

CITY COUNCIL AGENDA

June 1, 2020

6:00 P.M. Workshop

7:00 P.M. Meeting

New Fairview City Hall

999 Illinois Ln.

New Fairview TX 76078

AGENDA

1. WORKSHOP:

A. Review Agenda

2. CALL MEETING TO ORDER:

3. ROLL CALL:

4. PLEDGE TO FLAGS

1. United States of America

2. Texas Flag

Honor the Texas Flag, I pledge allegiance to thee, Texas, one state under God, one and indivisible

5. CONSENT AGENDA:

All matters listed as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

A. Approve minutes for May 4, 2020

B. Approve to extend the application for Pioneer Ranch preliminary plat till the next monthly meeting in July.

C. Approve to extend the application for Pioneer Ranch final plat till the next monthly meeting in July.

6. OPEN FORUM

The City Council invites persons with comments or observations related to city issues, projects, or policies to briefly address the City Council. Anyone wishing to speak should sign-in with the City Secretary before the beginning of the City Council Meeting. In order to expedite the flow of business and to provide all citizens the opportunity to speak, there is a three-minute limitation on any person addressing the City Council. State law prohibits the City Council from discussing or taking action on any item not listed on the posted agenda.

7. NEW BUSINESS:

A. Discuss, consider and act on Development Agreement with Dove Hollow Development, LLC concerning the development of approximately 140.246 acres of land for the Dove Hollow development.

B. Discuss presentation of monthly financial report through April 30, 2020

C. Discuss, consider and act on approving a Resolution adopting an Employee Policy and Procedure Manual

D. Discuss, consider and act on approving a Resolution adopting a Pay Plan

E. Discuss, consider and act on approving a Resolution adopting a Council Procedures and Decorum Policy

F. Discuss, consider and act on approving a Resolution adopting an Investment Policy.

G. Discuss future agenda items

8. EXECUTIVE SESSION

Advice from City Attorney: Pursuant to Sec. 551.071 of the Texas Government Code, the Board of Aldermen reserves the right to convene in Executive Sessions(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

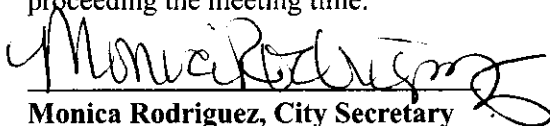
A. Personnel Matters

Pursuant to Sec. 551.074, deliberation regarding the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee.

- Evaluation of City Secretary

9. ADJOURN:

I, the undersigned authority, do hereby certify the above notice of the meeting of the City Council of New Fairview, is a true and correct copy of the said notice that I posted on the official posting place at New Fairview City Hall, FM 407, New Fairview, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 29th day of May 2020 at 7:00 PM at least 72 hours proceeding the meeting time.


Monica Rodriguez, City Secretary

SEAL:

This facility is wheelchair 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 at city hall 817-638-5366 or fax 817-638-5369 or by email at citysecretary@newfairview.org for further information.

CITY COUNCIL MINUTES

May 4, 2020

7:00 P.M.

New Fairview City Hall

999 Illinois Ln.

New Fairview TX 76078

MINUTES

STATE OF TEXAS

COUNTY OF WISE

CITY OF NEW FAIRVIEW

THE CITY COUNCIL CONVENED INTO A CITY COUNCIL MEETING , THE SAME BEING OPEN TO THE PUBLIC, THE 4th DAY OF MARCH 2020 IN THE NEW FAIRVIEW CITY HALL AND NOTICE OF SAID MEETING GIVING THE TIME, PLACE AND SUBJECT THEREFORE HAVING BEEN POSTED AS PRESCRIBED BY ARTICLE 5 OF THE TEXAS GOVERNMENTAL CODE, WITH THE FOLLOWING MEMBERS PRESENT:

Pursuant to Section 551.071 of the Texas Government Code, the Council may convene into Executive Session(s) from time to time as deemed necessary during the meeting for any posted agenda item and may receive advice from its attorney as permitted by law.

CITY COUNCIL

Mayor Joe Max Wilson

Mayor Pro Tem Scott Johnson

Councilwoman Rebecca McPherson

Councilman Charlie Stumm

Councilman William Payne

PRESENT

City Manager Allen Guard

City Secretary Monica Rodriguez

City Clerk Brooke Boller

City Attorney Bradley Anderle

City Engineer Ryley Paroulek

ITEM NUMBER 1. VIDEO CONFERENCE

A. This City Council Meeting will be held via Videoconference. The City Council will participate remotely via videoconference. The facility will not be open to the public. Members of the public are entitled to participate remotely via broadcast through Cisco Webex at the following URL location.

<https://meetingsamer11.webex.com/join/cnfclerks>

Instructions on how to change the settings within the meeting app to call in are below. Please note that if you do not call in through the Cisco Webex app with the Access Code and Attendance ID you will only be able to hear the meeting and will not be able participate. It is highly recommended that everyone follows the instructions attached. We will still be streaming the meeting so that everyone will have a visual as well.

Calling in using a computer and telephone
Calling in using an Android device
Calling In using an Apple device

Access Code: 298-437-804

ITEM NUMBER 2. CALL TO ORDER:

Mayor Wilson called the meeting to order at 7:13 PM

ITEM NUMBER 3. ROLL CALL:

Roll call with the above-mentioned names present

ITEM NUMBER 4. EXECUTIVE SESSION

Advice from City Attorney: Pursuant to Sec. 551.071 of the Texas Government Code, the Board of Aldermen reserves the right to convene in Executive Sessions(s), from time to time as deemed necessary during this meeting for any posted agenda item, to receive advice from its attorney as permitted by law.

ITEM NUMBER 5. CONSENT AGENDA:

All matters listed as Consent Agenda are considered to be routine by the City Council and will be enacted by one motion. There will not be a separate discussion of these items. If discussion is desired, that item will be removed from the consent agenda and will be considered separately.

A. Approve minutes for April 20,2020

B. Approve letter agreement concerning development agreement for Constellation Lake

C. Discuss, consider and act to extend the application for Pioneer Ranch preliminary plat till the next monthly meeting in June.

D. Discuss, consider and act to extend the application for Pioneer Ranch final plat till our next monthly meeting in June.

Councilman Stumm made a motion to approve the minutes. Motion seconded by Councilwoman Rebecca McPherson seconds. Motion passed unanimously. All in favor – all topics pass.

ITEM NUMBER 6. OPEN FORUM

The City Council invites persons with comments or observations related to city issues, projects, or policies to briefly address the City Council. Anyone wishing to speak should sign-in with the City Secretary before the beginning of the City Council Meeting. In order to expedite the flow of business and to provide all citizens the opportunity to speak, there is a three-minute limitation on any person addressing the City Council. State law prohibits the City Council from discussing or taking action on any item not listed on the posted agenda.

A. No items were presented for Open Forum

ITEM NUMBER 7. NEW BUSINESS:

A. Discuss, consider and act on Presentation on street conditions and recommendations for repair.

Ryley Paroulek of Pacheco Koch with a presentation of street conditions and recommendations for repair. This is the report he spoke about before. he checked Chisholm Hills, Montana Court. Most are in extremely poor condition. The recommendation with the matrix has the existing conditions, the traffic and weighed in the cost for each road. It is now very poor asphalt and no bar ditches so the water runs along the road and washes out the road. This moisture is a big issue in this area. When he went it had just rained so he could see the drainage issues. It stays wet. These ditches do not drain. A lot of them are full of debris which causes a lot of the issues. With the trucks and garbage trucks are making the roads worse which is why a lot of these roads are not going to be patch jobs they need to be torn down with a new base material and a completely new surface with ditch work.

Some of the roads just need new surface repavement and fix the base which is a bit cheaper.

How to pay for this? Listed are four different pay methods.

The first one is a complete new road

The second is just re paving and some fixing of the base and ditch.

The third tier is the base is intact they more just need maintenance.

The fourth is the road is passable but needs maintenance to keep it as such so it doesn't need a new road five years from now.

Tier five is no repair needed at all.

This matrix starts with Wilson Court which needs a new overhaul because the school busses will not even go down the road. It is clearly at Tier one.

Many of the roads that are very poor in Chisholm do not have high traffic so the roads with high traffic would be most important.

Not every single road needs the entire road repaired. Hilltop and Wilson court is the worst intersection it has a lot of traffic.

Twenty five sections of road need to be repaired.

The costs include a 20% markup for anything that may be missed. The totals are rough estimates and could go up or down depending.

Please see the presentation handout for a list of roads and what their rating is at this point.

The Annual street program was put together with the help of Allen Guard and it basically states the city can decide which road or roads to be repaired each year to alleviate the full cost at one time. It has been split up into a three and four year plan.

For instance the city can take care of 8-10 roads the first year and then the less damaged roads could be completed the second year and so on.

Councilman Stumm states the presentation is a very good one but he would like to see a map or sketch identifying the roads and labeled them so everyone can see which roads would be completed first.

The total cost of the program is about 2.5 million but this could actually be lower. The city could have a 10 or 15 year payment plan.

The gravel roads at Fairview Meadows are in good shape and have a good base.

B. Discuss, consider and act on Ordinance No. 2020-11-101 adopting a residential homestead exemption for property owners who are disabled veteran or the surviving spouse of a deceased veteran in accordance with the Texas Tax Code.

Bradley created these Ordinances, but the council needs to approve them one at a time.

The city does not have a homestead exemption. At this point the city only has a freeze on the 65 and over.

The only city in Wise County with Homestead is Runaway Bay.

With a Veteran exemption they may be able to apply for two.

Councilman Stumm makes a motion to approve Ordinance No. 2020-11-101 adopting a residential homestead exemption for property owners who are disabled veteran or the surviving spouse of a deceased veteran in accordance with the Texas Tax Code.

Motion seconded by Councilman Payne. Motion passed unanimously.

- C. Discuss, consider and act on Ordinance No. 2020-12-102 adopting a residential homestead exemption for property owners who qualify for disability benefits under the Federal Old Age, Survivors and Disability Insurance Program in Accordance with the Texas Tax Code.**

Mayor Pro Tem Scott Johnson makes a motion to approve Ordinance No. 2020-12-102 adopting a residential homestead exemption for property owners who qualify for disability benefits under the Federal Old Age, Survivors and Disability Insurance Program in Accordance with the Texas Tax Code. Motion seconded by Councilman Stumm. Motion passed unanimously. All in Favor.

- D. Discuss, consider and act on Ordinance No. 2020-13-103 adopting a residential homestead exemption for property owners who are 65 or older in accordance with the Texas Tax Code.**

This will have a \$10,000 reduction.

Councilman Stumm makes a motion to approve Ordinance No. 2020-13-103 adopting a residential homestead exemption for property owners who are 65 or older in accordance with the Texas Tax Code. Motion seconded by Councilwoman Rebecca McPherson. Motion passed unanimously. , all in favor.

- E. Discuss, consider and act on moving forward with a city initiated zoning amendment for that certain 129.494 acre tract or parcel of land situated in the Smith CSL Survey, Abstract No. 744 and the F.W. Thornbug Survey, Abstract No. 853, Wise County, Texas, being generally located south of FM 407 and east of Pioneer Road and planned to be the Pioneer Estates development.**

Related to the issue with gas wells.

Bradley has handled all the communications on this. Pioneer Estates. There are still some issues with the gas wells and this request was brought back. The Council would need to zone the property for residential. Mayor Pro Tem Scott Johnson asks if the council would have a say after the zoning. This would just apply to the PZ to determine what the restrictions would be. Bradley suggests a public hearing and tonight the council just needs to give permission for Bradley and Allen to move forward.

To allow houses to be built up to 200 ft of a gas well.

Bradley states on the legal side he does not see a downside.

If it is adopted it will stay adopted until council changes it.

Councilwoman McPherson makes a motion to move forward, Mayor Pro Tem seconds, all in favor.

- F. Discuss, consider and act to approve an agreement with SAFEbuilt of Loveland, Co to perform the building inspection services and authorize the interim city administrator to sign the agreement.**

Allen explains that with all the new housing editions, Jim Estep will need a lot of assistance in doing building inspections. And part of our agreement with Constellation Lakes is to have enough inspectors to keep up with their construction. Allen and Jim looked at three proposals and created a matrix to determine the best company and clearly SAFEbuilt was the best and has gotten a five. Estep has recommended SAFEbuilt and he has worked with all three of the companies they received quotes from. SAFEbuilt has a main office in Loveland Colorado but they have offices all over the country. Mayor Wilson stated all three got above a 4 on the rating system and he would like to know if any of them are local. Allen stated the other companies sometimes do "drive bys" and charge a base fee on top of the inspection fee and so SAFEbuilt has better rates.

Estep is close to retiring but he can supervise others in the inspections.

SAFEbuilt representative Lee stated he has an office in Fort Worth and has 32 local employees and New Fairview is in their wheelhouse and they can give the city the attention they need and deserve.

The inspectors fees come right out of the building fees.

Councilman Stumm makes a motion to approve agreement with SAFEbuilt. Motion seconded by Councilwoman McPherson. Motion passed unanimously. All in favor.

G. Discuss, consider and act to approve an agreement with William Spore to perform the audit of City financial information from September 30, 2015 through September 30, 2019.

Councilman Stumm states he does not think they need to discuss because this audit needs to happen for transparency.

Allen states William Spore has done financial audits for Pilot Point, Roanoke and Lewisville. He should be available by June 1 and finish in time to do the 2020 audit. This would get the city all caught up.

Audits have been on the agenda for 8 months or so.

Councilwoman McPherson makes a motion to hire William Spore to perform the audit of City financial information from September 30, 2015 through September 30, 2019.

Motion seconded by Councilman Stumm. Motion passed unanimously. All in favor.

H. Discuss, consider and act to approve a Resolution adopting a Council Procedures and Decorum Policy.

Postponed until the Council Retreat

I. Discuss, consider and act to approve a Resolution adopting a Pay Plan.

Allen took an average of other comparable cities to create a pay plan for the employees. Monica would be at a Step 5 and Brooke at Step 2.

Salary schedule which could be used for budgeting.

Councilwoman McPherson makes a motion to Postponed until June 1st so that the council can research further. Motion seconded by Councilman Stumm. Motion passed unanimously. All in favor.

J. Discuss and consider on presentation of monthly financial report through March 31, 2020

Allen states the year to date revenue is \$732,848. Most of which is property tax. The revenue is very good.

Legal services are the bulk of the expenditures.

At the end of march we had \$462,496 when the year started at \$67,000.

Allen says if you have any questions about the budget come see him and bring donuts.

No action.

ITEM NUMBER 8. ADJOURN:

Councilwoman McPherson made a motion to adjourn the meeting at 8:45PM. Motion seconded by Councilman Payne. Motion passed unanimously.

APPROVED:

Mayor Joe Max Wilson

Mayor Pro Tem Scott Johnson

Councilman Rick White

Councilwoman Rebecca McPherson

Councilman Charlie Stumm

Councilman William Payne

ATTEST

City Secretary Monica Rodriguez



City Council Agenda June 1, 2020

Agenda Item: 7A Development Agreement (Action Item)

Agenda Description:

Discuss, consider and act on Development Agreement with Dove Hollow Development, LLC concerning the development of approximately 140.246 acres of land for the Dove Hollow development.

Background Information:

The owner of approximately 320.025 acres of property on the east side of the City of New Fairview has proposed to enter into a development agreement with the City to specify terms for the development of the approximately 140.246 acres of land that are currently within the City's ETJ. The development agreement proposes the annexation of the property into the City and proposes development regulations that would apply to this particular property.

On May 4, 2020, the owner of the property submitted a petition for annexation of the property into the City and for zoning of the property. On May 18, 2020, the City called a public hearing to consider the annexation and zoning of the property on June 15, 2020. The execution of this agreement is a pre-requisite for moving forward with the annexation and zoning of the property.

This agreement was modeled after the development agreement for Constellation Lake, except there is no PID anticipated as a part of this development. This agreement requires that all lots be a minimum of 1 acre and to be developed in accordance with the same development regulations that you approved for the 1 acre lots that are a part of the Constellation Lake development. There is a minimum lot width of 100 feet and a minimum lot depth of 200 feet. The setback requirements are 50 feet front yard, 10 feet side yard, 20 feet rear yard. Corner lots have a side yard setback of 30 feet. The minimum square footage requirement for a dwelling is 2,400 sq. feet, and the maximum lot coverage is 40%. The main structure maximum height is 40 feet, and the accessory structure maximum height is 14 feet. The minimum roof pitch is 6/12.

The concept plan shows the proposed development of the entire 320 acres, but the property that is currently affected by this agreement would contain Phase 1 and Phase 2 as shown on the concept plan. The concept plan for the development shows lots fronting on South County Line Road and

Dove Hollow Lane, similar to the 1 acre lots in Constellation Lake, with the intention of minimizing the number of driveways by providing shared driveways as often as possible. There are no sidewalks or trails required by this agreement, and there are no anticipated parkland or amenities as a part of this development.

The roads in the development will be made of concrete, and they will be curb and gutter. This development will be served with water by Aqua Texas, and sewer will be provided by individual on-site sanitary sewer systems.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Staff recommends approval of the development agreement for the Dove Hollow development.

Attachments:

Development Agreement

EXHIBIT A
METES AND BOUNDS DESCRIPTION OF PROPERTY

All that certain lot, tract, or parcel of land, situated in a portion of the James C. Jack Survey, Abstract No. 679, Denton County, Texas, being part of that certain called 322.98 acre tract described in a deed to SEF Holdings, Ltd. recorded in Instrument No. 2015-100230 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

BEGINNING at a railroad spike found for the Northwest corner of said 322.98 acre tract, the Southwest corner of a called 723.822 acre tract described in a deed to Royal Crest Properties, LLC recorded in Instrument No. 2017-121257 (DRDCT), being the recognized Northwest corner of said James C. Jack Survey, the recognized Southwest corner of Robert A. Walker Survey, Abstract No. 1392, and being in the recognized East line of the Green B. Buchanan Survey, Abstract No. 32, said point also being at the intersection of South County Line Road and Dove Hollow Lane;

THENCE South 89 deg. 50 min. 15 sec. East along the North line of said 322.98 acre tract, the South line of said 723.822 acre tract, the recognized North line of said James C. Jack Survey, and the recognized South line of said Robert A. Walker Survey, a distance of 1,215.91 feet;

THENCE South 00 deg. 06 min. 41 sec. West departing said North and South lines, a distance of 3,537.20 feet to a Point of Curvature of a non-tangent circular curve to the right, having a radius of 2,640.00 feet, a central angle of 56 deg. 22 min. 29 sec., and being subtended by a chord which bears South 28 deg. 12 min. 06 sec. West - 2,494.05 feet;

THENCE in a southwesterly direction along said curve to the right, a distance of 2,597.57 feet to the West line of a called 1.789 acre right-of-way dedication for South County Line Road recorded in a deed to Denton County, Texas recorded in Instrument No. 2018-30901 (DRDCT);

THENCE in a northerly direction along the East line of said 1.789 acre tract the following six (6) courses;

North 00 deg. 32 min. 58 sec. East, a distance of 535.12 feet to a 5/8" capped iron rod found stamped "TNP" for a Point of Curvature of a circular curve to the left, having a radius of 2,530.00 feet, a central angle of 0 deg. 59 min. 35 sec., and being subtended by a chord which bears North 00 deg. 03 min. 11 sec. East - 43.85 feet;

Continue in a northerly direction along said curve to the left, a distance of 43.85 feet to a 5/8" capped iron rod found stamped "TNP";

North 00 deg. 26 min. 37 sec. West tangent to said curve, a distance of 204.37 feet to a 5/8" iron rod found;

North 02 deg. 25 min. 07 sec. East, a distance of 100.12 feet to a 5/8" capped iron rod found stamped "TNP";

North 00 deg. 26 min. 37 sec. West, a distance of 325.85 feet;

North 00 deg. 15 min. 33 sec. East, a distance of 179.87 feet to a 5/8" capped iron rod found stamped "TNP" for the most northerly corner of said 1.789 acre tract and being in the East line of a called 0.495 acre right-of-way dedication described in a deed to Denton County, Texas recorded in Instrument No. 2016-95239 (DRDCT);

THENCE in a northerly direction along the East line of said 0.495 acre tract the following five (5) courses;

North 22 deg. 8 min. 51 sec. East, a distance of 38.15 feet;

North 0 deg. 20 min. 46 sec. East, a distance of 150.00 feet to a 5/8" capped iron rod found stamped "TNP";

North 21 deg. 26 min. 19 sec. West, a distance of 53.85 feet to a 5/8" iron rod found "bent";

North 0 deg. 20 min. 46 sec. East, a distance of 21.44 feet to a 5/8" iron rod found;

North 01 deg. 35 min. 51 sec. West, a distance of 50.03 feet to a 5/8" iron rod found "bent" for the Northeast corner of said 0.495 acre tract;

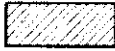
THENCE North 89 deg. 55 min. 32 sec. West along the North line of said 0.495 acre tract, a distance of 28.50 feet to the West line of said 322.98 acre tract and the approximate centerline of said South County Line Road;

THENCE North 0 deg. 15 min. 48 sec. East along said West line and centerline, a distance of 391.10 feet to a P.K. nail set with washer at a previously found railroad spike now obliterated;

THENCE North 0 deg. 3 min. 54 sec. West along said West line and centerline, a distance of 3,651.53 feet to the **POINT OF BEGINNING**, containing 6,109,122 square feet or 140.246 acres of land, more or less.

Bearings are referenced to Texas State Plane Coordinate System, North Central Zone (4202), North American Datum of 1983 as derived from GPS observation.

EXHIBIT B
MAP OF PROPERTY



= NEW FAIRVIEW C.T.J.

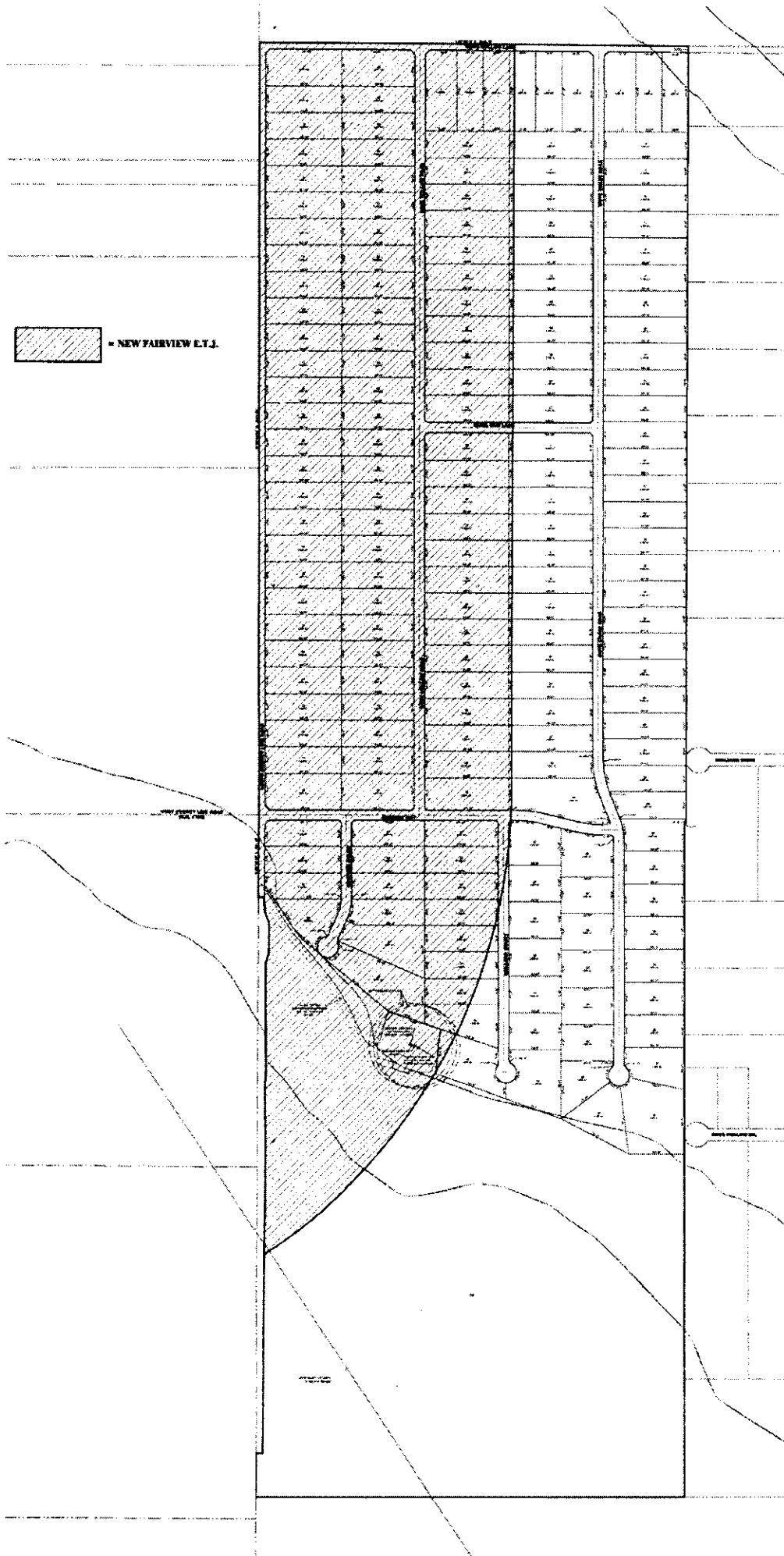


EXHIBIT C
SUBDIVISION REGULATIONS

The City's Subdivision Regulations, consisting of Ordinance No. 1996-01-005, as amended by Ordinance No. 2001-11-0071, Ordinance No. 2001-12-0072, and Ordinance No. 2011-03-161 (the "Subdivision Regulations") apply, except as modified by the Agreement and as follows:

1. Owner will submit preliminary plats for the Property that are in substantial conformance with the Concept Plan attached as Exhibit G.
2. Owner may submit final plats for the Property in phases. Submittal of a final plat for a portion of the Property will extend the preliminary plat for two years.
3. Owner shall cause contractors to submit maintenance bonds to the City for roads and appurtenant drainage infrastructure dedicated to the City. No other maintenance bonds are required.
4. City regulations do not apply to the provision of water and wastewater service by Aqua Texas, Inc. or CCN-holder or to the design and construction of water and wastewater infrastructure to serve the Property, unless the City is the CCN-holder.
5. Traffic study is not required in connection with platting of Property.

EXHIBIT D
DEVELOPMENT STANDARDS

A. Land Use and Development Regulations: Single-Family Residential

1. Permitted uses in Single-Family Residential areas shown on the Concept Plan:
 - a. Detached single-family residential dwellings and accessory structures
 - b. Athletic fields (noncommercial)
 - c. Marketing and sales centers associated with the development of the Property
 - d. Temporary construction offices and storage yards associated with development of the Property
 - e. Home occupations
 - f. Parks, playgrounds, trails, swimming pools, and other forms of improved and unimproved open space
 - g. Recreation centers, pools
 - h. Communication towers and related facilities
 - i. Temporary concrete or asphalt batch plants associated with development of the Property
 - j. Agricultural uses
 - k. Drilling and production of natural gas – if any gas well site shown on the Concept Plan is abandoned, such area may be used for any permitted use.

2. Development standards for detached single-family residences with on-site septic systems:

Minimum Lot Size and Dimensions	
Lot Area (sq. ft.)	43,560
Lot Width (feet)	100
Lot width of corner Lots (feet)	120
Lot Depth (feet)	200
Dwelling Minimum Square Footage	2,400
Yard Requirements	
Front Yard minimum (feet)	50
Side Yard minimum (feet)	10
Side Yard of Corner Lots minimum (feet)	30
Rear Yard minimum (feet)	20
Rear Yard Double Front Lots minimum (feet)	20
Maximum Lot Coverage	40%
House Requirements	
Main structure maximum height (feet)	40
Accessory structure maximum height (feet)	14
Roof pitch minimum	6/12
Driveways	See Attachment 1

3. Conditions for Single-Family Residential Development

- a. Three-tab roofing shall not be permitted.
- b. No alleys shall be required and garage doors may face the street.
- c. No Sidewalks nor hike and bike trails shall be installed.
- d. No tree ordinance shall apply. Each builder shall plant or preserve a minimum of three three-inch trees on each lot.
- e. All lot purchasers will be required by deed to be members of a homeowners' association.
- f. Accessory buildings may be metal on a concrete slab.
- g. Parking shall be in accordance with the parking table attached as Attachment 2.
- h. Fence requirements: No fence requirements apply.

B. Sign Regulations

1. Signage. All signage provided on the Property shall conform to the standards defined below. If the City has one or more sign regulations that are more permissive than the standards, set out below, Owner may elect to comply with such City regulation.

2. Development Main Identification. Development Main Identification signs shall be constructed as a permanent monument sign and serve the purpose of identification of both residential and commercial land uses within the overall development.

(a) Number and Location. A maximum of one sign shall be permitted at each main entry to the development located adjacent to an arterial or collector thoroughfare. The specific locations of each sign shall be subject to approval of a Master Sign Plan, such approval not to be unreasonably withheld.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of 30 square feet shall be permitted for each sign face. If a decorative background element such as tile, stucco, masonry or other building materials is used, the maximum sign face area for such decorative treatment may be expanded 24 inches measured from the sign face area in each cardinal direction.

(d) Maximum Height. The sign shall not exceed 8 feet from average finished grade.

(e) Time Period. Development Main Identification signs are intended to be permanent in nature and shall be allowed for the life of the development.

3. Neighborhood Identification. Neighborhood Identification signs shall be constructed as a permanent monument sign and serve the purpose of identification of each neighborhood within an overall development.

(a) Number and Location. A maximum of one sign shall be permitted at the main entry to each neighborhood. Signs shall be generally located internal to the overall development. The specific locations of each sign shall be subject to approval of a Master Sign Plan, such approval not to be unreasonably withheld.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of 50 square feet shall be permitted for each sign face. If a decorative background element such as tile, stucco, masonry or other building material is used, the maximum sign face area for such decorative treatment may be expanded 24 inches measured from the sign face area in each cardinal direction.

(d) Maximum Height. The sign shall not exceed 10 feet from average finished grade.

(e) Time Period. Neighborhood Identification signs are intended to be permanent in nature and shall be allowed for the life of the development.

4. On-Site Directional. On Site Directional signage within developments and subdivisions shall be for communicating directions and facility information including on-site services. On-Site Directional signage shall contain no advertising copy other than the project logos, and shall be of a similar type and style throughout the development. On-Site Directional signage shall be constructed as permanent signage.

(a) Number and Location. There shall be no maximum number of on-site directional signs, provided the signs are located a minimum of 200 feet from the perimeter of the overall development. If On-Site Directional signage is proposed within 200 feet of the perimeter of the development, then the total number of signs within 200 feet of the perimeter of the development will be subject to approval of a Master Sign Plan, such approval not to be unreasonably withheld. The specific locations of all proposed On-Site Directional signs shall be subject to approval of a Master Sign Plan, with permits not to be unreasonably withheld.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of six square feet shall be permitted for each sign face. In such case where the sign is proposed to be mounted on a columnar structure, the maximum surface area of the overall structure shall be 140 square feet for rectangular structures and 110 square feet for cylindrical structures.

(d) Maximum Height. The maximum height of the overall sign structure shall not exceed seven feet from average finished grade.

(e) Time Period. On-Site Directional signs are intended to be permanent in nature and shall be allowed for the life of the development.

5. Off-Site Directional. Off-Site Directional signs shall be a temporary sign permitted in order to communicate directional information to the overall tract and/or for individual parcels without frontage on a thoroughfare.

A. Number and Location. A maximum of two signs shall be permitted for the overall development and one sign for each additional internal individually platted parcel. Off-Site Directional signs shall be permitted in the following locations:

(i) On a parcel abutting the parcel identified on the directional sign.

(ii) On a parcel subject to a recorded document insuring ingress and egress to the parcel identified on the off-site directional sign.

(iii) On a parcel adjacent to an arterial or collector street. The specific locations of each sign shall be subject to approval of a Master Sign Plan, such approval not to be unreasonably held.

- B. Sign Faces. A maximum of two sign faces shall be permitted.
- C. Maximum Surface Area. A maximum surface area of 50 square feet shall be permitted for each sign face.
- D. Maximum Height. The sign shall not exceed 10 feet from average finished grade.
- E. Time Period. Signs shall be removed upon sale, lease or rental of all of the affected property.

6. Model Home/Community Center. A Model Home/Community Center sign shall be a temporary sign with the purpose of identifying a model home or community center as being the builder or contractor's model open to the public for inspection.

- (a) Number and Location. A maximum of one sign shall be permitted for each model home and/or community center. Signs shall be located on the lot being advertised and shall not be located in any public right-of-way.
- (b) Sign Faces. A maximum of two sign faces shall be permitted.
- (c) Maximum Surface Area. A maximum surface area of 20 square feet shall be permitted for each sign face.
- (d) Maximum Height. The sign shall not exceed 10 feet from average finished grade.
- (e) Time Period. Signs shall be removed upon sale, lease or rental of all of the affected property.

7. Neighborhood Builder. A Neighborhood Builder sign shall be a temporary sign with the purpose of identifying individual builders and pricing information within the neighborhood.

- (a) Number and Location. A maximum of two signs shall be permitted for each neighborhood. Signs shall be located on the applicable neighborhood tract and shall not be located in any public right-of-way.
- (b) Sign Faces. A maximum of two sign faces shall be permitted.
- (c) Maximum Surface Area. A maximum surface area of 20 square feet shall be permitted for each sign face.
- (d) Maximum Height. The sign shall not exceed 10 feet from average finished grade.
- (e) Time Period. Signs shall be removed upon sale, lease or rental of all of the affected property.

8. Builder Lot. A Builder Lot sign shall be a temporary sign with the purpose of identifying an individual lot or parcel for sale within the development.

(a) Number and Location. A maximum of one sign shall be permitted for each lot. Signs shall be located on the lot being advertised and shall not be located in any public right-of-way.

(b) Sign Faces. A maximum of one sign face shall be permitted.

(c) Maximum Surface Area. A maximum surface area of six square feet shall be permitted for the sign face.

(d) Maximum Height. The sign shall not exceed four feet from average finished grade.

(e) Time Period. Signs shall be removed upon completion of the construction project.

9. Construction. A Construction sign shall be a temporary sign with the purpose of identifying the property owner, architect, contractor, subcontractor, engineer, landscape architect, or decorator engaged in the design, construction or improvement of the premises on which the sign is located.

(a) Number and Location. A maximum of one sign shall be permitted for each lot. Signs shall be located on the lot being advertised and shall not be located in any public right-of-way.

(b) Sign Faces. A maximum of one sign face shall be permitted.

(c) Maximum Surface Area. A maximum surface area of 32 square feet shall be permitted for the sign face.

(d) Maximum Height. The sign shall not exceed 10 feet from average finished grade.

(e) Time Period. Signs shall be removed upon completion of the construction project.

10. Realtor Open House and Directional. Realtor Open House and Directional signs shall be temporary signs utilized during the weekend with the purpose of identifying a house for sale and providing route information to the advertised house. Realtor Open House signs shall be separate from and do not include typical For Sale signs for the subject property.

(a) Number and Location. A maximum of one sign (for the purposes of a Realtor Open House) shall be permitted for each lot where a house is for sale. In addition, a maximum of three off-site directional sign shall be permitted to provide route information. The Realtor Open House sign shall only be permitted on the lot where the

house is for sale. Off-Site Directional signage shall not be placed closer than three feet from the curb or edge of pavement of any street.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of six square feet shall be permitted for each sign face.

(d) Maximum Height. The sign shall not exceed four feet from average finished grade.

(e) Time Period. Signs shall only be permitted within the hours of noon Friday through noon Monday.

11. Neighborhood Promotional. A Neighborhood Promotional sign shall be a temporary sign with the purpose of identifying a newly opened model home, neighborhood closeout or similar advertisement.

(a) Number and Location. A maximum of two signs per individually platted neighborhood shall be permitted. Signs shall be located within the neighborhood being advertised and shall not be located within any public right-of-way.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of 96 square feet shall be permitted for such sign face.

(d) Maximum Height. The sign shall not exceed 10 feet from average finished grade.

(e) Time Period. Signs shall only be permitted for a maximum of two weeks and no more than two times annually for each neighborhood.

12. Banner. A Banner sign shall be a temporary sign with the purpose of identifying special promotions or events within a neighborhood.

(a) Number and Location. A maximum of one sign per neighborhood shall be permitted. Signs shall be located within the neighborhood being advertised and shall not be located within any public right-of-way.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

(c) Maximum Surface Area. A maximum surface area of 36 square feet shall be permitted for each sign face.

(d) Time Period. A Banner sign shall be permitted for a maximum of four weeks and no more than six times annually for each neighborhood.

13. Banner, Seasonal. A Seasonal Banner sign shall be a temporary sign with the purpose of identifying special promotions or events within a neighborhood.

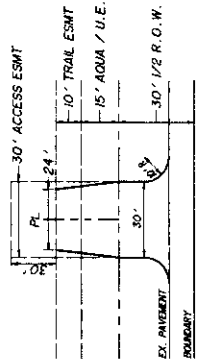
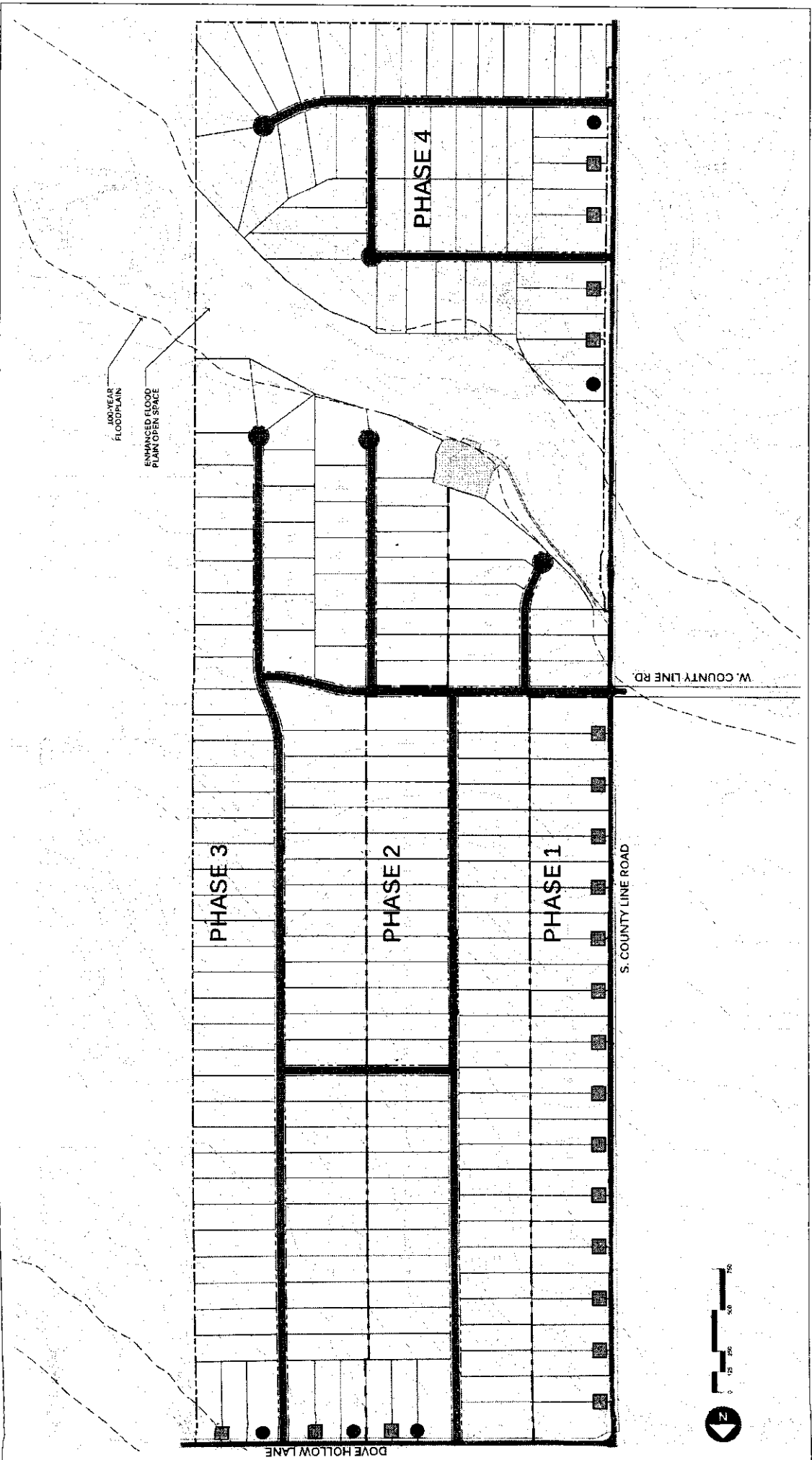
(a) Number and Location. Signs shall be located within the neighborhood being advertised. Signs shall be permitted within the public right-of-way if affixed to illumination poles along internal collector thoroughfares provided banners are installed on behalf of and maintained by homeowners' association or property owners' association.

(b) Sign Faces. A maximum of two sign faces shall be permitted.

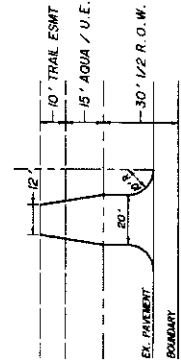
(c) Maximum Surface Area. A maximum surface area of 36 square feet shall be permitted for each sign face.

(d) Time Period. A Banner sign shall only be permitted for a maximum of four weeks and no more than six times annually for each neighborhood.

Attachment 1
Access Approach Exhibit



TYPICAL 1 ACRE LOTS SHARED ACCESS APPROACH
N.T.S.



TYPICAL 1 ACRE LOT SINGLE ACCESS APPROACH
N.T.S.



GOODWIN & MARSHALL
CIVIL ENGINEERS - PLANNERS - SURVEYORS
FORT WORTH - PHOENIX - MEMPHIS - DENVER

DOVE HOLLOW

APRIL 2020

Attachment 2
Parking

27.1 PARKING TABLE

Except as otherwise provided in this section, off-street parking spaces shall be provided as follows:

Schedule of Parking Requirements		
Land Use	Requirements	Additional Requirements
Residential		
Single-Family Detached Units	2 / unit	
Duplex	2 / unit	None
Townhouse, Condominium, Duplex, Triplex, Quadruplex or Row	3 / unit	None
Multi-Family	1.5 / 1 bed unit 2 / 2 bed unit 2.5 / 3 bed unit	None
HUD Code Manufactured Home	2 / unit	None
Boarding or Rooming House, Hotel or Motel / Residence Motel or Inn	1 / residential unit	1 additional space for 200 sq. ft. of Exhibit or Ballroom space, plus 1 space per 100 sq. ft. of Meeting Rooms, plus 1 space per 2.5 seats in Restaurant and Lounge
Retirement Housing: Ambulatory Independent Residents	1.5 / unit	None
Retirement Housing: Nursing Home Facilities	1 / 2 beds	None
Dormitory	1.5 / 2 occupants for designed occupancy	None
Fraternity, Sorority, or Lodge	1 / 125 sq. ft.	none
Institutional		
Community Center	1 / 4 persons	None
Schools:		None
Elementary	1 / 25 students	
Junior High	1 / 18 students	
Senior High	1 / 5 students	
Trade	1 / 4 students	
Public Assembly Hall	1 / 3 seats	None
College or University	1 / 4 day students	None
Church	1 / 3 seats in the sanctuary or auditorium	None
Day Care or Day Nursery	1 / 5 pupils	None
Hospital	1.5 / bed	None
Mortuary or Funeral Home	1 / 4 seats in chapel	None
Recreational		
Theater	1 / 4 seats	None
Bowling Alley	4 / lane	None
Pool Hall, Arcade, Other Indoor Commercial Amusement	1 / 100 sq. ft. of floor area	None
Outdoor Commercial Amusement	1 / 500 sq. ft. of site area exclusive of building	None
Ballpark or Stadium	1 / 4 seats	None
Lodge or Fraternal Organization	1 / 125 sq. ft. of floor area	None

Schedule of Parking Requirements		
Land Use	Requirements	Additional Requirements
Driving Range	1 / 10 linear ft. of designated tee area	None
Miniature Golf	1 / tee	None
Personal Service Shop	1 / 250 sq. ft. of floor area up to 5000 sq. ft., then 1 / 200 sq. ft.	None
Indoor Retail Store or Shop	1 / 250 sq. ft. of floor area up to 5000 sq. ft., then 1 / 200 sq. ft.	None
Outdoor Retail Sales	1 / 500 sq. ft. of site area, exclusive of building	None
Furniture, Appliance Sales or Repair	1 / 600 sq. ft. of floor area	None
Coin- Operated or Self- Service Laundry or Dry Cleaner	1 / 200 sq. ft. of floor area	None
Shopping Center, Malls & Multi-occupancy uses (3-50 acres)	1 / 250 sq. ft. of floor area	None
Shopping Centers, Mall and Multi-occupancy use (over 50 acres)	1 / 300 sq. ft. of floor area	None
Eating or Drinking Establishment		
(no drive-through service)	1 / 2.5 seats	None
Eating or Drinking Establishment		
(with drive-through service and all others)	1 / 150 sq. ft.	None
Business Services		
Bank and Savings & Loan or Other Similar Institution	1 / 300 sq. ft. of floor area	None
Medical, Dental Clinic or Office	1 / 150 sq. ft. of floor area	None
Veterinary Clinic	1 / 300 sq. ft. of floor area	None
Other Office or Professional Business	1 / 250 sq. ft. of floor area	None
Automotive & Equipment		
Service Station	Minimum of 6	None
Auto Repair Garage or Shop	1 / 350 sq. ft. of floor area	None
Auto Repair Accessory Sales	1 / 300 sq. ft. of floor area	None
Vehicle or Machinery Sales (indoors)	1 / 500 sq. ft. of floor area	None
Car Wash (full -serve)	3 stacking spaces/	
Wash Bay	None	
Car Wash (self-serve or automatic)	3 stacking spaces/ wash bay	None
Brick or Lumber Yard	1 / 3 employees or	
1 / 1,000 sq. ft. of floor area	(whichever results in more spaces)	
Manufacturing or Warehousing	1 / 3 employees or	
1 / 1,000 sq. ft. of floor area	(whichever results in more spaces)	
Outside Storage	1 / 5,000 sq. ft. of floor area	None
Mini-warehouse	1 / 3,000 sq. ft. of floor area	None

27.2 OFF-STREET LOADING REQUIREMENTS

- A. In the following cases all retail, office and service buildings shall provide and maintain off-street facilities for the loading and unloading of merchandise and goods within the building or

EXHIBIT E
MISCELLANEOUS CONDITIONS

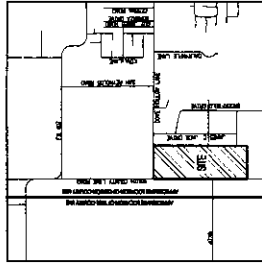
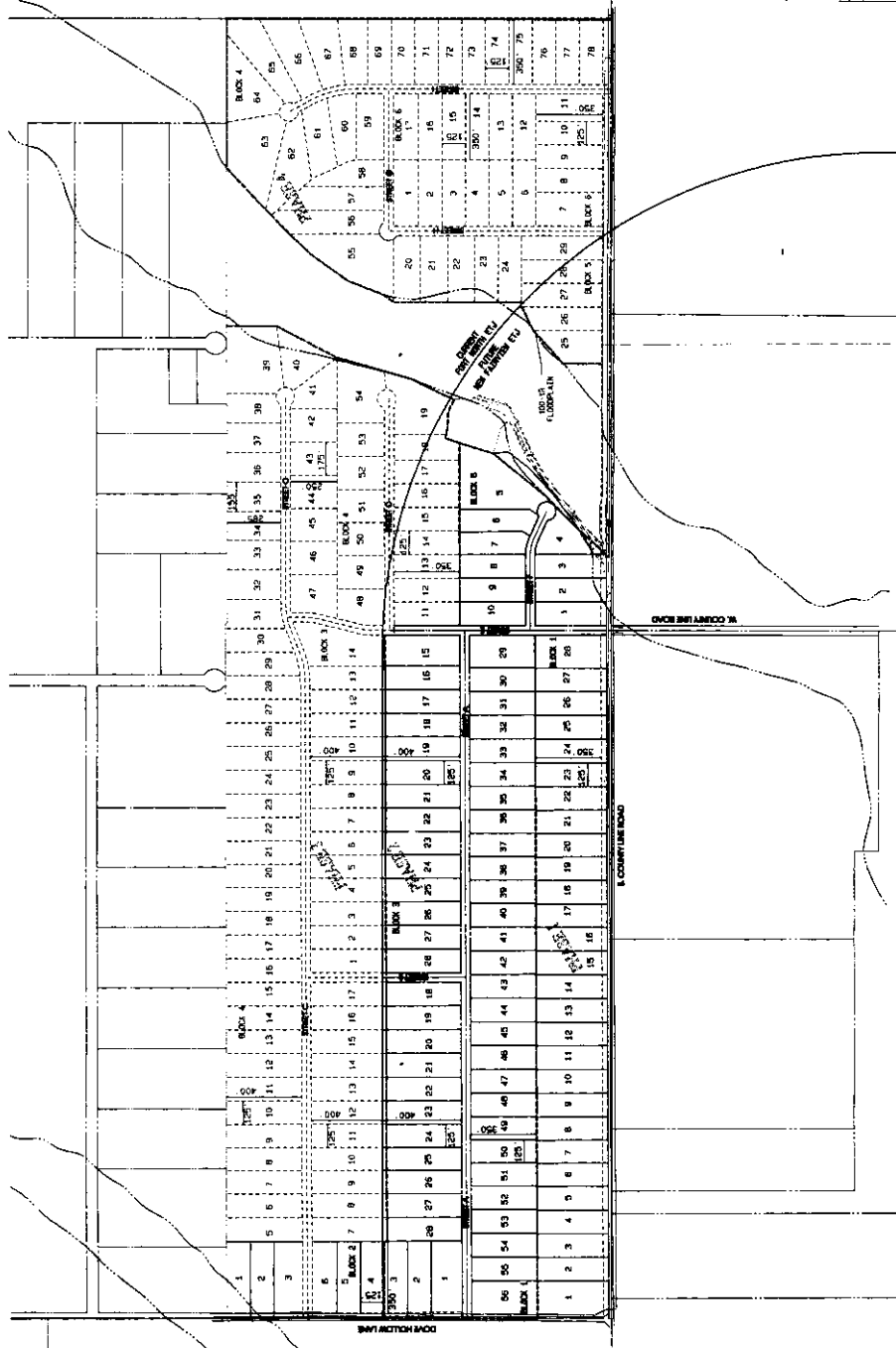
1. Structures shall be set back at least 150 feet from existing well heads.
2. Key lots are allowed
1. Mountable rollover curbs shall be allowed.
2. Building height shall be measured to the highest point of a roof surface of a flat roof or the mean height level between the eaves and ridge of a gable, hop, mansard, or gambrel roof.

EXHIBIT F
DRAINAGE STANDARDS

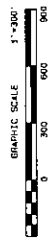
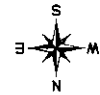
Drainage provisions in the Development Rules and Regulations of Wise County, Texas dated September 2014, subject to the following:

1. Replace Section B-2 with the following: Downstream impacts of the proposed development shall assume that all off-site drainage areas have detained to existing conditions. Downstream impacts shall consider any proposed detention on the subject property.
2. For drainage areas less than 200 acres, the "I" (Intensity) in the Rational Method ($Q = CIA$) used to calculate storm water runoff shall be in accordance with the Wise County Rainfall Data, Table 5.16 of the iSWM Technical Manual -- Hydrology (Dated April 2010, Revised 9/2014) rather than the National Weather Service Technical Paper 35 as referenced in Section 6.08.B.4.a of the Drainage Regulations.

EXHIBIT G
CONCEPT PLAN



VICINITY MAP
N.T.S.



PRELIMINARY LAND PLAN

DOVE HOLLOW
BEING APPROX. 320 ACRES
SITUATED IN THE
CITY OF FORT WORTH
CITY OF NEW FAIRVIEW
DENTON COUNTY, TEXAS
JANUARY, 2000

PREPARED BY:

**GOODWIN
MARSHALL**
CIVIL ENGINEERS - PLANNERS - SURVEYORS
2000 Main Street, Suite 100, Fort Worth, Texas 76102
Phone (817) 342-4000

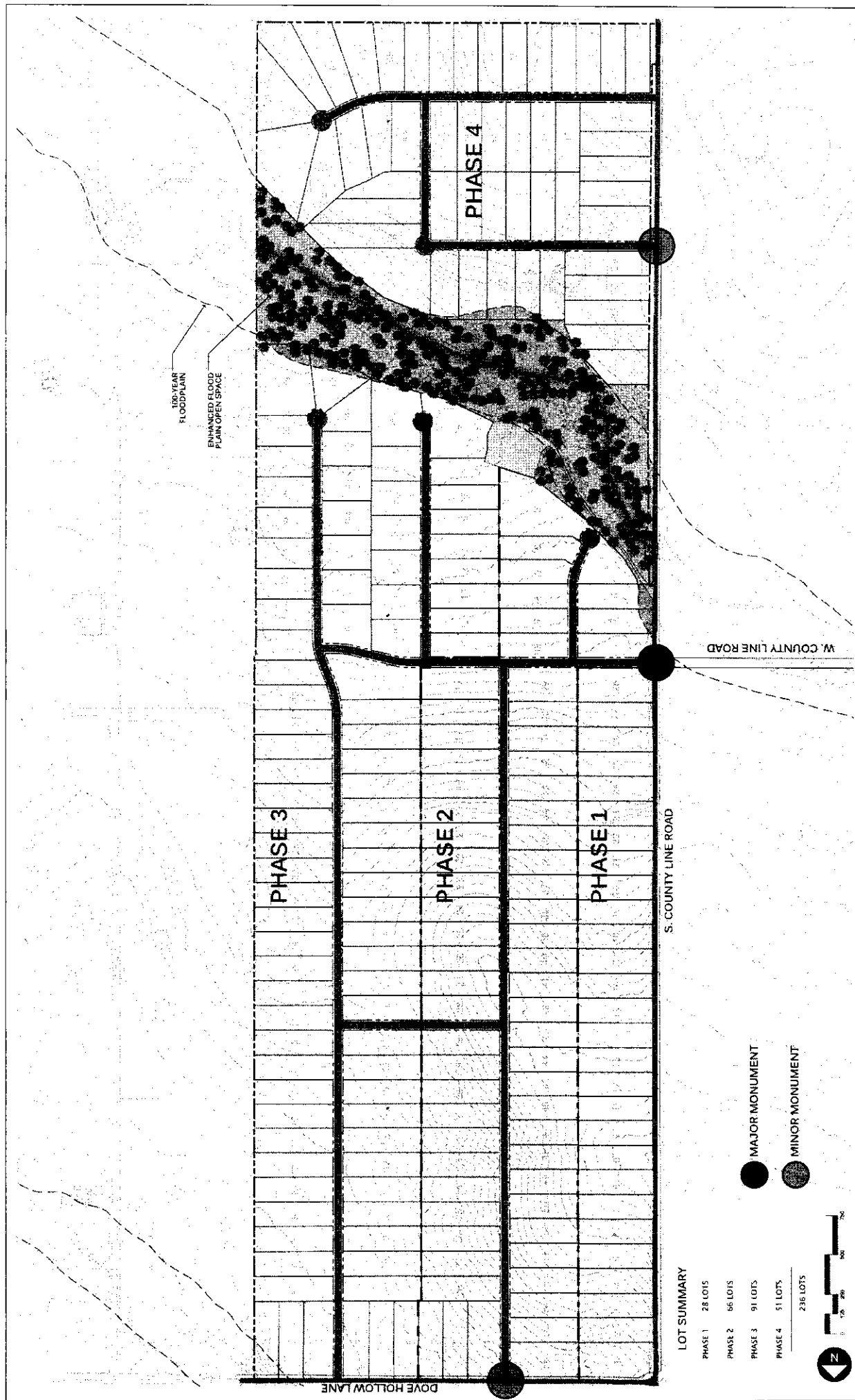
PHASE DATA

DESCRIPTION	NO. LOTS
PHASE 1	28 LOTS
PHASE 2	86 LOTS
PHASE 3	91 LOTS
PHASE 4	51 LOTS
TOTAL	256

LAND PLAN DATA

DESCRIPTION	AREA (ACRES)	NO. LOTS
TOTAL LAND PLAN AREA	320.025 AC.	
WITHIN FUTURE	140.25 AC.	98 LOTS
NEW PARKING E.I.J.	179.78 AC.	138 LOTS
FUTURE NORTH E.I.J.		
TOTAL	320.025 AC.	236 LOTS
DENSITY	236/320.025 = 0.74 DU/ACRE	

EXHIBIT H
Entry Monument Sign



DOVE HOLLOW

APRIL 2020



MAJOR MONUMENT



MINOR MONUMENT

GOODWIN &
MARSHALL
CIVIL ENGINEERS - PLANNERS - SURVEYORS
PORT NORTON - PERAK - MALAYSIA - 05461



DOVE HOLLOW

APRIL 2020

DEVELOPMENT AGREEMENT

This Development Agreement (this "Agreement") is executed between Dove Hollow Development, LLC ("Owner", which as used herein shall include the current owner of the Property, as defined herein, and its successors and permitted assigns) and the City of New Fairview, Texas, a general law city (the "City") (Owner and City being referred to individually as a "Party" and collectively as the "Parties"), to be effective on the Effective Date as defined in Section 13.10.

RECITALS

WHEREAS, Owner is the owner of approximately 140.246 acres of land (the "Property", as further defined herein) situated in the James C. Jack Survey, Abstract No. 679, Denton County, Texas (the "County") in the City's extraterritorial jurisdiction ("ETJ") described by metes and bounds on **Exhibit A** and shown on **Exhibit B**, which property is undeveloped; and

WHEREAS, Owner is the owner of an additional 179.779 acres of land situated in the James C. Jack Survey, Abstract No. 679, Denton County, Texas (the "Adjacent Property") immediately adjacent to the Property, as shown on **Exhibit B**, which is currently in the ETJ of the City of Fort Worth, Texas; and

WHEREAS, the Parties plan to request the City of Fort Worth release the Adjacent Property from the ETJ of the City of Fort Worth so that the Adjacent Property will be located in the City's ETJ; and

WHEREAS, Owner intends that the Property be developed as a high-quality, master-planned community of single-family residences on minimum one-acre lots, pursuant to development regulations contained in this Agreement (the "Development"); and

WHEREAS, Owner desires the Property to be developed in accordance with the terms of this Agreement; and

WHEREAS, this Agreement will be recorded in the deed records of the County (so as to bind Owner and all future owners of the Property or any portion thereof), and will provide regulatory certainty during the Term of this Agreement; and

WHEREAS, Owner will construct or cause to be constructed the infrastructure and improvements to serve the Property and the City shall have and exercise jurisdiction over the development of the Property as set forth in this Agreement; and

WHEREAS, the City shall exercise jurisdiction over the design, construction, installation, and inspection of roads, drainage, and other infrastructure to serve the Property, which shall be dedicated to the City; and

WHEREAS, the Property is within Aqua Texas, Inc.'s ("Aqua Texas") water and

wastewater certificates of convenience and necessity ("CCN");

WHEREAS, the Parties intend that Aqua Texas or the then-current CCN-holder will provide retail water to the Property; and

WHEREAS, the Parties intend that the Property will be served by privately owned on-site septic systems; and

WHEREAS, infrastructure to provide retail water service to the Property shall be owned by Aqua Texas or the then-current CCN-holder; and

WHEREAS, the City Council has determined that this Agreement and the development of the Property described herein comply in all respects with the City's Comprehensive Plan to the extent such plan is applicable; and

WHEREAS, pursuant to Section 242.001(a)(3) of the Texas Local Government Code, the City has exclusive jurisdiction over subdivision platting and all related permits for the Property; and

WHEREAS, the Parties desire for the Property to be developed within the corporate limits of the City; and

WHEREAS, at the City's request, Owner has agreed to petition the City to annex the Property as consideration for this Agreement pursuant to the terms of this Agreement; and

WHEREAS, development of the Property within the City's corporate limits will increase the City's tax base; and

WHEREAS, the City intends that the City Council shall approve an ordinance annexing the Property not later June 1, 2020; and

WHEREAS, the Parties intend that this Agreement be a development agreement as provided for by Section 212.172 of the Texas Local Government Code; and

WHEREAS, the Parties have the authority to enter into this Agreement pursuant to Section 212.171 et seq. of the Texas Local Government Code.

NOW THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE I.

DEFINITIONS

Unless the context requires otherwise, the following terms shall have the meanings hereinafter set forth:

City means the City of New Fairview, a general law municipality located in Wise and Denton Counties, Texas.

City Council means the City Council of the City.

City Engineer means Pacheco Koch Consulting Engineers, Inc.

Effective Date has the meaning set forth in Section 12.10.

End-Buyer means any owner, developer, tenant, user, or occupant of a Fully Developed and Improved Lot.

ETJ means extraterritorial jurisdiction.

Fully Developed and Improved Lot means any lot, regardless of proposed use, which is served by the Authorized Improvements and for which a final plat has been approved by the City and recorded in the real property records of Denton County.

Governing Regulations has the meaning set forth in Section 2.01.

Mayor means the Mayor of the City.

Notice means any notice required or contemplated by this Agreement (or otherwise given in connection with this Agreement).

Owner means Dove Hollow Development, LLC, and its successors or assigns.

Plat Review Fees shall have the meaning set forth in Section 4.01.

Plan Review Fees shall have the meaning set forth in Section 4.02.

Property means the 140.246 acres of undeveloped property located wholly in Denton County, Texas and described by metes and bounds and depicted on **Exhibit A**.

Public Infrastructure means roadways and associated drainage improvements needed to serve the Property and to be constructed by or on behalf of the City and dedicated to the City and benefiting the Property.

Structure means every structure designed or intended for human occupancy and every accessory structure intended for human occupancy constructed on the Property.

Subdivision Regulations shall have the meaning set forth in Section 2.01(a).

TCEQ means the Texas Commission on Environmental Quality.

ARTICLE II.
DEVELOPMENT REGULATIONS

Section 2.01 Governing Regulations. The Property shall be developed as a high-quality, master-planned community, consisting of one-acre minimum single-family residential lots served by on-site septic facilities and retail water services provided by Aqua Texas or the then-current CCN-holder. Development of the Property shall be governed solely by this Agreement and the following regulations (collectively, the "Governing Regulations"):

- (a) the City's Subdivision Regulations, consisting of Ordinance No. 1996-01-005, as amended by Ordinance No. 2001-11-0071, Ordinance No. 2001-12-0072, and Ordinance No. 2011-03-161 (the "Subdivision Regulations") attached as **Exhibit C**;
- (b) building, plumbing, electrical, mechanical, and fire codes adopted by the City and uniformly enforced within the City's corporate boundaries, as may be amended from time to time, and any subsequently adopted local amendments to the building, fire, electrical, plumbing, mechanical, or other applicable codes and ordinances of the City that are uniformly applicable to similarly situated development within the City's corporate boundaries (the "Building Codes");
- (c) development standards attached as **Exhibit D** (the "Development Standards");
- (d) road standards as described herein (the "Road Standards");
- (e) miscellaneous development conditions attached as **Exhibit E** (the "Miscellaneous Conditions");
- (f) drainage standards attached as **Exhibit F** (the "Drainage Standards"); and
- (g) final plats for portions of the Property that are approved, from time to time, by the City in accordance with this Agreement.

Section 2.02 Zoning. In the event of any conflict between this Agreement and any zoning ordinance adopted by the City Council applicable to the Property, the provisions of this Agreement will prevail, except as expressly agreed in writing by Owner, the City, and the owners of the portion of the Property subject to such zoning ordinance.

Section 2.03 Revisions to Concept Plan. Owner may revise the Concept Plan attached hereto as **Exhibit G**, from time to time provided the following conditions are met:

- (i) The proposed revision is approved, in writing, by the owners of all the property subject to the revision; and
- (ii) Dove Hollow Development, LLC approves the proposed revision in writing (provided the approval of each such entity shall be required only so long as such entity owns all or any portion of the Property); and

- (iii) The proposed revision maintains the required minimum one-acre lot size; and
- (iv) A copy of the revision is submitted to the City at least thirty (30) days before it takes effect.

Section 2.04 Conflicts. In the event of any conflict between this Agreement and any other ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereinafter adopted, this Agreement shall control, except as otherwise expressly provided in this Agreement. In the event of any conflict between any provision of the Agreement and the Governing Regulations, the provision of the Agreement shall prevail.

ARTICLE III. DEVELOPMENT PROCESS

Section 3.01 Jurisdiction. Pursuant to Section 242.001(a)(3) of the Texas Local Government Code and as established by this Agreement, the City shall have and exercise exclusive jurisdiction over the review and approval of preliminary and final plats, amending plats, replats and minor replats for the Property and approval of plans for the Public Infrastructure in accordance with this Agreement, and the County shall have and exercise no jurisdiction over such matters during the Term of this Agreement.

Section 3.02 Plats and Plans Required. Subdivision of the Property shall require approval of preliminary and final plats by the City in accordance with the Governing Regulations and this Agreement.

- (a) All Public Infrastructure constructed or caused to be constructed by Owner shall be designed and constructed in compliance with the Governing Regulations.
- (b) Owner shall submit to the City plans and specifications for the Public Infrastructure prior to commencing construction, advertising for bids or requesting proposals for such improvements. No advertising for bids or requests for proposal for construction of the Public Infrastructure shall be delivered and no construction shall commence until the related plans and specifications have been approved in writing by the City Engineer or designee.
- (c) The City shall approve or disapprove plans and specifications, within thirty (30) days after receipt of a complete set of plans and supporting documents. In the event the City disapproves of any plans and specifications, the disapproval notice shall contain a detailed explanation of the reason(s) for disapproval, which shall be limited to the failure of such plans and specifications to comply with one or more of the Governing Regulations or for life, safety, health or general welfare reasons which would require disapproval for a project in the City.
- (d) The City shall approve or disapprove revised plans and specifications submitted by Owner to address the City's reasons for disapproval pursuant to subsection (c) above, within fifteen (15) days after receipt by the City. In the event the City

disapproves of any revised plans and specifications, the disapproval notice shall contain a detailed explanation of the reason(s) for disapproval, which shall be limited to the failure of such plans and specifications to comply with one or more of the Governing Regulations or for life, safety, health or general welfare reasons which would require disapproval for a project in the City. The Parties shall follow the process in this subsection (d) for all submittals of revised plans and specifications.

Section 3.03 Bonds, Insurance and Inspection of Public Infrastructure. When the plans and specifications have been approved and before any permit is issued for construction of Public Infrastructure on the Property, Owner shall submit to the City a Maintenance Bond, in a form acceptable to the City, in the sum of one hundred per cent (100%) of the total contract price for construction of such infrastructure and conditioned that the contractor will repair or replace all defects due to faulty material and/or workmanship that appear within two years from the date of final approval by the City. All Public Infrastructure shall be inspected and tested for compliance with the Governing Regulations at Owner's cost by a City employee or third-party inspector retained by the City.

Section 3.04 Building Permits; Inspection of Structures; Certificates of Occupancy.

- (a) Owner shall not construct, or allow to be constructed, on the portion of the Property owned by such Owner, a Structure until a permit is issued by the City certifying that the plans and specifications for the Structure are in compliance with the Building Codes and Development Standards (a "Building Permit"). Notwithstanding the Governing Regulations or any other provision of this Agreement to the contrary, Owner is entitled to issuance of a Building Permit upon compliance with this subsection (a), provided the property on which the Structure will be constructed is accessible by a paved road constructed in accordance with the Road Standards.
- (b) The City shall maintain a list of approved independent, certified and state licensed plan reviewers and inspectors (the "Approved List").
- (c) Building permits shall be issued by the City. The plan review shall be completed by an independent, certified and state licensed third-party plan reviewer on the Approved List (each, an "Approved Plan Reviewer").
- (d) Each Structure shall be inspected for compliance with the Building Permit issued for the Structure and the applicable plans and specifications, codes and ordinances. Inspections shall be performed by an independent, certified and state licensed third-party inspector on the Approved List (each, an "Approved Inspector"). Owner or the builder of a structure may contact an Approved Inspector directly to arrange for an inspection.
- (e) The builder constructing a Structure or the owner of the property on which a Structure is constructed shall (i) select an Approved Plan Reviewer and an

Approved Inspector for such Structure; (ii) submit an builder permit application at city hall and pay the builder permit fee and the plan review fee to cover the cost of the Approved Plan Reviewer and the Approved Inspector; and (iii) pay to the City \$1,000 for each Building Permit issued to compensate the City for the City's administrative costs.

- (f) No Structure on the Property may be occupied until an Approved Inspector issues a certificate of occupancy, or similar permit, for the Structure. The certificate of occupancy shall be issued for a Structure once construction has been completed, the Structure has been inspected and determined to be in compliance with all of the Governing Regulations, and all Public Infrastructure, water infrastructure and sewer infrastructure to serve such Structure has been completed and accepted.

ARTICLE IV. **DEVELOPMENT FEES**

Section 4.01 Plat Review Fees. Development of the Property shall be subject to payment to the City of the reasonable and customary fees and charges applicable to the City's preliminary and final plat review and approval process (the "Plat Review Fees") according to the fee schedule adopted by the City Council and in effect on the date of submittal of each plat application. The fee schedule uniformly applicable to development within the corporate limits of the City shall be applicable to the Property.

Section 4.02 Plan Review Fees. Development of the Property shall be subject to payment to the City of the reasonable and customary fees and charges applicable to the City's review of plans and specifications for Public Infrastructure (the "Plan Review Fees") according to the fee schedule adopted by the City Council and in effect on the date of submittal of each set of plans and specifications. The fee schedule uniformly applicable to development within the corporate limits of the City shall be applicable to the Property. Owner will also be responsible for fees equal to 4% of the Public Infrastructure cost for inspection of the Public Infrastructure by the City's designated inspector, plus laboratory and material testing deemed necessary by the City's inspector.

Section 4.03 Impact Fees. The City does not currently assess or collect impact fees. In the event the City adopts impact fees after the Effective Date, Owner shall not be required to pay any impact fees.

Section 4.04 Park Land Dedication. Owner shall have no required dedication of park land and improvements to the City and related payment of fees.

Section 4.05 On-site Septic System Permit Fees. Development of the Property shall be subject to the payment of all applicable fees for a permit for the installation and maintenance of an OSSF system in the City for each Structure to be paid by the builder constructing a Structure or the owner of the property on which a Structure is being built.

Section 4.05 Payment of Fees. Except for the fees set out above and the Building Permit and inspection fees described in Article III, no fees or charges of any kind shall be due and payable to

the City in connection with development of the Property.

Section 4.06 Entry Features.

- (a) The main access to the Property will be at the intersection of South County Line Road and W. County Line Road, as shown on the Concept Plan, shall be designed as generally shown on Exhibit H attached hereto. Entry Features may be installed at such main entry as shown on Exhibit H attached hereto with an additional entry feature at the intersection of South County Line Road and Woodduck Court as shown on Exhibit H.

ARTICLE V.

PUBLIC INFRASTRUCTURE; RETAIL UTILITY SERVICE

Section 5.01 Retail Water Service. Retail water service to the Property shall be provided by Aqua Texas in accordance with the agreement between Owner and Aqua Texas, or the then-current CCN-holder. Water infrastructure shall be constructed, operated and maintained at no cost to the City, unless the City becomes a retail water provider and agrees to provide retail water service to the Property.

Section 5.02 On-Site Septic Systems. Single family lots may be served by privately owned on-site septic systems, which shall be constructed in accordance with County and state standards. The builder constructing a Structure or the owner of the property on which a Structure is being built must obtain a permit from the City and pay the applicable permit fee, according to the City's fee schedule, for each on-site septic system and to comply with all procedures and inspections required by the City for the installation and maintenance of such systems.

Section 5.03 Road Standards.

- (a) The Property is bordered on the west by South County Line Road and on the north by Dove Hollow Lane (collectively, the "Perimeter Roads"). Owner shall dedicate right-of-way along the boundaries of the Property to the City for the Perimeter Roads. Developer is not required to make improvements to South County Line Road.
- (b) Owner shall dedicate all right-of-way to the City and construct all internal roads within the boundaries of the Property as standard fifty foot (50') right-of-way residential street cross sections with no sidewalk, thirty-one (31) feet of pavement back-to-back, 6- inch lime stabilized subgrade, 6-inch concrete pavement, mountable 6-inch curb, and two percent (2.0%) grade from the center line.

Section 5.04 Drainage. Owner shall construct drainage improvements on the Property in accordance with the Drainage Standards.

Section 5.05 Dedication, Ownership of Public Infrastructure. Owner shall dedicate the Public Infrastructure to the City, subject to Section 3.03.

Section 5.06 Oversized Infrastructure. The Public Infrastructure consists of drainage, stormwater facilities and roadway infrastructure necessary for, or for the service of and of benefit to, and located within the Property. Owner shall not be required to construct or fund any oversizing of Public Infrastructure necessary to provide a benefit to land outside the Property or which exceeds the capacity needed to serve the Property, unless, at the completion of construction, the City pays Owner in full the increased cost directly attributable to the oversizing requested by the City.

ARTICLE VI. OWNERSHIP

Section 6.01 Ownership; Maintenance and Operation. All of the Public Infrastructure shall be owned by the City upon completion of construction and acceptance of them by the City. Owner agrees to take any action reasonably required by the City to transfer or otherwise dedicate or ensure the dedication of easements for the Public Infrastructure to the City and the public. Upon inspection, approval, and acceptance of the Public Infrastructure or any portion thereof, the City shall maintain the Public Infrastructure to serve the Property.

ARTICLE VII. TERM OF AGREEMENT; TERMINATION

Section 7.01 Term. The term of this Agreement shall be thirty (30) years after the Effective Date unless extended by mutual agreement of Owner and the City (as extended, the "Term"). Upon expiration of the Term, the City shall have no obligations under this Agreement with the exception of the maintenance and operation of the Public Infrastructure.

Section 7.02 Termination of Agreement. This Agreement may be terminated as to all of the Property at any time by mutual written consent of the City and Owner.

ARTICLE VIII. ANNEXATION

Section 8.01 Annexation.

- (a) Owner shall, no later than May 4, 2020, submit a petition to the City requesting annexation of the Property.
- (b) The City may not annex the Property until this Agreement has been approved and signed by both parties. The City shall follow the annexation process set out in Section 43.0671, et seq., of the Texas Local Government Code.

ARTICLE IX. EVENTS OF DEFAULT; REMEDIES

Section 9.01 Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured.

Section 9.02 Remedies. IF A PARTY IS IN DEFAULT, THE AGGRIEVED PARTY MAY, AT ITS OPTION AND WITHOUT PREJUDICE TO ANY OTHER RIGHT OR REMEDY UNDER THIS AGREEMENT, SEEK ANY RELIEF AVAILABLE AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, AN ACTION UNDER THE UNIFORM DECLARATORY JUDGMENT ACT, SPECIFIC PERFORMANCE, MANDAMUS, AND INJUNCTIVE RELIEF. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL:

- (a) entitle the aggrieved Party to terminate this Agreement; or
- (b) entitle the aggrieved Party to suspend performance under this Agreement unless the portion of the Property for which performance is suspended is the subject of the default (for example, the City shall not be entitled to suspend its performance with regard to the development of "Tract X" by "Developer A" based on the grounds that Developer A is in default with respect to any other tract or based on the grounds that any other developer is in default with respect to any other tract) unless the default is in the nature of the failure to undertake a shared obligation as between such tracts or developers; or
- (c) entitle the aggrieved Party to seek or recover monetary damages of any kind; or
- (d) limit the Term.

ARTICLE X. ASSIGNMENT AND ENCUMBRANCE

Section 10.01 Assignment by Owner to Successor Owners. Owner has the right (from time to time without the consent of the City, but upon written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Owner under this Agreement, to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control with Owner. Each assignment shall be in writing executed by Owner and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned to such Assignee. A copy of each assignment shall be provided to all Parties. Provided that the Assignee assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement as to the Property or portion of the Property

in question, the Owner will be released from any rights and obligations under this Agreement as to the portion of the Property involved in such assignment, effective upon receipt of a copy of the assignment by the City. It is specifically intended that this Agreement and all terms, conditions, and covenants herein shall survive a transfer, conveyance or assignment occasioned by the exercise of foreclosure of lien rights to a creditor or a party hereto, whether judicial or nonjudicial, as evidenced by consent to this Agreement by all lien holders against the Property as of the Effective Date subordinating such liens to this Agreement. No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment. Owner shall maintain true and correct copies of all assignments made by Owner to Assignees, including a copy of each executed assignment and the Assignee's Notice information as required by this Agreement. Owner hereby represents and warrants that there are no liens against the Property to secure loans, as of the Effective Date.

Section 10.02 Assignment by the City. The City shall not assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the City under this Agreement, without the prior written approval of Owner.

Section 10.03 Encumbrance by Owner and Assignees. Owner has the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement for the benefit of its lenders without the consent of, but with prompt written notice to, the City, and in no event provided later than ten (10) days after any such encumbrance takes effect. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice (hereinafter defined) information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

Section 10.04 Encumbrance by City. The City shall not collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of its rights, title, or interest under this Agreement without Owner's prior written consent.

ARTICLE XI.

RECORDATION, RELEASES, AND ESTOPPEL CERTIFICATES

Section 11.01 Binding Obligations. Pursuant to the requirements of Section 212.172(c) of the Texas Local Government Code, this Agreement and all amendments hereto shall be recorded in the deed records of the County. In addition, all assignments of this Agreement shall be recorded in the deed records of the County and a copy of the recorded assignment shall be delivered to the City as a condition to the City having notice of the assignment or having the assignment binding upon the City. This Agreement, when recorded, shall be binding upon the Property, the Parties, and all successor Owners of all or any part of the Property, provided, however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End-Buyer except for the land use and development regulations that apply to specific lots. An End-Buyer shall not be considered an Owner. For purposes of this Agreement, the Parties agree that the term "land use and development regulations that apply to specific lots" means all of the Governing Regulations.

Section 11.02 Releases. From time to time upon written request of Owner, the Mayor shall execute, in recordable form, subject to approval as to form by the City Attorney, a partial release of this Agreement if the requirements of this Agreement have been met, subject to the continued application of the Building Codes and the Development Regulations.

Section 11.03 Estoppel Certificates. From time to time upon written request of Owner, the Mayor will execute a written estoppel certificate, subject to approval as to form by the City Attorney, identifying any obligations of Owner under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; and stating, to the extent true, that to the best knowledge and belief of the City, Owner is in compliance with its duties and obligations under this Agreement, except as expressly identified. The City is entitled to recover all of the City's out-of-pocket expense for gathering the information required to sign the estoppel certificate, including professional and consulting fees and related expenses, and such expense shall be paid prior to the City releasing the estoppel certificate.

ARTICLE XII. ADDITIONAL PROVISIONS

Section 12.01 Recitals. The recitals contained in this Agreement: (a) are legislative findings by the City Council; (b) are true and correct as of the Effective Date; (c) contribute to the basis upon which the Parties negotiated and entered into this Agreement; and (d) reflect the final intent of the Parties as stated therein. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

Section 12.02 Notices. All Notices shall be in writing, shall be signed by or on behalf of the Party giving the Notice, and shall be effective as follows: (a) on or after the 5th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested, with a confirming copy sent by e-mail; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c)

otherwise on the day actually received by the person to whom the Notice is addressed by delivery in person or by regular mail. Notices given pursuant to this section shall be addressed as follows:

To the City: City of New Fairview
Attn: Mayor
999 Illinois Lane
New Fairview, Texas
e-mail: citysecretary@newfairview.org

With a copy to: Bradley A. Anderle
Taylor, Olson, Adkins, Sralla & Elam, LLP
6000 Western Place, Ste 200
Fort Worth, Texas 76107
e-mail: banderle@toase.com

To Owner: Dove Hollow Development, LLC
Attn: Ben McCaslin
5950 Berkshire Lane, Ste 1250
Dallas, Texas 75225
e-mail: ben@dovehollowdev.com

Section 12.03 VESTED RIGHTS. THIS AGREEMENT SHALL CONSTITUTE A "PERMIT" WITHIN THE MEANING OF CHAPTER 245, TEXAS LOCAL GOVERNMENT CODE. NOTHING IN THIS AGREEMENT SHALL BE INTERPRETED AS INCREASING THE PROTECTIONS PROVIDED TO OWNER BEYOND THOSE PROVIDED UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE OR AS CREATING ADDITIONAL PROTECTIONS FOR OWNER TO THOSE PROVIDED UNDER CHAPTER 245 OF THE TEXAS LOCAL GOVERNMENT CODE. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, IT IS THE INTENTION OF THE CITY AND OWNER THAT ALL OF THE RESTRICTIONS OR LIMITATIONS OF THE PROTECTIONS UNDER CHAPTER 245 WILL APPLY TO THE DEVELOPMENT OF THE PROPERTY JUST AS THEY WOULD FOR ANY OTHER PROPERTY. NOTWITHSTANDING THE FOREGOING, THE CITY SHALL NOT BE REQUIRED TO DETERMINE ROUGH PROPORTIONALITY OR NECESSITY AS PROVIDED FOR IN SECTION 212.904 OF THE TEXAS LOCAL GOVERNMENT CODE FOR ANY DEDICATIONS OR IMPROVEMENTS REQUIRED UNDER THIS AGREEMENT, AS AMENDED, OR OTHERWISE PROPOSED BY OWNER. OWNER WAIVES ALL CLAIMS THAT ANY OBLIGATION INCURRED BY OWNER SET OUT IN THIS AGREEMENT CONSTITUTES A "TAKING", AN ILLEGAL EXACTION, OR INVERSE CONDEMNATION OF ALL OR ANY PORTION OF THE PROPERTY. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, OWNER DOES NOT, BY ENTERING INTO THIS AGREEMENT, WAIVE (AND OWNER EXPRESSLY RESERVES) ANY RIGHTS AND CLAIMS THAT OWNER MAY HAVE ARISING FROM ANY ACTION BY THE CITY AFTER THE EFFECTIVE DATE. THE CITY DOES WAIVE: (A) ANY DEFENSES IT MAY HAVE TO SUCH RIGHTS AND CLAIMS BY OWNER; OR (B) ANY RIGHTS AND CLAIMS EXISTING UNDER CHAPTER 245 OR 212 OF THE TEXAS LOCAL GOVERNMENT CODE OR UNDER ANY OTHER PROVISION OF LAW.

Section 12.04 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by the City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, and that the individuals executing this Agreement on behalf of Owner have been duly authorized to do so. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its terms and conditions and that the performance by the Parties under this Agreement is authorized by Section 212.171 et seq. of the Texas Local Government Code.

Section 12.05 Entire Agreement; Severability; Amendment. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. Except as provided in Section 2.01(b), this Agreement shall not be modified or amended except in writing signed by the City, Owner, and the owner of the portion of the Property affected by the amendment. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties. If it is determined by a judgment of a trial court with jurisdiction over the matter that any of the Property is not located within the City's ETJ, this Agreement shall remain in full force and effect with respect to the remainder of the Property unless Owner elects to terminate the Agreement pursuant to Article VII.

Section 12.06 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Denton County. Venue and exclusive jurisdiction for any action to enforce or construe this Agreement shall be Denton County.

Section 12.07 No Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

Section 12.08 No Third Party Beneficiaries. Except as otherwise provided in this section, this Agreement only inures to the benefit of, and may only be enforced by, the Parties. An End-Buyer shall be considered a third-party beneficiary of this Agreement, but only for the limited purposes for which an End-Buyer is bound by this Agreement. No other person or entity shall have any right, title, or interest under this Agreement or otherwise be deemed to be a third-party beneficiary of this Agreement.

Section 12.09 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance shall give Notice to all the Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence and reasonable care. Any suspension of obligation(s) because of any force majeure shall terminate automatically sixty (60) days following the provision of the Notice described by this section, unless otherwise separately agreed by the affected Party(ies).

Section 12.10 Effective Date. This Agreement will become effective on the later to occur of: (a) approval and authorization of this Agreement by the New Fairview City Council following the fulfillment of all notice and public meeting requirements of Texas law; and (b) execution by Owner or Owner's duly authorized representative.

Section 12.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

Section 12.12 Further Documents. Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties.

Section 12.13 Exhibits. The following Exhibits are attached to this Agreement and are incorporated herein for all purposes:

Exhibit A	Metes and Bounds Description of Property
Exhibit B	Map of Property
Exhibit C	Subdivision Regulations
Exhibit D	Development Standards
Exhibit E	Miscellaneous Conditions
Exhibit F	Drainage Standards
Exhibit G	Concept Plan
Exhibit H	Entry Monument Sign

Executed by the City and Owner to be effective on the Effective Date.

May 28th, 2020

CITY OF NEW FAIRVIEW

By: _____
Joe Wilson, Mayor

ATTEST:

By: _____
Monica Rodriguez, City Secretary

APPROVED AS TO FORM:

Bradley A. Anderle, City Attorney

STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on the _____ day of _____, 2020, by Joe Wilson, Mayor of the City of New Fairview, Texas, on behalf of said city.

Notary Public, State of Texas



City Council Agenda

June 1, 2020

Agenda Item: 7B Presentation

Agenda Description:

Presentation of Monthly Financial Report through April 30, 2020.

Background Information:

City Council adopted the General Fund Budget for the Fiscal Year 2020 starting October 1, 2019. The City Secretary and interim city administrator have reviewed the March financials and prepared the attached report.

Revenues – Year-to-Date revenues total \$806,455 with the majority of that coming from Property Taxes (56.5%). Sales tax totals \$92,076 (11%) of total revenue and Building Permits total \$156,886 (19.5%). YTD revenue represent just under 82% of all budgeted revenue for FY 2020.

Expenditures – Year-to-Date expenditures total \$427,827, or 49.5% of total budgeted expenditures for FY 2020. Legal Services has totaled \$151,829 of which \$39,359 has been reimbursable from developers. Contract Labor has totaled \$78,969 which has included office temporary help, code enforcement, city administration and building inspections.

Fund balance currently stands at \$439,770.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Attachments:

Budget Report

City of New Fairview
General Fund - FY 2019-2020

As of 04/30/2020

	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
BEGINNING FUND BALANCE		61,141	61,141		
Revenue					
Current Property Tax	436,867	512,278	455,958	11.0%	56,320
Sales/Beverage Tax	130,000	130,000	92,076	29.2%	37,924
Licenses and Permits	400,000	200,000	156,886	21.6%	43,114
Franchise Fees	46,235	46,235	45,208	2.2%	1,027
Court Fines	12,000	15,000	18,535	-23.6%	(3,535)
Other Revenue	0	80,000	37,793	52.8%	42,207
TOTAL REVENUE	1,025,102	983,513	806,455	18.0%	177,058
Expenditures					
Payroll & Benefits	256,343	145,838	53,981	63.0%	91,857
Contract Labor	98,500	148,837	78,969	46.9%	69,868
Supplies	48,460	78,869	34,148	56.7%	44,721
Services	32,600	27,000	23,329	13.6%	3,671
Public Works/Maintenance	141,000	118,500	18,721	84.2%	99,779
Utilities	11,600	11,600	5,582	51.9%	6,018
Consultants	171,755	311,000	208,638	32.9%	102,362
Capital Outlay	25,000	5,000	4,459	10.8%	541
TOTAL EXPENDITURES	785,258	846,644	427,827	49.5%	418,818
REV OVER/(UNDER)EXP	239,844	136,869	378,629		
Change to Fund Balance	239,844	136,869	378,629		
ENDING FUND BALANCE	239,844	198,010	439,770		
% Fund Balance Reserve		25.8%			

*Note - Fund balance calculation excludes pass through expenses to developers.

**City of New Fairview
General Fund - FY 2019-2020**

City Council	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
Expenditures					
Supplies					
Training/Dues/Membership	5,000	5,000	3,398	32.0%	1,602
Miscellaneous	500	500		100.0%	500
Supplies	1,500	1,500		100.0%	1,500
Total Supplies	<u>7,000</u>	<u>7,000</u>	<u>3,398</u>	51.5%	<u>3,602</u>
TOTAL EXPENDITURES	7,000	7,000	3,398	51.5%	3,602

**City of New Fairview
General Fund - FY 2019-2020**

Administration	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
Expenditures					
Payroll & Benefits					
Payroll	50,000	25,200			25,200
Benefits	13,939	8,056			8,056
Mileage	500	1,200		100.0%	1,200
Total Payroll & Benefits	64,439	34,456	-	100.0%	34,456
Contract Labor					
Contract Labor		8,000	994	87.6%	7,006
Building Inspector					
Total Contract Labor	-	8,000	994	87.6%	7,006
Supplies					
Office Supplies	5,000	2,500	2,000	20.0%	500
Office Equipment	2,600	1,000	1,000	0.0%	-
Software	1,050	30,000	10,451	65.2%	19,549
Training/Dues/Membership	1,200	1,200		100.0%	1,200
Miscellaneous	1,000	500		100.0%	500
Postage	500	200	214	-7.0%	(14)
Election	6,000	3,000		100.0%	3,000
TML Insurance	5,479	5,479	2,385	56.5%	3,094
Supplies					
Total Supplies	22,829	43,879	16,050	63.4%	27,829
Utilities					
Electric/Trash	1,400	1,400	1,010	27.9%	391
Telephone	2,000	2,000	811	59.4%	1,189
Total Utilities	3,400	3,400	1,821	46.4%	1,579
Consultants					
Legal Expenses	25,000	97,000	87,222	10.1%	9,778
City Engineer	20,000	15,000	4,765	68.2%	10,235
City Planner	20,000	25,000	21,578	13.7%	3,422
Auditor	12,000	12,000		100.0%	12,000
Consultant Fees	44,755	47,000	9,875	79.0%	37,125
Total Consultants	121,755	196,000	123,440	37.0%	72,560
Capital Outlay					
Loan Payoff	25,000	5,000	4,459	10.8%	541
Total Capital Outlay	25,000	5,000	4,459	10.8%	541
TOTAL EXPENDITURES	237,423	290,735	146,764	49.5%	143,971

**City of New Fairview
General Fund - FY 2019-2020**

City Secretary

	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
Expenditures					
Payroll & Benefits					
Payroll	74,090	58,240	33,460	42.5%	24,780
Benefits	13,938	15,142	6,124	59.6%	9,018
Mileage	500	500	287	42.6%	213
Total Payroll & Benefits	88,528	73,882	39,871	46.0%	34,011
Contract Labor					
Contract Labor		22,337	22,337	0.0%	0
Building Inspector					-
Total Contract Labor	-	22,337	22,337		0
Supplies					
Office Supplies	1,500	3,500	3,035	13.3%	465
Office Equipment	1,291	500	500	0.0%	-
Software	1,050	8,000	5,682	29.0%	2,318
Training/Dues/Membership	1,200	1,200	1,000	16.7%	200
Miscellaneous	1,000	1,000		100.0%	1,000
Bonds	100	100	100	0.0%	-
Postage	800	400	130	67.5%	270
Legal Notices	1,800	1,800	956	46.9%	844
Recording	2,000	2,000		100.0%	2,000
Ads/Marketing	1,000	1,000		100.0%	1,000
Total Supplies	11,741	19,500	11,403	41.5%	8,097
Utilities					
Electric/Trash	1,400	1,400	1,013	27.7%	388
Telephone	2,000	2,000	820	59.0%	1,180
Total Utilities	3,400	3,400	1,833	46.1%	1,567
Consultants					
Legal Expenses	25,000	25,000	20,249	19.0%	4,751
Consultant Fees					
Total Consultants	25,000	25,000	20,249	19.0%	4,751
TOTAL EXPENDITURES	128,669	144,119	95,693	33.6%	48,426

**City of New Fairview
General Fund - FY 2019-2020**

Court	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
Expenditures					
Payroll & Benefits					
Payroll	75,000	30,000	10,570	85.9%	19,430
Benefits	27,876	7,000	3,527	87.3%	3,473
Mileage	500	500	13	97.4%	487
Total Payroll & Benefits	103,376	37,500	14,110	86.4%	23,390
Supplies					
Office Supplies	1,500	1,500	528	64.8%	972
Office Equipment	1,190	1,190	594	50.1%	596
Software	1,500	3,500	1,525	-1.7%	1,975
Training/Dues/Membership	1,200	1,500	650	45.8%	850
Miscellaneous	1,000	500		100.0%	500
Postage	500	300		100.0%	300
Total Supplies	6,890	8,490	3,297	52.1%	5,193
Services					
Municipal Judge	2,400	1,800	1,950	18.8%	(150)
Municipal Judge Training	200	200		100.0%	200
Court Costs to State			6,178		(6,178)
Contract Deputies	30,000	25,000	15,201	49.3%	9,799
Total Services	32,600	27,000	23,329	28.4%	3,671
Utilities					
Electric/Trash	1,400	1,400	1,013	27.7%	388
Telephone	2,000	2,000	821	58.9%	1,179
Total Utilities	3,400	3,400	1,834	46.1%	1,566
Consultants					
Legal Expenses	25,000	10,000	5,000	80.0%	5,000
Consultant Fees					
Total Consultants	25,000	10,000	5,000	80.0%	5,000
TOTAL EXPENDITURES	171,266	86,390	47,569	72.2%	38,821

**City of New Fairview
General Fund - FY 2019-2020**

Public Works/Maintenance	FY 2020 Budget	FY 2020 Amended	FY 2020 Actual	Percent Remaining Amended	Amount Remaining Amended
Expenditures					
Contract Labor					
Contract Labor	30,000	35,000	17,593	49.7%	17,407
Code Enforcement	10,000	25,000	20,700	17.2%	4,300
Septic Inspector	6,500	6,500	6,741	-3.7%	(241)
Animal Control	2,000	2,000	1,020	49.0%	980
Building Inspector	50,000	50,000	9,584	80.8%	40,416
Total Contract Labor	98,500	118,500	55,638	53.0%	62,862
Public Works/Maintenance					
Tractor/Truck Repairs	2,500	2,000	173	91.4%	1,827
Tractor/Truck Diesel	1,500	1,500	1,097	26.9%	403
Building Repairs	2,000	2,000	1,820	9.0%	180
Building Improvements	25,000	10,000	1,385	86.2%	8,615
Equipment	500	5,000	5,460	-9.2%	(460)
Security	2,500	2,500		100.0%	2,500
Street Lights	4,000	4,000	2,075	48.1%	1,925
Signs	3,000	1,500	125	91.7%	1,375
Road Maintenance	100,000	90,000	6,586	92.7%	83,414
Total PW/Maintenance	141,000	118,500	18,721	84.2%	99,779
Utilities					
Electric/Trash	1,400	1,400	95	93.3%	1,306
Telephone					
Total Utilities	1,400	1,400	95	93.3%	1,306
Consultants					
Legal Expenses		40,000	39,358	1.6%	642
City Engineer		20,000	4,765	76.2%	15,235
City Planner		20,000	15,826	20.9%	4,174
Consultant Fees					-
Total Consultants	-	80,000	59,949		20,051
TOTAL EXPENDITURES	240,900	318,400	134,403	57.8%	183,998



City Council Agenda **June 1, 2020**

Agenda Item: 7C **Resolution** **(Action Item)**

Agenda Description:

Discuss, consider and possible action approving a Resolution adopting an Employee Policy and Procedure Manual.

Background Information:

One of the essential duties of the city administrator as outlined in the job description adopted by ordinance is:

1. Assist in the selection, supervision, training and evaluation of City personnel. **At the direction of Mayor and City Council, develop and implement personnel rules and regulations, including discipline and termination procedures, as necessary.**

The interim city administrator has prepared an employee handbook providing for these personnel rules. This handbook has been reviewed and edited by Cara White from the City Attorney's office. It is fully compliant with state and federal law.

The previous handbook was written in 2005. Some of the significant changes include the provision of employee benefits (medical, dental and vision insurance), and the replacement of personal time off (PTO) with vacation leave and sick leave.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Staff recommends that Council approve the resolution and adopt the Employee Policy Manual

Attachments:

Resolution

Employee Policy and Procedure Manual

**CITY OF NEW FAIRVIEW
RESOLUTION NO. _____,**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS APPROVING THE 2020 PERSONNEL POLICY AND PROCEDURE MANUAL FOR THE ADMINISTRATION OF EMPLOYEES OF THE CITY AND FINDING AND DETERMINING THE MEETING AT WHICH THIS RESOLUTION IS ADOPTED TO BE OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of New Fairview, Texas administers an existing personnel and procedure manual providing for a guide in the provision of compensation, benefits, discipline and attendance, among other things; and

WHEREAS, periodic review and amendment of such policies is good personnel administration practice that assist in providing sound management of human resources in service to the City; and

WHEREAS, the review and amendatory process has been completed by the City's administrative staff and the City Council wishes to amend the manual as personnel management policy of the City, now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEW FAIRVIEW, TEXAS:

SECTION 1: That the Personnel Policy and Procedure Manual, as presented to the City Council and dated June 1, 2020 be, and is hereby, adopted as the manual for the administration of the human resources of the City, such manual replacing, in its entirety, all other such manuals and policies heretofore adopted by the City.

SECTION 2: That it is hereby found and determined that the meeting at which this Resolution is adopted to be open to the public as required by law

Introduced, read and passed by the affirmation vote of the City Council of the City of New Fairview on this 1st day of June, 2020.

Joe Max Wilson, Mayor
City of New Fairview

Attest:

Monica Rodrigues
City Secretary

Employee Policy and Procedure Manual



New Fairview **TEXAS**

Guide to Personnel Rules & Regulations

Adopted _____

Resolution Number _____

City of New Fairview
999 Illinois Ln
New Fairview, TX
76258

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SECTION 1: GENERAL EMPLOYMENT POLICIES

INTRODUCTORY STATEMENT

The purpose of this document is to communicate to employees the general policies and procedures of the city for employees. The intent of the policies and procedures are to bring to the City of New Fairview a high degree of understanding, cooperation, efficiency, and unity, which comes through a systematic application of established procedures in personnel administration, and to provide a uniform policy for all employees, with all the benefits such a program insures. This policy applies to all City employees.

BASIC OBJECTIVES OF EMPLOYEE POLICIES

The purpose of these policies is to provide a uniform set of rules governing City employee relations. The fundamental principles of good personnel administration sought to be achieved by these policies include:

- a. to promote and increase effectiveness, efficiency and economy in the service of the City.
- b. to provide fair and equal opportunity to all qualified applicants to enter City employment on the basis of demonstrated qualifications, as well as merit and fitness as ascertained through fair and practical methods of application, recruitment, selection, and promotion.
- c. to develop a program of recruitment, advancement and tenure that will make employment with the city attractive as a career and encourage each employee to render his/her best to strive for excellence in service to the City.
- d. Establishment and maintenance of a uniform plan of evaluation and remuneration based upon market trends for duties and responsibilities in the service of the City.
- e. to establish and promote high morale among employees by providing a pleasant working environment, uniform personnel policies, opportunity for advancement, and consideration of employee welfare.

All employees, especially new employees, of the City of New Fairview should read, understand and follow all provisions of this handbook. This handbook describes employee responsibilities and outlines the programs developed by the City of New Fairview to benefit employees.

No employee handbook can anticipate every circumstance or question about policy. As the City of New Fairview continues to grow the need may arise, and the City reserves the right, to revise supplement or rescind any policies or portion(s) of this handbook, as it may, from time to time, deem appropriate. The provisions of this policy and procedure may be amended or cancelled at any time at the City of New Fairview's sole discretion. Employees will be notified of such changes to the handbook as they occur.

NATURE OF EMPLOYMENT

Employment with the City is on an "at-will" basis. Employees who do not have a written, individual employment contract, approved by the City Council and setting forth a specific, fixed term of employment, are employed at-will. This means that no individual supervisor has the authority to enter into an employment contract with any employee. As an at-will employee, either the employee or the City may terminate the employment relationship at any time, for any reason, without notice or cause.

These personnel policies are not intended to, and do not create a contract of employment or of any specific term or condition of employment. Benefits granted herein such as vacation, holiday or sick leave are given to the employees by the City Council and are not required by law. The opportunities granted to employees such as grievance procedures, appeals and other policies do not create a property interest in the employee's position with the City and do not preempt the fact that the City and the City's employees have an "at-will" relationship, unless altered by a written contract, as set forth above.

FEDERAL AND STATE LAWS

The City of New Fairview will follow federal and state laws regarding employment and employment practices. Some laws and regulations are identified in these policies for emphasis, but others will also be applicable as provided for by law.

EQUAL EMPLOYMENT OPPORTUNITY

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at The City of New Fairview will be based on merit, qualifications and abilities. The City of New Fairview will not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability or any other characteristic protected by law. This Equal Opportunity Policy of the City applies to all areas of employment, including, but not limited to recruitment, hiring, job assignments, pay, training, promotions, privileges, discipline, and conditions of employment.

The City of New Fairview will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship on the City. This policy governs all aspects of employment, including, but not limited to, selection, job assignment, compensation, discipline, termination and access to benefits and training.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, The City of New Fairview has established a grievance procedure to make sure that all the requirements of the Americans with Disabilities Act of 1990 ("ADA") are followed.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor, another supervisor, or the City Administrator. Employees can raise concerns and make reports without fear of reprisal. It is a violation of this policy to take an adverse employment action against any employee because he/she has opposed any practice reasonably believed to be discriminatory or filed any internal or external

complaint/grievance/charge or participated in any investigation or proceeding, in accordance with this Equal Opportunity Policy.

NEPOTISM

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

Relatives of personnel currently employed by the City of New Fairview may be hired only if they will not be working directly for, or supervising a relative or will not occupy a position in the same line of authority within the organization. This policy applies to any relative, higher or lower in the organization, where one employee will have the authority to review employment decisions and/or to direct, supervise and manage city programs and services impacting the other employee. Existing City of New Fairview employees cannot be transferred into such a reporting relationship.

If the relative relationship is established after employment, the individuals concerned will decide who is to be transferred or leave City employment, if transferring to another position is not an option. If that decision is not made within 30 calendar days, the City Administrator will decide.

For the purposes of this policy, a relative is any person who is related by within the second degree of affinity (marriage) or within the third degree of consanguinity (blood).

Under this policy, no person related within the second degree of affinity (marriage) or within the third degree of consanguinity (blood) to the Mayor, any member of the City Council, the City Administrator or City Secretary shall be appointed to any office, position or other services of the City. This prohibition shall not apply to officers or employees who have been employed by the City continuously for more than six months prior to the election or appointment of such official.

NEPOTISM CHARTS:

Consanguinity Kinship (Blood)

<u>1st Degree</u>	<u>2nd Degree</u>	<u>3rd Degree</u>
Father	Grandfather	Great Grandfather
Mother	Grandmother	Great Grandmother
Brother	Uncle	Great Uncle
Sister	Aunt	Great Aunt
Son	Nephew	Great Nephew
Daughter	Niece	Great Niece
	Grandchild	Great Grandchild
	1 st Cousin	2 nd Cousin

Affinity Kinship (Marriage)

<u>1st Degree</u>	<u>2nd Degree</u>
Spouse's Father	Spouse's Grandfather
Spouse's Mother	Spouse's Grandmother
Spouse's Brother	Spouse's Uncle
Spouse's Sister	Spouse's Aunt
Spouse's Son	Spouse's Nephew
Spouse's Daughter	Spouse's Niece
	Spouse's Grandchildren
	Spouse's 1 st Cousin

IMMIGRATION LAW COMPLIANCE

Each employee of the City of New Fairview shall be either a citizen of the United States or a legally entitled to work within the United States.

Applicants for employment will be required to complete an I-9 Form or other form as required or allowed and provide the documentation outlined in the I-9 Form as required by the Immigration Reform and Control Act of 1986.

Applicants, including former employees, who cannot provide the documentation required by the I-9 Form will not be considered for employment.

Employees who lose their status as a United States citizen or eligibility to legally work in the United States will be terminated.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the City Secretary. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

CONFLICTS OF INTEREST

It is hereby declared to be the policy of the City that the proper operation of democratic government requires that: (i) Public employees be independent, impartial and responsible only to the taxpayers; (ii) Governmental decisions and policy be made using the proper procedures of the governmental structure; and (iii) No employee have any financial interest, direct or indirect, or engage in any business, transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his duties in the public interest.

An employee of the City shall not:

- (1) Accept or solicit a benefit that might reasonably tend to influence the employee in the discharge of his/her official duties.
- (2) Use his/her official position to secure special privileges or exemptions for himself or others.
- (3) Grant any special consideration, treatment or advantage to a person or organization beyond that which is available to every other person or organization. This shall not prohibit the granting of fringe benefits to City employees as a part of their employment or as an added incentive to the securing or retaining of employees.
- (4) Disclose information that could adversely affect the property or affairs of the City, or directly or indirectly, use any information understood to be confidential which was gained by reason of his/her employment for his/her own personal gain or benefit or for the private interest of others.
- (5) Transact any business on behalf of the City in his/her official capacity with any business entity with which he/she is an officer, agent or member or in which he/she has a financial interest. In the event that such a circumstance should arise, then he/she shall make known his/her interest, and

turn the matter over to his/her superior for reassignment, state the reasons for doing so and have nothing further to do with the matter involved.

(6) Personally provide services for compensation, directly or indirectly, to a person or organization who is requesting an approval, investigation, or determination from the City.

(7) Accept other employment or engage in outside activities incompatible with the full and proper discharge of his/her duties and responsibilities with the City, or which might impair his/her independent judgment in the performance of his/her public duty.

(8) Receive any fee or compensation for services due to status as an employee of the City, from any source other than the City, except as may be otherwise provided by law. This shall not prohibit an employee from performing the same or other services for a public or private organization that the employee performs for the City, providing there is no conflict with the employee's City duties and responsibilities.

(9) Knowingly perform or refuse to perform any act to deliberately thwart the execution of the City rules or regulations or the achievement of official City programs.

(10) Use City supplies, equipment or facilities, or receive any fee or compensation for the use of City supplies, equipment or facilities, for any purpose other than the conduct of official City business.

(11) Engage in any dishonest or criminal act or any other conduct prejudicial to the government of the City or that reflects discredit upon the government of the City.

Illegal Discrimination and harassment

The City of New Fairview prohibits any and all forms of discrimination, including harassment, on the basis of race, color, religion, sex, national origin, age, disability or any other characteristic protected by law. It is also the City's policy to prohibit any form of sexual harassment. The City of New Fairview will investigate any complaint of discrimination and/or harassment and take timely and appropriate disciplinary action if it is found to have occurred. The City also prohibits any retaliatory action against anyone who has complained in good faith about harassment or discrimination. This policy applies to all City agents and employees, including supervisors and elected or appointed officials, as well as volunteers, citizens, vendors, and visitors to the workplace.

All employees have the unconditional right to work in a professional atmosphere that promotes equal opportunities and prohibits discriminatory practices, including harassment. Any employee who has any questions or concerns about these policies should talk with his or her supervisor, Department Head, City Secretary, or the City Administrator.

Definitions:

Harassment. Harassment consists of unwelcome conduct, whether verbal, physical, or visual, that is based on a person's race, color, religion, sex, national origin, age, disability or any other characteristic protected by law, and impairs another employee's ability to perform the duties of their job.

Sexual harassment. Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, or verbal or physical acts of a sexual or sex-based nature where:

- (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

The City considers the following conduct to represent the types of acts which violate this policy:

- (1) Physical assaults, such as:
 - (a) rape, sexual battery, molestation, or attempts to commit these assaults; and
 - (b) intentional physical conduct that is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another person's body, or poking another person's body.
- (2) Unwanted sexual advances, propositions, or other sexual comments, such as:
 - (a) sexually-oriented gestures, noises, remarks, jokes, or comments about a person's sexuality or sexual experience;
 - (b) preferential treatment or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward; or
 - (c) subjecting, or threats of subjecting, an employee to unwelcome sexual attention or conduct or intentionally making performance of the employee's job more difficult because of that employee's rejection of sexual advances, speech, or conduct.
 - (d) Sexual or discriminatory displays or publications in the workplace or when engaged in City business by employees, such as displaying pictures, posters, calendars, graffiti, objects, promotional materials, or reading materials that are discriminatory, sexually suggestive, sexually demeaning, or pornographic, or bringing into the work environment or possessing the material to read, display, or view at work. A picture is presumed sexually suggestive if it depicts a person who is not fully clothed or in clothes that are not suited to or ordinarily accepted for accomplishing routine work and who is posed for the obvious purpose of displaying or drawing attention to the private portions of the body.
 - (e) Subjecting, or threats of subjecting, an employee to unwelcome attention or conduct or intentionally making performance of the employee's job more difficult because of that employee's race, color, ancestry, religion, national origin, age, sex, marital status, disability, or veteran status.
 - (f) Retaliation against a person who filed a discrimination or harassment complaint or participated in the investigation of a complaint, such as disciplining, changing work environments of, providing inaccurate work information to, or refusing to cooperate or discuss work-related matters with an employee because that employee has complained about or resisted harassment, discrimination, or retaliation.

- (g) Other acts of a similar nature.

Complaint Procedure:

- (1) The City encourages employees who encounter discrimination or harassment to firmly and promptly notify the offender that the behavior is unwelcome and that the conduct must stop.
- (2) An employee who experiences or observes discrimination, harassment, or retaliation must report the incident to a supervisor, Department Head, the City Secretary, or the City Administrator, whomever the employee feels most comfortable approaching.
- (3) The complaint may be either oral or written. However, oral reports of harassment must be reduced to writing by either the complainant or the person who receives the complaint, and must be signed by the complainant, if possible.
- (4) Anonymous complaints will be taken seriously and investigated.
- (5) All discrimination, harassment, and/or retaliation complaints must be forwarded to the Administrator.
- (6) Each complaint will be promptly and thoroughly investigated to determine whether the discrimination and/or harassment complained of occurred. Within a reasonable time, a written report regarding the investigation will be prepared and a copy of the report provided to the complainant, upon request. To the extent practicable and allowed by the Texas Public Information Act, the City will keep complaints and the terms of their resolution confidential.
- (7) An employee will not be subject to retaliation or discipline for reporting, pursuing, opposing or participating in a discrimination or harassment complaint in good faith.

Responsibility of Employees

An employee or applicant for employment who believes he/she has been harassed or discriminated against, or knows of or suspects harassment or discrimination in the workplace, sexual or otherwise, has the responsibility to report the conduct to a supervisor, the City Secretary, or the City Administrator.

Duties and Responsibilities of Supervisors

- (1) Supervisors must treat all complaints seriously and confidentially. Each case will be promptly and thoroughly investigated to determine whether the harassment complained of occurred.
- (2) All reports or suspicions of discrimination and/or harassment, sexual or otherwise, which come to a supervisor's attention must be referred immediately to the City Administrator.

Discipline

An employee found to have violated this policy will be subject to remedial training and/or disciplinary action, including written reprimands, transfer, demotion, suspension, or termination. By enforcing this policy, the City will preserve the right of every employee and applicant for employment to enjoy a

workplace free of discrimination and harassment of any type.

False, exaggerated or malicious complaints of harassment, discrimination or retaliation (as opposed to complaints which, even if erroneous, are made in good faith) will result in appropriate disciplinary action.

DISABILITY ACCOMMODATION

The City of New Fairview is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures will follow federal and state laws and provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position applied for.

Reasonable accommodations will be considered and made available to all disabled employees and applicants for employment, where the accommodation will enable the performance of essential job functions. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structures, position descriptions, lines of progression and seniority lists. Leave of all types will be available to all employees on an equal basis.

The City of New Fairview is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. The City of New Fairview will follow any local, state or federal law that provides individuals with disabilities greater protection than the ADA.

This policy is neither exhaustive nor exclusive. The City of New Fairview is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and all other applicable federal, state, and local laws.

SECTION 2: EMPLOYMENT POLICIES

EMPLOYMENT APPLICATIONS

The City of New Fairview relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentation, falsification, or material omission in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

EMPLOYEE SELECTION

New employees will be selected on the basis of their job-related qualifications for the position, including their work experience, education, and physical condition as it relates to the essential functions of the job, references, criminal background checks, and in the case of those who will be driving City vehicles or driving their own vehicles on City business, safe driving records.

PROBATIONARY PERIOD

The probationary period is intended to give new employees the opportunity to demonstrate their knowledge, skills, ability and willingness to perform and complete required work responsibilities and assignments. The City of New Fairview uses this period to evaluate employee capabilities, work habits and overall job performance.

All new and rehired employees, work on an introductory basis for a probationary period of six (6) months.

Employees who are promoted or transferred within the City of New Fairview must complete an additional probationary period of the same length with each promotion to a new position. Any significant absence will automatically extend an introductory period by the length of the absence.

At the end of the introductory probationary period either for newly hired or promoted employees the employee will be evaluated and, based on a successful evaluation, eligible for a pay increase in accordance with the approved pay plan.

If a director, supervisor or manager determines that the designated probationary period does not allow sufficient time to thoroughly evaluate the employee's performance, the probationary period may be extended for a period up to three months. Any personnel action, including written notice for failure to complete assigned work, failure to perform work in an acceptable manner, or failure to follow personnel policies shall automatically result in an extension of the probationary period.

In cases of promotions or transfers within the City of New Fairview, an employee who, in the sole judgment of management, is not successful in the new position may be removed from that position at any time during the probationary period. If this occurs, the employee may be allowed to return to his or her former job or to a comparable job for which the employee is qualified, depending on the availability of such positions and the City of New Fairview's needs.

Upon satisfactory completion of the initial probationary period, employees enter the regular employment classification.

During the initial probationary period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance, health insurance, and Social Security. After becoming regular employees, employees are eligible for other City of New Fairview benefits of employment, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirement.

Benefits eligibility and employment status are not changed during the secondary introductory period that results from a promotion or transfer within the City of New Fairview.

OUTSIDE EMPLOYMENT

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with the City of New Fairview. All employees will be judged by the same performance standards and will be subject to the City of New Fairview's scheduling demands, regardless of any existing outside work requirements.

Employees will not be permitted to hold another job (including self-employment and volunteer work) that might discredit the City, result in a conflict of interest (or potential conflict of interest) or result in anything less than a satisfactory performance of the employee's regular and normal duties on behalf of the City.

Before engaging in self-employment or employment with another employer, the employee must submit a written request and obtain written authorization from his/her Department Director. A copy of the request and authorization will be filed with the City Secretary to be maintained in the employee's personnel file. Failure to acquire prior written approval is grounds for disciplinary action, up to and including termination. The employee's Department Director or the City Administrator may revoke approval of secondary employment at any time.

Under no circumstances may an employee on sick leave, or workers' compensation leave work another job (whether for pay, as a volunteer or as self-employment), unless expressly authorized in writing by the City Administrator. The City will not provide leave benefits for injuries or illnesses suffered as a result of another job. Violation of this provision may result in disciplinary action up to and including termination.

EMPLOYMENT CATEGORIES

It is the intent of the City of New Fairview to define employment classifications so that employees

understand their employment status and benefit eligibility. These classifications do not guarantee employment or benefits for any specified period of time.

Each employee is designated as either EXEMPT or NON-EXEMPT from federal and state wage and hour laws. NON-EXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NON-EXEMPT classification may be changed only upon written notification by The City of New Fairview management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL TIME- employees are those who are not in a temporary or introductory status and who are required and assigned to work a full-time schedule. Generally, they are eligible for the City of New Fairview's full benefit package, subject to the terms, conditions and limitations of each benefit program. Regular full-time employees are required to work 40 or more hours per week. Regular full-time employees are required to work the hours and shifts assigned by their supervisor.

REGULAR PART TIME (TMRS Enrolled)- employees are those who are not assigned to a temporary or introductory status and who are required and assigned to work 30 hours per week or more, but less than 40 hours per week. Regular part-time employees are eligible to receive some leave and other benefits as provided for by these policies. If they are assigned to work an average of 1000 hours or more in a year, they will participate in TMRS. Regular part time employees are required to work hours and shifts assigned by their supervisor. Regular part time employees do not automatically qualify for the City of New Fairview's full benefit package but are only eligible for those benefits offered as part of these policies.

PART TIME- employees are those who are not assigned to a temporary or introductory status and who are generally scheduled to work less than 30 hours per week. They participate in legally mandated benefits (such as Social Security), but they are not eligible for other City of New Fairview benefit programs.

TEMPORARY- employees are those who are hired on a short-term basis for a specific project or assignment or as interim replacements, to temporarily supplement the work force, to temporarily fill a vacancy, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of change in writing by management. While temporary employees receive all legally mandated benefits (such as Social Security), they are not eligible for all of the City of New Fairview's benefits programs unless they are required by law or regulation.

ACCESS TO PERSONNEL FILES

The City of New Fairview maintains a personnel file on each employee. The personnel files include such information as the employee's job application, resume, records of training, documentation of performance appraisals, salary increases and other employment records.

Personnel files are the property of the City of New Fairview, and access to the information they contain is restricted. Generally, only supervisors and management personnel of the City of New Fairview who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the City Administrator to schedule a time to do so. With reasonable advance notice, employees may review their own personnel files in the City of New Fairview's offices and in the presence of an individual appointed by the City of New Fairview to maintain the file. Access to the information in an employee's personnel file may be subject to disclosure in accordance with the Texas Public Information Act.

Employees who work with information related to personnel files, compensation or other benefits shall maintain the information in strict confidence unless there is a qualifying information request or need to provide information. Then only information required shall be provided to meet the demands of the information request. Failure to follow this policy may result in disciplinary action.

EMPLOYMENT REFERENCE CHECKS

To ensure that individuals who join the City of New Fairview are well qualified and have strong potential to be productive and successful, it is the policy of the City of New Fairview to check the employment references of all applicants.

Only the City Administrator or other designated employee will respond to other company reference checks. Responses to such inquiries will confirm only dates of employment, wage rates, and position held. No other employment data will be released without a written authorization and signed the individual who is the subject of the inquiry or a Public Information Request.

PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify the City in writing of any changes in personnel data. Personal mailing addresses, telephone number, number and names of dependents, individuals to be contacted in the event of any emergency, educational accomplishments, and other such status reports should be accurate and current at all times. When any personnel data changes occur, it is the duty of the employee to notify his or her manager, director or supervisor in writing within a reasonable time. The manager, director or supervisor shall follow up with the appropriate staff to have the employee's information updated.

PERFORMANCE EVALUATION

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Formal performance evaluations are conducted at the end of an employee's initial period in any new position. Thereafter, the performance of employees will be generally evaluated annually on the employee's anniversary date or promotion date.

The purpose of a performance evaluation is for supervisory personnel to communicate with employees on whether they are meeting job performance expectations or not, and if not then to identify where performance improvement is needed. In addition, supervisory personnel should use the performance evaluation to identify where the employee is meeting or exceeding job performance expectations as a means to thank them for their efforts and to encourage continued efforts for quality performance of job requirements.

EMPLOYMENT TERMINATION

Termination of employment may occur for many reasons either by the employee or by the employer. Below are examples of some of the most common circumstances under which employment is terminated:

RESIGNATION: voluntary employment termination initiated by an employee

RETIREMENT: voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.

DISCHARGE: involuntary employment termination initiated by the organization related to work performance or violation of personnel policies.

LAYOFF: involuntary employment termination initiated by the organization for non-disciplinary reasons.

Employee compensation and benefits will be affected by employment termination as provided for by these policies and by state and federal law. All employees will be paid for actual hours worked. Some benefits authorized by law or these policies may continue at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions and limitations of such continuance.

NOTICE FOR RESIGNATION

Resignation is a voluntary act initiated by the employee to terminate employment with the City of New Fairview. The City of New Fairview will not consider an employee to have resigned in good-standing unless the employee provides at least two weeks written notice of the employee's intent to terminate employment.

EXTENDED LEAVE AND RETURN TO WORK

There may be circumstances that cause an employee to be on extended leave, such as a serious illness or accident. In those instances, the City will work closely with the employee to ensure

coordination and continuity of benefits.

An employee who is on extended leave and has exhausted his/her paid leave (comp time, sick leave and vacation), must submit a completed Request for Reasonable Accommodation Form within 30 days of their last paycheck. The employee must provide the form to their physician for completion along with a completed Medical Authorization and Release. The City will consider the information provided by the employee and the employee's physician, as well as the position held by the employee, and the needs of the City to determine whether the City will grant a period of unpaid leave to the employee.

Breastfeeding Support

In order to allow employees to take advantage of the many health benefits of breastfeeding, and in compliance with the Fair Labor Standards Act, the City provides reasonable break time for an employee to express breast milk for her nursing child for one (1) year after the child's birth. Such breaks may be taken each time such employee has need to express milk, and the City will provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used by an employee to express breast milk.

All women who breastfeed their child and who need to express milk during the working day will work with their supervisor to determine how best to accommodate the needs of the mother while still accomplishing the performance of her job.

Supervisors will allow flexible working arrangements. Women may use their break and lunch time to express milk. Sick or Vacation hours may also be used to express milk if needed. Breaks to express milk should not last longer than 30 minutes. If an employee needs to take more than two breaks during the workday to express milk, the employee will need to use personal time (lunch, sick and/or vacation hours).

The City Secretary will work with each nursing mother to determine a private area in which they may express milk. Milk may be placed in City refrigerators so long as it is appropriately marked.

SECTION 3: EMPLOYEE COMPENSATION

COMPENSATION AND OVERTIME

Employees will be compensated in accordance with the pay plan that will be adopted by the City from time to time and funded by the annual budget. Compensation may be based upon hours worked for hourly employees, or upon an approved salary for FLSA exempt employees.

In accordance with the Federal Fair Labor Standards Act (FLSA), nonexempt employees are eligible to receive overtime pay at a rate of one and one-half times their regular pay, or compensatory time, for time worked in excess of a 40-hour work week. Exempt personnel under the FLSA are required to work the number of hours required to complete their assigned duties. Exempt personnel will not be paid overtime or receive comp time for the number of hours worked in excess of 40. The normal seven-day workweek for City employees begins at 12:00 a.m. on Friday and ends at 11:59 p.m. the following Thursday.

All overtime must be assigned or authorized in advance by the appropriate director, manager or supervisor. Overtime that is related to an emergency condition is considered authorized. Examples include response to storm damage, a waterline break, the loss of power or essential motors or pumps for utilities, or other conditions approved by the City Administrator. An employee who works any unauthorized overtime will be subject to disciplinary action.

Employees may not begin work prior to their scheduled workday and may not continue working beyond the end of their scheduled workday, without prior authorization from the appropriate supervisor. Similarly, employees may not work through their lunch break without prior authorization from the appropriate supervisor.

Overtime will be paid at one and one-half times the hourly rate. Vacation, holiday leave, sick leave and compensation time used will not be counted as hours worked when calculating overtime. When work requires that an employee utilizing approved leave be called back to work in order to respond to an urgent City need or emergency condition, the City Administrator may authorize that the approved leave may be counted as hours worked when calculating overtime.

When operating requirements or other needs cannot be met during regular working hours, the supervisor may assign, or employees may be given the opportunity to volunteer for, overtime work assignments. Overtime assignments will be distributed as equitably as practicable to all employees qualified to perform the required work. Refusal or other failure to work mandatory overtime City may result in disciplinary action.

With the agreement of the City and the employee entered into before the work is performed, non-exempt employees shall receive compensatory time off for such overtime hours in lieu of overtime

pay at the rate of one and one-half (1½) times the number of overtime hours for hours physically worked by the employee. Non-exempt employees may accrue up to a maximum of eighty (80) hours of compensatory time, and all compensatory time earned must be reported on time sheets. Compensatory time leave shall be given within a reasonable amount of time so long as it is approved by the Department Director in advance. After the employee has accrued the maximum compensatory time and not used it as leave, all overtime accrued above the maximum must be paid. Accrued balances of compensatory time at separation from employment must be paid at a rate not less than the average rate received by the employee over the last three years of employment or his final rate of pay, whichever is higher.

WORK SCHEDULES

Supervisors will advise employees of the times their work schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total work hours that may be scheduled each day and week.

Public Works Employees may work varying periods dependent upon weather conditions with the approval of the City Administrator.

ON-CALL

Generally, all city employees serve on general standby to assist in times of emergency. In particular managers and supervisors must be able to respond during emergencies. General standby does not place limitations on the employee or the employee's activities. Under general stand by, if the employee is available and is called, then the employee agrees to assist. Compensation for responding is dependent upon whether the employee is exempt or non-exempt.

Exempt employees will not be compensated for emergency response while non- exempt employees are compensated for all work over 40 hours during a work week.

Public Works employees will be assigned to work On-Call from time to time on a rotation basis. When assigned On-Call, the employee will take after hour calls during the week and will do the rounds to check appropriate City equipment and facilities during weekends/holidays as well as take calls for service on the weekend/holiday. An On-Call employee will receive compensation for all hours worked while on call, including time spent making rounds, and will receive an "On-Call" payment (\$50.00) per week for being placed in On-Call status.. On-Call employees must be able to respond within an hour to New Fairview, and are expected to remain sober and able to work and perform their responsibilities if called to work. Otherwise On-Call employees are free to engage in their own pursuits while On-call, except during the time spent making rounds.

LONGEVITY PAY

All TMRS enrolled employees of the City shall receive longevity pay per year for each year of service to the City, beginning after the employee's first full year of employment.

Longevity pay shall be at a rate of \$100 for the first full year of service and an additional \$36.00 per year for full-time employees up to 20 years of service. Longevity pay for part-time TMRS enrolled employees shall be at a rate of \$36 for the first full year of service and an additional \$18.00 per year for up to 20 years of service. Longevity payments shall be issued once annually, generally in December, and are taxable income. Eligible employees who separate from employment during the year shall not receive longevity pay.

JURY DUTY

The City of New Fairview encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees in an eligible classification may request up to one week of paid jury duty leave over any one-year period. Employee classifications that qualify for paid jury duty leave are: Regular Full Time and Regular Part Time.

Jury duty pay will be calculated on the employee's base rate times the number of regular hours the employee would otherwise have worked on the day of absence. Employee must provide documentation-showing day(s) they attended Jury Duty.

If employees are required to serve jury duty beyond the period of paid jury leave, they may use any available paid time off or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

TIMEKEEPING

Accurately recording time worked is the responsibility of every employee. Federal and state laws require the City of New Fairview to keep an accurate record of time worked in order to calculate employee pay and benefits. The "time worked" is all time actually spent on the job performing assigned duties.

Employees should accurately record the time they work. If a clock and timecards or records are provided to document time worked, then the employee should document time worked through the approved system as instructed. Overtime must always be approved before it is performed.

Altering, falsifying, tampering with time records or recording time on another employee's time record may result in disciplinary action up to and including termination.

It is the employee's responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record both the employee and the supervisor must verify the accuracy of the changes by initialing the time record. Time sheets will be submitted no later than the end of the business day on the first workday following the end of the time period.

PAYDAYS

Employee payroll is prepared weekly. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday (Friday's) falls on a holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

ADMINISTRATIVE PAY CORRECTION

The City of New Fairview takes reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the City Secretary so that corrections can be made as quickly as possible.

PAY DEDUCTIONS

The law requires that the City of New Fairview make certain deductions from every employee's compensation. Among these are applicable federal income taxes. The City of New Fairview also must deduct Social Security, Medicare and other required taxes on each employee's earnings up to the appropriate amount.

The City of New Fairview offers programs and benefits beyond those required by law. Eligible employee may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, your supervisor can assist in having your questions answered or you may seek direction from the City Administrator or City Secretary.

SECTION 4: EMPLOYEE LEAVE BENEFITS

EMPLOYEE LEAVE BENEFITS

Eligible employees are provided a wide range of benefits. Benefits eligibility is dependent upon a variety of factors, including employee classification; your supervisor can identify the leave benefits for which you are eligible.

The following leave benefits are available to eligible employees:

- Vacation Leave
- Holiday Leave
- Sick Leave
- Exempt Leave
- Bereavement Leave
- Medical/Family Leave
- Jury Duty Leave
- Military Leave

Some benefit programs require contributions from employees, but most are fully paid by the City of New Fairview.

VACATION LEAVE BENEFITS

Vacation leave with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Regular full time and Part-time TMRS enrolled employees are eligible to earn and use vacation leave as described in this policy:

Vacation leave will begin accruing on the employee's first pay period. An employee is eligible to begin using vacation leave after 6 months of service. The amount of paid vacation leave employees may receive annually increases with the length of employment with the City of New Fairview as shown in the following schedule.

VACATION EARNING SCHEDULE FOR REGULAR FULL TIME:

YEARS OF SERVICE	PER PAYROLL ACCRUAL
1-5 years of service	1.538 hours
6+ years of service	2.308 hours

VACATION EARNING SCHEDULE FOR PART TIME TMRS EMPLOYEES

YEARS OF SERVICE	PER PAYROLL ACCRUAL
1-5 years	0.769 hours
6+ years	1.154 hours

Vacation leave shall not be granted in time increments of less than one hour without approval of the employee's supervisor.

Vacation leave is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives or shift differentials. Vacation leave may not be used under any circumstances, until it has been earned.

It is in the best interest of the employee and the City of New Fairview that the employee use his or her vacation leave each year. An employee may not have more than two (2x) times the amount of annual vacation time. If, on January 1, of any year an employee has accrued more than two times (2x) the amount of annual vacation time earned by the employee the previous year, the employee will not accrue any additional vacation leave until the employee's vacation leave balance falls below the maximum. The maximum amount paid to an employee on termination of employment is 240 hours.

Employees must generally request vacation leave at least two (2) weeks in advance. The City of New Fairview understands that certain circumstances are out of our control, so a supervisor may accept a shorter notice on a case-by-case request.

Vacation pay will not be authorized during a disciplinary suspension as a means to supplement pay lost as a direct result of the suspension.

An employee may transfer up to 40 hours of accrued vacation leave benefits to another employee's sick leave bank for major medical illnesses upon approval of the City Administrator. An employee may only receive a total of 40 hours per donating employee during employment with the City of New Fairview. The transfer will remain anonymous.

HOLIDAY LEAVE

Except as otherwise provided below, City of New Fairview Regular Full time and Regular Part time employees will be granted the following holidays:

New Year's Day
Good Friday
Memorial Day
Independence Day
Labor Day Thanksgiving
Day after Thanksgiving
Christmas Eve
Christmas Day
New Year's Eve Day

The City of New Fairview will grant paid holiday time off to all eligible employees for the holidays listed above. Holiday pay will be calculated based on the employee's straight time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day up to a maximum of eight (8) hours for each day granted for the holiday. Holiday time does not accumulate or carry over at the end of the calendar year.

To be eligible for holiday pay, employees must work the last scheduled day immediately preceding and the first scheduled day immediately following the holiday. When an official paid holiday occurs on a scheduled work day of an employee, who is on approved vacation leave, the employee is entitled to holiday leave. Except as otherwise noted below employees shall receive holiday pay equal to the employee's normal work day.

An employee will not receive pay for a holiday if the employee is:

- (1) terminating employment with the City, and the last day as a paid employee is the work day before a paid holiday;
- (2) on leave of absence without pay the workday before the paid holiday; or
- (3) absent on the workday before or following a paid holiday without approved leave or without approval of the employee's supervisor in advance; or

In addition:

1. As many employees as possible shall be given each holiday off consistent with the maintenance of essential City functions.
2. An employee desiring to observe religious holidays not listed herein may be authorized to use accrued vacation leave, comp time as long as the day worked and the day off can be scheduled to meet the work requirements of the city.
3. Employees calling in sick the day preceding a holiday or the day after a holiday may be required to submit a doctor's certificate indicating treatment for a legitimate illness or injury.

Repeated absences due to calling in sick on a holiday, the day preceding a holiday or the day after a holiday without a doctor's certificate may result in disciplinary action up to and including dismissal.

Generally, a holiday that falls on a Saturday will be observed on the preceding Friday and a holiday that falls on a Sunday will be observed on the following Monday.

Public Works Personnel are not generally scheduled to work holidays. Those who are scheduled to work a holiday will receive compensation in an amount equal to one and one-half the employee's regular hourly rate for the hours worked on the holiday, or as staffing permits, they may take an amount of time off on another day with the amount of time off being equal to the amount of time worked on the holiday. The time off must be taken within a 30-day period.

SICK LEAVE BENEFITS

The City of New Fairview provides paid sick leave to all eligible employees for periods of temporary absence due to illnesses or injuries. Regular full time and Part-time TMRS enrolled employees are eligible to earn and use sick leave as described in this policy. Sick leave benefits are intended solely to provide income protection in the event of illness or injury and may not be used for any other absence.

Eligible employees will accrue sick leave benefits at the following rate for every full month of service:

Regular Full Time Employees - Regular Part Time Employees – 8 hours per month
4 hours per month

Sick leave benefits will begin to accrue after 30 days of hire date.

Employees can request use of paid sick leave after completing a waiting period of three (3) calendar months from the date of hire. Paid sick leave can be used in minimum increments of one hour. Eligible employees may use sick leave benefits for an absence due to a doctor or dentist visit, their own illness or injury or that of an immediate family member.

Employees who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of their workday, if possible. The direct supervisor must also be contacted on each additional day of absence.

Before returning to work from a sick leave absence of three calendar days or more, an employee must provide a physician's verification that he or she was ill or injured and may safely return to work. Such verification may be requested for other sick leave absences as well and may be required as a condition to receiving sick leave pay.

Sick leave benefits will be calculated based on the employee's base rate at the time of absence and will not include overtime or any special forms of compensation such as incentives or shift differentials.

Unused sick leave benefits will generally be allowed to accumulate and carry over each year. After an employee accrues more than 120 hours of sick leave.. If, on January 1, of any year an employee has accrued more than 120 hours of sick leave, the employee will not accrue any additional sick leave until the employee's sick leave balance falls below the 120 hours. Sick leave is not paid to an employee on termination of employment unless the employee retires from the City.

As an incentive to not abuse sick leave, employees will be paid, upon retirement, a total of fifty percent (50%) of the sick leave balance up to a total of 120 hours of sick leave benefits. For purposes of this policy, retirement occurs when the employee submits TMRS retirement paperwork on or before their last day of employment with the City.

EXEMPT LEAVE

Exempt employees earn forty (40) hours per year that may be used as personal time off. Exempt leave is compensable upon termination of employment and exempt leave does not carry over annually. Exempt time will be added on the first pay period in January of each year.

BEREAVEMENT LEAVE

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. The City of New Fairview defines immediate family listed in the 1st degree of consanguinity or affinity members in the nepotism chart.

Employees may be granted up to a maximum of twenty-four (24) hours of paid bereavement leave within a one-year period of time. Bereavement leave and pay will be provided to eligible employees in the following classification: Regular Full Time.

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation such as overtime, incentives, commissions, bonuses or shift differentials. Employees may request vacation leave if there is a need beyond the maximum allowed each year.

TEMPORARY MEDICAL DISABILITY LEAVE

Temporary Medical Disability Leave is intended to be used for the employee's own serious health condition which prevents the employee from performing his/her job duties and responsibilities, or for the care of the employee's spouse, child or parent with a serious health condition. Employees will be required to use accrued vacation and sick leave before being considered for disability leave without pay. The City Administrator may grant temporary disability leave, under justifiable circumstances, for an initial period of 90 days. After the initial 90-day temporary medical disability leave, the City Administrator may grant additional leave, not to exceed 30 days.

In the event of foreseeable leaves, the employee must request Temporary Medical Disability Leave from the City Administrator at least two-weeks prior to date the leave is requested to begin. If a two-week notice is not possible, the employee must request Temporary Medical Disability Leave from the City Administrator no later than the next business day after learning of the need for leave. When planning medical treatment, the employee must make a reasonable effort to schedule treatment so as not to unduly disrupt the City's operations. Employees must provide written documentation of the need for Temporary Medical Disability Leave.

The employee must contact the City Administrator at least once a week in order for the City to remain aware of the employee's progress and anticipated return to work. The City Administrator, at his sole discretion, may waive this periodic reporting requirement.

When the reason for leave ends (for example, a serious health condition no longer exists) and/or the approved leave period has been exhausted, the employee is no longer eligible for leave under this policy and is expected to return to work promptly. If the leave was taken for the employee's serious health condition the employee will be required to submit to the City a release from the employee's health care provider, certifying that the employee is fit to return to work and can perform the essential functions of the job with or without reasonable accommodation before being allowed to return to work. An employee who fails to return to work at the expiration of Temporary Medical Disability Leave without communicating the reasons for the delay and receiving approval for additional leave time will be considered to resigned his/her employment.

The City will attempt to restore the employee to his/her former position if the employee returns to work. However, reinstatement is not guaranteed.

Taking Temporary Medical Disability Leave will not result in the loss of any employment benefit granted before the date that the employee's leave started. However, the employee will not be granted any additional paid leave benefits during unpaid Temporary Medical Disability Leave.

During Temporary Medical Disability Leave, the employee will be permitted to retain his/her current health insurance coverage (if any) as specified in the provisions of the City's policy. During any paid portion of a Temporary Medical Disability Leave, the City will continue to deduct the employee's portion of any insurance premiums normally paid as a regular payroll deduction. During unpaid leave, the employee may be required to submit periodic payments of such premiums to the City if the employee desires to maintain coverage, and insurance coverage may cease if payment is more than 30 days late.

Leave may not be provided or the employee may not be restored to employment if the employee advises the City that the employee will not return to work, in which case the employment relationship is deemed terminated and the employee's entitlement to reinstatement, continued leave, and health benefits ceases. Likewise, if the employee fraudulently obtains leave or accepts other employment while on leave without the prior written approval of the City, the employee will not be entitled to benefits under this policy and employment will be terminated.

Family and Medical Leave.

In accordance with the Family Medical Leave Act (FMLA) an employee may be eligible to take up to twelve (12) weeks of unpaid family and medical leave during any consecutive twelve (12) month period. Twelve (12) weeks of leave may be taken for any of the following reasons:

- (1) Birth of a child;
- (2) Placement with the employee of a child for adoption or foster care (entitlement to family

and medical leave expires twelve months after birth or placement);

(3) When the employee is needed to care for a child, spouse, or parent who has a serious health condition;

(4) When the employee is unable to perform the essential functions of his/her position because of his/her own serious health condition; or

(5) Due to any qualifying exigency arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty, or has been notified of an impending call to active duty, in the Armed Forces in support of a contingency operation.

An eligible employee who is the spouse, son, daughter, parent or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to twenty-six weeks of leave in a single twelve (12) month period to care for the service member.

Notice of the Family and Medical Leave Act is posted in City Hall and other designated City properties. Because the City employs fewer than 50 employees, there are no employees eligible for leave under the FMLA at this time.

MILITARY LEAVE

An employee who is a member of the National Guard or of any of the Reserve components of the Armed Forces of the United States will be entitled to a leave of absence from assigned City duties for as many as fifteen (15) work days in any one calendar year to participate in military training (referred to herein as "Military Training Leave"). Military Training Leave will be at full pay for a period not to exceed 15 work days. The employee utilizing Military Training Leave shall furnish their Department Head with certification, normally copies of official military orders, that they were called to duty by proper authority.

The Uniformed Services Employment and Reemployment Rights Act ("USERRA") supersedes any State law (including any local law or ordinance), contract, agreement, policy, plan, practice, or other matter that reduces, limits, or eliminates in any manner any right or benefit provided, including the establishment of additional prerequisites to the exercise of any right or the receipt of any such benefit due to an employee's military service. The City of New Fairview will comply with USERRA.

Any employee who leaves a position with the City for the purpose of entering any branch of the United States Armed Forces, including a reserve component, for extended active duty, shall be placed in military active duty status and granted leave without pay. The employee should give a supervisor advance notice of the employee's intent, when possible, and, for reemployment purposes, submit a copy of the orders for inclusion in the employee's personnel record, when available.

While serving on military active duty, an employee may elect to use Military Training Leave and any accrued vacation leave, or similar leave accrued before the commencement of such service in lieu of taking unpaid leave.

In accordance with the USERRA, an employee may serve a total of five years on active duty in the armed forces and still be eligible for reemployment. An employee's right to reemployment is not protected for periods of military active duty longer than five years, in most cases.

An employee who returns from active duty as a member of the armed forces of the United States is entitled to reemployment in the position the employee would have been employed if continuous employment with the City had not been interrupted by military service; or in the same position held upon entrance to active duty; or in a position of comparable seniority, status and pay, if the employee:

- (1) is physically and mentally qualified to perform the duties of the position;
- (2) was discharged, separated, or released from military active duty under honorable or general conditions;
- (3) has not been on military active duty leave for more than five years (in most cases); and
- (4) makes written application for reemployment within the time period required by the USERRA after discharge, separation, or release from military active duty and presents evidence of the discharge, separation, or release from military active duty.

An employee called for a military pre-induction physical examination will be allowed a reasonable time with

pay, including travel time, to take the examination.

In accordance with USERRA, an employee with the City upon reemployment following military active duty, will be allowed full credit for time spent in the military service for the purpose of computing eligibility for vacation and sick leave. The employee will be entitled to all seniority, rights and benefits that the employee would have attained had the employee remained continuously employed with the City.

SECTION 5: INSURANCE AND OTHER BENEFITS

The City voluntarily participates in and provides a wide range of benefits for employees. The City also participates in federally and state mandated benefits. Some of the more important benefits are identified in this section. These benefits are subject to change based upon changes in City policy, funding and changes in federal and state laws. In addition to the information provided below, information regarding the types and amount of benefits available to employees may be obtained from the City Secretary.

WORKERS' COMPENSATION INSURANCE

The City of New Fairview provides a comprehensive workers' compensation insurance program at no cost to its employees. This program generally covers injuries or illnesses sustained in the course of employment that requires medical, surgical or hospital treatment as required by law or as provided by the worker's compensation insurance program in effect at the time of the work related injury or illness.

Employees who sustain work related injuries or illnesses must inform their supervisor immediately. No matter how minor an injury may appear to be, it is important that it be reported immediately. The City of New Fairview may require drug testing immediately following any accident with or without injuries if the employee may be at fault.

Neither the City of New Fairview nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off duty recreational, social or athletic activity sponsored by the City of New Fairview.

TEXAS MUNICIPAL RETIREMENT SYSTEM

The City of New Fairview participates in the Texas Municipal Retirement System (TMRS) to provide a retirement benefit for city employees. The amount of City participation is subject to change based upon budget approval, available funding and the TMRS plan approved.

The current city program adopted by the City requires that employees contribute 7% of their income towards retirement, and the City matches that on a 2 to 1 basis as adjusted for actuarial studies completed by TMRS.

Employees vest in TMRS after five years of municipal or other qualifying service and may retire after 20 years of service with the City, other cities, or other qualifying service. An employee who is 60 years or older may retire with five years of qualifying service. Employees are eligible to retire in accordance with TMRS rules and regulations, which may change. In addition a qualifying employee may retire due to a disability. An employee with a disability can inquire with the City and TMRS on how to evaluate this alternative if it is needed.

An employee may work with the City and TMRS to obtain information about retirement and

retirement benefits, to designate beneficiaries, or to make other changes to their individual TMRS plan alternatives.

SOCIAL SECURITY AND OTHER FEDERAL PROGRAMS

The City of New Fairview participates in the Social Security program, Medicare and other mandated programs of the federal government. The required amounts are withheld from employee pay checks and are processed through the federal government as required by law. Benefits are available based upon the policies and regulations of the federal government.

UNEMPLOYMENT INSURANCE

The City of New Fairview participates in unemployment insurance as required by the State of Texas. Eligibility for unemployment benefits are subject to the conditions of separation from employment. A termination by the City for cause may result in a former employee not qualifying for unemployment benefits.

SECTION 6: CITY PROPERTY&QUIPMENT AND VEHICLES

USE OF EQUIPMENT AND VEHICLES

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using city property employees are expected to exercise care, perform required maintenance and follow all operating instruction, safety standards and guidelines.

Employee must notify the supervisor if any equipment, machines, tools or vehicles appear to be damaged, defective or are in need of repair. Prompt reporting of damages, defects and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive or unsafe use or operation of equipment or vehicles as well as excessive or avoidable traffic and parking violations may result in disciplinary action up to and including termination of employment.

Employees with an assigned vehicle may use the vehicle to drive to and from work if they live within a 15-mile radius of City Hall. Certain vehicles are considered to be a benefit to the employee when used to commute to and from work. Employees will be taxed in accordance with IRS rules for the use of a City vehicle to commute between work and home.

City-provided vehicles also have GPS tracking devices to show the current location, previous locations, status and speed of the vehicle at any time. As needed, supervisors may access systems which provide current and historical information on vehicle movements.

PERSONAL PHONE

Normally use of a personal phone for personal business during city work hours should be minimized.

With approval of the City Administrator and the Department Director or Supervisor, an employee may elect to use their personal phone for city work instead of a City phone. The phone and phone service must be equal in quality to that provided by the City. The City will pay the employee \$35.00 a month if they elect to use their personal phone. To qualify for this benefit, the employee must be required to have a phone for Citybusiness purposes.

If an employee elects to participate in this option and receive pay for their personal phone, the employee acknowledges and agrees that phone usage must comply with the City's policy regarding Electronic Systems and Communication Devices. Further information related to City business on an employee's personal phone is subject to a Public Information Request. This includes call information, texting messages, and web sites and data downloaded to the phone.

RETURN OF PROPERTY

Employees are responsible for all property, materials or written information issued to them or in their possession or control. Employees must return all City of New Fairview property immediately upon

request or upon termination of employment. Where permitted by applicable laws, the City of New Fairview may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. The City of New Fairview may also take all action necessary to recover or protect its property. All employees are financially liable for all city issued property.

ELECTRONIC SYSTEMS AND COMMUNICATION DEVICES

I. POLICY OVERVIEW

The City will provide employees who need computers to work with computer and communications resources, when City management determines that these resources are appropriate considering the person's job responsibilities. City computer and communication resources provided to a computer user are solely the property of the City and are provided by the City to assist in the conduct of City business only. City computer and communication resources include, but are not limited to:

- a) City provided Personal computers,
- b) City provided Laptops/tough books/thin client devices,
- c) City-provided telecommunication devices (cell phones, Blackberries, tablet computers or similar, I-Pads, I-Phones),
- d) Software programs (either on the employee's system or on the City network),
- e) Access to the City's business network, including wireless and VPN network access, and network-based devices (laser/color printers, Multi-Function printers, etc.). This includes access to City resources from a device provided by the employee.
- f) Internet access available through the City network.
- g) Any electronic data created by or provided to the employee.
- h) The City e-mail system, including any message transmitted through that system regardless of original source or final destination.

For purposes of this policy, computer users are defined as an authorized employee, volunteer, or contractor of the City who uses City computer resources.

II. USE OF COMPUTER AND COMMUNICATION RESOURCES

City computer and communication resources are for use in conducting City business only and may not be used for the computer user's personal gain.

The City strives to maintain a workplace free of harassment and sensitive to the diversity of its workforce. All City policies related to the workplace environment, including policies on Harassment and Discrimination, fully apply to the use of the City's computer and communication resources (particularly including e-mail, internet and mobile text-based services). Therefore, the City prohibits the use of computer and communication resources in ways that are disruptive, offensive to others or harmful to morale.

A computer user shall be responsible for the information contained in this policy, including guidelines and definitions of acceptable and unacceptable uses of City computer

systems, e-mail communications, the Internet and other services. The burden of responsibility is on the user to inquire as to acceptable and unacceptable uses prior to accessing the system.

III. CONFIDENTIALITY AND PRIVACY

Any data created, sent or received using the City computing and communications resources, regardless of what device is used to access the message, is and remains the property of the City.

Further, in accordance with State law, all data that is composed, transmitted, or received via City computer systems are considered to be part of the official records of the City and, as such, are subject to the Texas Public Information Act, which may result in disclosure to third parties without consent of the sender or receiver. As a result, **there is NO expectation of personal privacy in the use of City computing resources, the Internet or e-mail.**

Certain types of data created and/or stored in the City's computer systems and networks are protected from disclosure under Federal, State, local or other law, including but not limited to certain personnel data, privileged communications between attorney and client, and other confidential information exempted from disclosure under the Texas Public Information Act. Computer users are responsible for protecting the confidentiality of these types of data from intentional or accidental disclosure to unauthorized parties. If there is uncertainty about whether a particular type of data must be protected, obtain permission from the appropriate Department Director.

IV. MONITORING

To ensure compliance with this policy, the City has systems which monitor, review and access any computer resource, including computers, computer files, e-mail and Internet traffic, at any time and without prior notification of any computer user.

A supervisor may monitor the activities of and inspect the files of a specific computer user on his/her computer or network. A supervisor who believes such monitoring or inspection is necessary shall obtain approval from the applicable Department Director and the City Secretary, who will provide the necessary written authorization to the IT Staff.

Additionally, the contents of electronic messages or computer files may be viewed by a system administrator or IT staff in the course of routine maintenance, or as needed for City administrative purposes, including investigation of possible violations of this policy.

V. PROPERTY, OWNERSHIP AND ACCESS RIGHTS

Computer users are prohibited from stealing or vandalizing City owned computing devices (PCs, laptops, tablets, printers, etc.), and City-owned software and data. All software, data, reports, messages and information received and stored on local and network hard drives or other storage medium (such as portable hard drives or USB storage devices), as well as other products created using the City's computer resources, are the property of the City. An employee shall not access, copy, alter or destroy anyone else's computer files, or portions thereof, without explicit permission (unless authorized or required to do so by law or regulation).

All computer users shall respect the legal protection provided by copyrights, licenses, and federal, state, or local laws and regulations. Copying City-owned or licensed software to another City computer system, or to a personal/external system is not allowed without the prior written consent of the City Administrator or designee and the employee's Department Director.

The City IT staff, as managers of the City computer and communications resources, has access to all resources without prior authorization by the user/creator, and reserves the right to set permissions and accessibility rights as it deems necessary to all city computer resources.

VI. REQUIRED COMPUTING PRACTICES

In order to ensure safe usage of City computer resources, all computer users are required to employ the following practices whenever applicable for their situation:

a. User IDs and passwords. The City's computer systems require that each user have a unique identity, referred to as an Active Directory "User ID" which represents and identifies a user in various system activities, provides access to certain software and data and associates his/her own software and data with his/her identity. (Certain employees may have additional User IDs related to specific systems or websites.) Assuming another person's User ID, or assuming an anonymous identity, is expressly prohibited. **User passwords should be changed every 90 days.**

The employee is responsible for any modification or access to system information made using his/her User ID. **Therefore, users must not share his/her User ID or passwords and should take care not to leave a system unattended while a user is logged on.**

b. Internet Content. Due to the nature of Internet and on-line services, the City cannot control the content of messages or information postings on non-City websites or services. The City reserves the right to use available technology to monitor for, and screen out, information that may be offensive, contains viruses or malware, or is not business-related, as determined by the City, although technology cannot block all sites that may contain offensive material, nor can the City prevent transmission and/or receipt of all offensive e-mail messages.

c. Internet connection. Internet use is provided through the use of a dedicated connection, a firewall and a proxy or authorization system. Internet use outside of this configuration is prohibited unless specifically authorized by the IT Staff and appropriate Department Director.

d. E-Mail Services

- **Any electronic mail message sent or received through the City's computer resources is considered City records.** The City reserves the right to access and use for business purposes the content of any message sent over its e-mail systems, including electronic mail sent over the Internet. An employee should not expect or assume any privacy regarding the content of e-mail communications. Most e-mail communications are subject to disclosure under the Public Information Act. Employees should keep in mind that any written communication, whether by e-mail or otherwise, could be publicized under Texas law.
- When communicating with individuals, groups, or institutions, an employee does so as a representative of the City. A user of City-provided e-mail systems shall use these systems in a professional manner.
- A user shall represent him/herself according to his/her true and accurate identity in any electronic message, file and transaction at all times.
- Incidental and occasional personal use of electronic mail may be permitted within the City, but such messages will be treated the same as other messages.

e. Computer Virus Issues. The City desires to protect its computing resources from both the intentional and unintentional introduction of any computer virus. Therefore, an employee shall also take responsibility by practicing safe computing, including the following computing guidelines:

- i. Leave the anti-virus software running on his/her computer.
- ii. Exercise care when receiving Internet e-mail or outside files on external media (such as a USB "flash drive"), particularly if the originator is unknown. Running programs directly from a USB "flash drive" or downloading/installing software from the Internet without IT staff involvement, is prohibited.
- iii. Immediately report any suspicions of viruses to the IT Staff.

f. Remote Access and Wireless Access. Employees, vendors, contractors or other users who access resources inside of the City network must use an access method provided or approved by the IT Department. The City provides Virtual Private Network [VPN] software which is suitable for most requirements in this area. If an outside party requires an Internet-based remote access service (such as GoToAssist, Webex, etc.) to access City

resources, it must be approved by the IT Staff, and must be continuously monitored by a City employee while the remote connection is active.

In addition, only wireless equipment provided by the City IT staff may be used on the City network - computer users are expressly prohibited from connecting other wireless routers or access points to the City network, since this represents a potential security risk to the entire network. Connection of personal devices to the City's WiFi will not be considered a violation of this policy.

g. Purchasing and Upgrade Processes. To provide the most cost-effective and efficient service, any hardware or software acquisition, whether new or upgrades, shall be coordinated with the requesting department and IT Staff before a purchase is made. If found in violation, a system may not be supported and may be removed from service. In order to ensure compatibility and avoid possible problems, hardware and software installations shall be made by the IT staff.

Physical software license documents and software installation disks are stored by IT.

h. Telephone movement. The IT Department is required by State law to maintain an accurate, up-to-date database with the physical location of each telephone handset in the City's phone system. This database is used by emergency systems which direct emergency personnel to the handset's location when the user dials 911. For this reason, employees **are required** to contact IT staff to move a telephone handset to another location, even if the new location is within the same building.

i. Portable Computing Devices. The City may issue a portable computing device (laptop, Toughbook or tablet device, plus chargers or other accessories) to an employee for the purpose of completing their job function. By accepting the device, the employee agrees to the following rules:

- The employee is required to exercise due care for the physical security of the device at all times. This includes, but is not limited to, protection from theft, protection from heat, moisture or other elements, protection from drops, shocks, scratches, crushing or other excessive forces.
- If a protective cover or case is provided for the device, the user must ensure that the cover/case is used at all possible times.
- Employees do not allow any unauthorized use by any person.
- The City will install management software on the device which may allow for tracking of the device, and also to manage software on the device. The employee agrees not to alter or disable this software.
- In the event the unit is damaged, the unit **must** be returned to the Department Director for repair/replacement.

- The City reserves the right to charge employees for negligent or malicious damage to an assigned device, or if the device is reported as lost.

j. Employee-provided devices. The City may permit employee-provided telephones or tablet devices to connect to the City network to access specific applications and data (for example, email and calendaring services). Such access must be approved by the employee's Department Director. The City reserves the right to limit the brand/model of devices permitted to access the network, to discontinue a specific brand or type of device in the future, allow the City to run management software on the device, and to require that the employee follow certain security standards as a condition of allowing the device to connect to the City network.

k. Unacceptable Computer and Internet Usage. Users are not allowed to use the City's computer resources in any manner identified in this section. Specific exemption to these unacceptable uses may be made for Police Department investigations with the approval of the Chief or his/her designee, (who will provide the necessary authorization to the City Administrator or designee). Such unacceptable usage includes, but is not limited to:

- Use of City computers, systems, communication equipment, the Internet or any other on-line service for any purpose which violates any City, state or federal law.
- Destruction or damage to equipment, software, or data belonging to the City or others.
- Use of city computers and communication equipment for private business, commercial purposes or personal financial gain, including external consulting, commercial advertising, or for online purchasing of personal items.etc.
- Inappropriate or excessive personal use of electronic mail, Internet or other computer resources, including social media and computer gaming.
- Viewing, sending, copying or soliciting of sexually oriented messages or images.
- Accessing internet sites which are "adult-oriented" in nature, or which offer gambling services, or which contain obscene content of any nature.
- Use to defraud, threaten, libel or harass others, including transmission of offensive or harassing statements or images that disparage others based on their race, national origin, sex, sexual orientation, age, disability, religious beliefs or political beliefs; Impersonation of any person or communication under a false or unauthorized name.
- Inappropriate mass mailing, "spamming" or "mail bombing".

- Tampering with any software protections or restrictions placed on computer applications or files or attempting to circumvent local or network system security measures.
- Knowingly or maliciously introducing any invasive or destructive programs (i.e., viruses, worms, Trojan Horses) into City computers or networks or intentionally developing programs designed to harass other users or infiltrate a computer or computing system and/or damage or alter the software components of same:
- Attempting to damage, interfere with or disrupt operation of computing equipment, services, or network or data communications lines.
- Using City computing resources for purposes other than those intended by the department authorizing access, including allowing access by unauthorized persons.
- Attempting to modify City-owned or licensed software or related data files without prior written approval by the city's IT Department.
- Using City computer resources (particularly large amounts of printer or plotter use) for fundraising, partisan politics, charity or public relations activities not specifically authorized by the Department Director **and** not related to City activities.
- Intentionally seeking information or security access rights on, obtaining copies of, or modifying files or data without proper authorization.
- Intentionally copying or printing any software, electronic file, program or data using City provided computer systems, internet or other, on-line services without a prior, good faith determination that such copying or printing is, in fact, permissible. Any efforts to obtain permission should be adequately documented.

Violation of Policy. A user who violates this Policy, including engaging in inappropriate and/or unacceptable use of the City's computer and communication resources, shall be subject to revocation or suspension of user privileges and/or disciplinary action, up to and including termination of employment.

Personal Use of Social Media

"Social Media" includes various forms of discussion and information sharing tools including social networking, blogs, video sharing, podcasts, wikis, message boards and online forums. Technologies include picture and video sharing, wall postings, e-mail, instant messaging, and music sharing, to name a few. Examples of Social Media applications include, but are not limited to, Google and Yahoo Groups, Wikipedia, Facebook, YouTube, Twitter, LinkedIn, and blogging.

City time and equipment should not be used for updating social media sites, including updating personal pages or profiles. Time spent on social media sites should be limited in the same manner as time spent on the telephone or internet when conducting personal business.

If the employee's personal social media includes any information related to the City, the employee shall make clear to the readers that the views expressed are the employee's alone and not reflective of the views of the City.

Employees are expected to act responsibly on and off duty, and to exercise good judgment when using social media. Employees should be aware that postings on social media sites, even if done off premises and while off duty, could have an adverse effect on the City's legitimate business interests.

Employees may not use the City's logo, letterhead or other identifying material including pictures of themselves or co-workers wearing or displaying the City's logo.

Employees are expected to refrain from posting on personal social media sites information that may constitute a violation of these policies, even if the posting is made off premises and while off duty. In addition, employees shall not post pornographic pictures of any type that could identify them as an employee of the City.

Employees are expected to remove posting violating this policy, even when placed by others on a personal social media site.

SECTION 7: WORK ENVIRONMENT

SAFETY

Some of the best safety improvement ideas come from employees. Those with ideas, concerns or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor or with another supervisor. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of reprisal.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situation, or who fail to report or where appropriate, remedy such situations may be subject to disciplinary action up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures. Following an accident, the City of New Fairview may require the employee to undergo drug testing in accordance with the drug testing policy in this section.

SMOKING

In keeping with the City of New Fairview's intent to provide a safe and healthful work environment, smoking and the use of tobacco products, including e-cigarettes is prohibited throughout the workplace. This policy applies equally to all employees, customers and visitors. Areas may be designated where smoking is allowed before or after work, or during brief authorized breaks.

EMERGENCY CLOSINGS

At times emergencies such as severe weather, fires, power outages or earthquakes can disrupt City operations. In extreme cases, these circumstances may require the closing of a work facility. Closings may be declared by the City Administrator and/or the City Administrator's designee.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid. Employees in essential operations may be asked to work on a day when operations are officially closed. In these circumstances, employees who work these days will receive regular pay.

VISITORS IN THE WORKPLACE

To ensure the completion of assigned work, the safety and security of employees and visitors, and to protect City resources and facilities, only authorized visitors are allowed for any extended period of time in the workplace. An extended period of time is defined as longer than five (5) minutes. Restricting unauthorized visitors helps to maintain safety standards, protect against theft, ensures security of equipment, protect confidential information, safeguard employee welfare and avoid potential distractions and disturbances.

The employee or visitor must speak with the employee's director or supervisor and obtain permission prior to visiting the employee. Visitors are not authorized to enter a construction work site where safety is a concern. Visitors are not allowed to enter an employee workspace or behind a desk or area where sensitive information is managed, or financial resources are controlled. If necessary, the employee shall leave the work site to meet with and speak with a visitor.

Employees who endanger themselves, other employees or visitors, who endanger city equipment or resources, or who allow assigned work to be stopped for an extended period of time by not following these guidelines may be subject to personnel action.

DRUG FREE WORKPLACE

PURPOSE

It is our responsibility to our citizens to assure that we deliver the highest degree of service, which can only be delivered by drug and alcohol-free employees. For this reason, the City will seek to prevent drug and alcohol use/abuse during an employee's course of employment with the City. Drug and/or alcohol testing will be conducted based on reasonable suspicion, following accidents, and prior to employment. Due to the importance of the policy, the City reserves the right to conduct searches and inspections of employees and their personal property to the extent permitted by law.

POLICY

In order to maintain a drug and alcohol-free workplace, an employee may not manufacture, distribute, dispense, possess, use or be under the influence of the following substances or drug paraphernalia while in the workplace, during working hours, while driving a City vehicle, or while otherwise discharging duties as a City employee:

- A. Illegal drugs, controlled substances, or controlled substances analogues, and Marijuana (in any amount). As used in this policy controlled substances and controlled substances analogues are as defined by Texas Health and Safety Code, as amended.
- B. Abusable glues and aerosol paints (inhalants) when such use or possession is outside of the employee's normal job function. Abusable glues and inhalants are as defined in Vernon's Texas Codes Annotated Health and Safety Code, as amended Section 485.001.
- C. Alcoholic beverages. For purpose of this policy alcoholic beverage means alcohol or any beverage containing more than one half of one percent of alcohol by volume alone or when diluted.
- D. Drug paraphernalia means equipment, a product or material of any kind that may be used in connection with drugs, as defined in the Texas Health and Safety Code.

TESTING

To ensure compliance with the rules of this policy, the City may require that an employee or job applicants submit to a test to detect the presence of illegal drugs or alcohol and as a condition of employment or continued employment under the following circumstances:

A. Post-Offer Drug Screening.

Individuals who have been offered employment with the City shall be required to submit to post-offer pre-employment drug tests. All such tests will be conducted under the supervision of the City's designated physician or testing facility.

An applicant with a confirmed positive test for any illegal drug or any drug for which he or she does not have a valid medical prescription, will not be considered further for employment. The applicant may be considered for employment and re-testing after a period of 12 months.

All job applicants will be required to sign a consent form authorizing pre-employment drug testing and the use of test results in employment decisions. Applicants who refuse to sign the consent form will not be considered for employment.

B. Reasonable Suspicion Testing of Current Employees.

When a supervisor has a reasonable suspicion that an employee, at work or when reporting to work, appears to be under the influence of alcohol or illegal drugs, or otherwise impaired, and therefore may be impaired or unfit for duty, the employee will be required to consent to a drug and/or alcohol test.

Circumstances which constitute a factual basis for determining reasonable suspicion may include, but are not limited to:

- (1) Direct observation of drug or alcohol use or possession;
- (2) Possession of drug paraphernalia;
- (3) Observation of physical symptoms of drug or alcohol use, such as slurred speech, red watery eyes, dilated pupils, drowsiness, or sleeping;
- (4) Sudden, unexplained personality changes, drastic mood swings, or changes in personal habits, including inattention to personal hygiene or frequently borrowing money;
- (5) Documented deterioration of an employee's job performance, which may include excessive absenteeism or tardiness;
- (6) Information provided by a reliable or credible source which is independently corroborated;
- (7) Involvement in accidents or injury in which obvious precautions were not taken, improper or careless orders were given, or an unusually reckless attitude is present;
- (8) Arrest or conviction for a drug or alcohol-related offense on or off the job, or the identification of an employee as the focus of a criminal investigation into illegal drug use, possession, or trafficking.

In establishing a basis for reasonable suspicion, the supervisor will interview the employee about possible causes for the observed behavior, and will describe the incident in writing. This process will serve to document the circumstances leading to the conclusion that a test for the presence of an illegal drug or alcohol is warranted.

Once the initial interview and written description has been completed, the highest ranking available department official must contact the City Administrator for a review of the documentation. The City Administrator must concur with the department official's recommendation before a drug and alcohol test is performed. Outside of regular working hours, or at times when the City Administrator is not available for consultation, the highest ranking department official may order an employee to submit to an immediate drug and alcohol test, pursuant to the guidelines of this policy. The City Administrator must be notified of the testing at the earliest opportunity, and all records relating to the incident will be maintained by the City Secretary.

C. Post-Accident Testing

An alcohol and drug test will be administered to an employee who, while on duty, is involved in a vehicular or other type of accident if: (1) the accident involved loss of human life; (2) the employee received a citation for a moving violation arising from the scene of the accident; (3) the accident involved bodily injury to any person who, as a result of the injury, immediately receives medical treatment; (4) one or more motor vehicles incurs damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle; or (5) the accident caused property damage.

An employee shall be subject to post-accident alcohol and drug testing as soon as practicable following the accident.

An employee subject to post-accident testing shall be subject to a breath alcohol test not later than eight hours following the accident and to a drug test no later than 32 hours following the accident.

If an alcohol test is not administered within two hours following the accident, the reasons the test was not administered shall be documented. If an alcohol test is not administered within eight hours following the accident, attempts to administer the test shall cease and the reasons for the delay documented. If a drug test is not administered within 32 hours following the accident, attempts to administer a drug test shall cease the reasons the test was not promptly administered documented.

An employee who is subject to post-accident testing shall remain readily available for such testing or shall be deemed to have refused to submit to testing. Nothing herein shall be construed to require the delay of necessary medical attention or to prohibit the employee from leaving the scene of the accident for the period of time necessary to obtain assistance in responding to the accident, obtain necessary medical treatment for injured people, or to obtain materials necessary to secure the accident site.

The supervisor, employee, or other City employee must contact the City Administrator, or designee, regarding the need for post-accident testing.

D. Conducting Drug and Alcohol Tests.

Employees required to submit to a drug or alcohol test will be required to sign a consent form. Refusal to sign the consent form shall be considered a refusal to take a drug or alcohol test and will result in immediate termination of employment.

All drug and alcohol tests will be conducted under the supervision of the City's designated physician or testing facility. Testing will be performed using a specimen of urine, or other bodily fluid suitable for testing. Collection of specimens, delivery of specimens to a laboratory, and laboratory testing will all be conducted in accordance with relevant security-related provisions of the Mandatory Guidelines for Federal Work Place Drug Testing Programs. Laboratory testing will be conducted only by laboratories that have been certified by the Department of Health and Human Services.

The City will screen for all substances required the Mandatory Guidelines for Federal Drug Testing Programs and the cut of levels for a positive result established therein.

In the event that a positive finding may have been caused by the use of a prescribed medication, the tested person will be given the opportunity to confer with the supervising physician, and to present a current prescription for a medication that caused the positive test result. If the physician finds the prescribed medication to be the legitimate cause of the test result, the overall test results will be reported to the City as "negative", and the person shall not be subject to any adverse action as a result of the drug test. However, disciplinary action may be taken against an employee who failed to disclose the use of over-the counter or prescription medication as required in this Article.

An employee or applicant who tests "positive" may request a re-test of the original sample at the employee's own expense. An employee's request for a re-test must be made in writing to the City Administrator within three working days of receipt of the test results. Applicants must submit a written request to be re-tested to the City Administrator within three (3) working days of receipt of the test results. Re-testing may be performed by the same laboratory or by a second laboratory that meets the City's laboratory certification requirements. Proper chain-of-custody procedures must be followed when transferring specimens.

E. Consequences of Positive Test Results or Failure to Submit to a Drug and Alcohol Test.

Any employee who tests positive for the presence of illegal drugs or alcohol in a reasonable suspicion or post-accident drug and alcohol test shall be subject to discipline, including dismissal.

Employees who refuse to submit to a drug and alcohol test required pursuant to this article shall be subject to discipline, including dismissal.

Sec. 9.09. Security of Data.

Test results will be held in the strictest confidence. The personal identification of the individuals failing to pass the test will not be communicated to anyone other than the individual and the appropriate City employees on a need to know basis. For purposes of this section, those with a need to know will be the City Secretary or designee, the City Administrator, the City's Attorney, the head

of the department in which the employee works, and the employee's immediate supervisor. Applicants and employees who are tested will be provided with a copy of the test results if requested in writing. Dissemination of information relating to the results of any drug testing conducted on any employee to any person who has no need to know, may result in disciplinary action, including dismissal of the person disseminating the information.

NOTIFICATION

Pursuant to the Drug-Free Workplace Act of 1988, the City requires all employees to notify their supervisor of any criminal drug or alcohol related conviction (state or federal) no later than five (5) days after the conviction. This requirement does not relieve the employee of the obligation to report an arrest under this policy.

OVER-THE-COUNTER/PRESCRIPTION DRUGS

A. The City reserves the right at all times to determine the effect(s) that any medication (prescribed or over-the-counter) may have upon an employee's work performance and to restrict the employee's work activity or presence at the work place accordingly.

B. Employees are directed to notify his/her supervisor when he/she is taking medication that has the potential to affect motor skills and mental clarity. Failure to provide this notification creates an unacceptable risk and will result in disciplinary action up to and including termination.

REHABILITATION

A. The City encourages employees and their dependents to seek early voluntary treatment for substance abuse problems.

B. However, those who are discovered by drug testing, being visibly intoxicated or having a detectable amount of alcohol in their system while on the job, or being in possession of controlled substances or alcoholic beverages while on duty will be subject to disciplinary action up to and including termination.

CITY OF NEW FAIRVIEW PERSONNEL POLICY WEAPONS CONTROL

The City strives to provide a safe and secure working environment for its employees. This policy is designed to help protect employees from workplace violence by providing policies for employees carrying weapons on City property.

Definitions. In this section:

(1) **CITY WORK SITE** includes:

- (a) City buildings and real property;
- (b) other assigned work locations;
- (c) City vehicles and equipment; and
- (d) private vehicles while being used on City business, for which the City is paying a car allowance or mileage reimbursement.

(2) **CITY BUILDING** means a building or portion of a building owned, leased, or otherwise controlled by the City.

Weapons Restrictions. Unless specifically authorized by the City Administrator in accordance with this policy, no employee, other than a licensed peace officer, shall carry or possess a firearm or other weapon on a City Work Site or in a City Building while on duty, or at any time while engaging in City-related business. Prohibited weapons include any instrument or weapon that is specifically designed, made, or adapted for the purpose of inflicting serious bodily injury or death, including, but not limited to, firearms, handguns, clubs, explosive devices, illegal knives crossbows, bows and arrows, throwing stars, and knuckles, regardless of whether or not the person is licensed by the State of Texas to carry a concealed handgun. Employees do not have an expectation of privacy and the City retains the right to investigate and search for firearms or other weapons on City property.

This policy will not prohibit an employee licensed by the State of Texas to carry a concealed handgun from carrying a weapon in the employee's private vehicle while not on City business or when the City is not paying a car allowance or mileage reimbursement. This section will not prohibit an employee from storing an unloaded and appropriately secured weapon in the employee's vehicle parked at a City Work Site.

The City Administrator may specifically authorize an employee to carry a handgun in accordance with this policy. Employees authorized to carry a handgun on a City Work Site may only carry in a concealed manner after receiving written approval from the City Administrator. To be eligible to carry a concealed handgun on a City Work Site the employee must be licensed by the State of Texas to carry a handgun and provide a copy of the current license to carry to the City Administrator. A new license shall be presented in the month the license is obtained, and then by January 31st each year thereafter. The City Administrator shall confirm the validity of an employee's license to carry and place a copy in the employee's personnel file. The City Administrator may require an employee to receive additional firearm training prior to being authorized to carry a concealed handgun on a City Work Site. The City Administrator has discretion to withdraw an employee's authorization to carry a concealed

handgun at any time and without cause.

While on a City Work Site, employees approved to carry a concealed handgun are solely responsible for concealing their handgun in a safe and secure manner so that it is not accessible by other employees or members of the public. An employee authorized to carry a concealed handgun on a City Work Site has a heightened duty to not harass, intimidate, or threaten violent behavior toward anyone whether the conduct occurs on-duty or off-duty.

Mandatory Reporting of Weapon Restriction Policy Violations.

Department Directors are responsible for ensuring employees comply with the provisions of this policy. Any employee observing another employee violating the Weapons Restrictions must immediately notify his/her supervisor and Department Director who must report to the City Administrator. The supervisor, Department Director or City Administrator who receives a verbal complaint from an employee shall document in writing the alleged Weapon Restriction policy violation, the date the verbal complaint was received and the name of the employee making the complaint.

Any employee who observes a Weapons Restriction violation by an employee causing a disturbance or behavior that raises concern for safety should:

Move to a safe location.

Notify a supervisor immediately.

Call 911.

When appropriate, harassment, intimidation, and threats and incidents of violence will be documented. Documentation will be maintained by the City Administrator and/or the Police Department.

Confidentiality. To the extent possible, while accomplishing the purposes of this policy, the City will respect the privacy of employees complying with the mandatory reporting requirements for Weapons Restriction violations and/or acts or threats of violence and will treat information and reports confidentially to the extent permitted by law. Such information will be released or distributed only to appropriate law enforcement personnel, City management, and others on a need-to-know basis, and as may otherwise be required by law, such as the Texas Public Information Act.

Policy Violations. Violations of this policy may lead to disciplinary action, up to and including termination of employment. Policy violations that involve a criminal act may also result in arrest and prosecution.

ATTENDANCE AND PUNCTUALITY

To maintain a safe and productive work environment, the City of New Fairview expects employees to be reliable and punctual in reporting for work. Absenteeism and tardiness place a burden on other employees. In the rare instance when employees cannot avoid being late to work

or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence by a phone call or by a phone message.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and, including termination of employment.

All time off, including sick, vacation, etc., must be reported as follows: employees must notify their immediate supervisor. Department Directors must notify the City Secretary and the City Administrator.

PERSONAL APPEARANCE

As a requirement for employment, City employees will dress in a clean, orderly and professional manner. The City Administrator may provide written direction from time to time to clarify any questions about what constitutes a clean, orderly and professional appearance. A clean, orderly, and professional appearance reflects on the City as an organization and helps communicate that the City intends to conduct its services in a professional manner.

Operational public-contact employees shall wear City issued uniforms while on-duty to aid in their identification, enhance security, and promote the professional image of the organization.

TATTOOS AND BODY PIERCING

Tattoos must be covered. Body piercing shall be limited to the ears. No other visible body piercing is permitted.

ENFORCEMENT

Department Directors and supervisors are responsible for monitoring and enforcing this policy. The policy will be administered according to the following action steps:

1. If questionable attire is worn in the office, the respective Department Director/Supervisor will hold a personal, private discussion with the employee to counsel the employee regarding the inappropriateness of the attire.
2. If an obvious policy violation occurs, the Department Director/Supervisor will hold a private discussion with the employee and ask the employee to go home and change his/her attire immediately.
3. Repeated policy violations will result in disciplinary action, up to and including termination.

The City of New Fairview reserves the right to rescind and/or amend this policy at any time.

Political Activity

In order to maintain a high level of professionalism within the City and maintain the proper operation of a democratic government, an employee of the City shall not:

- (1) Coerce another employee to participate in, or to refrain from participating in, a political campaign; or
- (2) Require an employee to contribute to any political fund, render any political service, or support any political election or punish an employee in any way for refusing to do so.

Endorsements as City Employees. Employees are prohibited from using their official capacity to influence, interfere with, or affect the results of an election. City employees shall not participate in any of the following types of activities:

- (1) Employees, during hours of work or while in uniform, shall not take an active part in any political campaign for an elective position. The term "active part" includes but is not limited to the following:
 - (A) making political speeches;
 - (B) passing out cards or other political literature;
 - (C) writing letters or signing petitions;
 - (D) actively and openly soliciting votes; or
 - (E) making public remarks about the candidates for such elective positions.
- (2) Employees shall not engage in any activity which could be construed as giving City sanction to any candidate for public office. This includes, but is not limited to, the following:
 - (A) soliciting votes, wearing campaign buttons, or distributing campaign literature at work or in the offices or buildings of the City;
 - (B) listing the employee's position or occupation in an endorsement of a candidate for public office; or
 - (C) addressing political gatherings in support of, or in opposition to, a partisan candidate where the employee's occupation is mentioned or listed.

Candidates for Political Office. Employees shall not hold an appointive, elective, or any other kind of office in any jurisdiction, where service would constitute a direct conflict of interest with City employment. If an employee decides to assume such an office, the employee shall resign from City employment or shall immediately forfeit employment with the City. An employee must notify

the City Administrator, in writing, of the Employee's intent to seek any appointive or elective office prior to announcing the Employee's candidacy for same.

Conflict of Interest.

It is hereby declared to be the policy of the City that the proper operation of democratic government requires that:

- (1) Public employees be independent, impartial and responsible only to the taxpayers;
- (2) Governmental decisions and policy be made using the proper procedures of the governmental structure; and
- (3) No employee have any financial interest, direct or indirect, or engage in any business, transaction or professional activity or incur any obligation of any nature which is in conflict with the proper discharge of his duties in the public interest.

Standards of Conduct. An employee of the City shall not:

- (1) Accept or solicit a benefit that might reasonably tend to influence the employee in the discharge of his/her official duties.
- (2) Use his/her official position to secure special privileges or exemptions for himself or others.
- (3) Grant any special consideration, treatment or advantage to a person or organization beyond that which is available to every other person or organization. This shall not prohibit the granting of fringe benefits to City employees as a part of their employment or as an added incentive to the securing or retaining of employees.
- (4) Disclose information that could adversely affect the property or affairs of the City, or directly or indirectly, use any information understood to be confidential which was gained by reason of his/her employment for his/her own personal gain or benefit or for the private interest of others.
- (5) Transact any business on behalf of the City in his/her official capacity with any business entity with which he/she is an officer, agent or member or in which he/she has a financial interest. In the event that such a circumstance should arise, then he/she shall make known his/her interest, and turn the matter over to his/her superior for reassignment, state the reasons for doing so and have nothing further to do with the matter involved.
- (6) Personally provide services for compensation, directly or indirectly, to a person or organization who is requesting an approval, investigation, or determination from the City.
- (7) Accept other employment or engage in outside activities incompatible with the full and proper discharge of his/her duties and responsibilities with the City, or which might impair his/her independent judgment in the performance of his/her public duty. An employee

who plans to engage in outside employment while employed by the City must follow the secondary employment policy.

(8) Receive any fee or compensation for services due to status as an employee of the City, from any source other than the City, except as may be otherwise provided by law. This shall not prohibit an employee from performing the same or other services for a public or private organization that the employee performs for the City, providing there is no conflict with the employee's City duties and responsibilities.

(9) Knowingly perform or refuse to perform any act to deliberately thwart the execution of the City rules or regulations or the achievement of official City programs.

(10) Use City supplies, equipment or facilities, or receive any fee or compensation for the use of City supplies, equipment or facilities, for any purpose other than the conduct of official City business.

(11) Engage in any dishonest or criminal act or any other conduct prejudicial to the government of the City or that reflects discredit upon the government of the City.

SECTION 8: TRAVEL AND EDUCATION

BUSINESS TRAVEL EXPENSES

The City of New Fairview recognizes that direct benefits accrue to the City as the result of employee attendance and training at seminars and meetings. All proposed travel must be for job related or professional activities. The following guidelines must be followed:

1. All travel request forms will be signed by Department Director indicating the availability of funds and sent to the Finance Department.
2. Brochures, registration forms, agendas and other descriptive data must accompany the travel request.
3. All requests must normally be submitted at least two weeks prior to the date of departure.
4. For approved travel, employees will be reimbursed by the City for their travel, lodging, and registration fee expenses.
5. Receipts are required for all reimbursable expenses including fees, tuition, lodging and other approved expenses. Employees will not be reimbursed for personal items including movies, games, long distance phone calls, use of alcohol, or other items that are not related to the city purpose that requires travel.
6. For meals and Incidentals, a per diem rate will be paid to the employee as set by the General Services Administration. The GSA website is <http://www.gsa.gov/portals/content/104877>. Meals and Incidental breakdown can be located at <http://www.gsa.gov/portals/content/101518> for partial days. No receipts are necessary for meals paid for by per diem. Employees must also be away from the City of New Fairview area before 6:30 a.m. and return after 7:00 p.m. to receive the respective breakfast or dinner portion of the per-diem. The employee will normally be paid the per diem in advance before leaving on the trip. Any meal expenses, including tips, above the per diem will be the responsibility for the employee to pay. If the employee receives the per diem in advance of the trip, and then does not travel for any reason, or only travels for part of the number of days approved, the employee shall be responsible to reimburse the City for the unused portion of the per diem amount.
7. Employees using their private automobiles for authorized trips within the state will be reimbursed for the most direct route at the standard IRS mileage rate. Employees using private auto will be reimbursed for parking, toll fees and other travel expenses as approved by the City Administrator, upon submittal of valid receipts.
8. Employees using City vehicles for authorized travel will be reimbursed for all actual operating expenses, tolls, parking fees and other travel expenses approved by the City Administrator, upon submittal of valid receipts. The use of private vehicles by employees is discouraged and should only be used when no other option is available.

9. Within ten (10) days of completion of any travel, City employees and/or elected officials must submit their Travel Request Forms and receipts to the Accounts Payable Department.
10. Payment for lodging and registration should normally be paid in advance unless participation in the training or conference is uncertain. Advance expenses may be allowed to cover the costs of travel, lodging, and registration fees. The meal per diem for meals will be paid in advance to the employee. Requests must be made on the City of New Fairview's Travel Request Form.

TUITION REIMBURSEMENT

Tuition reimbursement is offered to all regular full-time employees who have successfully completed their probationary period with the City and who wish to enroll in college-level courses for academic credits. Tuition reimbursement is intended to help you maintain a satisfactory level of knowledge and expertise in your present position as well as to help develop your skills and increase your potential for future advancement with our City. Tuition reimbursement will be authorized for both undergraduate and graduate courses from an accredited college. If you are unsure if a college course is from an accredited college, please contact the City Administrator.

Courses taken must be job-related, required to complete a job-related degree, or beneficial to the city. **Maximum amount of tuition reimbursement will be \$2,500.00 per fiscal year, subject to availability of funds.** This amount is for tuition only. Textbooks, fees and supplies are not covered.

All classes must be taken on off-duty time.

If you are considering taking a college course for credit, talk to your supervisor to be sure your intended courses will qualify for reimbursement and to allow consideration for it during the budget process. Before you enroll in the course the required forms must be approved by your Director and submitted to the City Secretary. Tuition will not be reimbursed until successful completion of the course with a grade of "C" or better. You may, within 30 days of receiving your grade report showing completion with a grade "C" or better, submit your grade report and a copy of your receipts to your Director. Your Director will prepare a payment authorization for tuition reimbursement and forward the City Administrator for processing.

SECTION 9: EMPLOYEE DISCIPLINE AND GRIEVANCE PROCEDURE

CONDUCT WARRANTING DISCIPLINARY ACTION

Disciplinary action may be taken based upon violations of any provision of this policy. In addition, disciplinary action may be taken based upon any of the items listed below. This list is not intended to be all-inclusive; it is however representative of the kinds of conduct and incidents which warrant disciplinary action.

- Failure to perform assigned work.
- Failure to perform work in a satisfactory manner.
- Failure to observe safety policies, procedures, rules, regulations or standards.
- Engaging in behavior that threatens the safety of self, co-workers or the general public.
- Possessing a record or pattern of unsafe work behavior as evidenced by multiple preventable accidents.
- Carelessness or negligence in performing work.
- Failure to call in to notify supervisor of tardiness or absence.
- Misrepresentation or failure to adequately document the need to be off work.
- Failure to maintain or operate equipment, tools or vehicle in appropriate manner.
- Misrepresenting or omitting information for the benefit of self or others.
- Engaging in behavior which is inappropriate or disruptive in the workplace.
- Discourteous treatment of others.
- Violation of the City's Drug Free Workplace policy
- Insubordination
- Possession of unauthorized weapons.
- Giving or accepting gifts, money or favors in exchange for some benefit to self or others.
- Failure to maintain confidentiality.
- Violation of written city, departmental or division work rules, procedures or policies.
- Horseplay in the workplace.
- Misuse or misrepresentation of one's position or authority.
- Engaging in harassment or discrimination in the workplace and/or while conducting city business in violation of the _____ policy.
- Engaging in behavior while off duty which reflects adversely upon the City.
- Excessive absenteeism or tardiness.
- Theft of money, equipment, supplies, time, etc.
- Misuse or misappropriation of City monies and/or property.
- Falsifying documentation.
- Job abandonment -- occurs when an employee deliberately and without authorization is absent from the job, or refuses a legitimate order to report to work for two consecutive days. An employee who has abandoned his job is considered to have resigned without notice.
- Any criminal offense or immoral conduct, during or off working hours, which, on becoming public knowledge, could have an adverse effect on the City or on the confidence of the public in the City.
- Disregard of public trust -- any conduct, during or off working hours, which, on becoming public knowledge, could impair the public's confidence or trust in the operation of the City.

DISCIPLINE, APPEAL, AND GRIEVANCE PROCEDURES.

Discipline Procedures

The interest of ensuring that the supervisor has all of the necessary information, and to ensure that mistakes in judgment are not made due to lack of information, the following measures shall be taken prior to imposing any discipline. While the following steps and procedures should be taken in every case before discipline is imposed, failure to take any one or all of the measures shall not give rise to a claim, cause of action, or other legal action against the City.

In certain instances, the City will use a progressive disciplinary system. The City is not obligated to use all of the progressive disciplinary steps available to it and may begin the disciplinary process at any level, up to and including immediate dismissal, depending on the severity of the conduct, the employee's work performance, the employee's prior disciplinary history, the employee's length of service, and any mitigating circumstances.

The procedures for a disciplinary action of formal reprimand, suspension, demotion, or dismissal include the following:

(1) Before any disciplinary action of suspension, demotion, or dismissal is taken against an employee, the supervisor is required to meet with the employee, inform the employee of the charges and that discipline could be imposed, and give the employee the opportunity to explain or defend his/her actions or omissions.

(2) A Supervisor has the authority to reprimand, suspend, demote, or dismiss an employee. When one of these disciplinary actions is taken against an employee, the employee must be given written notice stating:

- (A) the type of disciplinary action taken, i.e., reprimand, suspension, demotion or dismissal;
- (B) the specific rule or rules violated;
- (C) the specific acts of the employee which were in violation of the rule;
- (D) the employee's right to appeal, if any, to a specific office within a specified time; and
- (E) the finality of the action if the employee fails to appeal within the specified time.

(3) If the disciplinary action is dismissal, demotion, or suspension, a regular employee (excluding Provisional new hires) may appeal by filing written notice with the City Administrator within three (3) working days from the time the employee is notified of the action. The City Administrator will conduct an appeal meeting, at which time the employee or supervisor may produce information related to the disciplinary decision for the City Administrator's consideration. The decision of the City Administrator is final. An employee who receives discipline from the City Administrator has no right to appeal.

Grievances

A grievance shall mean an alleged violation or inequitable application of rules, regulations, procedures or policies of the City; or a dispute between two or more employees; or between an employer and employee concerning interpretations or applications of provisions of rules, regulations, procedures or policies relating to work which adversely and directly affects the aggrieved employee. The grievance procedure may not be used to complain about disciplinary action.

Employees are encouraged to make reasonable efforts to resolve a dispute before filing a formal grievance. Employees should make an effort to address any grievance in a timely manner. In any event, a grievance must be filed within 30 days from the date of the alleged violation or event that created the grievance, or within 30 days after the employee becomes aware of the event giving rise to the grievance.

Should an employee have a grievance against his/her supervisor then the employee will follow the procedure below, but may file the grievance with the next higher level.

An employee who has a grievance must present it in writing to his/her supervisor. The supervisor will conduct an interview with the employee and, within ten (10) working days, make a determination regarding the grievance. The supervisor's determination will be presented to the employee in writing. If the matter is resolved at this level, a written record of the grievance, the supervisor's determination and any action resulting from the grievance becomes part of the employee's permanent record. If the matter cannot be resolved at this level, the supervisor, upon request, will make his/her written determination available to the next supervisory level.

If a satisfactory resolution of the complaint is not reached with the employee's direct supervisor, the employee may, within five (5) working days, request that the matter be referred to the next supervisor in the chain of command for hearing and resolution. The reviewing supervisor will conduct an interview and consider the merits of the complaint and within 10 working days, make a determination regarding the grievance. The reviewing supervisor's determination will be presented to the employee in writing. If the matter is resolved at this level, a written record of the grievance, the supervisor's determination, the reviewing supervisor's determination and any action resulting from the grievance becomes part of the employee's permanent record.

If a satisfactory resolution of the complaint is not reached with the reviewing supervisor, the employee may, within five (5) working days, request that the matter be referred to the City Administrator for hearing and resolution. The City Administrator shall, within five (5) working days, conduct an interview and consider the merits of the complaint. If the City Administrator does not immediately make a determination, he/she will estimate the time needed to reach a determination and provide this estimate to the employee. He/she will make a final determination on the matter and, if necessary order policy changes and/or take other actions in the best interest of the City. The City Administrator's determination will be presented to the employee in writing. A written record of the grievance, the supervisor's determination, the reviewing supervisor's determination, and the City Administrator's determination will become part of the employee's permanent record. The City Administrator's determination is final.

At the employee's expense, employees may be represented by legal counsel or may request assistance from anyone of his/her choosing. The grievance procedure shall be informal. All discussions shall be conducted in a manner most conducive to quick and satisfactory resolution of the matter.



City Council Agenda June 1, 2020

Agenda Item: 7D

Resolution

(Action Item)

Agenda Description:

Discuss, consider and possible action approving a Resolution adopting a Pay Plan.

Background Information:

Organizations including local government typically adopt a pay plan. Pay plans take into account job duties, qualifications, experience and market conditions related each position. Staff has performed a market analysis for current and future positions using data from the Texas Municipal League (TML) annual salary survey. Salaries used in the analysis were from cities with populations between 600 to 5,000. The proposed pay plan includes nine steps for each position with 4% increments between steps. Steps raises recognize additional experience and tenure. Steps would only be recommended if funding would be available.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Staff recommends that Council approve the resolution and adopt the pay plan.

Attachments:

Resolution

Pay plan



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ADOPTING A PAY PLAN

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to be competitive for qualified employees in and around the Wise County area; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview has reviewed the pay plan and determines it to be acceptable; and
2. That this Resolution shall cause the pay plan to take effect immediately upon its approval.

PRESENTED AND PASSED on this **1st day of June**, at a meeting of the New Fairview City Council.

APPROVED:

Joe Max Wilson
Mayor

ATTESTED:

Monica Rodriguez
City Secretary

**City of New Fairview
Employee Pay Plan FY 2020**

City Secretary	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	48,432	50,370	52,384	54,480	56,659	58,925	61,282	63,734	66,283
	Weekly	931.39	968.65	1,007.39	1,047.69	1,089.60	1,133.18	1,178.51	1,225.65	1,274.67
	Hourly	23.28	24.22	25.18	26.19	27.24	28.33	29.46	30.64	31.87
City Clerk	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	31,200	32,448	33,746	35,096	36,500	37,960	39,478	41,057	42,699
	Weekly	600.00	624.00	648.96	674.92	701.92	729.99	759.19	789.56	821.14
	Hourly	15.00	15.60	16.22	16.87	17.55	18.25	18.98	19.74	20.53
Street Superintendent	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	58,240	60,570	62,992	65,512	68,133	70,858	73,692	76,640	79,705
	Weekly	1,120.00	1,164.80	1,211.39	1,259.85	1,310.24	1,362.65	1,417.16	1,473.84	1,532.80
	Hourly	28.00	29.12	30.28	31.50	32.76	34.07	35.43	36.85	38.32
Street Maintenance Worker	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	30,306	31,533	32,781	34,112	35,464	36,878	38,355	39,894	41,496
	Weekly	582.80	606.40	630.40	656.00	682.00	709.20	737.60	767.20	798.00
	Hourly	14.57	15.16	15.76	16.4	17.05	17.73	18.44	19.18	19.95
Police Officer	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	40,123	41,728	43,397	45,133	46,938	48,816	50,769	52,799	54,911
	Weekly	771.60	802.46	834.56	867.95	902.66	938.77	976.32	1,015.37	1,055.99
	Hourly	19.29	20.06	20.86	21.70	22.57	23.47	24.41	25.38	26.40
Police Chief	Minimum	Step 1	Step 2	Step 3	Step 4	Midpoint	Step 6	Step 7	Step 8	Maximum
	Annual	62,400	64,896	67,492	70,192	72,999	75,919	78,956	82,114	85,399
	Weekly	1,200.00	1,248.00	1,297.92	1,349.84	1,403.83	1,459.98	1,518.38	1,579.12	1,642.28
	Hourly	30.00	31.20	32.45	33.75	35.10	36.50	37.96	39.48	41.06



City Council Agenda

June 1, 2020

Agenda Item: 7E **Resolution** **(Action Item)**

Agenda Description:

Discuss, consider and possible action approving a Resolution adopting a Council Procedures and Decorum Policy.

Background Information:

To provide an orderly process for the preparation of the Council agenda and to ensure that the City Council meetings are conducted in a professional manner, staff has prepared a draft policy of agenda and Council meeting procedures. Many cities have adopted policies such as this to help guide the agenda process and to provide for rules of decorum in the conduct of the Council's business meeting.

The procedures were tabled at the May 4 meeting and discussed at the Council retreat on May 18. Revisions have been included as requested.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Staff recommends that Council approve the resolution and adopt the Council Procedures and Decorum Policy

Attachments:

Resolution

Council Procedures and Decorum Policy



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ADOPTING CITY A COUNCIL PROCEDURES AND DECORUM POLICY.

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to conduct the business of its citizens in an orderly, professional and transparent manner; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview has reviewed the Policy and determines them to be acceptable; and
2. That this Resolution shall cause the Council Procedure and Decorum Policy to take effect immediately upon its approval.

PRESENTED AND PASSED on this **1st day of June**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary



City Council Procedures and Decorum Policy

Sec. 1-100. – Authority.

Pursuant to the provisions of the Ordinances of the City of New Fairview, Texas, the City Council shall enact rules of procedure for all meetings of the City Council of the City of New Fairview, Texas, which shall be in effect upon their adoption by the City Council and until such times as they are amended or new rules adopted. **These rules of procedures shall serve as general guidelines for Council conduct and meeting protocols.**

Sec. 1-110. – City Council Agenda.

- (a) The City Administrator is responsible for creating and processing the agenda and agenda materials for City Council meetings. The City Administrator will submit agenda materials as appropriate for review by the City Attorney. The City Secretary is responsible for preparing and posting the agenda and assembling and distributing the agenda packets.
- (b) The Mayor or two Council Members may direct the City Administrator in writing to place an item on an agenda for a regular City Council meeting, special meeting, or work session for discussion only. Items must be submitted to the City Administrator no later than noon on the Monday preceding the week of the City Council meeting.
- (c) The City Council, during any scheduled regular or special meeting or work session, may direct the City Administrator to place an item on a future agenda.
- (d) Any two Council Members may request an item to be placed on the agenda for discussion. Should extraordinary staff time be required to address a requested agenda item, the City Administrator will place the item on a future Council agenda for direction and discussion prior to investing the extraordinary amount of staff time and communicate this decision to those requesting the item.
- (e) Agenda items placed on the agenda by the Mayor or members of the City Council previously considered and whereby action was taken by the City Council may not be placed on a

future agenda for reconsideration within six months of such action unless either: (1) directed by a majority of the City Council to the City Administrator during any scheduled regular or special meeting or work session; or (2) directed by the Mayor and one Council Member in writing to the City Administrator. In all cases, at least one member of the City Council who is requesting that the item be renewed on an agenda shall have been on the prevailing side of the previous vote on the item.

Sec. 1-120. – Types of Meetings.

(a) *Regular Meetings:* The City of New Fairview regular City Council meetings are held on the first Monday of each month, at such time as may be set by the City Council, unless the meeting is rescheduled or cancelled. All regular meetings of the City Council will be held in New Fairview Town Hall at 999 Illinois Lane, New Fairview, Texas or at such other location as the City Council may, by motion, resolution or ordinance, designate.

(b) *Work Session Meetings:* A work session is a meeting to discuss or explore matters of interest to the City, review and discuss agenda items, meet with City boards, commissions or committee members, City Staff or officers of civic organizations, governing bodies or individuals specifically invited to the session by the Mayor, City Administrator or the Council. These meetings are informational and no formal action shall be taken unless the posted agenda indicates otherwise. The Mayor may allow any citizen to participate in the discussion at a work session, but only as recognized by the Mayor. The Mayor may end citizen participation in a work session in order to allow the City Council to proceed with discussion.

If necessary, a work session will normally be scheduled before a regular meeting of the City Council and will be known as the "Pre-Council meeting."

(c) *Special Meetings:* Special meetings may be called by the Mayor, the City Administrator, or by any two (2) members of the City Council. The call for a special meeting shall be filed with the City Secretary in written form, and the City Secretary shall cause the posting of notice of the meeting as governed by applicable law. The Mayor, City Administrator, or two Council Members may designate a location for the special meeting other than Town Hall as long as the location is open to the public and in compliance with applicable law.

(d) *Emergency Meeting:* In case of emergency or urgent public necessity, as defined by State law and confirmed by the City Attorney when practical, which shall be expressed in the notice of the meeting, an emergency meeting may be called by the Mayor, City Administrator or his/her designee, or two members of the City Council, and it shall be sufficient if the notice is posted at least two hours before the meeting is convened.

(e) *Closed Meeting:* The City Council may meet in a closed meeting but only under conditions allowed by applicable law. Details discussed in closed meetings shall be considered confidential and shall not be discussed or disclosed outside the meeting.

(f) *Recessed Meetings.* Any meeting of the City Council may be recessed to a later time provided that no recess shall be for a period longer than twenty-four hours from the time the meeting is recessed.

Sec. 1-130. – Quorum.

A quorum at a regular meeting of the City Council will be established by the presence of three members of Council. A quorum at a special or emergency meeting of the City Council will be established by the presence of four members of the Council. The Mayor shall not count as a Council Member for the establishment of a quorum.

Sec. 1-140. – Order of Business.

The Regular City Council meeting will be generally conducted in the following order, unless otherwise specified. If the Mayor or any member of Council wishes to change the order of business, a proper motion must be made followed by a second, and then passed by the affirmative vote of a majority of the Council Members present and voting. An executive session may be held at any time during a meeting pursuant to applicable State law.

(a) *Executive Session:*

- (1) Conduct Executive Session – Items to be discussed in closed meeting under conditions allowed by applicable law. The City Council may not take final action during Executive Session. It is understood and agreed that information discussed in Executive Session is considered confidential and should remain so until the Council takes action in public on the matter. Any final action resulting from an Executive Session discussion must be taken during the open public session.

(b) *Work Session Agenda (if necessary):*

- (1) Discussion of consent items – Council review and discussion of items that are by nature routine and typically require little or no Council deliberation.
- (2) Questions regarding regular agenda items – Council review and discussion of regular agenda items. Council may ask questions of Staff, receive a brief presentation, and request additional information prior to consideration during the regular meeting.
- (3) Written or verbal presentations or discussions – Council updates and discussions regarding items, some of which may not be included as part of the regular meeting agenda.
- (4) Executive Session (if needed) - Items to be discussed in closed meeting under conditions allowed by applicable law. The City Council may not take final action during executive session. It is understood and agreed that information discussed in Executive Session is considered confidential and should remain so. Any final

action resulting from an Executive Session discussion must be taken during the open public session.

- (5) Adjourn

(c) *Regular Meeting Agenda:*

- (1) Call to Order – Chair officially calls the meeting to order.
- (2) Pledge of Allegiance – Each agenda of a regularly scheduled City Council meeting shall provide an item for the recital of the “Pledge of Allegiance” to both the United States flag and the Texas flag.
- (3) Presentations – The agenda shall provide a time when proclamations, recognitions, general reports, and updates may be presented to the City Council.
- (4) Public with Business – The time for the public to address the City Council on any subject. However, the City Council cannot discuss items presented under Public with Business nor take any action thereon other than consideration of the placement of said item on a future agenda as a discussion item or refer the item to Staff for research and possible future action, unless the item presented is an item on the posted agenda for the meeting. Each speaker will be allowed three (3) minutes to speak. Speakers are not permitted to yield their time to others but are encouraged to inform City Council if they are speaking on behalf of a larger group.
- (5) Consent agenda - Shall contain routine, non-controversial items that require City Council action but need little or no Council deliberation. An item can be removed from the consent agenda by the City Administrator, Mayor, or any member of the City Council and will be considered after approval of the consent agenda.
- (6) Old Business – Business items pending from previous City Council meetings. Members of the public may speak on any item under Old Business. They will be allowed three (3) minutes.
- (7) New Business – New or amended ordinances, resolutions, or policies that the Mayor, City Council Members or City Staff wish to have the City Council consider. Members of the public may speak on any item under New Business. They will be allowed three (3) minutes.
- (8) Discussion Items – Items to be presented or discussed with City Council in order to garner direction from City Council. No action shall be taken on discussion items. Members of the public may speak on any Discussion item. They will be allowed three (3) minutes.
- (9) Executive Session (if needed) – Items to be discussed in closed meeting under conditions allowed by applicable law. The City Council may not take final action during executive session. It is understood and agreed that information discussed in Executive Session is considered confidential and should remain so. Any final

action resulting from an Executive Session discussion must be taken during the open public session.

(10) Adjourn

Sec. 1-150. – General Procedures.

(a) *General Procedure:* General rules of parliamentary procedure as defined herein, consistent with state law and any applicable City ordinance, statute or other legal requirement, shall govern the proceedings of the City Council. To the extent not inconsistent with these rules, the City Council shall use Robert's Rules of Order as a general guideline for additional rules of parliamentary procedure without being a procedural requirement. Notwithstanding the above, failure to abide by, or adhere to, these rules shall not nullify or negate any action by the City Council. These rules of parliamentary procedure are intended solely as a guideline.

(b) *Chair of Meeting:* The Mayor shall preside over all meetings of the City Council as the Chair and enforce these rules and procedures during a meeting. In the absence of the Mayor, the Pro Tempore shall assume the Chair responsibility at the meeting. In the absence of the Pro Tempore, the Council will choose a Chair for the meeting.

(c) *Authority of the Chair:* The Chair person shall make decisions on questions of procedure subject to review respectively by the Council as a whole.

(d) *Council Deliberations:* The Chair has the responsibility to control the discussion and the order of speakers. Council Members will generally be called upon in the order of the request to speak. Generally, a Council Member may not be recognized to speak subsequently until each Council Member has had an opportunity to obtain the floor. A Council Member holding the floor may address a question to another Council Member and that Council Member may, should they so choose, respond to the question while the floor is still held by the Council Member asking the question.

(e) *Limits to Deliberations:* After an agenda item is announced by the Chair, the City Council may discuss the item without the need for a motion on the item. Council Members will limit their comments to the subject matter or motion currently being considered.

(f) *Repetitious Comments Prohibited:* A speaker or Council Member shall not present the same or substantially the same items or arguments to the City Council repeatedly or be repetitious in presenting oral comments. A speaker or Council Member shall not present an argument on a matter previously considered by the City Council at the same session.

(g) *Obtaining the Floor:* Any member of the Council wishing to speak shall first obtain the floor by making a request for the floor to the Chair. The Chair shall recognize any Council Member who seeks the floor when appropriately entitled to do so.

(h) *Motions:* Motions may be made by any member of the Council including the Chair. Any member of the City Council may second a motion.

(i) *Procedures for Motions:* The following is the general procedure for making motions:

- (1) The item is presented by Staff or others followed by questions and discussion by Council Members.
- (2) A Council Member who wishes to make a motion shall first obtain the floor.
- (3) A Council Member who wishes to second a motion shall do so through a request to the Chair.
- (4) Before a motion can be discussed, it shall be seconded.
- (5) Once the motion has been properly made and seconded, the Chair shall open the matter for further discussion offering the first opportunity to the moving party and, thereafter, to any Council Member properly recognized by the Chair.

(j) *Amendments to Motions:* When a motion is on the floor and an amendment is offered, the amendment shall be acted upon prior to acting on the main motion. No motion of a subject other than the agenda item under consideration shall be admitted as an amendment. A motion to amend an amendment shall be in order, but one to amend an amendment to an amendment shall not be in order. Action shall be taken on the amended amendment prior to any other action to further amend the original motion.

(k) *Continuance of Discussion or Hearings:* Any item being discussed or any public hearing at a City Council meeting may, by order, notice, or motion, be continued or tabled to any subsequent meeting.

(l) *Voting:* All Council Members must vote either "yea" in the affirmative or "nay" in the negative. A present member who does not vote will be officially recorded as a "nay" or negative vote. When a Council Member recuses oneself, that Council Member is not counted as present for quorum purposes and is not deemed to be "voting" for purposes of determining whether there has been a "majority vote of those voting and present".

(m) *Public Hearings:* The following is the general procedure for conducting public hearings:

- (1) Staff presents report.
- (2) City Council Members may ask Staff questions.
- (3) The applicant then has the opportunity to present comments, testimony, and/or oral arguments.
- (4) City Council Members may ask questions of the applicant.

- (5) The Chair opens the public hearing.
- (6) Upon opening the public hearing, and before any motion is adopted related to the merits of the issue to be heard, the Chair shall inquire if there is anyone present who desires to speak on the matter which is to be heard or to present evidence regarding the matter.
- (7) Members of the public are provided with the opportunity for comments and testimony in accordance with Section 1-160 (d) of the City Council Procedures and Decorum Policy.
- (8) A vote by City Council to close the public hearing upon a motion and second.
- (9) The applicant may be given the opportunity to respond to questions from the City Council and for closing comment or rebuttal.
- (10) The City Council deliberates on the issue.
- (11) If the City Council raises new issues through deliberation and a majority of the City Council seeks additional public testimony, additional public comment and testimony is permitted in accordance with Section 1-160 (d) of the City Council Procedures and Decorum Policy.
- (12) The City Council deliberates and takes action as needed.
- (13) The Chair announces the final decision of the City Council as applicable.
- (n) *Call for Recess:* The Chair may call for a recess of up to fifteen (15) minutes at regular intervals at appropriate points in the meeting agenda, or if requested by any two (2) Council Members.

Sec. 1-160. – Decorum.

- (a) General: During Council meetings, Council Members shall preserve order and decorum, shall not interrupt or delay proceedings, and shall obey the rules of the Council. Council Members shall demonstrate respect and courtesy to one another, to City Staff and to members of the public appearing before the Council. Council Members shall seek to phrase and communicate all writings, publications and speeches in a professional and constructive manner.

Council Members may express differing ideas. Equitable representation helps promote unity of purpose by allowing the public to be informed of each Member's position during his/her term of office and not only during an election campaign.

Members of the Council will not condone any unethical or illegal activity from any Council Member or members of the Staff. All members of the Council agree to uphold the intent of this policy and to govern their actions accordingly.

(b) *Mayoral Responsibilities:*

- (1) The Mayor shall serve as the Chair of all meetings. The Mayor Pro Tempore shall preside in the absence of the Mayor.
- (2) The Mayor shall have a voice in all matters before the Council.
- (3) The Chair is responsible for preserving order and decorum and shall keep the meetings orderly by recognizing each Member for discussion, limiting speaking items, encouraging debate among Members, and keeping discussion limited to the agenda item being considered.
- (4) The Mayor is the official spokesperson for the Council on all matters unless absent, at which time the Mayor Pro Tempore or appropriate designee will assume the role. The views presented by the Mayor, or the Mayor Pro Tempore in his/her absence, should provide equitable representation of all Council Members.
- (5) The Chair will encourage all Council Members to participate in Council discussion and give each Member an opportunity to speak before any Member can speak again on the same subject.
- (6) The Mayor is responsible for ensuring that an orientation of all Council Members is conducted following an election. The orientation shall include Council procedures, staff and media relations, current agenda items, municipal leadership training programs, and legal issues governing the behavior of elected officials, etc.

(c) *Council Responsibilities*

- (1) Each Council Member is responsible for being prepared to discuss the agenda.
- (2) Each Council Member is required to attend a Council Member Orientation and is encouraged to attend at least one Texas Municipal League-sponsored conference each year in order to stay informed on issues facing municipalities.
- (3) It is the responsibility of Council Members to be informed about action taken by the Council in their absence. In the case of an absence from a work session, the Council Member is responsible for obtaining this information from the City Administrator prior to the Council meeting during which said item is to be voted upon.
- (4) When addressing an agenda item, the Council Member shall first be recognized by the Chair, confine comments to the question under debate, avoid reference to personalities, and refrain from impugning the integrity or motives of any other Council Member or Staff Member during debate or vote.
- (5) Any Council Member may appeal a ruling by the Chair to the Council as a whole. If the appeal is seconded, the person making the appeal may make a brief statement and the Chair may respond. An appeal may generally be debated by the Members, but each Member may speak only once. The affirmative vote of a majority of the Council Members present and voting shall be necessary to approve the motion.

- (6) Any Council Member may ask the Chair to enforce the policy established by the Council. Should the Chair fail to do so, a majority vote of the Council Members present shall require the Chair to enforce the policy.
- (7) When a Council Member is appointed to serve as a liaison to a board, committee or commission, the Council Member is responsible for keeping all Council Members informed of significant activities of that board, committee or commission. The appointed Council Member should report the actions of the board, committee or commission during a work session of the City Council.
- (8) While a member of the Council is speaking, other members shall not hold private discourse or in any manner interrupt the speaker. In all discussions, disrespectful language and behavior shall be avoided.
- (9) Every member of the Council who shall be present at a meeting, when a vote is called for by the Chair shall vote thereon, unless they have recused themselves due to a conflict of interest.

(a) If a Council member has a substantial interest in a business entity or in real property, the official shall file, before a vote or decision on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if:

(1) in the case of a substantial interest in a business entity the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or

(2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

(b) The affidavit must be filed with the City Secretary.

(c) If a Council member is required to file and does file an affidavit under Subsection (a), the official is not required to abstain from further participation in the matter requiring the affidavit if a majority of the members of the governmental entity of which the official is a member is composed of persons who are likewise required to file and who do file affidavits of similar interests on the same official action.

- (10) A Council Member may not represent any third party before any City board or commission.
- (11) All personal communication devices should be placed in a silent mode during any City Council meetings. Personal communication devices shall not be used for communicating City related business during any City Council meetings.
- (d) *Citizens' participation:* The following rules shall be in force for persons in attendance at all meetings of Council:
- (1) Persons wishing to address the Council during Public with Business or on a particular agenda item shall complete a Public Comment Form and present said form to the City Secretary up to the close of the comment period during which they choose to speak. Speakers shall approach the lectern and give his/her name and address before speaking. Speakers shall address the Mayor and Council with civility that is conducive to appropriate public discussion. All public comments should be addressed to the City Council rather than to individual members. Each speaker will be allowed three (3) minutes to speak. Speakers are not permitted to yield their time to others but are encouraged to inform City Council if they are speaking on behalf of a larger group. No person shall be allowed to address the Council more than once per agenda item unless called upon by a City Council Member to do so.
- City Council Members cannot discuss items presented under Public with Business nor take any action thereon other than consideration of the placement of said item on a future agenda as a discussion item or refer the item to City Staff for research and possible future action, unless the item presented is an item on the posted agenda for the meeting.
- (2) Persons may not engage in discussions with the Council during Council deliberations unless specifically asked a question by a Council Member. Persons who have been asked a question by a Council Member must be recognized by the Chair before being allowed to speak. The Chair may end any question and answer session between Council Members and a member of the public in order to facilitate the order of business.
- (3) Persons may present printed material to be included in the Council agenda packets one week prior to a meeting. Persons may present printed material to the City Secretary to distribute to the Council during a meeting.
- (4) Persons may present electronic media during their comments provided that all materials are submitted to the City by 4:00 P.M. the day of the meeting. Files should be emailed to citysecretary@NewFairview.org. Materials submitted after 4:00 p.m. will be forwarded to City Council following staff review but will not be

available to present during the meeting. Any digital presentation material will be included in an individual's 3-minute time limit.

- (5) Persons attending Council meetings shall remain seated or may stand in the back and come and go so long as it does not disrupt the meeting. Persons in attendance shall not carry signs, placards or other items which could block the view of those behind them or be disruptive to the proceedings. No person attending any Council meeting shall delay the proceedings or refuse to obey the orders of the presiding officer.
- (6) Disturbances, transgressions of the rules or disorderly conduct in the Council chamber may cause the transgressor to be removed from the meeting. The Chair of the meeting, shall exercise control over persons who disrupt the meeting in the following ascending order of action:
 - a. Call the person to order, advising that person of the infraction.
 - b. Advise the person that the infraction must cease immediately or the person will be ordered to leave the meeting.
 - c. Order the person to leave the meeting. If the offending person is a member of Council, the Chair shall call for a vote on the expulsion of that member from the meeting, and such vote requires a majority for adoption.
A police officer may remove an individual or individuals for disrupting a meeting as authorized by Texas Penal Code Section 42.05.
- (7) Persons are encouraged to attend Council meetings. However, the number admitted shall be limited to the fire safety capacity of the Council chamber as determined by the fire chief or designee. If the capacity is surpassed the Council may adjourn the meeting and move its proceedings to a location that will accommodate a larger number of participants.

Sec. 1-170 - Staff Relations

- (a) In order to ensure proper presentation of agenda items by Staff, questions arising from Council Members after receiving their information packet should be, whenever possible, presented to the City Administrator for Staff consideration prior to the Council meeting. This allows Staff the time to address Council Member's concern and provide all Council Members with additional information.
- (b) The City Administrator shall designate the appropriate Staff Member to address each agenda item and shall see that each presentation is prepared and presented in order to inform and educate the Council on the issues that require Council action. The presentation

should be professional, timely and allow for discussion of options for resolving the issue. As a summary, the Staff Member making the presentation shall make it clear if no Council action is required or present the Staff recommendation as a part of the presentation, and/or present the specific options for Council consideration.

- (c) The City Administrator is directly responsible for providing information to all the Council concerning any inquiries by a specific Council Member that is significant in nature and would be beneficial to all Council Members. If the City Administrator or the Staff's time is being dominated or misdirected by a Council Member, it is the City Administrator's responsibility to inform the Mayor.
- (d) The City Administrator will exhibit the highest professional and ethical behavior. The City Administrator is responsible for the professional and ethical behavior and discipline of his/her Staff. The City Administrator is also responsible for ensuring that the Staff receives the training and information necessary to address the issues facing municipal government.
- (e) Any conflicts arising between the City Staff and the Council will be addressed by the Mayor and the City Administrator.
- (f) All Staff Members shall show one another, each Council Member, and the public, respect and courtesy at all times. They are also responsible for making objective, professional presentations to ensure public confidence in the process.
- (g) The City Administrator, after an election, will make sure that the Staff has prepared information needed for the orientation of new Council Members, and inform Council of any available Texas Municipal League conferences and seminars. The City Administrator will also be responsible for meeting personally with new Members and informing them about City facilities, policies and procedures.

Sec 1-180. – Council and Media Relations

Since the democratic form of government is only successful when the citizens are kept informed and educated about the issues facing their municipality, it is imperative the media play an important role in the governmental process. It is through an informed public that progress is ensured and good government remains sensitive to its constituents. These guidelines are designed to help ensure fair relationships with all media reporters. The Council and the City Administrator recognize that the media provides an important link between the Council and the public. It is desired to establish a professional working relationship to help maintain a well informed and educated citizenry.

- (a) During the conduct of official business, the news media shall occupy places designated for them or the general public.

- (b) All reporters will have access to an agenda and will be furnished support materials needed for clarification if requested.
- (c) In order to preserve the decorum and professionalism of Council meetings, the media are requested to refrain from conversing privately with other people in the audience and to conduct any interview with the public outside the meeting room while the Council is in session.
- (d) Since each government body conducts business differently, it is requested that all reporters new to Council meetings meet with the City Administrator or the designated media relations representative prior to covering their first meeting to be informed of the policies and procedures to help foster a professional working relationship between the media reporter and the City.
- (e) On administrative matters, the City Administrator is the spokesperson, unless he/she has appointed a media relations person to present Staff information on the agenda.
- (f) The Mayor, or his/her designee, is the primary spokesperson for the City on matters regarding policy decisions or any Council information pertaining to issues on the agenda. In order to ensure fair treatment of an issue, any clarifications requested by the media on the issue should be addressed after the meeting. When opposing positions have been debated, regardless of the outcome, the public is better informed when all sides have adequate coverage by the media. This lets the public know that the item was seriously debated and options discussed before a vote was taken, and helps build confidence in the democratic process. In respect to each Council Member and the citizens of the City, the views presented by each Council Member should provide equitable representation of all Members. Even though Council Members may express differing ideas, equitable representation helps promote unity of purpose by allowing the public to be informed of each Member's position during his/her term of office and not only during an election campaign.

Sec. 1-190. – Statements by public officials regarding litigation.

When the City of New Fairview is involved in litigation or a legal dispute, Council Members shall refrain from commenting on settlements, appeals or other issues related to the subject until the matter is resolved. The Mayor, City Administrator or City Attorney shall be authorized to provide any public responses or comments, as needed on matters involving litigation.

Sec 1-200. - Non-Exclusive Rules

The rules set forth are not exclusive and do not limit the inherent power and general legal authority of the City Council, or of its presiding officer, to govern the conduct of the City Council meetings as may be considered appropriate from time to time, or in particular circumstances, for purposes of orderly and effective conduct of the affairs of the City.

Sec 1-210. – Disbursement of Council Requested Information

As a general courtesy and to maintain equality in the disbursement of information, documentation or data requested by a Council Member from Staff shall be provided to all members of Council.

Sec. 1-220 – Policy Enforcement

If a Member(s) of the City Council believes this policy has been violated, the topic shall be placed on a meeting agenda following proper procedure (by City Administrator, Mayor, or two members of the City Council).

A determination of violation shall be stated by majority vote of those present during the deliberation.

If it is a Member of the Council who is determined to be in violation of this policy, a standard letter of violation signed by the Mayor (or Mayor Pro Tempore, if the letter is going to the Mayor) shall be issued to the person. A copy of the letter shall become a part of the Council Member's official file with the City.



City Council Agenda

June 1, 2020

Agenda Item: 7F **Resolution** **(Action Item)**

Agenda Description:

Discuss, consider and possible action approving a Resolution adopting an Investment Policy.

Background Information:

Texas state law requires cities to adopt and investment policy in conformance to the Public Funds Investment Act. Staff has prepared such an investment policy. An investment policy establishes internal controls that protect municipal funds and help staff and City Council uphold their fiduciary responsibilities. This policy has been reviewed by the City Attorney. These procedures address investment objectives, internal controls, PFIA training requirements, depository requirements, authorized investments, investment strategies and reporting requirements. Adopting of this policy is a requirement under Texas state law.

Financial Information:

NA

City Contact and Recommendation:

Alan Guard, Interim City Administrator

Staff recommends that Council approve the resolution and adopt the investment policy.

Attachments:

Resolution

Investment policy



City of New Fairview, Texas
Resolution No. _____

A RESOLUTION OF THE CITY OF NEW FAIRVIEW, TX ADOPTING AN INVESTMENT POLICY

WHEREAS, the City of Fairview is an incorporated city in the State of Texas; and

WHEREAS, the City of New Fairview is a General Law city as classified by the Texas Municipal Code; and

WHEREAS, the City desires to have a written investment policy in conformance with the Public Funds Investment Act of the State of Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY NEW FAIRVIEW:

1. The City Council of New Fairview has reviewed the investment policy and determines it to be acceptable; and
2. That this Resolution shall cause the investment policy to take effect immediately upon its approval.

PRESENTED AND PASSED on this **1st day of June**, at a meeting of the New Fairview City Council.

APPROVED:

ATTESTED:

Joe Max Wilson
Mayor

Monica Rodriguez
City Secretary



Investment Policy

Date: June 1, 2020

I. PURPOSE

It is the objective of the City of New Fairview "the City" to invest public funds in a manner which will provide maximum security and the best commensurate yield while meeting the daily cash flow demands of the City and conforming to all federal, state, and local statutes, rules, and regulations governing the investment of public funds. This policy serves to satisfy the statutory requirements of defining and adopting a formal investment policy. The policy and investment strategies shall be reviewed annually by the Finance department and City Council who will formally approve any modifications. This Investment Policy, as approved, is in compliance with the provisions of the Public Funds Investment Act of Tex. Gov't. Code Chapters 2256 and 2257.

II. SCOPE

A. FUNDS INCLUDED:

All financial assets of all current funds of the City and any new funds created in the future, unless specifically exempted, will be administered in accordance with the objectives and restrictions set forth in this policy. These funds are accounted for in the City's Annual Financial Report.

B. FUNDS EXCLUDED:

This policy shall not govern funds, which are managed under separate investment programs. This policy excludes Employee Retirement and Pension Funds administered or sponsored by the City and excludes defeased bond funds held in trust escrow accounts. The City will maintain responsibility for these funds as required by Federal and State law and the City Code.

C. POOLING OF FUNDS:

Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective percentage participation and in accordance with generally accepted accounting principles.

D. ADDITIONAL REQUIREMENTS:

In addition to this policy, bond funds (to include capital project, debt service, and reserve funds) will be managed by the governing debt ordinance and the provisions of the Internal Revenue Code applicable to the issuance of tax-exempt obligations and the investment of debt proceeds.

E. REVIEW AND AMENDMENT OF THE POLICY:

The City Council shall review this investment policy and investment strategies not less than annually as required by state law. A resolution stating the review has been completed and recording any changes made to either the policy or strategy statements must be adopted by the City Council.

III. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of the capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent person" standard, IAW PFIA 2256.006(a-b), and shall be applied in the context of managing an overall portfolio of funds, rather than a consideration as to the prudence of a single investment. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion to the City Administrator and the City Council, and appropriate action is taken by the investment officers and their oversight managers to control adverse developments in accordance with the terms of this policy.

IV. OBJECTIVES OF POLICY

The primary objectives of the City's investment program in order of priority shall be preservation and safety of principal, liquidity, and yield:

A. SAFETY:

The foremost and primary objective of the City's investment program is the preservation and safety of capital of the overall portfolio. Each investment transaction will seek first to ensure that capital losses are avoided, whether the loss occurs from the default of a security or from erosion of market value. The objectives will be to mitigate credit risk and interest rate risk. To control credit risk, investments should be limited to the safest types of securities. Financial institutions, broker/dealers and advisers who serve as intermediaries, shall be pre-qualified by the City. The credit ratings of investment pools and individual securities will be monitored to assure compliance with this policy and state law.

To control interest rate risk, the City will structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations and will monitor marketable securities daily. Should an issuer experience a single step downgrade of its credit rating by a nationally recognized credit rating agency within 90 days of the position's maturity, the Investment Officer may approve the holding of the security to maturity.

B. LIQUIDITY:

The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, the portfolio, or portions thereof may be placed in money market mutual funds or local government investment pools, which offer same day liquidity for short-term funds.

C. YIELD:

The City's investment portfolio will be designed with the objective of regularly meeting or exceeding the average rate of return on three-month U.S. Treasury Bills. The investment program will seek to augment returns above this threshold consistent with risk constraints identified herein, cash flow characteristics of the portfolio and prudent investment principles. Investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Marketable securities shall not be sold prior to maturity with the following exceptions:

1. A security with declining credit may be sold early to minimize loss of principal.
2. A security swap that would improve the quality, yield or target duration in the portfolio.
3. Liquidity needs of the portfolio require that the security be sold.
4. If market conditions present an opportunity for the City to benefit from the sale.

Funds held for future capital projects will be invested in such a way as to try to produce enough income to offset inflationary construction cost increases. However, such funds will never be unduly exposed to market price risks that would jeopardize the assets available to accomplish their stated objective or be invested in a manner inconsistent with applicable federal and state regulations. Yields on debt proceeds that are not exempt from federal arbitrage regulations are limited to the arbitrage yield of the debt obligation. Investment officials will seek to preserve principal and maximize the yield of these funds in the same manner as all other city funds. However, it is understood that if the yield achieved by the city is higher than the arbitrage yield, positive arbitrage income will be averaged over a five year period and netted against any negative arbitrage income and the net amount shall be rebated to the federal government as required by current federal regulations.

D. RISK OF LOSS:

All participants in the investment process will seek to act responsibly as custodians of the public trust. Investment officials will avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

V. RESPONSIBILITY AND CONTROL

A. DELEGATION:

Oversight management responsibility for the investment program has been delegated to the "Investment Officer" who shall be the City Administrator or his/her designee to establish written procedures and controls for the operation of the investment program, consistent with this investment policy and approved by the City Council. Such procedures shall include explicit delegation of authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting.

B. SUBORDINATES:

All persons involved in investment activities shall be referred to as "Investment Officials". No person shall engage in an investment transaction except as provided under the terms of this policy, the procedures established by the City Administrator and the explicit authorization by the City Council

to withdraw, transfer, deposit and invest the City's funds. The City Administrator shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate Investment Officials.

C. CONFLICTS OF INTEREST:

Investment officials and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City.

D. DISCLOSURE:

Investment officials and employees shall disclose to the City Administrator any material financial interest in financial institutions that conduct business with the City. Investment officials and employees shall further disclose any material, personal investment positions that could be related to the performance of the City's investment portfolio. Investment officials and employees shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales. An investment official that is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the City shall file a statement disclosing that relationship, with the Texas Ethics Commission and the City Council.

E. INVESTMENT TRAINING:

The City Administrator and any other investment officials shall have a finance, accounting or related degree and knowledge of treasury functions or 10 years of progressively equivalent business experience or some combination of education and experience. Investment officials must attend investment training not less than once in a two-year period and receive not less than ten hours of instruction relating to investment responsibilities. This investment training may be from educational seminars held by GFOA, GTOT, MTA, GFOAT, AICPA, and TML or any other training approved by the City Council. All investment officials of the City shall attend at least one training session relating to their cash management and investment responsibilities within 12 months after assuming these duties for the City. Training must include education in investment controls, security risks, strategy risks, market risks, and compliance with state investment statutes.

VI. AUTHORIZED INVESTMENTS

Funds of the City may be invested in the following investments, as authorized by Chapter 2256 of the Government Code of the State of Texas, known as the "Public Funds Investment Act", and as authorized by this investment policy. Investments not specifically listed below are not authorized:

- A. Obligations of the United States or its agencies and instrumentalities;
- B. Direct obligations of this state or its agencies;
- C. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, the State of Texas or the United States or its instrumentalities;
- D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state, rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

- E. Certificates of Deposit that are issued by a state or national bank or savings and loan domiciled in the State of Texas and that are guaranteed or insured by the Federal Deposit Insurance Corporation or are secured as to principal by obligations described in the preceding clauses or in any other manner and amount provided by law for City deposits;
- F. Local Government Joint Investment Pools of political subdivisions in the State of Texas which comply with the guidelines described below:
 - (1) The requirements of Article 4413(32c), Section 4(d) of the Texas Revised Civil Statutes must be met;
 - (2) The investment pool must be continuously rated no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service;
 - (3) The requirements of Section 2256.016 of the Texas Public Investment Act must be met by the investment pool and the information required must be furnished to the investment officer of the City;
 - (4) The investment pool must have a dollar-weighted average maturity of 90 days or less.
 - (5) The investment pool may invest only in obligations listed in the preceding paragraphs (A) through (G).

VII. INVESTMENT REPORTS

The City Administrator shall submit quarterly an investment report including an analysis of the status of the current investment portfolio and detailed investment transactions made over the last quarter. This report will be prepared in a manner, which will allow the City to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the City Council and the City Administrator. The City Council shall review investment strategies, portfolio diversification, maturity structure, economic outlook, rate of return on the portfolio, and compliance with the investment policy by reviewing these reports quarterly and by any discussions with city staff. The reports shall be formally reviewed at least annually by an independent auditor if there have been marketable securities in the portfolio. The result of the review shall be reported to Council by that auditor. If there have been no marketable securities in the portfolio, this review by an auditor is not required. The quarterly investment report must be presented within 90 days of the end of the quarter reporting period. The report must contain the following information:

- A. Investment position of the City on the date of the report;
- B. A signature of each investment official of the City;
- C. A summary statement prepared in compliance with generally accepted accounting principles, of each pooled fund or individual portfolio, sorted by type of asset, that states the fully accrued income for the reporting period; beginning market value for the reporting period; additions and changes to the market during the period; ending market value for the period; and the resulting change in market value that may have occurred and a comparison of the same to the previous quarter;
- D. A comparison of book value vs. market value and the unrealized gain or loss at the end of the period and the comparison to the previous period by asset type and fund type invested.
- E. State the duration or average maturity of each portfolio;
- F. State the accounting fund or pooled group fund for which individual investments were acquired, by name or number or both;
- G. State the compliance of the investment portfolio as it relates to the investment strategy

expressed in the City's investment policy and compliance with all laws governing the City's investments;

- H. Disclose the investment income earned and yields, by portfolio;
- I. Disclose the investment income earned, by accounting fund;
- J. Demonstrate the diversification of the City's investments; and
- K. Provide a summary of economic activity and recent financial market conditions.
- L. Provide a listing of brokers and financial institutions with which the City conducts business.

The City Administrator or designee is responsible for the recording of investment transactions and the maintenance of the investment records with reconciliation of the accounting records of investments carried out by an individual reporting to the accounting manager. Information to maintain the investment program and the reporting requirements is derived from various sources such as broker/dealer research reports, newspapers, financial on-line market quotes, and direct communication with broker/dealers, government investment pools and financial consulting services.

IX. SELECTION OF DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS

A. BIDDING PROCESS:

Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP) issued not less than every five years with a typical contract being for three (3) years with options to extend the contract for two additional years. In selecting depositories, the credit worthiness of institutions shall be considered, and the City Administrator shall conduct a comprehensive review of prospective depository's credit characteristics and financial history. No public deposit shall be made except in a qualified public depository as established by state depository laws. The depository bank bid will not include bids for investment rates on certificates of deposit. Certificate of deposit rates will be shopped competitively between qualified financial institutions in accordance with the manner in which all other types of investment assets are purchased.

B. INSURABILITY:

Banks and Savings and Loan Associations seeking to establish eligibility for the City's competitive certificate of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the Investment Officials of the City.

C. AUTHORIZED DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS:

The City Administrator will maintain a list of financial institutions and broker/dealers selected by credit worthiness, who are authorized to provide investment services to the City. These firms may include all primary broker/dealers and those regional broker/dealers who qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule) and meet other financial credit criteria standard in the industry. The City Administrator shall select broker/dealers from the approved list to conduct most daily City investment business. These firms will be selected based on the firm's competitiveness, participation in agency selling groups and the experience and background of the

salesperson handling the account. The firms will be reviewed quarterly by the City Administrator and changed as appropriate.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the City Administrator with the following:

- 1) Audited financial statements;
- 2) Proof of National Association of Securities Dealers (N.A.S.D.) Certification;
- 3) Proof of registration with the State of Texas Securities Board;
- 4) Resumes of all sales representatives who will purchase or sell securities or otherwise represent the financial institution or broker/dealer firm in their dealings with the City; and
- 5) Texas Public Funds Investment Act Acknowledgments from a Business Organization "Qualified Representative" of the financial institution or broker/dealer and all sales representatives on the City's account that they have received read, and understood and agree to comply with the City's investment policy. The qualified representative shall execute a written instrument acceptable to the City and the business organization.

A list of these approved financial institutions and broker/dealers shall be maintained in an appendix of this Investment Policy document. The City Council will include the broker/dealer-approved list as part of their annual review.

X. COLLATERALIZATION OF CITY'S DEPOSITS

A. INSURANCE OR COLLATERAL PLEDGED:

Collateralization shall be required on depository bank deposits, certificates of deposit, and repurchase (and reverse) agreements in accordance with the "Public Funds Collateral Act" and depository laws. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will not be less than 102% of market value of principal and accrued interest, less an amount of \$100,000, which represents insurance by the FDIC or FSLIC on certain types of bank deposits. Evidence of the pledged collateral shall be documented by a safekeeping agreement or a master repurchase agreement with the collateral pledged clearly listed in the agreement and safekeeping confirmations. The master repurchase agreement must be executed and in place prior to the investment of funds. Collateral shall be monitored daily to ensure that the market value of the securities pledged equals or exceeds the related deposit or investment balance.

B. COLLATERAL DEFINED:

The City shall accept only the following insurance and securities as collateral for cash deposits, certificates of deposit, and repurchase agreements:

- 1) FDIC insurance coverage.
- 2) Obligations of the United States of America, its agencies and instrumentalities.
- 3) Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States of America or its agencies and instrumentalities.

- 4) Obligations of states, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of no less than A or its equivalent.
- 5) Other securities specifically authorized by depository law or by the City's Council.

C. COLLATERAL SAFEKEEPING AGREEMENT:

The City shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the City's portfolio and that the maximum maturity of the collateral securities may be no greater than ten years. Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the City and retained. The safekeeping agreement must clearly define the responsibility of the safekeeping bank. The safekeeping institution shall be the Federal Reserve Bank or an institution not affiliated with the financial institution or broker/dealer that is pledging the collateral. The safekeeping agreement shall include the authorized signatories of the City and the firm pledging collateral.

D. AUDIT OF PLEDGED COLLATERAL:

All collateral shall be subject to verification and audit by the City Administrator or the City's independent auditors.

XI. SAFEKEEPING AND CUSTODY OF INVESTMENT ASSETS

All security transactions, including collateral for repurchase (reverse) agreements entered into by the City shall be conducted using the delivery vs. payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the correct security was received by the safekeeping bank. The safekeeping or custody bank is responsible for matching up instructions from the City's investment officials on an investment settlement with what is wired from the broker/dealer, prior to releasing the City's designated funds for a given purchase. The security shall be held in the name of the City or held on behalf of the City in a bank nominee name. Securities will be held by a third party custodian designated by the City Administrator and evidenced by safekeeping receipts. The safekeeping bank's records shall assure the notation of the City's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the City. A safekeeping agreement must be in place, which clearly defines the responsibilities of the safekeeping bank. Wires or ACH transactions to and from government investment pools and money market mutual funds are the only exception to the DVP method of settlement.

XII. MANAGEMENT AND INTERNAL CONTROLS

The City Administrator shall establish a system of internal controls which shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or Investment Officials of the City.

Controls and managerial emphasis deemed most important that shall be employed where practical are:

- A. Control of collusion.

- B. Separation of duties.
- C. Separation of transaction authority from accounting and record keeping.
- D. Custodian safekeeping receipts records management.
- E. Avoidance of bearer-form securities.
- F. Clear delegation of authority.
- G. Documentation of investment bidding events.
- H. Written confirmations from broker/dealers and financial institutions.
- I. Reconcilements and comparisons of security receipts with the investment subsidiary records.
- J. Compliance with investment policies.
- K. Accurate and timely investment reports as required by law and this policy.
- L. Validation of investment maturity decisions with supporting cash flow data.
- M. Adequate training and development of Investment Officials.
- N. Verification of all investment income and security purchase and sell computations.
- O. Review of financial condition of all broker/dealers, and depository institutions.
- P. Staying informed about market conditions, changes, and trends that require adjustments in investment strategies.

The above list of internal controls represents only a partial list of a system of internal controls. An annual process of independent review by an external auditor shall be established. This review will provide internal control by assuring compliance with laws, policies and procedures. This annual compliance audit is required by the "Public Funds Investment Act" [Section 2256.005 (m)].

XIII. INVESTMENT POLICY ADOPTION

The City's investment policy shall be adopted by resolution of the City Council. The policy and general investment strategy statements shall be reviewed on an annual basis by the City Council and any modifications made thereto must be approved by the City Council.

XIV. INVESTMENT STRATEGY STATEMENTS

A. ACTIVE VS. PASSIVE STRATEGY:

The City intends to pursue an active portfolio management philosophy with investment functions carried out either by in-house City staff or by an outside portfolio manager investing the City's funds with oversight by the City Administrator. Active management means that the financial markets will be monitored and investments will be purchased and sold based on the market conditions, liquidity parameters and legal constraints. Any marketable securities that may be purchased by the City shall have active secondary markets. Securities may be purchased as a new issue or in the secondary markets. Securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade or if changes in the market warrant the sale of securities to avoid future losses. Securities may be purchased with the intent from the beginning, to sell them prior to maturity or with the expectation that the security would likely be called prior to maturity under the analyzed market scenario. Market and credit risk shall be minimized by diversification. Diversification by market sector and security types, as well as maturity will be used to protect the City from credit and market risk in order to meet liquidity requirements.

The portfolio will be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value between asset groups shall be analyzed and pursued as part of the active investment program within the restrictions set forth by this policy. The portfolio may be comprised of 100% of direct government obligations, 100% repurchase agreements or 100% in an authorized government investment pool. Other asset types shall be limited to no more than 25% of the portfolio.

SPECIFIC INVESTMENT STRATEGIES FOR EACH TYPE OF FUND GROUP OF THE CITY ARE AS FOLLOWS:

B. OPERATING FUNDS:

Operating Funds shall have as their primary objective to assure that anticipated cash outflows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure, which will experience minimal volatility during changing economic cycles. These objectives may be accomplished by purchasing money market government investment pools, money market mutual funds or high quality, short to medium term securities in a laddered (maturities coming due regularly and staggered to match cash outflows) or barbell (maturities that are placed very short term and maturities that are longer term, such that the average achieves cash flows and income similar to buying in the middle of those maturity spectrums) maturity structure and by diversification among market sectors.

The dollar-weighted average maturity of operating funds, based on the stated final maturity date of each security, will be calculated and limited to one year or less. However, each of the city's operating funds has a component classified as fund balance or reserve monies. These reserve monies may have a dollar-weighted average maturity of two years or less.

C. CAPITAL PROJECT FUNDS AND SPECIAL PURPOSE FUNDS:

Capital Project Funds and Special Purpose Funds shall have as their primary objective to assure that anticipated cash outflows are matched with adequate investment liquidity. These portfolios should have liquid securities to allow for unanticipated project expenditures or accelerated project outlays due to a better than expected or changed construction schedule. The portfolios shall be invested based on cash flow estimates to be supplied by the City Engineer and a capital project report completed by the City Administrator. The dollar-weighted average life of the portfolio should be matched or below the duration of the liabilities. Funds invested for capital projects may be from bond proceeds that are subject to arbitrage rebate regulations. The City will manage these funds as previously described but will conduct an arbitrage rebate calculation annually to determine the income, if any, that has exceeded the arbitrage yield of the bond. This positive arbitrage income will be averaged over a five-year period and rebated to the federal government according to federal arbitrage regulations. A secondary objective of these funds is to achieve a yield equal to or greater than the arbitrage yield of the applicable bond.

D. DEBT SERVICE FUNDS:

Debt Service Funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date which exceeds the debt service payment date.

E. DEBT SERVICE RESERVE FUNDS:

Debt Service Reserve Funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund within the limits set forth by the bond ordinance or debt covenants specific to each individual bond issue. Individual securities may be invested to a stated final maturity of five years or less and no more than a three-year dollar-weighted average life.