
 - (b) **Section 551.074 – Personnel – Deliberate the Employment and Evaluation of the City Manager and City Secretary**
14. **Consider Resolution 2020-2873 awarding and authorizing a Contract with Weisinger Incorporated for the FM 407 Water Well Repair Project**

LATE WORK SESSION

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

15. 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.)
16. 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 21ST DAY OF FEBRUARY, 2020 NOT LATER THAN 5:00 P.M.



Angela Miller, City Secretary

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (972) 899-5132 or Fax (972) 317-0237 for additional information.

Removed from posting on the _____ day of _____, 2019 at
_____ am / pm by _____.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 1	MEETING DATE: 02/25/2020
SUBJECT:	Discuss Changing the Start Time and Schedule for Regular Meeting Dates of the City Council
PREPARED BY:	Angela Miller, City Secretary

COMMENTS

City Charter states Council shall have as many regular meetings as it shall deem necessary, provided it shall have at least one meeting each month to be held within the City limits. Additionally, the City Council has established by ordinance, the second and fourth Tuesdays of each month as regular meeting dates for the Council. Currently, City Council meetings are held on every second and fourth Tuesday of each month, with early work session starting at 6:00 p.m. and the regular meeting starting at 7:30 p.m.

Action by previous and current City Council members have established policies/procedures that are in place for conducting City business, and with Highland Village approaching substantial build-out, the need for formal action on policies and/or development related projects has begun to decrease, thereby raising the subject of reducing the number of meetings to only one per month. In addition, Council may also wish to consider changing the start time of regular meeting(s) to 7:00 p.m. In more recent meetings, early work session has concluded well before the 7:30 p.m. start time of the regular Council meeting.

Also, in reviewing a potential calendar for budget-related workshops and public hearings, Council would still have the option to conduct a second meeting, such as in August and September. Recent practice has been to cancel one meeting in March (Spring Break), July (depending on holiday), November and December. Thus, in effect, leaving consideration for the remaining meetings in January, February, April, May, June and October.

For reference, a draft calendar of meeting dates is attached.

**DRAFT
City Council
Meeting Dates for 2020**

Meeting Date	Notes
March 10	
April 14	
May 12	
June 23	Meeting moved to the 4 th Tuesday due to start of the Budget Process – CIP Budget submitted to Council
July 28 *	Budget Workshop – General Fund and Special Revenue Funds Present FY 2020 Mid-Year Adjustments
August 11	Budget Workshop – Utility Fund Take record vote and schedule Public Hearings
August 25	1 st Public Hearing on Proposed Budget and Tax Rate
September 8	2 nd Public Hearing on Proposed Budget and Tax Rate Adopt Tax Rate and Budget (1 st of two reads)
September 22	Adopt Tax Rate and Budget (2 nd and final read)
October 13	
November 10	
December 8	

***Note** – The benefit of waiting until the 4th Tuesday in July to begin budget workshop meetings is City staff does not receive the certified tax roll until late July.

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 9

MEETING DATE: 02/25/2020

SUBJECT: Mayor and Council Reports on Items of Community Interest

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

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

- Swearing In Ceremony of Officers Brian Murphy and Michael McLaughlin

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 10

MEETING DATE: 02/25/2020

SUBJECT: Consider Approval of Minutes of the Regular City Council Meeting held on February 11, 2020

PREPARED BY: Angela Miller, City Secretary

BACKGROUND:

Minutes are approved by a majority vote of Council at the Council meetings and listed on the Consent Agenda.

IDENTIFIED NEED/S:

Council is encouraged to call the City Secretary's Office prior to the meeting with suggested changes. Upon doing so, staff will make suggested changes and the minutes may be left on the Consent Agenda in order to contribute to a time efficient meeting. If the change is substantial in nature, a copy of the suggested change will be provided to Council for consideration prior to the vote.

OPTIONS & RESULTS:

The City Council should review and consider approval of the minutes. Council's vote and approval of the minutes reflect agreement with the accuracy of the minutes.

PROGRESS TO DATE: (if appropriate)

The City Manager has reviewed the minutes and given approval to include the minutes in this packet.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

N/A

RECOMMENDATION:

To approve the minutes of the Regular City Council meeting held on February 11, 2020.



**MINUTES OF THE REGULAR MEETING OF THE
HIGHLAND VILLAGE CITY COUNCIL
HELD AT THE HIGHLAND VILLAGE MUNICIPAL COMPLEX
1000 HIGHLAND VILLAGE ROAD
FEBRUARY 11, 2020**

EARLY WORK SESSION

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

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Nicole Corr	City Attorney
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Doug Reim	Chief of Police
	Michael Thomson	Fire Chief
	Travis Nokes	Assistant Fire Chief
	Jason Collier	Assistant Fire Chief
	Scott Kriston	Public Works Director
	Phil Lozano	Parks & Recreation Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist
	Karen McCoy	Administrative Assistant

1. Receive a Status Update on the Kids Kastle Rebuild Budget

Assistant City Manager Ken Heerman reviewed the costs included in the original agreement for the project. He then provided an overview of proposed amendments and costs, which include additional days/construction consultants for the Rebuild Project.

Parks and Recreation Director Phil Lozano provided an update on the project and reported approximately 400 volunteers have signed up for the rebuild, with additional volunteers still needed. City staff is still seeking sponsorship and donations for the project

2. Receive a Status Update regarding an IH-35E Northbound Entrance Ramp from Highland Village Road

City Manager Michael Leavitt stated the City had requested an IH-35E northbound entrance ramp from Highland Village Road approximately twenty (20) years ago. Mr. Leavitt reported Denton County Judge Andy Eads had notified staff in late January he had received confirmation from TxDOT and an estimated timeline for the a northbound entrance ramp.

3. Discussion of a Joint/Quad City Fire Training Facility located in the City of Lewisville

Fire Chief Michael Thomson reported on a proposed regional fire training facility that would be owned and maintained by the cities of Lewisville, Highland Village, The Colony, and town of Flower Mound. The proposed facility would be located in the city of Lewisville on the property of their current fire training facility, which has outlived its useful life as a training facility. Estimated cost for a new facility is \$5,000,000.

All four (4) cities would share the cost of construction and maintenance based on the size of each department. He stated this approach has been successfully modeled between other area cities and is the best use of taxpayer funds as the capital and operating costs are shared. The facility would benefit Highland Village firefighters by providing increased access to basic and advanced skills training.

Councilmember Jaworski asked if our ownership would increase if a second fire station were ever built in Highland Village. Chief Thomson stated it would, just as the other cities would as well. Councilmember Kixmiller asked about the operating costs. Chief Thomson stated operating costs would mostly include water and propane. The cities will work to develop an agreement for the facility and bring to Council for further discussion with the fiscal year 2020-2021 budget process.

4. Clarification of Consent or Action Items listed on Today's City Council Meeting Agenda of February 11, 2020

Relating to Agenda Item #17, with the update provided during Early Work Session, Mayor Wilcox asked if this item could be moved to consent. Consensus of Council was to move the item to Consent.

Early Work Session ended at 6:49 p.m.

CLOSED SESSION

5. Hold a closed meeting in accordance with the following sections of the Texas Government Code:

(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on any Regular Session or Work Session Agenda Item Requiring Confidential, Attorney/Client Advice Necessitated by the Deliberation or Discussion of Said Item (as needed)

Council did not meet in Closed Session.

OPEN SESSION

6. Call to Order

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

Roll Call

Present:	Charlotte J. Wilcox	Mayor
	Jon Kixmiller	Councilmember
	Michael Lombardo	Mayor Pro Tem
	Barbara Fleming	Deputy Mayor Pro Tem
	Tom Heslep	Councilmember
	Robert A. Fiester	Councilmember
	Daniel Jaworski	Councilmember
Staff Members:	Michael Leavitt	City Manager
	Nicole Corr	City Attorney
	Ken Heerman	Assistant City Manager
	Angela Miller	City Secretary
	Doug Reim	Chief of Police
	Michael Thomson	Fire Chief
	Scott Kriston	Public Works Director
	Phil Lozano	Parks & Recreation Director
	Laurie Mullens	Marketing & Communications Director
	Andrew Boyd	Media Specialist

7. Prayer to be led by Deputy Mayor Pro Tem Barbara Fleming

Deputy Mayor Pro Tem Barbara Fleming gave the invocation.

8. Pledge of Allegiance to the U.S. and Texas flags to be led by Deputy Mayor Pro Tem Barbara Fleming

Scout Troop #2 led the Pledge of Allegiance to the U.S. and Texas flags.

9. Visitor Comments

The following person spoke:

John Moore (155 W. Overly Drive, Lake Dallas) – Mr. Moore provided a short summary of legal services that can be provided through voluntary participation in Legal Shield

10. City Manager/Staff Reports

- **HVTV Update**

The Update informed residents of the spring break activities and programs offered by the Parks and Recreation Department and also featured TEEZ Hair Studio. Eggspress Café was featured in the Foodie Friday segment.

11. 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

Councilmember Kixmiller announced the recent passing of Mr. Fred Placke and sent condolences to his family and friends.

CONSENT AGENDA

Councilmember Kixmiller requested Agenda Item #17 be moved up to the Consent Agenda. Mayor Wilcox moved the item.

12. **Consider approval of Minutes of the Regular City Council Meeting held on January 28, 2020**
13. **Consider Ordinance 2020-1270 granting a Conditional Use Permit (CUP) for an Amusement Arcade Business to be located in an approximately 4,188 square foot area of Lot 1R, Block A, The District of Highland Village, generally known as 2630 FM 407, Suite #106 in Highland Village, Texas (2nd and final read)**
14. **Consider Resolution 2020-2870 cancelling the March 24, 2020 City Council Meeting**
15. **Receive Budget Reports for Period Ending December 31, 2019**
17. **Consider Resolution 2020-2871 authorizing an Amendment to the Professional Services Agreement with Play by Design to include additional Construction Management Resources relating to the Kids Kastle Community Build Project**

Motion by Deputy Mayor Pro Tem Fleming, seconded by Councilmember Fiester, to approve Consent Agenda Items #12 through #15, and #17. Motion carried 7-0.

ACTION AGENDA

16. **Take action, if any, on matters discussed in closed session in accordance with the following sections of the Texas Government Code:
(a) Section 551.071 – Consultation with City Attorney Concerning Pending or Contemplated Litigation and on 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
17. **Consider Resolution 2020-2871 authorizing an Amendment to the Professional Services Agreement with Play by Design to include additional Construction Management Resources relating to the Kids Kastle Community Build Project**

This item was moved 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.)

- **Upper Trinity Regional Water District (UTRWD) receives Federal Permit to build Lake Ralph Hall**

City Manager Michael Leavitt reported the UTRWD received their federal permit to build Lake Ralph Hall. The permit is the final permit needed to construct the lake. The UTRWD has worked with the US Army Corps of Engineers for nearly 15 years as they seek to meet the future water supply needs of the North Texas area. Although some member cities did not want the lake, Mr. Leavitt reported Highland Village took an active role in the project with the support of Mayors Lawrence and Costa. Construction is anticipated to begin later this year to have the lake in operation by 2025.

Mayor Wilcox suggested a future agenda item to discuss moving the start time of regular City Council meetings to 7:00 p.m. Consensus was to discuss at the next Council meeting.

19. Adjournment

Mayor Wilcox adjourned the meeting at 7:45 p.m.

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 11

MEETING DATE: 02/25/2020

SUBJECT: Consider Resolution 2020-2872 Canceling the May 2, 2020, General Election for City Officers and Declaring Unopposed Candidates Elected to Office

PREPARED BY: Angela Miller, City Secretary

BACKGROUND

On January 28, 2020, the City Council ordered a general election to be held on May 2, 2020, for the purpose of electing City Council members to Places 1 (Mayor), 2, 4, and 6. The filing deadlines for placement on the ballot and declaration of write-in candidacy have passed. The City Secretary received one application for Place 1 (Mayor), one application for Place 2, one application for Place 4 and one application for Place 6.

Pursuant to Chapter 2 of the Texas Election Code, the City Secretary shall prepare written notification that each candidate is unopposed for the election. Upon receipt of notification, the Council is authorized to adopt an order declaring each unopposed candidate elected to office and cancel the General Election. The following candidates are unopposed, and upon approval of a resolution to cancel the elections, will be declared elected to the specified offices.

Charlotte Wilcox, Place 1 (Mayor)
Jon Kixmiller, Place 2
Barbara Fleming, Place
Robert A. Fiester, Place 6

The candidates will begin their official duties on May 12, 2020.

IDENTIFIED NEED/S:

To receive certification of unopposed candidates from the City Secretary and cancel the May 2, 2020 General Election in accordance with the Texas Election Code.

OPTIONS & RESULTS:

N/A

PROGRESS TO DATE: (if appropriate)

The filing deadlines for placement on the ballot and declaration of write-in candidacy have passed and the City Secretary has received one application for each place. The City Secretary's Certification of Unopposed Candidates is included with this briefing.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

The City will realize a cost savings as a result of canceling the General Election.

RECOMMENDATION:

To approve Resolution 2020-2872.

CERTIFICATION OF UNOPPOSED CANDIDATES

STATE OF TEXAS §
 §
COUNTY OF DENTON §
 §
CITY OF HIGHLAND VILLAGE §

I, the undersigned, Angela Miller, certify that I am the City Secretary of the City of Highland Village, Texas and the authority responsible for preparing the ballots for the May 2, 2020 general municipal election. I further certify that no person has made a declaration of write-in candidacy, and all of the following candidates are unopposed:

Candidate	Office Sought
Charlotte Wilcox	Place 1 (Mayor)
Jon Kixmiller	Place 2
Barbara Fleming	Place 4
Robert A. Fiester	Place 6

Angela Miller, City Secretary
City of Highland Village, Texas

Date: _____

SEAL:

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2020-2872

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS, CANCELING THE MAY 2, 2020, GENERAL ELECTION FOR CITY OFFICERS; ORDERING THAT EACH UNOPPOSED CANDIDATE BE DECLARED ELECTED TO OFFICE; ORDERING THE POSTING OF THIS RESOLUTION AT EACH POLLING PLACE ON ELECTION DAY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on January 28, 2020, the City Council ordered a general election to be held on May 2, 2020, for the purpose of electing City Council members to Places 1 (Mayor), 2, 4 and 6 on the City Council; and

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

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

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

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

SECTION 1. Having received the certification from the City Secretary that the following candidates are unopposed in the May 2, 2020, general election, the following people are hereby declared elected to the specified offices and shall be issued a certificate of election after Election Day in accordance with the Texas Election Code.

Charlotte Wilcox, Place 1 (Mayor)
Jon Kixmiller, Place 2
Barbara Fleming, Place 4
Robert A. Fiester, Place 6

SECTION 2. The City Secretary shall post a copy of this resolution at the designated polling place on May 2, 2020, as required by the Texas Election Code.

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

PASSED AND APPROVED this the 25th day of February, 2020.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney
(kbl:2/18/2020:113923)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 12

MEETING DATE: 02/25/2020

SUBJECT: Investment Report for Quarter Ending December 31, 2019

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 September 30, 2019 through December 30, 2019 follow this briefing.

- TexPool (Texas Local Government Investment Pool, a public funds investment pool that matures January 1, 2020)
- 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 January 1, 2020)
- Independent DDA (Demand Deposit Account that matures January 1, 2020 collateralized by pledged securities held in custody by The Independent Bankers Bank)
- Independent NOW (Negotiable Order of Withdraw that matures January 1, 2020 collateralized by pledged securities held in custody by The Independent Bankers Bank)
- Southside MMA (Money Market Account that matures January 1, 2020, collateralized by pledged securities held in custody by the Federal Home Loan Bank)

- InterBank MMA (Money Market Account that matures January 1, 2020, fully insured by the Federal Deposit Insurance Corporation)
- InterBank ICS (Insured Cash Sweep that matures January 1, 2020, fully insured by the Federal Deposit Insurance Corporation)
- Wallis State Bank CD (Certificates of Deposit that matures October 25, 2019 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 24, 2020 collateralized by a letter of credit held in custody by the Federal Home Loan Bank)
- Wallis State Bank CD (Certificates of Deposit that matures April 24, 2020 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 24, 2020 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 \$19,755,523 and the ending market value on December 31, 2019 was \$23,967,335. The average yield for the quarter ending December 31, 2019 in pooled, demand deposit, negotiable order of withdrawal, and money market accounts (1.69%) is less than the six-month term treasuries. The beginning pool, demand deposit, negotiable order of withdrawal, and money market accounts invested balance at September 30, 2019 was \$15,701,089 and the ending balance at December 31, 2019 was \$20,905,281 or 87% of the City's total portfolio. The weighted average maturity of the City's portfolio at December 31, 2019 is 16 days.

The average total portfolio yield for the quarter ending December 31, 2019 was 1.82%.

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>
September 30, 2019	\$19,755,523	\$19,755,523
December 30, 2019	\$23,967,335	\$23,967,335

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



Jeff Sun
Staff Accountant

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.

RECOMMENDATION:

Council to receive the Investment Reports for the period ending December 31, 2019.



QUARTERLY INVESTMENT REPORT

For the Quarter Ended

December 31, 2019

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

Jeff Sun, Staff Accountant

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	September 30, 2019			December 31, 2019		
	Ave. Yield	Book Value	Market Value	Ave. Yield	Book Value	Market Value
MMA/NOW/Pools	2.02%	\$ 15,701,089	\$ 15,701,089	1.69%	\$ 20,905,281	\$ 20,905,281
Securities/CDs	2.77%	4,054,434	4,054,434	2.78%	3,062,054	3,062,054
Totals		\$ 19,755,523	\$ 19,755,523		\$ 23,967,335	\$ 23,967,335

Current Quarter Average Yield (1)

Total Portfolio	1.82%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
TexPool	1.66%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio	1.82%
Rolling Three Month Treasury	1.60%
Rolling Six Month Treasury	1.78%
TexPool	1.66%

Interest Earnings

Quarterly Interest	\$ 100,912	Approximate
Fiscal Year-to-Date Interest	\$ 100,912	Approximate

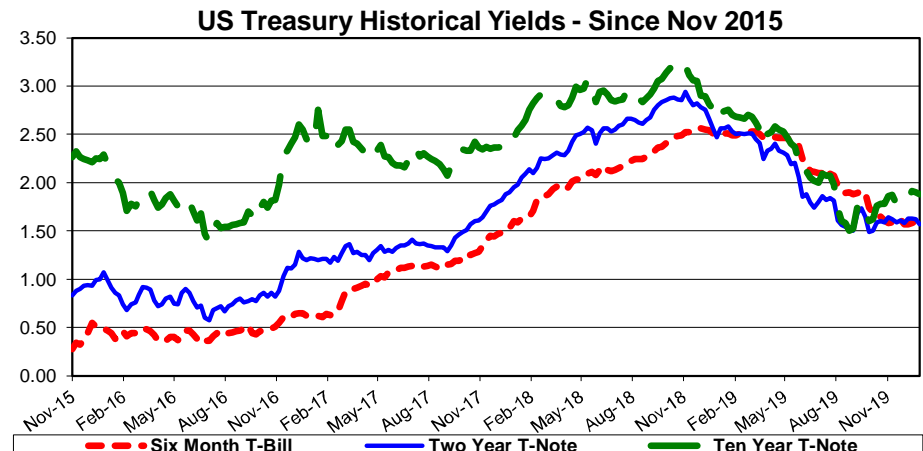
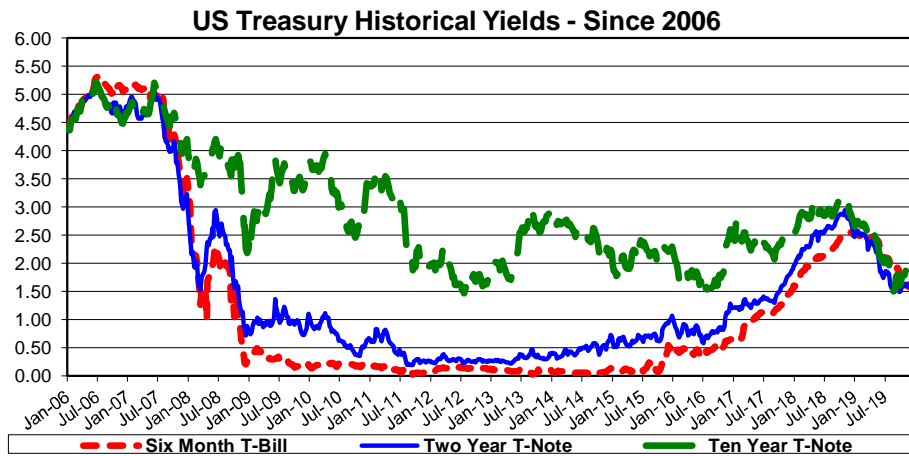
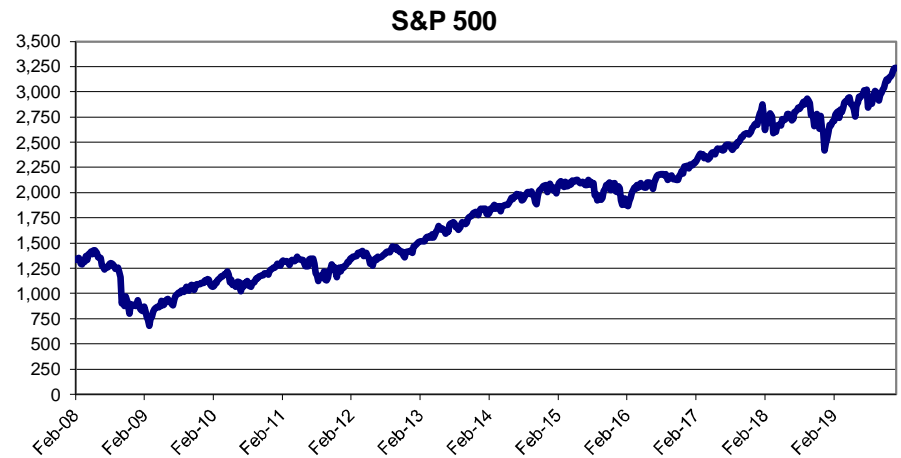
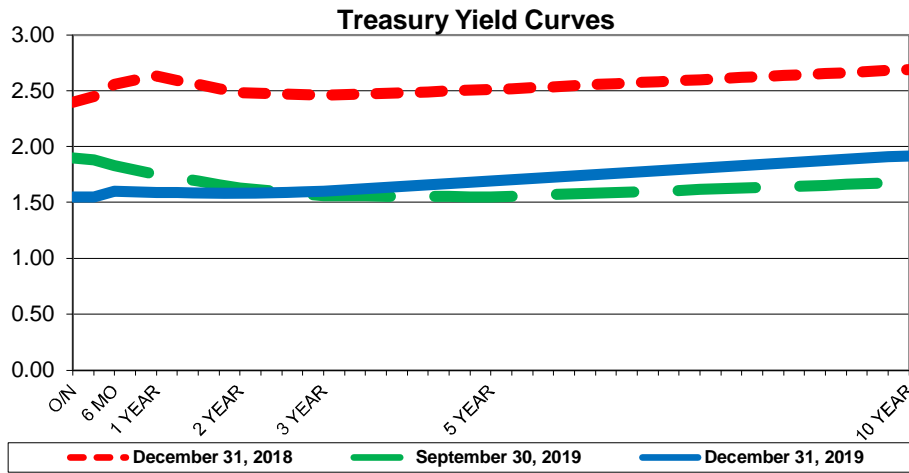
(1) **Current Quarter Average Yield** - based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) Fiscal Year-to-Date Average Yields calculated using quarter end report yields..

Economic Overview

12/31/2019

The Federal Open Market Committee (FOMC) held the Fed Funds target range at 1.50% - 1.75% (Effective Fed Funds are trading +/-1.55%). The Futures Market has reduced the probability of additional decreases until late summer/early fall 2020. Middle East turmoil had bumped crude oil over \$60, but it has retreated back below. December Non Farm Payroll rose 145,000 resulting in a three month moving average of 185,000. The Unemployed level remained at 3.5%. The Stock Markets remain at or near historic highs. Consumer spending has improved. Housing shows signs of growth. Overall economic activity remains positive, 3rd Quarter GDP was confirmed at 2.1%. The British are moving forward with Brexit. Several trade agreements are also progressing (China, North America, Japan). The Yield Curve shifted to slightly positive.



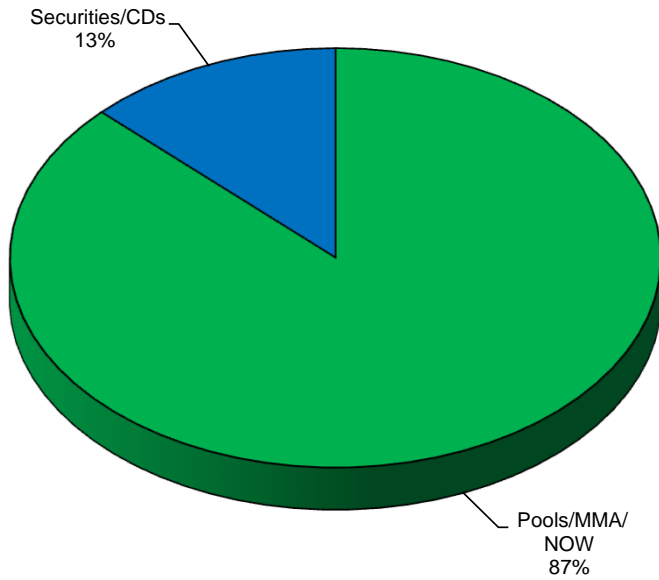
Investment Holdings
December 31, 2019

Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Original Face/ Par Value	Book Value	Market Price	Market Value	Life (days)	Yield
TexPool	AAAm	1.62%	01/01/20	12/31/19	\$ 6,839,919	\$ 6,839,919	1.00	\$ 6,839,919	1	1.62%
TexSTAR	AAAm	1.56%	01/01/20	12/31/19	4,562,169	4,562,169	1.00	4,562,169	1	1.56%
Independent DDA		0.35%	01/01/20	12/31/19	822,427	822,427	1.00	822,427	1	0.35%
Independent NOW		0.40%	01/01/20	12/31/19	6,647	6,647	1.00	6,647	1	0.40%
Southside MMA		1.80%	01/01/20	12/31/19	1,424,500	1,424,500	1.00	1,424,500	1	1.80%
InterBank MMA		1.95%	01/01/20	12/31/19	212,145	212,145	1.00	212,145	1	1.95%
InterBank ICS		1.95%	01/01/20	12/31/19	7,037,474	7,037,474	1.00	7,037,474	1	1.95%
WallisBank CD		2.74%	01/26/20	01/24/19	1,020,634	1,020,634	100.00	1,020,634	26	2.77%
WallisBank CD		2.74%	04/26/20	01/24/19	1,020,634	1,020,634	100.00	1,020,634	117	2.77%
WallisBank CD		2.76%	07/26/20	01/24/19	1,020,786	1,020,786	100.00	1,020,786	208	2.79%
					\$ 23,967,335	\$ 23,967,335		\$ 23,967,335	16	1.82%
									(1)	(2)

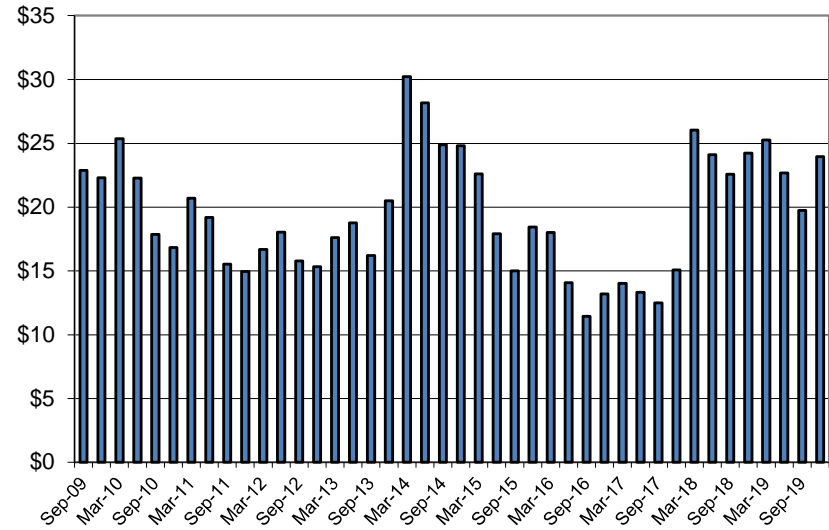
(1) **Weighted average life** - For purposes of calculating weighted average life, pool and bank account investments are assumed to have a one day maturity.

(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.

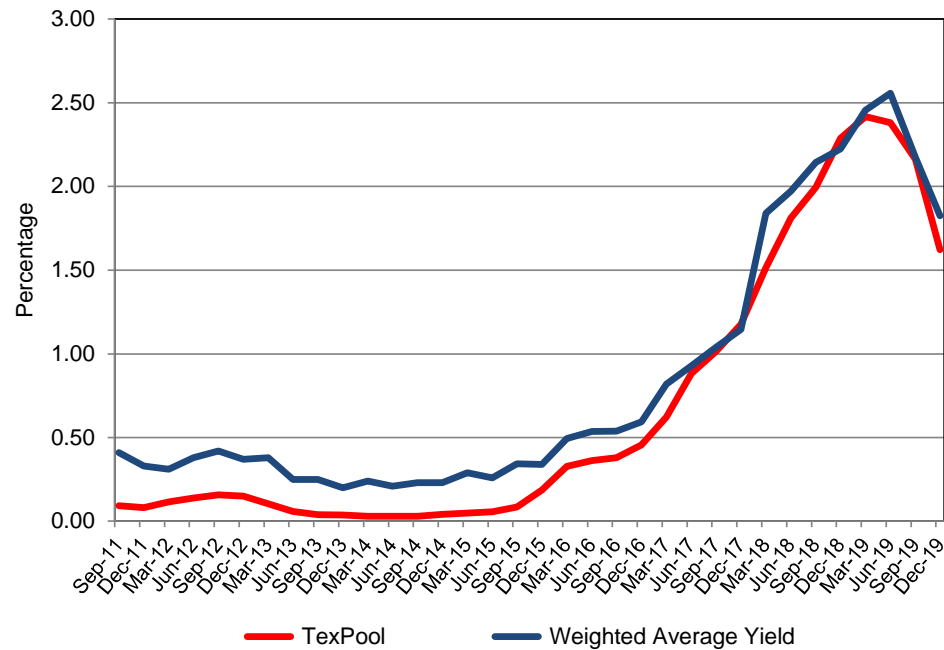
Portfolio Composition



Total Portfolio (Millions)



Total Portfolio Performance



Book & Market Value Comparison

Description	Coupon/ Discount	Maturity Date	September 30, 2019				December 31, 2019			
			Original Face/ Par Value	Book Value	Purchases/ Accretions	Amortizations/ Sales/Maturities	Original Face/ Par Value	Book Value		
TexPool	1.62%	01/01/20	\$ 3,698,319	\$ 3,698,319	\$ 3,141,601	\$ —	\$ 6,839,919	\$ 6,839,919		
TexSTAR	1.56%	01/01/20	905,520	905,520	3,656,648		4,562,169	4,562,169		
Independent DDA	0.35%	01/01/20	1,460,649	1,460,649		(638,222)	822,427	822,427		
Independent NOW	0.40%	01/01/20	6,640	6,640	7		6,647	6,647		
Southside MMA	1.80%	01/01/20	1,417,678	1,417,678	6,822		1,424,500	1,424,500		
InterBank MMA	1.95%	01/01/20	212,135	212,135	11		212,145	212,145		
InterBank ICS	1.95%	01/01/20	8,000,148	8,000,148		(962,675)	7,037,474	7,037,474		
WallisBank CD	2.70%	10/25/19	1,013,434	1,013,434		(1,013,434)	—	—		
WallisBank CD	2.74%	01/26/20	1,013,634	1,013,634	7,000		1,020,634	1,020,634		
WallisBank CD	2.74%	04/26/20	1,013,634	1,013,634	7,000		1,020,634	1,020,634		
WallisBank CD	2.76%	07/26/20	1,013,733	1,013,733	7,052		1,020,786	1,020,786		
TOTAL			\$ 19,755,523	\$ 19,755,523	\$ 6,826,142	\$ (2,614,330)	\$ 23,967,335	\$ 23,967,335		

**Allocation by Fund
December 31, 2019
Book and Market Value**

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Southside MMA	InterBank MMA	InterBank ICS
Interest & Sinking	\$ 790,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve	471,410	-	-	-	-	-	-
Operations	358,036	-	-	-	278,222	-	-
Impact Fees	1,012,294	-	-	-	44,398	-	-
2013 CO Utility Capital Projects	-	124,178	-	-	363	-	-
2018 CO Utility Capital Projects	-	565,021	-	-	-	100,166	2,242,285
Sub Total	\$ 2,631,814	\$ 689,199	\$ -	\$ -	\$ 322,983	\$ 100,166	\$ 2,242,285
General Funds							
Operations	\$ 3,589,589	\$ 3,481,493	\$ -	\$ 319	\$ 1,101,517	\$ 12,816	\$ -
Pooled Cash	-	-	822,427	-	-	-	-
Interest & Sinking	222,245	65,610	-	-	-	-	-
Drainage Utility	168,462	-	-	-	-	-	-
Sub Total	\$ 3,980,296	\$ 3,547,103	\$ 822,427	\$ 319	\$ 1,101,517	\$ 12,816	\$ -
General Capital Project Funds							
Park Development	\$ 71,373	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015 Tax Note Capital Projects	-	47,643	-	-	-	-	-
2018 GO Capital Projects	-	272,176	-	-	-	99,164	4,795,188
Sub Total	\$ 71,373	\$ 319,819	\$ -	\$ -	\$ -	\$ 99,164	\$ 4,795,188
Corp Leased Park Funds							
Corp LeasedTXDot Mitigation	\$ -	\$ 3	\$ -	\$ 6,328	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ 3	\$ -	\$ 6,328	\$ -	\$ -	\$ -
HV Community Development Funds							
Operations	\$ 156,437	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HVDCD TXDot Mitigation	-	6,044	-	-	-	-	-
Sub Total	\$ 156,437	\$ 6,044	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 6,839,919	\$ 4,562,169	\$ 822,427	\$ 6,647	\$ 1,424,500	\$ 212,145	\$ 7,037,474

**Allocation by Fund
December 31, 2019
Book and Market Value**

(Continued)

Utility Funds	Certificates of Deposit			Total	Interest
	01/24/2020	04/24/2020	07/24/2020		This Quarter
Interest & Sinking	\$ -	\$ -	\$ -	\$ 790,074	\$ 3,141
Replacement Reserve	-	-	-	471,410	2,059
Operations	-	-	-	636,258	2,896
Impact Fees	-	-	-	1,056,692	4,617
2013 CO Utility Capital Projects	-	-	-	124,540	519
2018 CO Utility Capital Projects	-	-	-	2,907,472	14,407
Sub Total	\$ -	\$ -	\$ -	\$ 5,986,447	\$ 27,639
General Funds					
Operations	1,020,634	1,020,634	1,020,786	\$ 11,247,787	\$ 41,924
Pooled Cash	-	-	-	822,427	879
Interest & Sinking	-	-	-	287,855	893
Drainage Utility	-	-	-	168,462	770
Sub Total	\$ 1,020,634	\$ 1,020,634	\$ 1,020,786	\$ 12,526,531	\$ 44,465
General Capital Project Funds					
Park Development	\$ -	\$ -	\$ -	\$ 71,373	\$ 312
2015 Tax Note Capital Projects	-	-	-	47,643	201
2018 GO Capital Projects	-	-	-	5,166,529	27,978
Sub Total	\$ -	\$ -	\$ -	\$ 5,285,544	\$ 28,491
Corp Leased Park Funds					
Corp LeasedTXDot Mitigation	\$ -	\$ -	\$ -	\$ 6,331	\$ 6
Sub Total	\$ -	\$ -	\$ -	\$ 6,331	\$ 6
HV Community Development Fun					
Operations	\$ -	\$ -	\$ -	\$ 156,437	\$ 285
HVDCD TXDot Mitigation	-	-	-	6,044	25
Sub Total	\$ -	\$ -	\$ -	\$ 162,481	\$ 311
Totals	\$ 1,020,634	\$ 1,020,634	\$ 1,020,786	\$ 23,967,335	\$ 100,912

**Allocation by Fund
September 30, 2019
Book and Market Value**

Utility Funds	TexPool	TexSTAR	Independent DDA	Independent NOW	Southside MMA	InterBank MMA	InterBank ICS
Interest & Sinking	\$ 661,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Replacement Reserve	469,351	-	-	-	-	-	-
Operations	356,472	-	-	-	276,890	-	-
Impact Fees	1,002,894	-	-	-	44,186	-	-
2013 CO Utility Capital Projects	-	119,548	-	-	361	-	-
2018 CO Utility Capital Projects	-	562,638	-	-	-	100,193	2,230,234
Sub Total	\$ 2,490,639	\$ 682,186	\$ -	\$ -	\$ 321,436	\$ 100,193	\$ 2,230,234
General Funds							
Operations	\$ 844,427	\$ 104,493	\$ -	\$ 319	\$ 1,096,242	\$ 12,750	\$ -
Pooled Cash	-	-	1,460,649	-	-	-	-
Interest & Sinking	105,837	65,333	-	-	-	-	-
Drainage Utility	180,106	-	-	-	-	-	-
Sub Total	\$ 1,130,369	\$ 169,826	\$ 1,460,649	\$ 319	\$ 1,096,242	\$ 12,750	\$ -
General Capital Project Funds							
Park Development	\$ 71,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015 Tax Note Capital Projects	-	47,442	-	-	-	-	-
2018 GO Capital Projects	-	44	-	-	-	99,191	5,769,914
Sub Total	\$ 71,061	\$ 47,486	\$ -	\$ -	\$ -	\$ 99,191	\$ 5,769,914
Corp Leased Park Funds							
Corp LeasedTXDot Mitigation	\$ -	\$ 3	\$ -	\$ 6,321	\$ -	\$ -	\$ -
Sub Total	\$ -	\$ 3	\$ -	\$ 6,321	\$ -	\$ -	\$ -
HV Community Development Funds							
Operations	\$ 6,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HVDCD TXDot Mitigation	-	6,019	-	-	-	-	-
Sub Total	\$ 6,250	\$ 6,019	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 3,698,319	\$ 905,520	\$ 1,460,649	\$ 6,640	\$ 1,417,678	\$ 212,135	\$ 8,000,148

Allocation by Fund
September 30, 2019
Book and Market Value

(Continued)

Utility Funds	Certificates of Deposit				Total	Interest
	10/25/2019	01/24/2020	04/24/2020	07/24/2020		This Quarter
Interest & Sinking	\$ -	\$ -	\$ -	\$ -	\$ 661,921	\$ 2,814
Replacement Reserve	-	-	-	-	469,351	2,642
Operations	-	-	-	-	633,362	3,643
Impact Fees	-	-	-	-	1,047,079	8,688
2013 CO Utility Capital Projects	-	-	-	-	119,909	1,011
2018 CO Utility Capital Projects	-	-	-	-	2,893,065	17,887
Sub Total	\$ -	\$ -	\$ -	\$ -	\$ 5,824,688	\$ 36,685
General Funds						
Operations	1,013,434	1,013,634	1,013,634	1,013,733	\$ 6,112,665	\$ 53,961
Pooled Cash	-	-	-	-	1,460,649	757
Interest & Sinking	-	-	-	-	171,170	1,657
Drainage Utility	-	-	-	-	180,106	1,561
Sub Total	\$ 1,013,434	\$ 1,013,634	\$ 1,013,634	\$ 1,013,733	\$ 7,924,590	\$ 57,935
General Capital Project Funds						
Park Development	\$ -	\$ -	\$ -	\$ -	\$ 71,061	\$ 400
2015 Tax Note Capital Projects	-	-	-	-	47,442	263
2018 GO Capital Projects	-	-	-	-	5,869,149	38,003
Sub Total	\$ -	\$ -	\$ -	\$ -	\$ 5,987,652	\$ 38,666
Corp Leased Park Funds						
Corp LeasedTXDot Mitigation	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 6
Sub Total	\$ -	\$ -	\$ -	\$ -	\$ 6,325	\$ 6
HV Community Development Fund						
Operations	\$ -	\$ -	\$ -	\$ -	\$ 6,250	\$ 3
HVDCD TXDot Mitigation	-	-	-	-	6,019	33
Sub Total	\$ -	\$ -	\$ -	\$ -	\$ 12,268	\$ 37
Totals	\$ 1,013,434	\$ 1,013,634	\$ 1,013,634	\$ 1,013,733	\$ 19,755,523	\$ 133,330

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 14	MEETING DATE: 02/25/2020
SUBJECT:	Consider Resolution 2020-2873 awarding and authorizing a contract with Weisinger Incorporated for the FM407 Water Well Repair Project
PREPARED BY:	Scott Kriston, Director of Public Works

BACKGROUND:

On July 16, 2019, the City's FM407 well, located in the 2000 block of Justin Road, was taken out of service. The FM407 well, when operating at full capacity produced. 1,000 Gallons Per Minute (GPM). After troubleshooting the well, City staff and consultants determined that the FM407 well had reached the end of its useful life.

On October 10, 2019, the Council ratified the City Manager's acts in spending \$65,000 as an emergency expenditure relating to the FM407 well failure.

On December 10, 2019, the Council received an update on the status of the City's five water wells.

On January 14, 2020, the Council received a presentation outlining three options relating to the repair or replacement of the FM407 well. Staff received direction from Council to move forward with repairing the FM407 well, acknowledging that the well will yield less water than when the well was operating in its full capacity condition. It is anticipated to have a yield of 600GPM after the proposed repair.

The City solicited quotes from three vendors for the repair project. The quote total for each responsive vendor is provided below:

Layne Christensen Co.	Weisinger Inc.	Alsay Inc.
\$169,411.00	\$166,985.00	Non-responsive

The lowest responsive repair quote is from Weisinger Inc. with a total quote in the amount of \$166,985.00. This quote is considered a very good quote. Weisinger Inc. has completed several projects in the City, and they have sufficient resources to complete this well repair project.

The proposed well repair will consist of:

- Installing a repair liner to cover the hole in the existing well casing.



-
- Install new screen with a new casing pipe inside the existing well casing pipe.
- Install a new gravel pack from screen to ground level.
- Install an epoxy coating on the new casing pipe up to 100 feet above the repair liner.

The contractor is prepared to mobilize March 1st to begin the repair and anticipates having the FM407 well back in full service by May 30th. The City's summer peak demand is in the July/August timeframe.

IDENTIFIED NEED/S:

The City of Highland Village needs to make repairs to the FM407 water well.

OPTIONS & RESULTS:

The FM407 water well provides a portion of the City's potable water supply. Failing to repair the well could result in a shortage of available potable water supply during the summer peak usage period when the wells are used to subsidize water purchased from the UTMWD.

PROGRESS TO DATE: (if appropriate)

Contractors' quotes for the repair project have been received and evaluated.

BUDGETARY IMPACT/ORDINANCE CHANGE: (if appropriate)

Funding through the Utility Fund.

RECOMMENDATION:

To approve Resolution 2020-2873.

CITY OF HIGHLAND VILLAGE, TEXAS

RESOLUTION NO. 2020-2873

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HIGHLAND VILLAGE, TEXAS AWARDED AND AUTHORIZING A CONTRACT WITH WEISINGER INCORPORATED FOR THE FM 407 WATER WELL REPAIR PROJECT; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, City administration, having solicited, received, and reviewed bids for the FM407 Water Well Repair Project (“the Project”), has determined that Weisinger Inc. has submitted the lowest responsive bid in an amount of \$166,985.00 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

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 negotiate and execute a contract with Weisinger Inc. in the amount of \$166,985.00 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 25th DAY OF FEBRUARY 2020.

APPROVED:

Charlotte J. Wilcox, Mayor

ATTEST:

Angela Miller, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Kevin B. Laughlin, City Attorney

(kbl:2/20/2020:113987)

CITY OF HIGHLAND VILLAGE
COUNCIL BRIEFING

AGENDA# 15

MEETING DATE: 02/25/2020

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

PREPARED BY: Karen McCoy, Executive Assistant

COMMENTS

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



UPCOMING EVENTS

February 25, 2020	Regular City Council Meeting - 7:30 pm
March 5, 2020	Zoning Board of Adjustment Meeting - 6:00 pm
March 10, 2020	Regular City Council Meeting - 7:30 pm
March 16, 2020	Parks & Recreation Advisory Board Meeting - 6:00 pm
March 17, 2020	Planning & Zoning Commission Meeting – 7:00 pm
March 24, 2020	Regular City Council Meeting - 7:30 pm (CANCELLED)
April 2, 2020	Zoning Board of Adjustment Meeting - 6:00 pm
April 14, 2020	Regular City Council Meeting - 7:30 pm
April 20, 2020	Parks & Recreation Advisory Board Meeting - 6:00 pm
April 21, 2020	Planning & Zoning Commission Meeting – 7:00 pm
April 28, 2020	Regular City Council Meeting - 7:30 pm
May 7, 2020	Zoning Board of Adjustment Meeting - 6:00 pm
May 12, 2020	Regular City Council Meeting - 7:30 pm

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

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