



Lewisville City Council

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AGENDA

LEWISVILLE CITY COUNCIL MEETING SEPTEMBER 21, 2015

LEWISVILLE CITY HALL
151 WEST CHURCH STREET
LEWISVILLE, TEXAS 75057

WORKSHOP SESSION - 6:00 P.M. REGULAR SESSION - 7:00 P.M.

Call to Order and Announce a Quorum is Present.

WORKSHOP SESSION - 6:00 P.M.

- A. Review and Discuss Proposed Amendments to the Hotel/Motel Ordinance Requirements
- B. Discussion of Regular Agenda Items and Consent Agenda Items

REGULAR SESSION - 7:00 P.M.

- A. **INVOCATION:** Mayor Pro Tem Ferguson
- B. **PLEDGE TO THE AMERICAN AND TEXAS FLAGS:** Boy Scout Troop 114
- C. **PROCLAMATION:** Declaring October 2, 2015 as, "Say No to Bullying Day"
- D. **PRESENTATION:**
Recognition to the Lewisville Fire Department Crew Engine 4 and Medic 5
- E. **VISITORS/CITIZENS FORUM:** At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting.
- F. **CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member or citizen so request. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

**AGENDA
LEWISVILLE CITY COUNCIL
SEPTEMBER 21, 2015**

1. **APPROVAL OF MINUTES: City Council Minutes of the September 14, 2015, Workshop Session and Regular Session.**
2. **Approval of Administrative Policy 2.0, Section XIV- Tuition Reimbursement.**

ADMINISTRATIVE COMMENTS:

Council approved funding of a tuition reimbursement program for FY 15-16. The tuition reimbursement program provides an opportunity and an incentive for employees to increase their individual level of education and expertise enhancing their job skills. The Tuition Reimbursement Policy provides full-time employees pursuing a job related Associate's, Bachelor's or Master's Degree up to \$1500 annually in tuition reimbursement.

RECOMMENDATION:

That the City Council approve the Administrative Policy 2.0, Section XIV- Tuition Reimbursement.

3. **Approval of the Award to CIGNA Health Care for Individual and Aggregate Stop Loss Insurance in the Amount of \$1,110,727; and Authorization for the City Manager to Execute all Necessary Documents.**

ADMINISTRATIVE COMMENTS:

The City sent out a request for proposals in July for reinsurance for the partially self-insured Health Plan. CIGNA submitted the best proposal for Individual and Aggregate Stop Loss Insurance. Funding is available in the proposed 2015-16 Health Fund.

RECOMMENDATION:

That the City Council approve the award as set forth in the caption above.

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- 4. Approval of a Purchase of a 2015 Pierce Fire Engine in the amount of \$590,611.**

ADMINISTRATIVE COMMENTS:

Currently the Lewisville Fire Department has one American LaFrance engine in front line service which is not scheduled for replacement until 2018. This engine was removed from service on July 13 and continues to be unavailable due to the inability to obtain parts and proprietary designs which hamper completing the repairs. American LaFrance filed for bankruptcy in 2008 resulting in no available engineering, mechanical, or repair support. The Fire Department currently has an engine in production; therefore, staff would be able to purchase a second engine at the same price as the one in production using the same engineering and design specifications. Staff estimates to save approximately \$25,000 by making the purchase now. Funding is available in the FY 2014-15 Maintenance and Replacement Fund budget.

RECOMMENDATION:

That the City Council approve the agreement as set forth in the caption above.

- 5. Approval of the Finance Policy 3.0 VI, Investment Policy.**

ADMINISTRATIVE COMMENTS:

The Public Funds Investment Act requires the Investment Policy to be submitted to the governing body on an annual basis for approval. This year the policy is being submitted for approval with no changes.

RECOMMENDATION:

That the City Council approve the Finance Policy 3.0 VI, Investment Policy.

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- 6. Approval of an Interlocal Agreement Between the City of Lewisville and Denton County for the Purpose of Creating a Consolidated Communications System for Public Safety and Governmental Services; and Authorization for the City Manager or her designee to Execute the Agreement.**

ADMINISTRATIVE COMMENTS:

The Interlocal Agreement would allow the City of Lewisville to create a consolidated communications system with Denton County to improve radio communication and coverage for all users, ensure P25 interoperability for Public Safety responders and provide cost savings on communication infrastructure and maintenance.

RECOMMENDATION:

That the City Council approve the agreement as set forth in the caption above.

G. REGULAR HEARINGS:

- 7. Consideration of an Ordinance Amending the FY 2014-15 Adopted Budget.**

ADMINISTRATIVE COMMENTS:

The purpose of this ordinance is to amend the FY 2014-15 adopted budget to include all supplements and changes approved by Council throughout the year. A large percentage of these appropriations include the routine supplement completed each year for prior year encumbrances (purchases) that overlap into the next fiscal year. Others relate to actions taken to fund unbudgeted items during the year. This ordinance will also authorize four new supplements: 1) Insurance Risk Fund (\$250,000) due to actual claims experience this fiscal year and to account for possible claims that may hit prior to the end of the year; 2) Health Fund (\$1,000,000) due to higher actual claims experience this fiscal year and to account for possible claims that may hit prior to the end of the year; and 3) Tax Increment Financing Fund (\$61,217) and 4B Fund (\$107,784) due to actual debt service requirements being more than originally budgeted.

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RECOMMENDATION:

That the City Council approve the proposed ordinance amending the FY 2014-15 budget.

8. Consideration of an Ordinance Adopting the FY 2015/2016 Operating Budget.

ADMINISTRATIVE COMMENTS:

The proposed operating budget for all funds has been prepared by staff and reviewed by the City Council. Approval of this ordinance adopts an operating budget for all funds beginning October 1, 2015 and ending September 30, 2016. A draft budget document is available for public review at the City Secretary's Office, the Library, and on the City website.

RECOMMENDATION:

That the City Council approve the proposed ordinance as set forth in the caption above.

9. Consideration of an Ordinance Adopting the FY 2015-2016 Tax Rate.

ADMINISTRATIVE COMMENTS:

This action will adopt the City's annual ad valorem tax rate for all taxable property at \$0.436086 per \$100 of assessed valuation. The rate combines the following: Maintenance and Operations \$0.318766 and Principal and Interest on Debt \$0.11732 for a total tax rate of \$0.436086. While the proposed tax rate for FY 2015-2016 is the same as the 2014-2015 tax rate of \$0.436086, the proposed tax rate exceeds the effective tax rate of \$0.417950. Therefore, specific language is required in the ordinance, the vote on this ordinance must be a record vote, and the motion to adopt the ordinance must be made in the following form: "I move that the property tax rate be increased by the adoption of a tax rate of \$0.436086, which is effectively a 4.34 percent increase in the tax rate."

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RECOMMENDATION:

That the City Council approve the proposed ordinance adopting the FY 2015-2016 tax rate with the following motion: "I move that the property tax rate be increased by the adoption of a tax rate of \$0.436086, which is effectively a 4.34 percent increase in the tax rate."

10. Consideration of a Resolution Nominating Candidates to the Denton Central Appraisal District Board of Directors.

ADMINISTRATIVE COMMENTS:

The Denton Central Appraisal District has requested that the City nominate up to five individuals to serve as the DCAD Board of Directors prior to October 15th. After all entities have made their nominations and votes have been cast, the five candidates that receive the most votes become the Board of Directors as of January 1st. Board members serve a two-year term. All board members are up for reelection and wish to be re-elected, with the exception of John Mahalik. Denton Central Appraisal District's current Board of Directors include Charles Stafford, John Mahalik, Connie Smith, David Terre, Brenda Latham, and Michelle French (serves as an ex officio member).

RECOMMENDATION:

That the City Council approve the resolution as set forth in the caption above.

11. Consideration of a Schedule for 2015-2016 Special Workshops, City Council Retreat and Budget Workshop.

ADMINISTRATIVE COMMENTS:

Special workshops are held when necessary to deal with topics that may require additional City Council focus. Staff is requesting to hold quarterly special workshops on "off" Mondays to discuss special projects that require additional City Council focus. Additionally, staff is recommending that the City Council Retreat be scheduled over two full days with a focus on long-range plans and overall goal setting.

RECOMMENDATION:

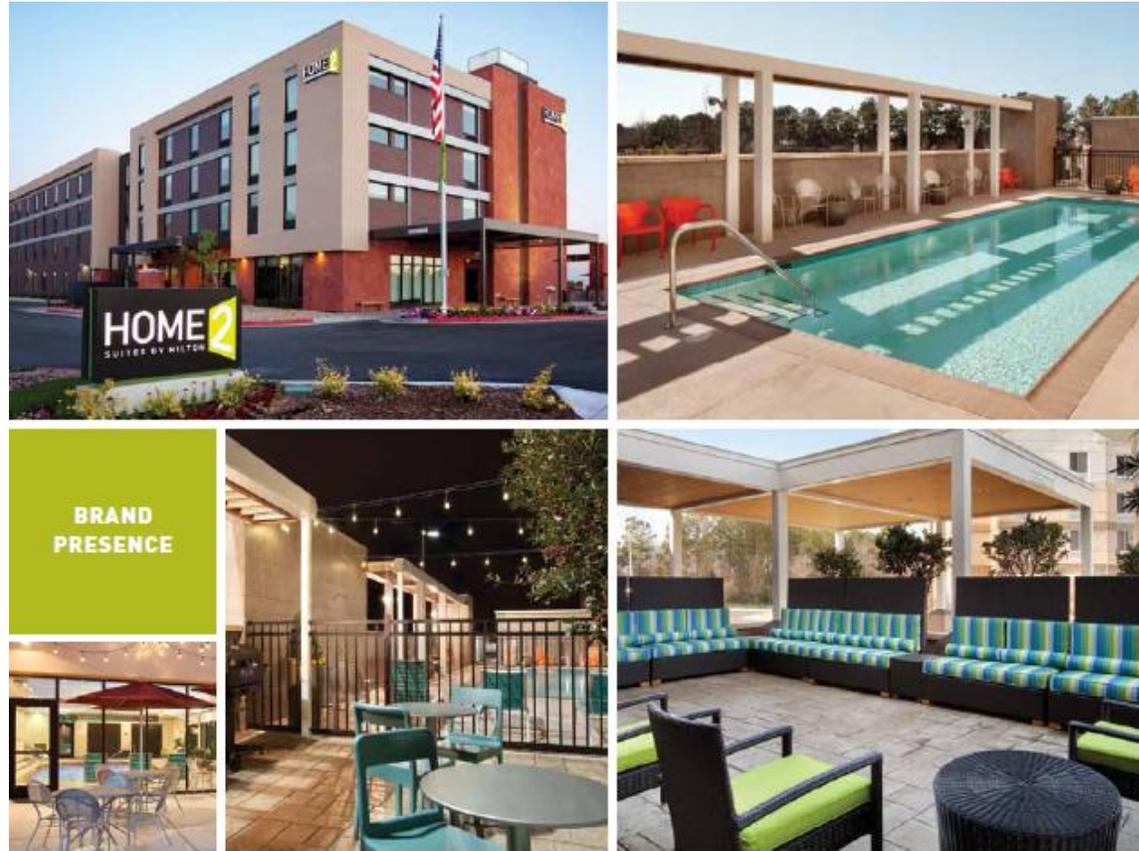
That the City Council approve the schedule for the 2015-2016 Special Workshops, City Council Retreat and Budget Workshop.

**AGENDA
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- H. **REPORTS**: Reports about items of community interest regarding which no action will be taken.
- I. **CLOSED SESSION**: In Accordance with Texas Government Code, Subchapter D,
1. Section 551.071 (Consultation with Attorney/Pending Litigation): Texas Commission on Environmental Quality Modification to Municipal Solid Waste Permit No. 1312A; and Texas Commission on Environmental Quality Application to Obtain Municipal Solid Waste Permit Amendment - Permit No. 1312B
 2. Section 551.072 (Real Estate): Property Acquisition
 3. Section 551.074 (Personnel): Annual Staff Reviews:
 - (1) City Manager Donna Barron
 - (2) Alternate Municipal Court Judges
 4. Section 551.087 (Economic Development): Deliberation Regarding Economic Development Negotiations
- J. **RECONVENE** into Regular Session and Consider Action, if Any, on Items Discussed in Closed Session.
- K. **ADJOURNMENT**

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

Proposed Changes for New Hotel Construction



Why Consider Changes to the Hotel Requirements?

- Recent Interest from Hotel Developers
- Redevelopment Opportunities due to I-35E Widening
- Lewisville's Desirable Location and Market
- Review of Peer Cities Revealed Few with Hotel Regulations

History

- Pre-2003: No Specific Standards Existed
- 2003 Changes:
 - Room Size - 400 square feet
 - Interior Corridors Required
 - 24-hour On-Site Staff Required

History

- Changes in 2009:
 - Added menu options to the minimum requirements
 - (4 out of 5 selection)
 - Furnished rooms
 - Swimming Pool (1,000 S.F. minimum; 2,500 S.F. with 200+ Rooms)
 - Full service restaurant
 - Number of guest rooms - 175
 - Meeting space-10,000 square feet

Impact of 2009 Ordinance Changes

- No new hotel built in full compliance with ordinance to date
- Since 2009, only Springhill Suites has been built, utilizing an ED Agreement with a room size variance (this Agreement was executed prior to 2009, therefore fell under the 2003 requirements)
- New hotel brands in the market
 - Hilton Home 2; Candlewood Suites; LaQuinta Inn & Suites; Aloft; Indigo
- Number of hotel rooms reduced in Lewisville due to market conditions and I-35E expansion

Impact of Proposed Ordinance changes

- Ability for Lewisville to get new hotels based on market demand
- I-35E Corridor Market Study shows the need for limited service hotels (Weinstein, Clower & Associates, 2012)
- Full service hotel attraction often requires major public investment and should be approached separately from ordinance amendments
- **Currently 3 hotels in discussion** (Hilton Home 2, La Quinta Inn & Suites, Candlewood Suites) (All average 325 square-foot room size)

Proposed Amendments for Attracting Quality Hotels

- Proposed minimum requirements:
 - Room size - 325 square feet
 - Minimum number of rooms - 100
 - Interior corridors
 - 24-hour on-site staff
 - Fully furnished rooms
 - Minimum 4 stories in height (drives higher quality construction)

New Menu Option

(3 out of 4 must be added)

- Enhanced architectural design, building material and landscaping (i.e. 80% Stone/brick façade, façade articulation, 30% additional trees and plant materials above standard city ordinances, enhanced paving in parking lot, drop off area)
- Increase room count to 130
- Provide minimum 1,500 square feet in meeting space
- Provide a bar/restaurant open in the evening

Conclusion

- Changes will allow several hotel projects to move forward
- Provide for high quality but flexibility within projects
- Increase number of hotel rooms
- Hotel is a superior use compared to other uses allowed in the Zoning Ordinance within certain districts
- Increase property value (Estimate for 3 proposed hotels- \$100 million)

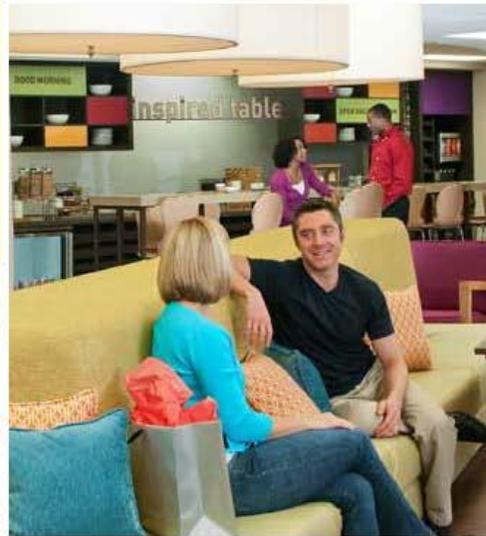
Hilton Home 2 Suites Conceptual Images



Hilton Home 2 Suites Conceptual Images



COMFORTABLE
& FUNCTIONAL



Hilton Home 2 Suites Conceptual Images



Hilton Home 2 Suites Typical Room Layout



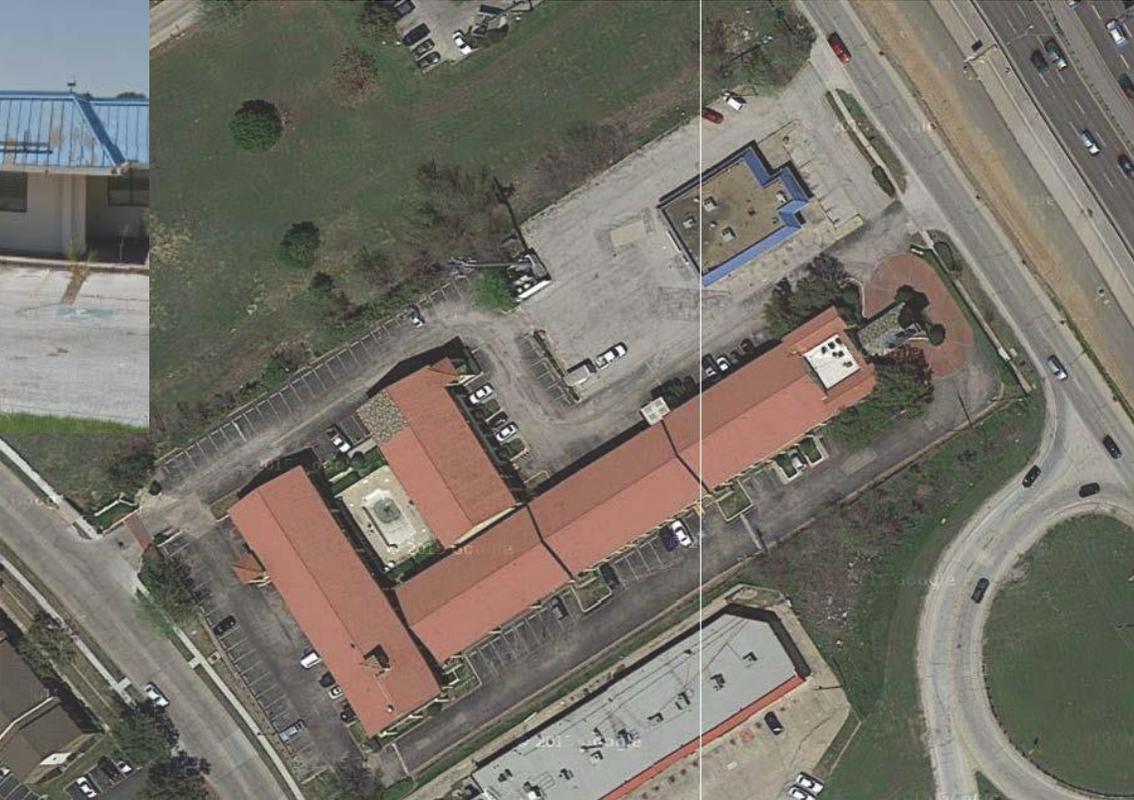
Candlewood Suites Conceptual Images



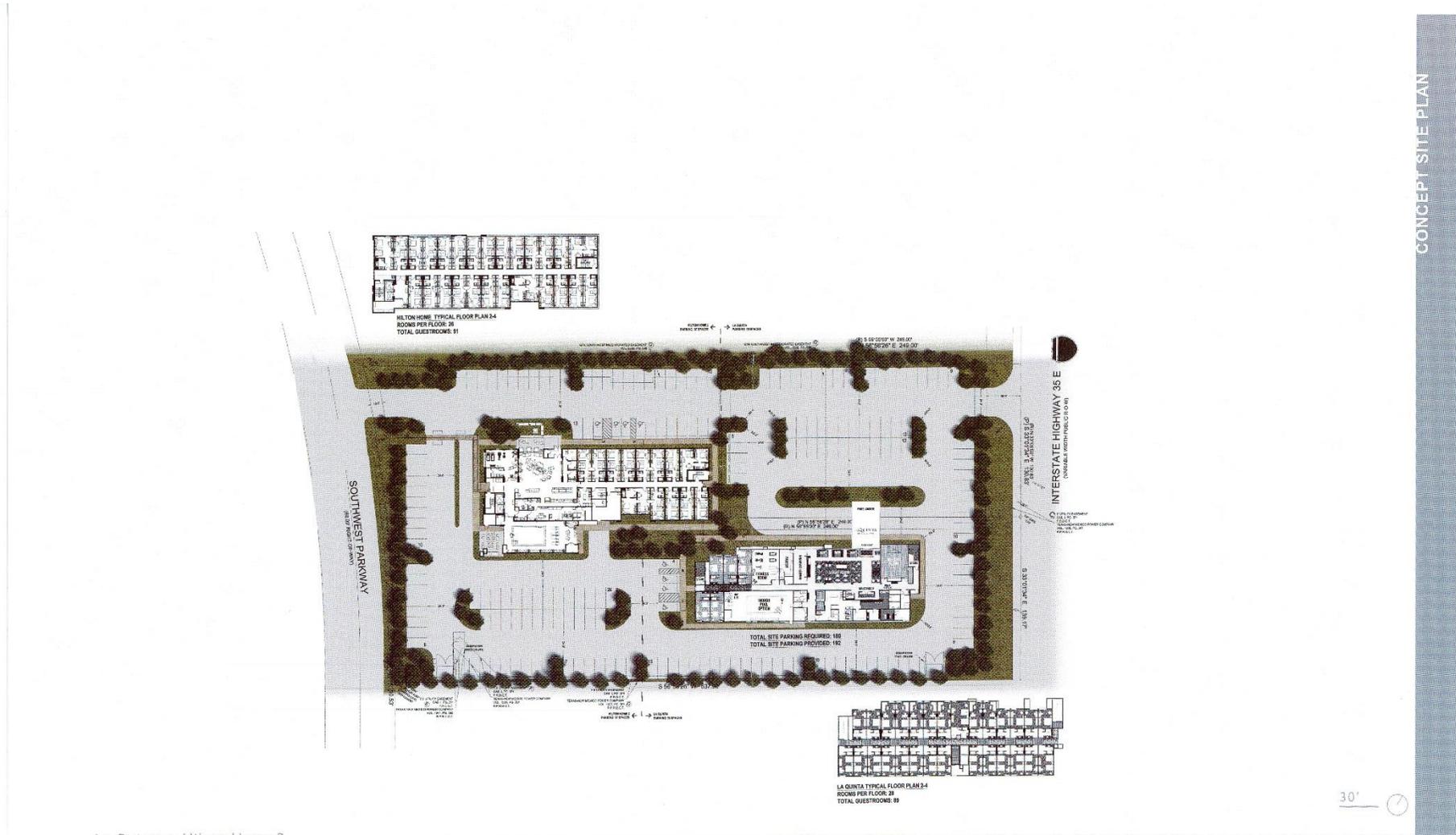
La Quinta Inn & Suites Conceptual Images



Existing Hotel Site NWC I-35E & Corporate Drive



Possible Concept for Hotel Site Redevelopment



La Quinta + Hilton Home 2
Lewisville, Texas
maa.2015205 08.19.15

PROCLAMATION

Whereas, bullying is physical, verbal, sexual, or emotional harm or intimidation intentionally directed at a person or group of people; and

Whereas, bullying occurs in neighborhoods, playgrounds, schools, and through technology, such as the Internet and cell phones; and

Whereas, various researchers have concluded that bullying is the most common form of violence, affecting millions of American children and adolescents annually; and

Whereas, targets of bullying are more likely to acquire physical, emotional, and learning problems and students who are repeatedly bullied often fear such activities as riding the bus, going to school, and attending community activities; and

Whereas, children who witness bullying often feel less secure, more fearful, and intimidated.

Now, Therefore, I, Rudy Durham, Mayor of the City of Lewisville, Texas, and on behalf of the Lewisville City Council, do hereby proclaim Friday, October 2, 2015, as:

“Say No to Bullying Day”

Be It Further Resolved, that Stop Bullying Our Purpose encourages Lewisville schools, students, parents, recreation programs, religious institutions, and community organizations to engage in a variety of awareness and prevention activities designed to make our communities safer for all children and adolescents.

Proclaimed this the 21st day of September, 2015.

Rudy Durham, Mayor
City of Lewisville

RECOGNITION TO FIRE DEPARTMENT MEMBERS

Driver/Engineer: Chris Lawler

Firefighters/Paramedics:

Nick Potter, Shane Steinbach, Billy McWhorter, Phillip McGee and Kevin Whitley

On Sunday, February 8, 2015, the crew of Engine 4, (Chris Lawler, Nick Potter, Shane Steinbach, and Billy McWhorter) and Medic 5, (Phillip McGee and Kevin Whitley), responded to a medical emergency. They arrived to find a male patient suffering a heart attack. Emergency crews activated the cardiac cath lab and transported him to Medical Center of Lewisville. The patient went into cardiac arrest as crews arrived at the hospital. CPR was initiated and patient was defibrillated. ER staff continued resuscitative efforts. All elements of the emergency response system worked to save this man's life.

Two weeks after his heart attack, Kyle Beaty was able to attend his son's wedding.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Melinda Galler, Assistant City Manager

DATE: September 16, 2015

SUBJECT: Approval of Administrative Policy 2.0, Section XIV - Tuition Reimbursement.

BACKGROUND

The City of Lewisville suspended its Tuition Reimbursement Program in 2009 to reduce costs. In an effort to maintain a competitive benefit package, the Human Resources staff requested City management consider reinstating this benefit in FY 2015-16. Of our survey cities, only three cities do not currently offer tuition reimbursement (Attachment A).

The tuition reimbursement program provides an opportunity and an incentive for employees to increase their individual level of education and expertise enhancing their job skills. The City makes this investment in employees to improve the employee's productivity and to help prepare and development them for future opportunities within the City. This program will help develop our future leaders.

ANALYSIS

Council approved funding of a tuition reimbursement program beginning October 1. The benefit will be available to full-time employees who have completed six months employment. The benefit will reimburse employees for university and college educational programs, technical schools or business schools in pursuit of an Associate's, Bachelor's or Master's Degree.

Employees who receive a grade of "C" or higher in an undergraduate course or a grade of "B" or higher in a graduate level will be eligible for tuition reimbursement up to \$1500 per fiscal year. Employees who receive benefits will be expected to remain in the employ of the City of Lewisville for at least two years following their latest course reimbursement date. If, for any reason, their employment with the City terminates within two years, the amount of tuition reimbursement for the past two years must be paid back to the City.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the policy as set forth in the caption above.



2015 Metroplex Benefits & Other Misc. Data

PART ONE OF TWO

Compensation Practices

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General Information

<i>Participant</i>	<i>Beg. Month of New Fiscal Year</i>	<i>End of FY Budgeted FTE Positions</i>	<i>Total Population</i>	<i>Employees Per 1,000 Citizens</i>	<i>Number of Terminations During FY13</i>	<i>Actual Turnover Rates '12-'13</i>
Allen	October	758.74	88,491	8.57	78	10.28%
Arlington	October	2475	365,860	6.76	226	9.13%
Carrollton	October	801	121,150	6.61	212 ⁽¹⁾	26.46%
Dallas	October	12731	1,197,816	10.63	1256	9.87%
Fort Worth	October	6597	767,560	8.59	579	8.78%
Frisco	October	936	137,330	6.82	79	8.43% ⁽²⁾
Garland	October	2038	228,000	8.94	140	6.87%
Grand Prairie	October	1205	178,290	6.76	196	16.27%
Irving	October	1845	218,850 ⁽³⁾	8.43	100 ⁽⁴⁾	5.42%
Lewisville	October	742	98,330	7.55	73	10.07%
McKinney	October	860.6 ⁽⁵⁾	141,000	8.6	102	12%
Mesquite	October	1075	140,240	7.67	117	10.88%
Plano	October	2081	264,910	7.86	472	22.68% ⁽⁶⁾
Richardson	October	993 ⁽⁷⁾	100,850 ⁽⁷⁾	9.85 ⁽⁸⁾	81	8.10%

<p><i>Formula: Employees per 1000 citizens:</i></p> <p>Column C ÷ Column D = Y</p> <p>Y x 1,000 = Personnel Per 1,000 Citizens</p>	<p>Actual Turnover Rate</p> <p>is defined as:</p>	<p><i># of employees who terminated from City employment for any reason during the fiscal year</i></p> <hr style="border: 0.5px solid black;"/> <p><i># of budgeted positions at end of fiscal year</i></p>
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Notes:

- (1) Carrollton: Includes seasonal. Turnover rate is based on average FTEs = FTEs for FY 2012=846
- (2) Frisco: FT employee turnover rate; does not include PT or seasonal
- (3) Irving: 2013 Population Estimate according to NCTCOG (North Central Texas Council of Governments)
- (4) Irving: 100 Terminations and turnover are for full-time only.
- (5) McKinney: The FTE includes seasonal positions but the terminations do not. The terms only include the regular full time and part time positions.
- (6) Plano: Includes seasonal employees.
- (7) Richardson: Richardson traditionally over budgets positions (primarily in Police and Fire). Numbers are for Full-time employees only. Part-time and seasonal employees are determined by each department's budget and so can vary by what they have budgeted.
 - The actual # of full-time employees on pay roll at the end of FY 2012/2013 was 949 w/ a turnover rate 8.54%.
 - The average # employees were 955 w/ a turnover rate 8.48%.
 - The average # of authorizations was 1000 w/ a 8.10% turnover rate.
- (8) Richardson: Number above based on budgeted. Based on actual # of employees = 9.41 employees per 1000 citizens.

Changes in Compensation Systems

Of the fourteen cities surveyed, the following cities have plans to conduct a pay study, have conducted a pay study within the past eight years, and/or are currently conducting a pay study.

Allen	<p>Conducted and implemented City wide pay study with new pay structures on 10/19/13 for General Schedule and 10/5/13 for Sworn Public Safety.</p>
Arlington	<p>Study completed Mar 2008 to implement Hay Reference points by collapsing current structures. Implementation Aug 22, 2011.</p>
Carrollton	<p>The compensation structure consists of pay steps where employees will progress through steps (3.6% between each step) until they reach midpoint. After midpoint they will receive a percent between 1.8-2.4% depending on budget if they have a satisfactory performance review. They will continue to receive the variable % increase until they reach the maximum of their salary range. The increase for employees above midpoint for 2009 was 2.5%, which was the last merit increase. Effective January 2013, a market adjustment increase of 2.0% to all pay plans across all grades and steps. In December 2012 a one-time compensation adjustment of \$300 (gross) to all full/part-time benefitted employees. Part-time employees received a pro-rated amount.</p>
Dallas	<p>Annual one-fourth review process in which we review one-fourth of the city's classifications each year. After 4 years, all positions have been reviewed and the cycle will start over. This consists of classification audits and reviews and salary data review. A three-year plan was developed to increase the minimums and maximums of the civilian schedule</p> <p>All mandatory city leave days pay reductions were restored, the final restoration was 1.56% on 10-01-2012. No structure changes were involved.</p>
Fort Worth	<p>The last classification study conducted Citywide was completed in 1996. Market studies are conducted each year and market adjustments granted when economically feasible.</p>
Frisco	<p>To prepare for FY14, we hired a consultant to assist us in completing a complete market analysis. Positions that fell 5% or more below market were reclassified to higher ranges. We also addressed compression issues by awarding 2% per year of employment to individuals who were below 100% compa-ratio. Public Safety pay plans adjusted 1.25% per step.</p>
Garland	
Grand Prairie	<p>Completed a Police and Fire civil service and Executive pay study in FY12/13. Plan to conduct a Police & Fire and an executive survey in FY 13/14. Position specific studies done as requested and market adjustments/equity made as appropriate during the fiscal year. The last full compensation study was done with a consultant in 2004, and a benchmark position study (approximately 90 positions) for Exempt/Non-Exempt completed in 2009. Most studies are done based on the Metro Comp Group site.</p>
Irving	<p>The last comprehensive classification and compensation study was implemented 04/16/2013. The classification study was completed for every general government position within the city. The pay grades were adjusted, resulting in a reassignment of the majority of classifications to a new pay grade. On 04/06/2013, both Police and Fire pay grades received an adjustment to the 65th percentile. At this time no changes are confirmed for the remainder of FY 13-14.</p>
Lewisville	<p>HR does an annual market analysis. All ranges and steps are adjusted accordingly on 10-1.</p>
McKinney	<p>HR completed a market analysis on 119 civilian positions which resulted in market adjustments to 45 positions. (No executive positions warranted adjustments.)</p> <p>Public Safety Step Pay Plan Employees –market adjustments to steps within pay plans based on market data received. Employees received pay adjustments based on new step pay. Employees will move to the next step of their pay plan on their Anniversary date during FY 13-14.</p>
Mesquite	<p>HR does an annual market analysis. All ranges and steps are adjusted accordingly on 10/01, if applicable.</p>
Plano	<p>The last comprehensive pay study was completed August, 2008. All employees were affected by the study. Market data is updated annually.</p>
Richardson	<p>Approximately 76.45% of Richardson positions are reported (or are related to a position that is reported) to the Metroplex Survey. Data is pulled from the Metroplex Survey website every spring in order to make recommendations for Market Adjustment increases for the upcoming FY / budget year</p> <p>Positions that do not fall under the Metroplex “umbrella” are surveyed proactively on a bi-annual basis. The Metroplex Comp Group is the source for those surveys. We might, in a very few instances, go to a Municipality outside of the Metroplex Comp Group or to the private sector for some positions that are more specialized in character, i.e. Producer in CITV.</p>

FY 13-14 Salary Increases Non-Public Safety Jobs

City	# of positions (titles)	Type of Increase <i>(Mkt Adj; Range Adj; Merit Inc; other)</i>	Average % of Increase	% Range of Increase	Effective Date of Increase	Description of Pay Increase(s)
Allen	<i>All</i>	<i>2% Market; 2% Merit For</i>	<i>N/A</i>	<i>N/A</i>	<i>Market effective Oct 2013. Merit on EE anniversary</i>	<i>General Schedule received a 2% mkt increase & 2% merit on anniversary. New pay structure was implemented.</i>
Arlington	<i>Includes All Sworn</i>	<i>2% ONE TIME and 1% Across the Board</i>	<i>2% ONE TIME and 1% Across the Board</i>	<i>1%</i>	<i>11/21/13 one time and 1/6/14 for Across the Board</i>	<i>2% one time payment for sworn personnel issued on 11/21/13 and 2% across the board increase for sworn personnel effective 1/6/14</i>
Carrollton	<i>All</i>	<i>Other</i>	<i>3.00%</i>	<i>2.5% - 3%</i>	<i>10/1/2013</i>	<i>A 3% pool was approved for salary adjustments. Employees were automatically moved to the next step in their pay grade. If employees were between the midpoint and maximum of their range, they received a 2.5% increase. Employees at max did not receive an increase.</i>
Dallas	<i>Exempt & Non-Exempt</i>	<i>Merit</i>	<i>3%</i>	<i>0%</i>	<i>4/1/2014</i>	<i>Scheduled merit April 1, 2014 for 2013</i>
Fort Worth	<i>Exempt & Non-Exempt</i>	<i>Merit</i>	<i>5%</i>	<i>N/A</i>	<i>September, 2014</i>	<i>A 5% merit budget is tentatively planned for September, 2014</i>
Frisco	<i>All Non-Sworn positions</i>	<i>Market Adjustments & Merit Increases</i>	<i>2.50%</i>	<i>0-3%</i>	<i>Market adjustments effective 01/13/2014; Merits effective on EE anniversary date; or date in position anniversary.</i>	<i>Market adjustments given to positions that were 5% or more below market. Compression issues were addressed. Merit increases based on EE performance.</i>
Garland	<i>Skill-Based Pay Employees Only (3 Positions Water Utility Operator, Plant Operator/Mech-anic, and Pump Maintenance Technician)</i>	<i>Structure increase</i>	<i>1.50%</i>	<i>1.50%</i>	<i>1/1/2014</i>	<i>Range moved 1.5% per step for Skill-Based Pay Structure (94 employees will see increase due to structure change). All FT & PT employees (excluding Civil Service and Skill-Based Pay employees who will receive 1.5%) will receive a 2% one-time Lump Sum payment in April (required to have at least 1 year of service)</i>
Grand Prairie	<i>All Full Time Employees</i>	<i>Merit 3%</i>			<i>10/5/2013</i>	<i>All full-time employees past the 6 month introductory period who met performance expectations received a 3% merit. No adjustments to ranges for FY13-14 expected.</i>
Irving	<i>All full and part time employees eligible for merit increases.</i>	<i>Merit</i>	<i>3.5% merit increase</i>	<i>0%</i>	<i>Anniversary Date for merit increase</i>	<i>•3.5% merit increase for eligible employees who pass their performance review. •No adjustments to ranges for FY 13-14 are proposed at this time.</i>

FY 13-14 Salary Increases Non-Public Safety Jobs

City	# of positions (titles)	Type of Increase <i>(Mkt Adj; Range Adj; Merit Inc; other)</i>	Average % of Increase	% Range of Increase	Effective Date of Increase	Description of Pay Increase(s)
Lewisville	All	Merit	3%		10/1/2013	<i>Only Police and Fire had a market increase of 2-4% depending on position for FY13-14. All general government employees are eligible for 3% merit on their anniversary date.</i>
McKinney	All 119 Positions	Merit Market	3.2% Varied	2% to 6%	10/1/2013 1/1/2013	<i>Merit Performance Evaluations (2% Meets; 4% Exceeds; 6% Significantly Exceeds) Market Adjustments –Varied by position; Employee received Market Adjustment and then Merit increases if eligible</i>
Mesquite	All	Merit	3%	N/A	Annual Review Date	No changes to pay plan documents. <i>The 2013-14 budget does support merit increases, market adjustments, or range adjustments to the current pay plans. The 2013-14 pay ranges for general government employees will remain unchanged from FY12-13.</i>
Plano	All	Across the Board	3%	NA	9/23/2013	<i>3% Range Adjustments</i>
Richardson	All titles with steps	Other Merit/Step	3% for those topped more than 1 yr. 5%	3% 0 – 2.5% OR 0 - 5.0%	10/1/2012 10/1/2012	<i>Titles w/ steps had a 3% step added to the end step of their pay range – Only those employees topped in their old range for more than one year received the added 3% step on 10-01-13. Step/merit increases are given on the employee's anniversary date unless topped in pay range. Normally, if topped, no increase is given. This year saw a new step added to the end of each pay range - which would allow for a 3% increase effective 10/01 (see above). Generally speaking, most step/merit increases are up to 5% as most stepped titles have 5% steps. Some, however, have 2.5% steps and so the increase could not exceed 2.5% as a merit. Single step (no range) titles may receive an increase on their anniversary based on merit. The amounts may vary. A market adjustment was given to 68 non-sworn titles by rolling their pay ranges by 2%. No COLA increases will be given in FY 13/14 for any employee... including sworn Police and Fire. All increases are based on merit</i>

ATTACHMENT A

	Lewisville - Proposed	Allen	Arlington	Dallas	Denton	Fort Worth	Frisco	Garland	Irving	McKinney	Plano	Richardson	Flower Mound	Coppell	Grapevine
Maximum Annual Amount	\$1,500	Varies based on # of participants	\$4,000	\$1,500	\$5,250	\$4,500	\$3,000	\$1,600	\$3,000	\$10,000	\$2,500	\$4,000	\$1,500	Tuition and Fees for 130 hours	\$6,720
Minimum grade requirement for receiving reimbursement	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	Grade of C	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	100% for A; 75% for B and 50% for C. Graduate: 100% for A; 75% for B	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.	100% for A; 90% for B and 50% for C. Graduate: 100% for A; 90% for B	"C" for undergraduate and "B" for graduate courses.	"C" for undergraduate and "B" for graduate courses.
Pay-back requirement if employee leaves City employment	100% must be paid back if the employee terminates with 2 years of receiving reimbursement	100% will be paid back if employee leaves City within 2 years.	100% will be paid back if employee leaves City within 2 years.	70% reimbursed of tuition and madatory fees	100% if employee resigns or is terminated within 0-12 months of receiving reimbursement; 50% if employee leaves 12-24 months.	100% received during the 12 months preceding termination; 50% of all reimburseme nt received during the 13-24 months preceding termination	100% if employee terminates with 6 months; 75% if the employee leaves 6-12 months; 50% if the employee leaves 12-18 months and 25% if employee leaves 18-14 months.	Employee must pay back \$1000 if terminate within the 1 year	Employee must pay back last 12 months of reimbrsement if terminate within the 1 year	100% must be paid back if the employee leaves in 1 year	Employee must pay back 100% if terminate within the 1 year and 50% between 1 and 2 yerars	Employee must pay back 100% of any reimbursement received within the last 2 years of termination.	No Requirement for Payback	Employee must pay back pro rata portion of any reimbursement received within the last 2 years of termination.	

NOTES:

Carrollton, Grand Prairie, and Mesquite have either suspended their programs indefinitely; or do not have a program in place.

Effective Date:
Approval: _____

**CITY OF LEWISVILLE
POLICY STATEMENTS**

TOPIC: 2.0 – HUMAN RESOURCES
REFERENCE: SECTION XIV – TUITION REIMBURSEMENT

I. TUITION REIMBURSEMENT PROGRAM

- A. All regular full-time employees who have completed six months employment are eligible to apply for tuition reimbursement for accredited university and college educational programs, technical schools or business schools in pursuit of an Associate's, Bachelor's or Master's Degree.
- B. Maximum reimbursement for full-time employees will be up to the full amount of tuition and applicable fees actually paid by the employee, with a maximum of \$1500 per fiscal year.

II. GENERAL PROVISIONS

The City of Lewisville reserves the right to change, modify, revoke or rescind all or part of this policy at any time.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Melinda Galler, Assistant City Manager

DATE: September 16, 2015

SUBJECT: **Approval of the Award to CIGNA Health Care for Individual and Aggregate Stop Loss Insurance in the Amount of \$1,110.727; and Authorization for the City Manager to Execute all Necessary Documents.**

BACKGROUND

The City of Lewisville has provided a health insurance plan through a partially self-insured program since 1990. The City has utilized Cigna to administer its plan of benefits and to provide individual and aggregate stop loss coverage since 2006. Each year the City sends out requests for proposals for stop loss coverage.

Currently under the City's partially self-insured plan, the City is responsible for the first \$150,000 of each claim with Individual Stop Loss (ISL) coverage for all claims in excess of this amount. Aggregate stop loss insurance provides overall plan protection by assuring that insurance coverage is provided when total claim payments exceed a specified amount. This specific amount is calculated by multiplying the number of lives on the plan by an attachment factor.

ANALYSIS

In July, staff sent out requests for proposals for stop loss insurance for the City's Comprehensive Group Health Plan. Two companies submitted proposals including Cigna, the current carrier and Sun Life. Both submitted a quote for \$150,000 ISL. In addition Sun Life identified four claimants who would be lased from coverage, opening up the City to a higher liability on each of those claims.

Below is the analysis of the quotes:

Subject: Proposal for Health Insurance Stop Loss
September 16, 2015
Page 2

	2014 / 2015 Current	2015 / 2016 Renewal	2015 / 2016 Renegotiated	Option 1
TPA:	Cigna	Cigna	Cigna	Cigna
STOP LOSS CARRIER:	Cigna	Cigna	Cigna	Sun Life
PBM:	Cigna	Cigna	Cigna	Cigna
PPO:	Cigna PPO	Cigna PPO	Cigna PPO	Cigna PPO
SPECIFIC STOP LOSS DEDUCTIBLE:	\$150,000	\$150,000	\$150,000	\$150,000
SPECIFIC STOP LOSS LIFETIME MAXIMUM:	Unlimited	Unlimited	Unlimited	Unlimited
SPECIFIC CONTRACT:	Paid (M, Rx)	24/12 (M, Rx)	24/12 (M, Rx)	24/12 (M, Rx)
AGGREGATE CONTRACT CORRIDOR:	120%	120%	120%	120%
AGGREGATE CONTRACT MAXIMUM:	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
AGGREGATE CONTRACT:	Paid (M, Rx)	24/12 (M, Rx)	24/12 (M, Rx)	24/12 (M, Rx)
SPECIFIC PREMIUM: Employee	\$112.87	\$134.09	\$130.24	\$129.39
MONTHLY TOTAL	\$76,526	\$90,913	\$88,303	\$87,726
ANNUAL TOTAL	\$918,310	\$1,090,956	\$1,059,633	\$1,052,717
AGGREGATE PREMIUM (Per Employee):	\$6.28	\$6.87	\$6.28	\$5.42
MONTHLY TOTAL	\$4,258	\$4,658	\$4,258	\$3,675
ANNUAL TOTAL	\$51,094	\$55,894	\$51,094	\$44,097
AGREGATE STOP LOSS FACTOR:				
Employee	\$893.33	\$920.99	\$915.41	\$978.48
Monthly Aggregate Accumulation	\$605,678	\$624,434	\$620,651	\$663,409
Annual Aggregate Accumulation	\$7,268,133	\$7,493,209	\$7,447,815	\$7,960,913
Projected Claims (IPS Advisors, Inc.)	n/a	\$6,117,918	\$6,117,918	\$6,117,918
% Above IPS Projected	n/a	22.50%	21.70%	30.10%
FIXED MONTHLY TOTAL	\$80,784	\$95,571	\$92,561	\$91,401
FIXED ANNUAL TOTAL	\$969,404	\$1,146,850	\$1,110,727	\$1,096,814
MEDICAL CALCULATIONS BASED ON: 678	YTD Stop Loss	Firm and Final	Firm and Final	Update Required through 8/31
HRA ENROLLMENT: 314	Reimbursements	No Lasers	No Lasers	4 Lasers Identified
HSA ENROLLMENT: 152	Equal \$1.1 Million			2 Lasers @ \$750k
CAT ENROLLMENT: 212				
DENTAL ENROLLMENT: 630				

Even though the Sun Life quote represents an annual savings of \$13,913 over the Cigna quote for \$150,000 ISL, the exposure to the City is considerable. The four claimants Sun Life lased from coverage could represent an additional \$1,600,000 in liability. Based on the additional exposure, staff eliminated Sun Life as a potential provider.

Subject: Proposal for Health Insurance Stop Loss
September 16, 2015
Page 3

Based on the bids received, staff is recommending that the City accept the renegotiated Cigna proposal for FY 2015-16. Based on Cigna's proposed attachment factor of \$915.41, the aggregate limit is \$7,447,815. The plan is protected from paying out any claims in excess of this amount. The fixed annual cost of the contract is \$1,110,727.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the award as set forth in the caption above.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Terry McGrath, Acting Fire Chief

DATE: September 17, 2015

SUBJECT: **Approval of a Purchase of a 2015 Pierce Fire Engine in the Amount of \$590,611.**

BACKGROUND

The Lewisville Fire Department currently operates six engines and one ladder truck. In Fiscal Year 2010-2011, the Lewisville Fire Department extended the years of service for its fleet by increasing the replacement of engines from 10 years to 12 years and the ladder truck from 12 to 14 years. The City also uses other criteria for replacement decisions to include hours used and miles driven.

Our current fleet consists of four Pierce engines, two American LaFrance engines, and one Pierce ladder truck purchased in 2015. This year, the department has ordered an engine which will replace Engine 4 with an expected delivery date of January 2016. Once delivered, the current Engine 4, a 2003 American LaFrance, will be placed in service as a reserve engine to be used when front line engines are out of service for repairs or maintenance.

The Lewisville Fire Department has operated American LaFrance equipment since 1998. American LaFrance was widely used in the fire service for many years. However, in 2005 Daimler and Freightliner, the parent companies of American LaFrance, sold the company to Patriarch Partners, an investment firm who's had a diverse portfolio. The company quickly disintegrated racking up staggering debt and undergoing constant management change resulting in their filing for bankruptcy in 2008. Patriarch made several attempts at restructuring, but continued to sink further in debt, and the company was finally shuttered in 2014.

The Lewisville Fire Department started feeling the "pain" of American LaFrance's struggle in 2010-2011. Repairs became increasingly difficult as parts became scarce. American LaFrance had a large market share so the Lewisville Fire Department has competed with hundreds of other agencies for limited parts and engineering support.

ANALYSIS

Engine 5 is the last American LaFrance engine in front line service and is scheduled for replacement in 2017-2018. Currently Engine 5 has over 107,000 miles and 9400 hours. The department has seen significantly increased down time as locating parts has become more difficult. Most recently Engine 5 was removed from service on July 13 and remains out of service today. The prolonged delay is due to limited parts, limited technical engineering support, and proprietary designs which causes issues completing repairs.

The Fire Department staff is asking to accelerate the replacement of this engine. If granted, the department can save money on the purchase by using the same engineering and design specifications created for Engine 4. Engine 4 was purchased weeks prior to a 3% HGAC price increase. Siddons-Martin, the broker for Pierce, stated that they would honor the purchase price of Engine 4 for an additional engine. If the department is able to take advantage of this pricing, the City will save approximately \$25,000, \$18,000 savings from the 3% price increase in April 2015 and an additional \$7,000 discount from Siddons-Martin. There will be some additional offset costs by using the same engineering for the current engine in production. The cost to replace Engine 5 will be \$590,611. Funding is available in the FY 2014-15 Maintenance and Replacement Fund budget.

The department maintains three reserve engines; however, currently, only two reserves are available for use because one, a 1998 American LaFrance is out of service and no parts are available to make the repairs. The two reserve engines are in service daily. Should the department need a third engine, staff would be forced to borrow an engine from another jurisdiction or lease an engine for approximately \$250 per day. Neither of these options is ideal, one for the quality of the equipment loaned, the other for the cost of the lease.

The department has a reserve Engine that is a 1994 Sutphen; although the engine is old, it is from the past generation of equipment that is not outfitted with the sensitive computer monitoring systems and diesel exhaust emissions systems that seem to present the most problems with our current equipment. This engine is easily maintained and parts, when needed, are usually found in the Dallas Fort Worth metroplex. The department plans to keep this engine as one of the three reserves because of its reliability. In addition, it will allow the department to cycle out the older American LaFrance engines more quickly.

RECOMMENDATION

It is City staff's recommendation that the Council approve the purchase as set forth in the caption above.

Attachment A

Fire Engine/Truck Assets

Station	Brand	Year Purchased	Proposed Replacement
Station 1	Pierce	2009	2021
Station 2	Pierce	2011	2023
Station 3	Pierce	2011	2023
Station 4	American LaFrance	2003	In production
Station 5	American LaFrance	2006	2018
Station 6	Pierce	2011	2023
Station 7	Pierce (Ladder Truck)	2014	2028

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Brenda Martin, Director of Finance

DATE: September 9, 2015

SUBJECT: **Approval of Finance Policy 3.0 VI Investment Policy.**

BACKGROUND

The Public Funds Investment Act (Act), also known as Texas Government Code 2256, was originally approved in 1987 and is usually amended every session by the legislature. The Act defines the standards and requirements by which local governments and other public agencies must comply with before investing their funds. Components of the Act include criteria for investment policies, investment officers and training, authorized investments and standards of care.

One such requirement of the Act is that the City's Investment Policy be approved annually by the governing body. This past legislative session included the passage of two House Bills relative to Texas Government Code 2256. HB 870 and HB 1148. Both related to training requirements of city investment officers. The City's investment policy as it relates to investment officer training can be found in section E (3) which states "Investment officers are required to adhere to training guidelines in accordance with the Government Code 2256.008." Therefore, this year the policy is being submitted for approval with no changes.

ANALYSIS

The 2015 annual submission of the city's investment policy is being presented with no recommended changes associated with the passage of two legislative bills that became effective September 1, 2015. Both of which relate to the training hours requirements for municipal investment officers.

HB 870 reduces the amount of Public Funds Investment Act training hours for city and school district investment officers from ten (10) hours every two years to eight hours every two years. City and school district investment officers must still initially receive ten hours of training within 12 months after assuming investment duties.

HB 1148 provides that a city finance or investment officer must take only the initial 10 hour training under the Public Funds Investment Act but no continuing investment training if the city: (1) does not invest city funds; or (2) only deposits city funds in interest-bearing deposit accounts or certificates of deposit. Since city investment officers do invest city funds, this waiver of additional on-going training would not apply to the City of Lewisville.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the Investment Policy to comply with Texas Government Code 2256.

Effective Date: _____
Approval: _____

**CITY OF LEWISVILLE
POLICY STATEMENTS**

TOPIC: FINANCE
REFERENCE: 3.0 VI

VI. INVESTMENTS

Pursuant to Chapter 2256 of the Texas Government Code, also known as the Public Funds Investment Act, an investment policy shall be submitted and approved by the governing body on an annual basis. The following are City Council policy statements regarding the investments of City funds:

A. Scope

1. The investment policy applies to the investment activities of the Government of the City of Lewisville. These policies serve to satisfy the statutory requirement to define and approve a formal investment policy.
2. Funds Included – All financial assets of all funds, including the General Fund, Water and Sewer Utility Fund, the Capital Projects Funds, the Special Revenue Funds, the Self Insurance Funds, the Debt Service Funds, and all other funds that may be created from time to time not identified in Section A.3 below, shall be administered in accordance with the provisions of these policies.
3. Funds Excluded – All financial assets of all funds associated with an Other Post Employment Benefits (OPEB) Trust.

B. Investment Strategy

1. The City of Lewisville maintains a consolidated pooled investment portfolio that utilizes specific investment strategy considerations designed to address the investment objectives of the individual fund types represented in the pooled investment portfolio. Fund types within the consolidated investment pool include the general fund, special revenue funds, debt service fund, capital project fund, internal service fund, and expendable trust funds. Additionally, the City may maintain separate investment portfolios for the

water and sewer and health insurance proprietary funds, or include them with the fund types of the consolidated investments mentioned above.

2. In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed a maximum of three (3) years. Investment strategy for each of the investment portfolios have as their primary objective to assure that anticipated cash flows are consistent with adequate investment liquidity. The second objective is to create a portfolio structure that will experience minimal market volatility during economic cycles. These objectives are to be accomplished by investing in high quality, short-term securities in combination with investing in a qualified investment pool that provides same day liquidity and income earning fully collateralized bank accounts.

C. Objectives

1. Safety – Safety of principal is the foremost objective of the City of Lewisville. Investments of the City of Lewisville shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities or pooled securities do not exceed the income generated from the remainder of the portfolio.
2. Liquidity – The City's investment portfolio will remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated.
3. Yield – Funds held for future capital projects shall be invested in securities that reasonably can be expected to produce enough income to offset inflationary construction cost increases.

D. Investment Committee

1. Members – There is hereby created an Investment Committee, consisting of the Director of Finance, Fiscal Services Manager, an Assistant City Manager, and four others to be designated by the City Manager. The Investment Committee shall meet at quarterly intervals to determine general strategies and to monitor results. The Investment Committee shall be authorized to invite advisors to the meetings as needed including the City Attorney and outside advisors.
2. Committee Scope – The Investment committee shall include in its deliberations such topics as: economic outlook, portfolio diversification, maturity structure, potential risk to the City's funds, and authorized brokers and dealers.

3. Procedures – The Investment Committee shall provide for minutes of its meetings. Any two members may request a special meeting, and four members shall constitute a quorum. The Investment Committee shall establish its own rules of procedure.

E. Investment Officers

1. The following positions: Finance Director and the Fiscal Services Manager are exclusively designated as Investment Officers by the City Council.
2. Investment Officers may, on behalf of the City, execute purchases and sales of investments as permitted by the Investment Policy.
3. Investment officers are required to adhere to training guidelines in accordance with the Government Code 2256.008.
4. Investment Officers will additionally submit signed quarterly reports to the City Council and the City Manager.

F. Responsibility and Control

1. Delegation – Management responsibility for the investment program is hereby delegated to the Director of Finance, who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation to persons responsible for investment transaction accounting.
2. Management and Internal Controls – The Director of Finance shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the investment committee and with the independent auditor. The controls shall be designed to reasonably prevent losses of public funds arising from fraud, employee error, mis-representation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City of Lewisville.
3. 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. Documentation of investment bidding events.
 - g. Written confirmation of telephone transactions.
 - h. Accurate and timely reports.
 - i. Adequate training and development of investment officials.
 - j. Review of financial condition of all brokers, dealers, and depository institutions.
 - k. Staying informed about market conditions, changes, and trends that require adjustments in investment strategies.
 - l. No less than quarterly, the Investment officer(s) shall review with the committee the credit ratings of the investment instruments contained within the portfolio to ensure adherence to PFIA credit standards and the credit standards of this policy. Should a particular investment fall below minimum credit standards, the committee and Investment officer(s) shall exercise prudent judgment with regards to immediate liquidation of the investment.
4. Transaction Authority – Certain signatory responsibilities are required to transact investments. Positions authorized as depository signatories shall be established by the City Manager.
- a. The persons holding these positions are also designated as authorized to transact wire transfers, buy/sell, and trade investments in accordance with the goals and objectives of the City's investment strategy.
 - b. Bonding of all those individuals authorized to place, purchase, or sell investment instruments shall be required.
5. Prudence – Investments shall be made with the exercise of due care, 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 their own capital as well as the probable income to be derived. Prudence extends beyond the consideration of single investments to include the prudence of the entire portfolio structure.
6. Investment Officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an

individual security's credit risk or market price dangers, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

G. Ethics

1. Conflicts of Interest – Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Conflict of interest provisions in state law shall apply to the selection of depositories.
2. Disclosure – Employees and Investment Officials shall disclose to the City Manager any material financial interests in financial institutions that conduct business with the City of Lewisville, and shall further disclose any large personal financial or investment positions that could be related to the performance of the City's portfolio. Employees and Investment Officials shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales.

H. Reporting Investment Earning Evaluation

1. Quarterly Reports – The Investment Officers shall submit quarterly, an investment report that:
 - a. Describes in detail the investment position of the City on the date of the report;
 - b. Must be prepared jointly by all Investment Officers of the entity;
 - c. Must be signed by each Investment Officer of the City;
 - d. Contains a summary statement of each pooled fund group that states:
 - (1) Beginning market value for the reporting period;
 - (2) Ending market value for the period; and
 - (3) Fully accrued interest for the reporting period.
 - e. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
 - f. State the maturity date of each separately invested asset that has a maturity date;

- g. State the City's pooled fund group (Consolidated, Water/Sewer, Health) for which each individual investment was acquired; and
 - h. States compliance of the portfolio in aspect to investment strategy.
2. Annual Report – Within 60-days of the end of the Fiscal Year, the Director of Finance shall present an annual report on the investment program activity. The annual report shall include 12-month performance information, and shall suggest improvements that might be made in the investment program.

I. Investments

1. Strategy Statement – The City intends to pursue an active vs. a passive portfolio management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade. The maximum maturity terms for individual securities will not exceed three years. The maximum weighted average maturity for the composite portfolio is one and one-half years.
2. Eligible Investments – Financial assets of the government of the City of Lewisville may be invested in:
- a. Obligations of the United States or its agencies and instrumentalities; and
 - b. Direct obligations of the State of Texas or its agencies, and instrumentalities; and
 - c. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.
 - d. Fully collateralized direct repurchase agreements meaning a simultaneous agreement to buy, hold for a specified time, and then sell back at a future date, obligations described by Subsection (a) of this section or a combination of cash and obligations described in Subsection (a) of this section, the principal and interest of which are guaranteed by the United States or any of its agencies, market value of not less than the principal amount of the funds disbursed. Repurchase agreements include direct security repurchases and reverse security repurchase agreements not exceeding 90 days after the date delivered. Such repurchase securities shall be pledged to the

City and deposited with a third party selected and approved by the City, and placed through a primary government securities dealer, as defined by the Federal Reserve, or a bank domiciled in this state.

- f. Up to a legal limit of 15% of operating fund can be placed in a no load money market mutual fund that is regulated by the Federal Securities and Exchange Commission with a dollar weighted average stated maturity of 90 days or less and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share up to a maximum of 80 percent of the aggregate monthly average fund balance, excluding bond proceeds in money market funds. The City's account may not exceed 10 percent of the total assets of the money market mutual fund.

- g. Public Funds Investment Pools created to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are: first, safety of principal; second, liquidity; and third, income. The pool may consist of assets authorized through the Public Funds Investment Act (Government Code 2256) and have an established advisory board composed of participants and other qualified persons. A public fund investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. The Council must approve a resolution authorizing investment in the particular pool following Finance Director evaluation of an offering circular containing the following comprehensive information: the pools qualified investments; maximum average dollar-weighted maturity allowed based on the stated maturity date; maximum stated maturity date of any investment security within the pool portfolio; objectives of the pool; size of the pool; names and terms of the advisory board; custodian bank used for safekeeping pool assets; pool intent to maintain a net asset value of one dollar and the risk of market price fluctuation; whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or other described guarantees; the name and address of the pool's independent auditor; deposit and withdrawal guidelines; and performance history. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Public Funds Investment Act. An investment pool that is created to function as a money market mutual fund must maintain a maximum weighted average maturity not to exceed 60 days. Any investment pool that does not meet the requirements of one that is created to function as a money market mutual fund must maintain a maximum average dollar weighted maturity that does not

exceed 365 days (or 366 in the case of a leap year) and must provide a fixed interest rate and a fixed maturity term for each pool position.

Additionally, approved pools are required to furnish a monthly report with the following minimum information:

- (1) The types and percentage breakdown of securities in which the pool is invested;
 - (2) The current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - (3) The current percentage of the pool's portfolio in investments that have stated maturities of more than one year;
 - (4) The book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - (5) The size of the pool;
 - (6) The number of participants in the pool;
 - (7) The custodian bank that is safekeeping the assets of the pool;
 - (8) A listing of daily transaction activity of the entity participating in the pool;
 - (9) The yield and expense ratio of the pool; including a statement regarding how yield is calculated.
 - (10) The portfolio managers of the pool; and
 - (11) Any changes or addenda to the offering circular.
3. Length of Investments – The City of Lewisville shall invest in instruments with scheduled maturity of duration not to exceed three (3) years at the time of purchase. In the event a coupon security maturity exceeds the specified limit with a calculated duration of three (3) years, the instrument will satisfy this policy requirement.
4. Diversification – It shall be the policy of the City of Lewisville to diversify the investment portfolio. Diversification strategies shall be determined and revised periodically by the Investment Committee. In establishing specific diversification strategies, the following general constraints shall apply:

- a. Portfolio maturities shall be staggered to avoid concentration of assets in a specific maturity sector. The maximum weighted average maturity of the composite portfolio will not exceed one and one-half years.
- b. Portfolio investment instruments and issuers shall be diversified by type.
- c. The following maximum limits by instruments are established for the City's total portfolio:

(1)	U.S. Treasury Securities	100%
(2)	U.S. Agency and Instrumentalities	75%
(3)	Authorized pools	50%
(4)	Repurchase Agreements	25%
(5)	No-load Money Market Mutual Funds	15%
- d. Competitive quotes among dealers/pools for placement of investments must facilitate diversification. However, Repurchase Agreements shall be placed only with primary government securities dealers.

J. Selection of Depositories

1. Bidding Process – Depositories shall be selected through the city's banking services application process. Before awarding a depository services contract, the Council shall receive applications for the performance of depository services from one or more state or national banks, state or federal credit unions or state or federal savings associations.
 - a. Notice Content – The Director of Finance shall give notice to banks, credit unions, and savings associations requesting submission of application proposals to perform depository services. This notice to institutions must contain the responsible staff person's name and address, date and time the applications are to be received by staff, and the date, time, and place the Council will consider the selection of one or more depositories.
 - b. Notice Publication – Notice of the request for depository application proposals shall be published at least once no later than 21 days prior to the deadline for receipt of applications in the City's official newspaper.

2. Review of Applications – In reviewing applications, the Director of Finance shall consider the terms and conditions for the performance of depository services, including the type and cost of services to be provided to the City, consistent with this policy to include the following general criteria:
 - a. Sound capital and operating structure capable of providing a full range of depository services.
 - b. Ability to perform securities safekeeping custody and book entry securities clearance for the City's investment portfolio.
 - c. Continuous ability and contractual commitment to pledge acceptable collateral to guarantee public funds deposits.
 - d. Enhance treasury cash management performance by maximizing earnings on demand deposits, securities investments, and in the event of favorable market pricing, the placement of time deposits with the depository.
 - e. Competitive fees for depository services.
 - f. Active community reinvestment of public funds deposits back into the local economy through loans for businesses, property development, and improvements within Lewisville. Diversification of loan recipients and a Community Reinvestment Act rating of "Outstanding" are considered prerequisite.
3. Term, Conditions, and Additional Services – The City may approve, execute, and deliver any depository services contract whose term does not exceed five (5) years. The depository services contract(s) may contain terms and conditions approved by Council. In addition to depository services, the City may elect to contract with financial institutions under separate contract(s) if additional financial services are necessary in the administration, collection, investment, and transfer of City funds.
4. Qualification as Depository – The selected depository institution shall, not later than five (5) days before the commencement of the term of the depository services contract, provide security for the public funds.

K. Selection of Brokers, Dealers, and Pools

Primary Dealers and Approved List – For brokers and dealers of government securities, the Investment Committee shall select only those dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York, also known as the "primary government securities dealers," unless a broker/dealer comprehensive

questionnaire and certification reveals that regional firms are adequately managed and financed to conduct public business. All brokers and dealers must be authorized by the Investment Committee. Investment officers shall not conduct business with any firm which has been removed from the approved list by the Investment Committee. An Investment Officer may not buy any securities from a firm which has not filed a written certification that the broker/dealer has received and thoroughly reviewed the government's investment policy and have implemented reasonable procedures and controls. All Brokers/Dealers should be reviewed and re-approved or removed annually by the Investment Committee.

L. Safekeeping and Custody

1. Insurance or Collateral – All deposits and investments of City funds with commercial banks shall be secured by pledged collateral with a market value equal to no less than 100% of the deposits or investments less an amount insured by the FDIC. Collateral shall be reviewed monthly to assure the market value of the securities pledged equals or exceeds the related bank balances. Master repurchase agreement shall be in place documenting the terms and conditions of the fully collateralized repurchase transactions placed only with primary dealers.
2. Pledged Collateral Safekeeping Agreement – All safekeeping arrangements shall be in accordance with a Safekeeping Agreement approved by the Investment Committee which clearly defines the procedural steps for gaining access to the collateral should the City of Lewisville determine that the City's funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or a third party custodial institution, not a branch of the firm pledging the collateral. Collateral is to be deposited in the custodian account subject to the order and direction of the City as pledgee, and the written consent of the City shall be required before release from the custodian. The safekeeping agreement shall include the authorized signatures of the City of Lewisville, the depository pledging the collateral, and the custodian.
3. Collateral Defined – The City of Lewisville shall accept only the following securities as collateral:
 - a. Negotiable direct obligations of the United States with maturities under 10 years shall use current market value equal to 100% of total City deposits, OR with maturities over 10 years shall use current market value equal to 102% of total City deposits; or
 - b. Negotiable general obligations of the United States and backed by its full faith and credit with maturities under 10 years shall use current market value equal to 100% of total City deposits, OR with

maturities over 10 years shall use current market value equal to 102% of total City deposits; or

- c. Negotiable obligations, the principal of and interest on which are unconditionally guaranteed by the United States, with maturities under 10 years shall use current market value equal to 100% of total City Deposits OR with maturities over 10 years shall use current market value equal to 102% of total City deposits; or
 - d. Negotiable general or special obligations issued by the State of Texas or any county, city town or municipal corporation of the State of Texas or any other political subdivision of the State of Texas, payable from taxes, revenues, or a combination of taxes and revenues that has been rated as to investment quality by a nationally recognized rating agency and that has a current rating of not less than "A" or its equivalent with maturities under 10 years using current market value equal to 100% of total City deposits, OR with maturities over 10 years using current market value equal to 102% of total city deposits; or
 - e. Obligations of the United States or its agencies and instrumentalities including Federal Home Loan Bank letters of credit.
4. Subject to Audit – All collateral shall be subject to inspection and audit by the Director of Finance or the City's independent auditors.
 5. Delivery vs. Payments – Eligible investment securities shall be purchased using the delivery vs. payment method. That is, funds shall not be wired or paid until verification has been made that the security was received by the City Safekeeping/Clearance Agent. The security shall be held in the name of the City. The original copy of all safekeeping receipts shall be delivered to the City.

MEMORANDUM

TO: Melinda Galler, Assistant City Manager

FROM: Russ Kerbow, Chief of Police

DATE: September 10, 2015

SUBJECT: **Approval of the Interlocal Agreement Between the City of Lewisville and Denton County for the Purpose of Creating a Consolidated Communications System for Public Safety and Governmental Services; and Authorization for the City Manager or her designee to Execute the Agreement.**

BACKGROUND

The City of Lewisville operates a Motorola SmartNet 800 MHz analog trunked Public Safety Radio System. The System is currently on year nine of a ten-year life cycle and is not Project 25 (P-25) compliant as defined by Federal P-25 standards. P-25 is a suite of standards for digital radio communications designed to allow interoperability by federal, state and local public safety agencies to enable them to communicate with other agencies and mutual aid response teams during emergencies or critical events. The City's goal is to replace the radio system with a new P-25 compliant system by the 2016 end-of-life timeframe.

ANALYSIS

In preparation of the proposed Interlocal Agreement for a Consolidated Communications System with Denton County, City Staff researched radio system options and reviewed the Interlocal agreements for neighboring radio systems of Tarrant County, the Cities of Euless, Grapevine, Southlake; the Cities of Carrollton, Addison, Farmers Branch, Coppell; and the Cities of Plano, Allen, Murphy and Wylie.

The proposed Interlocal Agreement with Denton County incorporates tested principles from successful partnerships and provides the following benefits to the City of Lewisville.

Cost Savings

- The City of Lewisville currently shares radio sites with Denton County and has a connective microwave network between the two systems, eliminating the need for inter-connective infrastructure.
- Denton County has already purchased a system core, (the brain that controls the digital radio technology) at a price of \$1,000,000 that the City of Lewisville will be able to utilize.
- Creating a regional communications system provides opportunity for grant funding through the NCTCOG or the state's Criminal Justice Division. The City already routinely seeks grant funding for subscriber units. On September 15, 2015, for example, the City received

a \$76,798 grant award to fund portable radios for the SWAT team. New subscriber units purchased will be P-25 compliant.

- Under the Denton County Motorola contract, the City is eligible for a 40% discount from HGAC pricing for all infrastructure equipment and radio costs.
- Under the proposed agreement with Denton County, the City will save on Motorola service and maintenance costs. Under the agreement, the City of Lewisville would pay annually, the amount equivalent to the salary of a Denton County Radio Technician. The technician would be one of three employed by Denton County for the purposes of providing full maintenance and service to dispatch consoles, radio-site infrastructure and programming, preventative maintenance and basic repair for the City's portable and mobile radios. The cost of the radio technician is less than the projected annual cost of the equivalent Motorola service and maintenance.

Improved Interoperability

- System users can travel throughout the county and communicate on the same talk groups.
- The combined city and county radio sites will provide a more robust system with increased radio coverage.
- The consolidated system will use Phase II technology, which increases the effectiveness of radio bandwidth. (Phase II technology essentially "doubles" the number of existing radio resources.)

Other Benefits

- The City maintains autonomy of frequency resources and independent radio sites.
- The City shares equal authority over the management and operation of the combined system.
- The City has existing Interlocal agreements with Denton County for interoperability and radio tower maintenance and operation.

Other Consideration

Staff knows that Coppell will leave our system soon and join the Carrollton/Farmers Branch/Addison system. If Highland Village, Flower Mound, and Lake Dallas were to join Denton County individually instead of leasing space from the City, the effect to our revenue stream is a loss of \$37,122.40 annually.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the agreement as set forth in the caption above.

**AGREEMENT BETWEEN DENTON COUNTY AND THE CITY OF LEWISVILLE FOR A
CONSOLIDATED COMMUNICATIONS SYSTEM FOR PUBLIC SAFETY AND
GOVERNMENTAL SERVICES**

This Interlocal Agreement (“Agreement”) is entered into by and between the City of Lewisville, (“Lewisville”) and Denton County, (“Denton County”), both entities being located in Denton County, Texas (collectively, the “Parties”). The Parties execute this Agreement as hereinafter provided, pursuant to the Texas Governmental Code, Chapter 791, known as the Interlocal Cooperation Act:

WHEREAS, Denton County and Lewisville are political subdivisions within the State of Texas, and each is engaged in the provision of governmental services for the benefit of its citizens; and

WHEREAS, the Interlocal Cooperation Act, Texas Government Code, Chapter 791, as amended provides authority for local governments of the State of Texas to enter into Interlocal agreements with each other for the purpose of performing governmental functions and services as set forth in the Act; and

WHEREAS, Denton County and Lewisville each own and operate systems for the purpose of providing communications in support of its governmental operations; and

WHEREAS, Denton County and Lewisville have investigated and determined that it would be advantageous and beneficial to the citizens within their respective jurisdictions to operate a single consolidated communications system; and

WHEREAS, in order to provide dependable, mission-critical communications services (voice radio and data service) for use by each of the Parties and their respective users, Denton County and Lewisville desire to enter into this Agreement to provide a consolidated communications system for public safety and governmental services; and

WHEREAS, use of this consolidated communications system will provide for system coverage for the city and county to ensure safe, effective and efficient communications, and benefit the greatest number of citizens both now and in the future; and

WHEREAS, this Agreement will provide the framework for administering the consolidated communications system and the distribution between Lewisville and Denton County of the costs associated with the implementation, maintenance, and operation of the consolidated communications system.

NOW, THEREFORE, in consideration of the mutual covenants and agreement herein contained, the sufficiency of which are hereby acknowledged, and upon and subject to the terms and conditions hereinafter set forth, the Parties agree as follows:

I. DEFINITIONS

In addition to the definitions stated in the preamble and recitals hereof, the following words and phrases as used in this Agreement, unless the context clearly shows otherwise, shall have the following meanings:

“*Communications System*” means a wide area, multi-agency digital trunked radio system compliant with P-25 interoperability standards to be used jointly by Lewisville, Denton County and other Infrastructure Members, if any, primarily for providing public safety dispatch and communications for fire, emergency medical and polices services and such other governmental services as may be agreed from time to time by the Parties.

“*Coordinating Committee*” means the committee that is responsible for making recommendations to the Infrastructure Management Committee on the administration and operation of the Communications System.

“*Effective Date*” means the last date signed by an authorized representative of the Parties.

“*Infrastructure*” means radio tower sites, FCC-licensed radio frequencies and Infrastructure Equipment.

“*Infrastructure Equipment*” means communications repeaters, transmitters, channel banks, combiners, routers, repeaters, or similar equipment connected to the Communications System.

“*Infrastructure Management Committee*” means the committee that is responsible for the administration and operation of the Communications System.

“*Infrastructure Member*” means any entity in addition to Lewisville and Denton County which has built Infrastructure connected to the Communications System in accordance with the mutual consent and system requirements of the Denton County Sheriff and Lewisville Police Chief.

“*Subscriber Units*” means mobile radios, portable radios or any similar devices used for communicating over the Communications System.

“*Technical Committee*” means the committee that advises the Coordinating Committee on technical issues related to the operation of the Communications System.

“*User*” means any entity with which Lewisville or Denton County has entered into a contract for the provision of communication services through the Communications System.

“*User Committee*” means the committee that is responsible for making recommendations to the Coordinating Committee on the operations of the Communications System.

II. TERM

2.1 This Agreement shall commence on the Effective Date and end on the last day of the tenth (10th) complete Fiscal Year after the execution of this Agreement (the “Initial Term”), unless terminated earlier as provided herein.

2.2 After the end of the Initial Term, this Agreement shall automatically renew for another ten (10) year period, unless terminated earlier as provided herein.

III. USERS AND INFRASTRUCTURE MEMBERS

3.1 Lewisville and Denton County may add Users to the Communications System, following the mutual consent of the Denton County Sheriff and Lewisville Police Chief to the addition of each such additional entity.

(a) Users added to the Communications System shall be required to pay the User rate established by the Infrastructure Management Committee one year after the Acceptance Date for the Denton County P25 Radio System. The User rate will be reviewed annually by the Coordinating Committee and approved by the governing bodies of the Infrastructure Members.

(b) Each User is responsible for all software and hardware required to program its Subscriber Units should they choose a different manufacturer from that chosen by Lewisville and Denton County.

3.2 Any entity which builds Infrastructure shall be considered an Infrastructure Member subject to the following conditions:

(a) The addition of an Infrastructure Member shall require the mutual consent of the Denton County Sheriff and Lewisville Police Chief.

(b) Infrastructure Members shall be required to meet the minimum system requirements for channel capacity, inter-operational talk-groups, site hardening, maintenance, and reliability as defined and mutually determined by the Denton County Sheriff and Lewisville Police Chief.

(c) Infrastructure Members, except for Denton County, are required to share equally in the funding of the additional Communications System technician and vehicle, as set forth in 4.2(a) and 4.4(a).

(d) All Infrastructure and Infrastructure Equipment purchased by an Infrastructure Member shall be individually owned and maintained by the purchasing member.

IV. OBLIGATIONS OF THE PARTIES

4.1 Infrastructure and Infrastructure Equipment

(a) Lewisville agrees to build Communications System sites within the corporate limits of Lewisville, which it deems necessary for the operation of the Communications System, compatible with the specifications as set forth in **Exhibit "A,"** attached hereto and incorporated herein as if fully set forth. Said sites shall house Infrastructure Equipment for the purposes of augmenting the Communications System.

(b) Lewisville agrees to include sufficient channel capacity to allow for inter-operational talk-groups for system users.

(c) Lewisville also agrees to install the Infrastructure Equipment in a hardened shelter with either emergency generator backup power along with uninterruptible power supplies (UPS) or battery bank system. The hardened shelter and back-up power system shall be installed concurrently with any new Infrastructure.

4.2 Communications System Technician and Vehicle

(a) Denton County shall hire an additional Communications System technician apart from the two existing Communications System technicians. All Infrastructure Members, except Denton County, will share equally in the funding of a Communications System Technician, in addition to the cost of training (as recommended by the Coordinating Committee and approved by the Infrastructure Management Committee) and the cost of a technician's vehicle.

(i) The purpose of any additional Communications System technician(s) is to negate the cost of a manufacturer's maintenance agreement for the Infrastructure Members.

(ii) All Communication Systems technicians shall perform the duties of system maintenance, alarm monitoring, subscriber unit repair (includes basic repair by the technician or by a third-party) and emergency call-out functions for all Users of the Communications System.

(iii) The Communications System technicians will be stationed at the Denton County radio shop and will be dispatched to jobs in a prioritized manner.

(iv) The Communications System technicians shall be employees of Denton County. Denton County shall be responsible for the hiring, supervising and performance evaluation of the technicians.

(b) Denton County shall also purchase a vehicle dedicated for the performance of daily tasks by the Communications Systems technicians ("Communications System vehicle") and Denton County shall be reimbursed by the Infrastructure Members for the purchase of said vehicle pursuant to sections 3.2(c), 4.2(a), and 4.4(a).

(i) Denton County shall provide fuel and perform routine maintenance on the Communications System vehicle in accordance with the vehicle's manufacturer.

(ii) Denton County shall register and maintain vehicle inspections in accordance with state law.

4.3 Radio Shop

(a) Denton County operates a radio shop for the mutual benefit of all Infrastructure Members and Users of the Communications System.

(i) The radio shop is responsible for day-to-day Communication System administration and centralized shipping and receiving of all Subscriber Unit repairs.

- (ii) When a Subscriber Unit returns from repair, the radio shop shall verify its operation and program the Subscriber Unit as required.
 - (iii) The radio shop shall offer drive-up service to assist in troubleshooting issues involving Subscriber Units which are mounted in vehicles.
 - (iv) The radio shop shall provide a shipping and receiving point for all Users, thereby ensuring proper programming, database maintenance and fault analysis trends.
 - (v) If a Subscriber Unit is sent to a third-party for repair, the owner of the Subscriber Unit shall be responsible for payment to the third-party.
- (b) Hours of Operation
- (i) The radio shop is generally open Monday-Friday, from 7 a.m. to 4 p.m.
 - (ii) If service is required after hours, an on-call Communications System technician shall respond.
 - (iii) The radio shop shall establish an on-call rotation of Communications System technicians for the mutual benefit of the Users.
 - (iv) After hours, responses shall be limited to service affecting system-wide infrastructure or priority-restore items at dispatch centers, fire station alerting, or at the discretion of the Denton County Radio System Manager.
 - (v) Subscriber Unit repair service is not available after hours or weekends.

4.4 Payment for Communications System Technician and Vehicle

(a) Infrastructure Members, except for Denton County, shall equally share in the payment of the amount set forth in **Exhibit "B,"** attached hereto and incorporated herein as if fully set forth which represents the costs for the salary, benefits, and vehicle of the additional Communications System Technician.

(b) Denton County shall invoice each Infrastructure Member monthly for the amount set forth in **Exhibit "B,"** for which payment must be remitted within thirty (30) days of receipt of invoice.

(c) The invoice shall provide an accounting of the number of work days the position of the additional Communications System technician described in section 4.2(a) was vacant in that year, if any, and shall credit each Infrastructure Member, its proportionate share, for such vacancy by multiplying the payment owed pursuant to section 4.4(a) by the number of days the vacancy existed (numerator) and the number of working days in the year (denominator).

(d) All payments shall be made only from current revenues legally available to each Infrastructure Member.

V.

ADMINISTRATION OF THE COMMUNICATIONS SYSTEM

The administration of the Communications System shall be supported by committees as set forth in **Exhibit "C,"** attached hereto and incorporated herein as if fully set forth.

5.1 Infrastructure Management Committee.

(a) The Infrastructure Management Committee shall be responsible for the administration and operation of the Communications System subject to sections 3.2(a) and 3.2(b).

(b) The Infrastructure Management Committee shall be comprised of the Denton County Sheriff, the Lewisville Police Chief, and the equivalent position of each Infrastructure Member.

5.2 Coordinating Committee.

(a) The Coordinating Committee shall be responsible for making recommendations to the Infrastructure Management Committee on the administration and operation of the Communications System.

(b) The Coordinating Committee shall be comprised of one (1) member from each of the following departments of the Infrastructure Members: the Denton County Sheriff's Office, the Lewisville Police Department, the Denton County emergency management services department and a member of the Denton County Fire Chiefs Association. The chief administrative officer of each Infrastructure Member may appoint no more than two (2) ex-officio members to serve on and advise the Coordinating Committee, but said ex-officio members shall have no voting authority.

(c) The Coordinating Committee shall develop recommended guidelines for Usage Fees based upon system analysis and Terms of Use within 12 months of the Acceptance Date of the P25 Denton County Radio System.

(d) Rules or fees pursuant to the terms and obligations of this Agreement must be approved by the governing body, or designee, of each of the Parties as required by their respective charters and ordinances.

5.3 Technical Committee.

(a) The Technical Committee shall advise the Coordinating Committee on technical issues involving the Communication Systems.

(b) Each Coordinating Committee member shall appoint up to three (3) persons to serve on the Technical Committee.

(c) Technical standards for the operation of the Communications System shall be developed by the Technical Committee and approved by the Coordinating Committee. Once approved, the Coordinating Committee shall recommend the standards for adoption by the Infrastructure Management Committee. Once adopted, the standards must be compatible with existing Infrastructure and Infrastructure Equipment and may not violate any of the terms of this Agreement or of any existing maintenance or hardware agreement.

5.4 User Committee.

(a) The User Committee may recommend operational practices to the Coordinating Committee for consideration.

(b) The User Committee may be comprised of one member from each User of the Communications System.

VI.

OWNERSHIP INTERESTS OF THE PARTIES

7.1 Each Party shall retain individual ownership of its respective hardware and software purchased prior to or as part of this Agreement.

7.2 All Infrastructure and Infrastructure Equipment owned by each Infrastructure Member will continue to be separately owned by such member.

7.3 All frequencies utilized by the Communications System shall be separately maintained and licensed by the owner or assignee designated by the FCC.

**VII.
FINANCING AND INFRASTRUCTURE COST SHARING**

It is the sole responsibility of each Infrastructure Member or User incurring costs to make payment to vendors providing equipment for and services to the Communications System on behalf of that Infrastructure Member or User. In no event shall any Infrastructure Member or User be held liable for debts incurred by any other Infrastructure Member or User as a result of expenditures made in connection with the Communications System.

**VIII.
APPROPRIATION OF FUNDS**

The Parties herein recognize that the continuation of any contract after the close of any given fiscal year, which fiscal year ends on September 30 of each year, shall be subject to each Party's governing body approval. In the event that any of the Parties governing bodies do not approve the appropriation of funds for this Agreement, the Agreement shall terminate at the end of the fiscal year for which funds were appropriated and the Parties shall have no further obligations hereunder.

**IX.
TERMINATION**

This Agreement may be terminated upon one year's written notice from the Party seeking termination to the other Party. The Party terminating this Agreement shall reimburse the non-terminating Party for reconfiguring of the system, if required, such as Infrastructure connectivity.

**X.
DISPUTE RESOLUTION**

In the event of a dispute regarding any aspect of this Agreement, the dispute shall be sent first to the Coordinating Committee for resolution and the Coordinating Committee shall act as mediator. If the Coordinating Committee is unable to agree on a resolution, then the dispute shall be referred to the governing bodies of the Parties.

**XI.
GOVERNMENTAL FUNCTION**

The Parties have determined by their execution of this Agreement that this Agreement and the obligations of the Parties contained herein are in discharge of a governmental function as set forth in the Interlocal Cooperation Act, and participation in this Agreement by one Party shall not be construed as creating any kind of agency relationship, partnership, or Communications enterprise between the Parties.

**XII.
RELEASE AND HOLD HARMLESS**

TO THE EXTENT PERMITTED BY LAW, EACH PARTY AGREES TO WAIVE ALL CLAIMS AGAINST, TO RELEASE, AND TO HOLD HARMLESS THE OTHER PARTY AND ITS RESPECTIVE OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM ANY AND ALL LIABILITY, CLAIMS, SUITS, DEMANDS, LOSSES, DAMAGES, ATTORNEYS FEES, INCLUDING ALL EXPENSES OF LITIGATION OR SETTLEMENT, OR CAUSES OF ACTION WHICH MAY ARISE BY REASON OR INJURY TO OR DEATH OF ANY PERSON OR FOR LOSS OF, DAMAGE TO, OR LOSS OF USE OF ANY PROPERTY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT. IN THE EVENT THAT A CLAIM IS FILED, EACH PARTY SHALL BE RESPONSIBLE FOR ITS PROPORTIONATE SHARE OF LIABILITY.

**XIII.
IMMUNITY**

In the execution of this Agreement, neither of the Parties waive, nor shall be deemed hereby to have waived any immunity or any legal or equitable defense otherwise available against claims arising in the exercise of governmental powers and functions. By entering into this Agreement, the Parties do not create any obligations, express or implied, other than those set forth herein, and this Agreement does not create any rights in parties who are not signatories to this Agreement.

**XIV.
ENTIRE AGREEMENT**

This Agreement represents the entire and integrated agreement between Denton County and Lewisville and supersedes all prior negotiations, representations and/or agreements, either written or oral between Denton County and Lewisville. This Agreement may be amended only by written instrument signed by Denton County and Lewisville.

**XV.
NOTICES**

Unless notified otherwise in writing, all notices are required to be given to either Party in writing and delivered in person or send via certified mail to the other Party at the following respective addresses:

Denton County Representative:

County Judge

Lewisville Representative:

City Manager
Office of the City Manager
City of Lewisville
P. O. Box 299002
Lewisville, Texas 75029-9002

XVI.
AUTHORITY TO SIGN/CITY COUNCIL AUTHORIZATION

The undersigned officers and/or agents of the Parties hereto are the properly authorized officials or representatives and have the necessary authority to execute this Agreement on behalf of the Parties hereto.

XVII.
SEVERABILITY

The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held to be contrary to the law or contrary to any rule or regulation having the force and effect of the law, such decisions shall not affect the remaining portions of the Agreement. However, upon the occurrence of such event, either Party may terminate this Agreement by giving the other party thirty (30) days written notice.

XVIII.
VENUE

This Agreement and any of its terms or provisions, as well as the rights and duties of the Parties hereto, shall be governed by the laws of the State of Texas. The Parties agree that this Agreement shall be enforceable in Denton County, Texas, and if legal and necessary, exclusive venue shall lie in Denton County, Texas.

XIX.
INTERPRETATION OF AGREEMENT

Although this Agreement is drafted by Lewisville, this is a negotiated document. Should any part of this Agreement be in dispute, the Parties agree that the Agreement shall not be constructed more favorably for either of the Parties.

XX.
REMEDIES

No right or remedy granted herein or reserved to the Parties is exclusive of any right or remedy granted by law or equity; but each shall be cumulative of every right or remedy given hereunder. No covenant or condition of this Agreement may be waived without the express written consent of the Parties. It is further agreed that one or more instances of forbearance by either Party in the exercise of its respective rights under this Agreement shall in no way constitute a waiver thereof.

XXI.
SUCCESSORS AND ASSIGNS

The Parties each bind themselves, their respective successors, executors, administrators, and assigns to the other Party to this contract. Neither Party will assign, sublet, subcontract or transfer any interest in this Agreement without the prior written consent of the other Party. No assignment, delegation of duties or subcontract under this Agreement will be effective without the written consent of all Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement to be effective upon execution and dating by each Party. This Agreement shall be effective from the last date signed and marked on this Agreement by a participating Party.

APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:

BY:

Donna Barron, CITY MANAGER

DATE: _____

ATTEST:

Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY

APPROVED BY THE DENTON COUNTY COMMISSIONERS COURT OF DENTON COUNTY, TEXAS:

BY:

Mary Horn, COUNTY JUDGE

DATE: _____

ATTEST:

DEPUTY COUNTY CLERK

APPROVED AS TO FORM:

ASSISTANT DISTRICT ATTORNEY

Exhibit "A"

The City of Lewisville will operate a three-site simulcast system connected to the Denton County Master site through the Kealy tower prime site.

Each radio site will consist of the following infrastructure or system components:

Seven 800MHz radio frequencies

Two Motorola expandable site sub-system (ESS) equipment racks (each rack contains a multi-coupler, LAN GPS, networking routers and switches)

One Tower-top amplifier

One transmit antenna system

One receive antenna system

One Motorola GGM8000 site gateway

Site networking configuration

Climate controlled, 12x16 hardened structure with UPS and generator

The City of Lewisville Dispatch Center will consist of the following infrastructure or system components:

One Motorola MCC 7500 dispatch console site

Eleven dispatch consoles

Two Motorola site gateways

Two site Ethernet switches

One AUX/IO Server

Eleven Dual footswitch

MCC 7500 Voice Processor Module

Twenty-two Headset jacks

FY2016 Estimate

BUDGET IMPACT STATEMENT

Sheriff's Department

G.L.# 01.60.20 New Radio Systems Specialist effective October 1, 2015

Effective: October 1, 2015

	FY2016		
	Recommended Budget	<i>New Hire Request Request (Savings) / IMPACT</i>	
	Radio Systems Specialist Grade 15 Salary/Benefits	Radio Systems Specialist Grade 15 Salary/Benefits @ 16% Above Minimum	Radio Systems Specialist Grade 15 Salary/Benefits
4020 - Salary Assistants (New Hire)	\$0	\$66,032	\$66,032
4045- Overtime Cash Option	\$0	\$225	\$225
4060- Longevity Pay	\$0	\$0	\$0
4091- Certification Pay	\$0	\$0	\$0
4092- Degree Incentive	\$0	\$0	\$0
<i>Subtotal Salaries</i>	\$0	\$66,257	\$66,257
4120- FICA	\$0	\$5,069	\$5,069
4130- Retirement	\$0	\$8,006	\$8,006
4140- Workers Comp. (Computer)	\$0	\$197	\$197
4150- TEC	\$0	\$113	\$113
4160- Health Insurance	\$0	\$13,643	\$13,643
<i>Subtotal Benefits</i>	\$0	\$27,028	\$27,028
Total Salaries/Benefits	\$0	\$93,285	\$93,285
4256- Computer Equipment	\$0	\$6,400	\$6,400
4290- Computer Software	\$0	\$755	\$755
4810- Shop Supplies	\$0	\$1,660	\$1,660
4820- Small Tools	\$0	\$800	\$800
4898- Radios/Radar	\$0	\$9,515	\$9,515
6260- Wireless Services	\$0	\$1,426	\$1,426
<i>Subtotal Maintenance & Operating</i>	\$0	\$20,556	\$20,556
8020- Radios/Radar	\$0	\$20,006	\$20,006
8120- Cars/Small Trucks	\$0	\$28,028	\$28,028
<i>Subtotal Capital</i>	\$0	\$48,034	\$48,034
Grand Total		\$161,875	\$161,875
Vehicle	\$0	\$28,028	\$28,028
Radios/Radars & Computer	\$0	\$35,921	\$35,921
Total Payable Up-Front for NEW position	\$0	\$63,949	\$63,949
Recurring Monthly Expenses		\$8,160	\$8,160

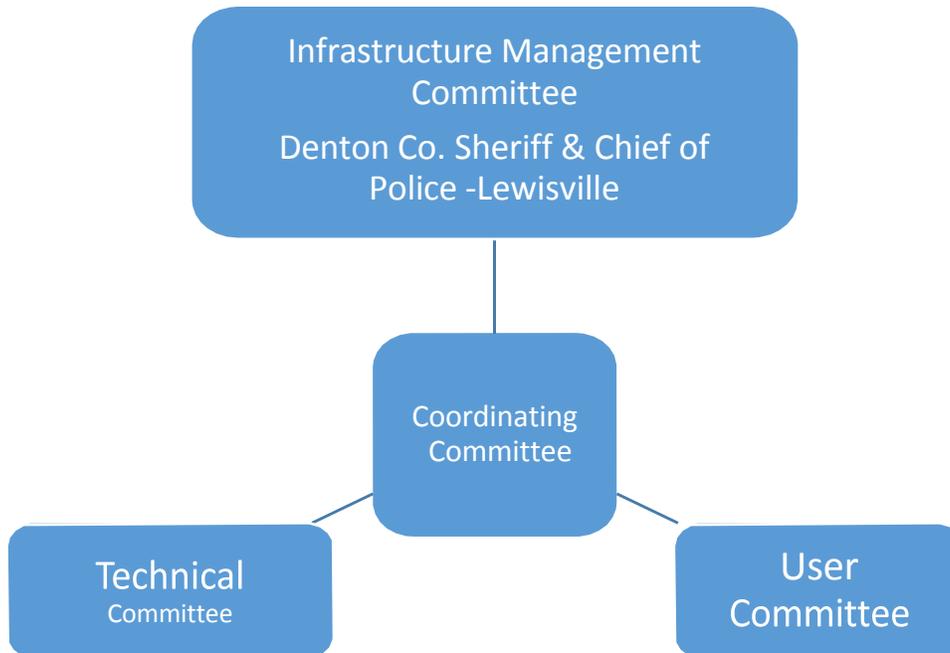
Date: 09-03-15

****NOTE:** The City of Lewisville will be required to pay Up-Front Costs and Recurring Monthly Expenses beginning one year after the Acceptance Date of the Lewisville P25 Radio System.

Full-Time Radio Systems Specialist @ 40 hours per week. TOTAL Estimated Contract funding is based on the City of Lewisville funding the position and expenses 100% according to the terms of the agreement. Vehicle, radios/radars and computer equipment will be purchased upfront as part of the initial setup. Denton County will not be providing supplemental funding for position and/or expenses.

Exhibit “C”

Denton County P-25 Communications System



Infrastructure Management Committee: Sheriff, Chief and/or any other entity department head that has built/builds Infrastructure to the Communication System.

Coordinating Committee: Sheriff Selection, Chief Selection, EOC Selection, and Fire/Medical Selection.

User Committee: Is any entity with which Lewisville or Denton County has entered into a contract for the provision of communication services through the Communication System.

Technical Committee: The Committee that advises the Coordinating Committee on technical issues related to the operation of the Communication System.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Gina Thompson, Director of Strategic Services

DATE: September 17, 2015

SUBJECT: **Consideration of an Ordinance Amending the FY 2014-15 Adopted Budget.**

The purpose of this ordinance is to amend the FY 2014-15 adopted budget to include all supplements and changes approved by Council throughout the year. A large percentage of these appropriations include the routine supplement completed each year for prior year encumbrances (purchases) that overlap into the next fiscal year. Others relate to actions taken to fund unbudgeted items during the year. This ordinance will also authorize the following new supplements:

4B and TIF Funds:

An appropriation of \$107,784 in the 4B fund and \$61,217 in the TIF Fund is required to cover increased issuance costs related to the bond restructuring that occurred this year. While future years' debt service will be reduced due to the savings realized with the July refunding sale, this year had a full year of debt service in addition to bond issuance costs.

Health Fund:

Due to the uncertainty associated with medical claims and the IBNR (incurred but not reported), it is important that the Health budget have additional budget authority to fund any unexpected medical claims that may hit at the end of the budget year. An appropriation of \$1,000,000 is requested for this purpose. This is a somewhat routine supplement as it is difficult to predict the number of claims and the cost associated with those claims.

Insurance Risk Fund:

Due to a single large claim that has yet to reach the self-insured retention (\$500,000 per occurrence), there is a possibility that potential medical care required by this claimant could increase expenditures beyond the fund budget.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the ordinance amending the FY 2014-15 budget.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, AMENDING THE PREVIOUSLY ADOPTED AND APPROVED BUDGET ORDINANCE FOR THE FISCAL YEAR OCTOBER 1, 2014 TO SEPTEMBER 30, 2015; BY PROVIDING SUPPLEMENTAL APPROPRIATIONS TO THE VARIOUS FUNDS; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

WHEREAS, there exists a growing public necessity, and it is an emergency expenditure to meet unusual and unforeseen conditions which could not by reasonable, diligent thought and attention be included in the original budget; and,

WHEREAS, the various supplemental appropriations were deemed necessary and approved individually for operations during Fiscal Year 2014-2015, and,

WHEREAS, additional supplemental appropriations to the 2014-15 fiscal year budget are required for the 4B, TIF, Health, and Insurance Risk Funds, and can be found in the comprehensive listing (Exhibit A); and,

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

SECTION 1. AMENDMENTS. The Ordinance adopting the budget for the Fiscal Year, October 1, 2014 to September 30, 2015, be amended by the supplemental appropriations approved by the City Council throughout the 2014-15 fiscal year including those in Exhibit A, and that these supplemental appropriations are allocated for expenditures, and the estimates of income are acceptable and proper and sufficient to pay such expenditures.

SECTION 2. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its passage.

SECTION 3. EMERGENCY. It being for the public welfare that this Ordinance be passed creates an emergency and public necessity, and the rule requiring this Ordinance be read on three separate occasions be, and the same is hereby waived and this Ordinance shall be in full force and effect from and after its passage and approval and publication, as the law in such cases provides.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF __ TO __, ON THIS THE 21st DAY OF SEPTEMBER, 2015.

APPROVED:

Rudy Durham, MAYOR

ATTEST:

Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

Liz Plaster, CITY ATTORNEY

2014-15 Supplemental Appropriations (Exhibit A)

General Fund

2/16/2015 Prior Year Encumbrances	\$	387,617
3/2/2015 Animal Services -sterilization and microchipping services	\$	36,410
6/15/2015 Outside legal expenses	\$	80,000
6/15/2015 Park Plaza and OT Restaurants Supplementals	\$	<u>440,000</u>
	\$	944,027

Hotel Motel Fund

2/16/2015 Prior Year Encumbrances	\$	795
3/16/2015 Pro Watercross Tour Event	\$	<u>42,700</u>
	\$	43,495

Crime Control District

2/16/2015 Prior Year Encumbrances	\$	1,991
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Grant Fund

10/6/2014 UASI Grant	\$	133,865
2/16/2015 Prior Year Encumbrances	\$	<u>565,398</u>
	\$	699,263

Recreation Fund

2/16/2015 Prior Year Encumbrances	\$	317
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TIF Fund

9/21/2015 Debt	\$	107,784
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4B Fund

9/21/2015 Debt	\$	61,217
2/16/2015 Prior Year Encumbrances	\$	34,450
3/2/2015 Central Park Renovations	\$	<u>379,586</u>
	\$	475,253

Utility Fund

2/16/2015 Prior Year Encumbrances	\$	251,344
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Fire Prevention District

2/16/2015 Prior Year Encumbrances	\$	10,322
6/15/2015 Fire St. 3	\$	<u>146,178</u>
	\$	156,500

Maintenance and Replacement Fund		
2/16/2015	Prior Year Encumbrances	\$ 1,202,304
Risk		
9/21/2015	Claims costs	\$ 250,000
2/16/2015	Prior Year Encumbrances	\$ 11,625
		\$ 261,625
Health		
9/21/2015	Claims costs	\$ 1,000,000
2/16/2015	Prior Year Encumbrances	\$ 4,093
		\$ 1,004,093
Asset Forfeiture - Federal		
2/16/2015	Prior Year Encumbrances	\$ 414,276
Lewisville 2025 Implementation/Incentives		
6/15/2015	Mid Year Appropriation from General Fund	\$ 757,027
Capital Projects		
1/26/2015	Arbitrage	
	Utility Capital Projects Bond Funds	\$ 5,040
	General Capital Projects Bond Funds	\$ 3,780
	TIF 1 Capital Projects Cash Funds	\$ 420
3/2/2015	Central Park Renovations (4B Reserves)	\$ 379,586
5/2/2015	Dark Fiber Network Ring (Funding from Denton County)	\$ 388,639
6/15/2015	Fire Station 3 (Fire Services District Reserves)	\$ 146,178
6/15/2015	Park Plaza (General Fund Reserves)	\$ 190,000
6/15/2015	Old Town Restaurants (General Fund Reserves)	\$ 250,000
		\$ 1,363,643



LEWISVILLE

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MEMORANDUM

TO: Mayor Rudy Durham
Mayor Pro Tem R Neil Ferguson
Deputy Mayor Pro Tem Greg Tierney
Councilman TJ Gilmore
Councilman Leroy Vaughn
Councilman Brent Daniels

FROM: Donna Barron, City Manager

DATE: September 15, 2015

SUBJECT: **Consideration of an Ordinance Adopting the FY 2015/2016 Operating Budget.**

This action adopts the City's annual budget for all funds beginning October 1, 2015 and ending September 30, 2016. Any supplements not included in this budget require future City Council approval.

In this year's budget ordinance, wording has been added to enable the grant, donation, and special event project balances to roll forward into the new fiscal year, as has been the case with capital project balances for a number of years. New World software provides the capability for all project balances to roll forward. The ending project balance as of September 30, 2015 becomes the new project balance on October 1, 2015.

A draft budget document with updated fund schedules is available to the public on the City's website.

Please contact me if you have additional questions.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, ADOPTING AND APPROVING A BUDGET FOR THE CITY OF LEWISVILLE, TEXAS FOR THE YEAR BEGINNING OCTOBER 1, 2015, AND ENDING SEPTEMBER 30, 2016; PROVIDING FOR AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

WHEREAS, a budget for the fiscal year beginning October 1, 2015, and ending September 30, 2016, has been prepared by the City Manager, as Budget Officer for the City of Lewisville; and,

WHEREAS, said budget has been presented by the City Manager, together with his budget commentaries as provided for in Article 9 of the City Charter; and,

WHEREAS, public notice of the public hearings upon this budget have been duly and legally published as provided for in the City Charter and under the budget statute of the State of Texas; and,

WHEREAS, this proposed budget has been filed with the City Secretary; and,

WHEREAS, FURTHER, after full and final consideration, two public hearings have been held on said budget and it is in the opinion of the Mayor and City Council that the budget, as filed, is balanced and does meet the requirements of the City of Lewisville for the proper and sustained operation of the services of the City, and should be approved as presented;

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

SECTION 1. The budget for the fiscal year 2015-2016 be adopted and approved, and that the sums of money indicated below be approved as listed, and that the estimate of income and financial support as shown be accepted as proper and sufficient to pay such expenditures and that the City Manager be authorized to transfer funds as needed not exceeding the following total fund appropriations:

General Fund	Expenditures	Debt Service	Total
Non-Departmental	1,421,353	-	1,421,353
Mayor / Council	123,634	-	123,634
Administration	1,227,915	-	1,227,915
Public Records	367,998	-	367,998
Legal	633,765	-	633,765
Police Department	22,192,907	-	22,192,907
Fire Department	18,187,189	-	18,187,189
Public Services	9,270,268	-	9,270,268
Parks & Leisure Services	5,373,659	-	5,373,659
Development Services	2,875,434	-	2,875,434
Finance	1,466,202	-	1,466,202
Human Resources	818,673	-	818,673
Community Relations / Tourism	1,032,328	-	1,032,328
Economic Dev. & Planning	769,424	-	769,424
Information Technology	3,007,088	-	3,007,088
Municipal Court	950,092	-	950,092
Emergency Management	176,625	-	176,625
Engineering	1,350,874	-	1,350,874
Library Services	1,513,189	-	1,513,189
Neighborhood Services	1,616,266	-	1,616,266
Expenditures Out of Reserves	5,044,431	-	5,044,431
	79,419,314	-	79,419,314

Utility Fund	Expenditures	Debt Service	Total
Non-Departmental	3,787,226	7,026,565	10,813,791
Public Services	17,180,455	-	17,180,455
Engineering	109,186	-	109,186
Finance	1,076,791	-	1,076,791
Expenditures Out of Reserves	1,766,836	-	1,766,836
	23,920,494	7,026,565	30,947,059

Other Funds	Expenditures	Debt Service	Transfers Out/One Time Expenditures Out of Reserves	Total
Debt Service Fund	-	12,515,382	-	12,515,382
Hotel / Motel Tax Fund	1,731,894	-	577,138	2,309,032
Recreation Fund	464,200	-	7,000	471,200
Grant Fund	1,158,123	-	-	1,158,123
PEG Programming Fund	100,000	-	-	100,000
Crime Control	2,740,494	-	179,302	2,919,796
Fire Services	1,300,468	-	-	1,300,468
Waters Ridge PID Fund	15,000	-	-	15,000
Court Security Fund	55,303	-	-	55,303
Court Technology Fund	121,921	-	-	121,921
Community Activities Fund	663,101	-	-	663,101
Fire and Police Training	113,745	-	-	113,745
Law Enf. Ofc. Educ. Stand. Fund	9,000	-	-	9,000
TIF No. 1	-	601,695	-	601,695
TIRZ No. 2	-	-	-	-
Juvenile Case Manager Fund	77,680	-	-	77,680
Insurance Risk Reserve Fund	1,549,961	-	214,524	1,764,485
Maintenance & Replacement Fund	5,245,685	-	-	5,245,685
Asset Forfeiture Fund - State	143,047	-	-	143,047
Asset Forfeiture Fund - Federal	129,110	-	-	129,110
Health Insurance Trust Fund	9,583,153	-	57,725	9,640,878
OPEB Liability Trust Fund	273,800	-	-	273,800
2025 Implementation/Incentives	267,008	-	-	267,008
4B Sales Tax Fund	2,813,335	2,688,837	6,828,670	12,330,842

SECTION 2. All appropriations shall lapse at the end of the fiscal year.

SECTION 3. All capital, grant, donation, and special event project appropriation balances as of September 30, 2015 shall roll forward to October 1, 2016.

SECTION 4. EMERGENCY. It being for the public welfare that this ordinance be passed creates an emergency and public necessity, and the rule requiring this ordinance be read on three separate occasions be, and the same is, hereby waived, and this ordinance shall now be placed on its third and final reading for passage, and shall be in full force and effect from and after its passage and approval and publication, as the law in such cases provides.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 21st DAY OF SEPTEMBER, 2015.

APPROVED:

Rudy Durham, MAYOR

ATTEST:

Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY



LEWISVILLE

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MEMORANDUM

TO: Mayor Rudy Durham
Mayor Pro Tem R Neil Ferguson
Deputy Mayor Pro Tem Greg Tierney
Councilman TJ Gilmore
Councilman Leroy Vaughn
Councilman Brent Daniels

FROM: Donna Barron, City Manager

DATE: September 9, 2015

SUBJECT: Consideration of an Ordinance Adopting the FY 2015-2016 Tax Rate.

This action adopts the City's annual ad valorem tax rate for all taxable property at \$0.436086 per \$100 of assessed valuation. The rate must be adopted in two parts:

Maintenance and Operation	\$0.318766
Principal and Interest on Debt	<u>\$0.117320</u>
Total Tax Rate	\$0.436086

The total tax rate for FY 2015-2016 is the same as the current fiscal year tax rate of \$0.436086 but does exceed the effective tax rate, \$0.417950 by 4.34 percent. Likewise, the Maintenance and Operation (M&O) rate above exceeds the effective M&O rate (\$0.305514) by 4.34 percent. Specific language is required in the ordinance and the motion when the tax rates to be adopted exceeds the rollback rates or the effective rates.

It is City staff's recommendation that the City Council approve the proposed ordinance adopting the FY 2015-2016 tax rate with the following motion: "I move that property tax rate be increased by adoption of a tax rate of \$0.436086, which is effectively a 4.34 percent increase in the tax rate."

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, ESTABLISHING THE TAX RATE AND TAX LEVY FOR THE CITY OF LEWISVILLE, TEXAS FOR THE YEAR 2015-2016, UPON ALL TAXABLE PROPERTY IN SAID CITY IN CONFORMITY WITH THE LAWS OF THE STATE OF TEXAS, AND THE CHARTER PROVISIONS AND ALL ORDINANCES OF SAID CITY; PROVIDING A REPEALER; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY.

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

SECTION 1. There shall be, and the same is hereby levied and assessed, to be collected for the taxable year 2015, an ad valorem tax of forty-three and six thousand, eighty-six ten-thousandths cents (\$0.436086) on each One Hundred Dollars (\$100) valuation of property located within the present city limits of the City of Lewisville, Texas made taxable by law, which said taxes when collected shall be appropriated among the funds and departments of said city government of the City of Lewisville, Texas, for Fiscal Year 2015-2016 for the purposes hereinafter set forth as follows, to wit:

Maintenance and Operation	\$0.318766
Principal and Interest on Debt of this City	<u>\$0.117320</u>
TOTAL TAX RATE	\$0.436086

SECTION 2. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 4.34 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$13.25.

SECTION 3. The Finance Department of the City of Lewisville, Texas, is hereby directed to assess, extend, and enter upon the tax rolls of the City for the current taxable year 2015 the amounts and rates herein levied and same when collected shall be deposited in the depository of the City to be distributed in accordance with the provisions of this ordinance.

SECTION 4. REPEALER. Every ordinance or parts of ordinances found to be in conflict herewith are hereby repealed.

SECTION 5. SEVERABILITY. If any section, sentence, clause, or phrase of this ordinance shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining sections, sentences, clauses, or phrases of this ordinance, but they shall remain in effect.

SECTION 6. EFFECTIVE DATE. This ordinance shall become effective immediately upon its passage and publication as required by law.

SECTION 7. EMERGENCY. It being for the public welfare that this ordinance be passed creates an emergency and public necessity, and the rule requiring this ordinance be read on three separate occasions be, and the same is hereby waived, and this ordinance shall be in full force and effect from and after its passage and approval and publication, as the law in such cases provides.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 21st DAY OF SEPTEMBER, 2015.

APPROVED:

Rudy Durham, MAYOR

ATTEST:

Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY



LEWISVILLE

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MEMORANDUM

TO: Mayor Rudy Durham
Mayor Pro Tem R Neil Ferguson
Deputy Mayor Pro Tem Greg Tierney
Councilman TJ Gilmore
Councilman Leroy Vaughn
Councilman Brent Daniels

FROM: Julie Heinze, City Secretary

DATE: September 16, 2015

SUBJECT: Consideration of a Resolution Nominating Candidates to the Denton Central Appraisal District Board of Directors.

BACKGROUND

The Denton Central Appraisal District has requested that the City nominate five individuals to serve as the DCAD Board of Directors. Prior to October 15th, the governing body of each jurisdiction nominates candidates to the DCAD Board of Directors and advises the Chief Appraiser of the nominees. Each taxing jurisdiction can nominate up to five candidates if they wish. Prior to October 30th, the Chief Appraiser will compile a comprehensive list of the nominees and this information will be sent to the taxing jurisdictions in the form of a ballot. Prior to December 15th, the taxing jurisdictions choose by written resolution the candidate, or candidates, of their choice and submit the names and the votes they cast for each candidate. Prior to December 31st, the Chief Appraiser will tabulate the votes and forward the results back to the jurisdictions. The five candidates that have received the most votes become the Board of Directors as of January 1st. The number of votes to which the City of Lewisville is entitled is 120.

ANALYSIS

To serve on the Board of Directors, one must have lived in the appraisal district for at least two years immediately preceding the date he or she takes office. An individual does not need any special qualifications. However, an employee of a taxing unit served by the appraisal district is not eligible to serve as a director, unless the employee is an elected official. A statute relevant to the Board selection prohibits nepotism and conflict of interest for appraisal district directors and chief appraisers. In summary, the law states that:

Subject: Denton CAD Board Nominations
September 16, 2015
Page 2



LEWISVILLE

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....."a person may not serve as director if closely related to anyone in the appraisal district or if related to anyone who represents owners in the district, or if the person has an interest in a business that contracts with the district or a taxing unit. A chief appraiser may not employ someone closely related to a member of the board of directors."

Applicable statutes require the board of directors to meet not less often than once each calendar quarter. The DCAD Board meets more often than is required by law.

The current Board of Directors is made up of Charles Stafford, John Mahalik, Connie Smith, David Terre, Brenda Latham, and Michelle French (serves as an ex officio member). All existing members wish to be reappointed, with the exception of John Mahalik.

A nomination form is included in the letter from DCAD. This form will be forwarded to the DCAD when the nominations to be Board have been decided upon. Also included is a resolution that will be forwarded to the DCAD.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the resolution as set forth in the caption above.

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF LEWISVILLE,
TEXAS NOMINATING (the following five)
CANDIDATE(S) TO BE A MEMBER OF THE
BOARD OF DIRECTORS OF THE DENTON
CENTRAL APPRAISAL DISTRICT.**

WHEREAS, the Chief Appraiser of the Denton Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Denton Appraisal District, according to the Property Tax Code of Texas; and

WHEREAS, each of the incorporated cities and towns, except for City of Denton, shall have the right to nominate by an official resolution one (1) candidate as a member of the Board of Directors; and

WHEREAS, the said cities and towns shall, from among the nominations received, elect by a majority vote, with each city and town being entitled to one (1) vote, a member of the Board of Directors.

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

SECTION 1. The Council of the City of Lewisville, Texas does hereby nominate

_____ as candidate(s) to be a member of the
Board of Directors of the Denton Central Appraisal District.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF
LEWISVILLE, TEXAS, ON THIS THE 21st DAY OF SEPTEMBER, 2015.

APPROVED:

Rudy Durham, MAYOR

ATTEST:

Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

Lizbeth Plaster, CITY ATTORNEY

2014-2015
DENTON CENTRAL APPRAISAL DISTRICT
BOARD OF DIRECTORS

CHARLES STAFFORD Chairman
1903 Williamsburg Row
Denton, Texas 76209

JOHN MAHALIK Vice-Chairman
2648 Newcastle Dr.
Carrollton, TX 75007

CONNIE SMITH Secretary
2700 Pecan Leaf Ln.
Flower Mound, TX 75022

DAVID TERRE Member
3941 Teal Cove
The Colony, TX 75056

BRENDA LATHAM Member
1553 Parkside Trail
Lewisville, TX 75077

Ex Officio Member

MICHELLE FRENCH
P.O. Box 90223
Denton, Texas 76202



DENTON CENTRAL APPRAISAL DISTRICT

3911 MORSE STREET, P O BOX 2816
DENTON, TEXAS 76202-2816

RECEIVED
AUG 31 2015
LEWISVILLE

M E M O

TO: Denton County, School Districts and Cities That Levy A Tax

FROM: Rudy Durham, Chief Appraiser

SUBJECT: Request for Nominations for DCAD Board of Directors

DATE: August 28, 2015

It is time again for the taxing jurisdictions to nominate individuals to serve on the DCAD Board of Directors. Each jurisdiction may nominate up to five people to be considered for the Board of Directors. According to Section 6.03 of the Property Tax Code, it is the chief appraiser's responsibility to initiate this process, which is the purpose of this memo.

Please note that a chief appraiser does not have the authority, or the duty, to investigate, or judge, the qualifications of the nominees. Further, a chief appraiser can not extend the deadline for receiving nominations.

Attached is a nominee form. Please return a form for each nominee before October 15, 2015.

CALENDAR FOR APPOINTMENTS:

1. Before October 1st - Each jurisdiction will be advised of the number of votes they are entitled to cast for Board members. (See Attached)
2. Before October 15th - The governing body of each jurisdiction may nominate up to five candidate(s) to the DCAD Board of Directors. The number of votes that each jurisdiction has is not relevant in the initial nomination phase.
3. Before October 30th - A comprehensive list of the nominees will be compiled and this information will be sent to the taxing jurisdictions in the form of a ballot.
4. Before December 15th - The taxing jurisdictions choose by written resolution the candidate, or candidates, of their choice. The jurisdictions then submit the names of their candidates and the votes they cast for each candidate before the December 15th deadline.
5. Before December 31st - A tabulation of the votes will be forwarded to the jurisdictions. The five candidates that have received the most votes become the Board of Directors as of January 1st.

SELECTING A NOMINEE

AUTHORITATIVE GUIDELINES - The selection process is set forth in Section 6.03 of the Property Tax Code. This process is not an "election" governed by the Texas Election Code. It is an independent procedure unique to the property tax system.

ELIGIBILITY - An appraisal district director must reside in the appraisal district for at least two years immediately preceding the date he or she takes office. Most residents are eligible to serve as a director. An individual that is serving on the governing body of a city, county, or school district is eligible to serve as a director.

An employee of a taxing unit served by the appraisal district is not eligible to serve as a director. However, if the employee is an elected official, he or she is eligible to serve.

A statute relevant to the Board selection process prohibits nepotism and conflict of interest for appraisal district directors and chief appraisers. In summary, the law states that:

....."a person may not serve as director if closely related to anyone in the appraisal district or if related to anyone who represents owners in the district, or if the person has an interest in a business that contract with the district or a taxing unit. A chief appraiser may not employ someone closely related to a member of the board of directors".

FREQUENCY OF MEETINGS - The applicable statutes require the board of directors to meet not less often than once each calendar quarter.

NOMINATION FORM

Please return this form to DCAD before October 15, 2015. Reminder....your jurisdiction may nominate up to five candidates to the Denton Central Appraisal District Board of Directors.

Please include the address and phone number of your nominees.

Name of your jurisdiction: _____

Name of nominee:

Name _____

Address _____

City _____ Zip _____

Phone # (____) ____ - _____

Return this form to:

Kathy Williams
Denton Central Appraisal District
P.O. Box 2816
Denton, TX 76202

**DENTON CENTRAL APPRAISAL DISTRICT
2015 DISTRIBUTION OF VOTES**

JURISDICTIONS		2014 LEVY	%OF TOTAL LEVIES	NUMBER OF VOTES
SCHOOL DISTRICTS:				
S01	ARGYLE ISD	18,801,309.57	1.3458%	67
S02	AUBREY ISD	9,920,938.33	0.7101%	36
S03	CARROLLTON-FB ISD	40,023,899.89	2.8649%	142
S04	CELINA ISD	325,442.36	0.0233%	1
S05	DENTON ISD	183,021,464.42	13.1005%	654
S15	ERA ISD	2,643.48	0.0002%	1
S06	FRISCO ISD	92,760,421.77	6.6397%	332
S07	KRUM ISD	11,743,505.34	0.8406%	42
S08	LAKE DALLAS ISD	22,689,193.06	1.6241%	81
S09	LEWISVILLE ISD	401,041,125.00	28.7062%	1434
S10	LITTLE ELM ISD	36,337,787.05	2.6010%	130
S11	NORTHWEST ISD	82,343,878.92	5.8941%	294
S12	PILOT POINT ISD	6,386,745.62	0.4572%	23
S13	PONDER ISD	10,548,307.15	0.7550%	38
S17	PROSPER ISD	1,453,625.32	0.1040%	5
S14	SANGER ISD	10,917,871.81	0.7815%	39
S16	SLIDELL ISD	830,706.78	0.0595%	3
SCHOOL DISTRICTS TOTALS		\$929,148,865.87	66.508%	3322
G01	DENTON COUNTY	\$174,365,271.44	12.48%	623
CITIES:				
C26	TOWN OF ARGYLE.....	1,815,454.19	0.1299%	7
C01	CITY OF AUBREY.....	861,461.33	0.0617%	3
C31	TOWN OF BARTONVILLE..	507,555.69	0.0363%	2
C02	CITY OF CARROLLTON	31,836,174.01	2.2788%	113
C49	CITY OF CELINA.....	4,263.52	0.0003%	1
C03	CITY OF THE COLONY...	17,817,583.31	1.2754%	64
C21	TOWN OF COPPELL	806,720.73	0.0577%	3
C27	TOWN OF COPPER CANYON	560,758.23	0.0401%	2
C04	CITY OF CORINTH.....	9,159,001.96	0.6556%	33
C47	CITY OF CORRAL CITY	11,017.31	0.0008%	1
C20	CITY OF DALLAS.....	8,691,816.17	0.6222%	31
C05	CITY OF DENTON.....	54,412,506.17	3.8948%	192
C42	CITY OF DISH.....	77,697.61	0.0056%	1
C30	TOWN OF DOUBLE OAK...	829,829.97	0.0594%	3
C07	TOWN OF FLOWER MOUND.	34,261,080.62	2.4524%	123
C36	CITY OF FORT WORTH.....	9,742,096.94	0.6973%	35
C32	CITY OF FRISCO.....	31,660,659.49	2.2662%	113
C39	CITY OF GRAPEVINE.....	280.09	0.0000%	1
C22	TOWN OF HACKBERRY....	103,685.94	0.0074%	1
C38	CITY OF HASLET.....	9,951.38	0.0007%	1
C19	TOWN OF HICKORY CREEK....	1,414,544.68	0.1013%	5
C08	CITY OF HIGHLAND VILLAGE.....	10,267,505.98	0.7349%	37
C09	CITY OF JUSTIN.....	1,578,203.21	0.1130%	6
C18	CITY OF KRUGERVILLE..	414,492.77	0.0297%	1
C10	CITY OF KRUM.....	1,619,817.82	0.1159%	6
C11	CITY OF LAKE DALLAS..	2,485,244.95	0.1779%	9
C25	CITY OF LAKEWOOD VILLAGE.....	232,757.88	0.0167%	1
C12	CITY OF LEWISVILLE...	33,883,151.22	2.4253%	120
C13	TOWN OF LITTLE ELM...	13,601,601.88	0.9736%	49
C33	TOWN OF NORTHLAKE....	751,604.76	0.0538%	3
C24	CITY OF OAK POINT....	1,627,926.72	0.1165%	6
C14	CITY OF PILOT POINT..	1,368,792.79	0.0980%	5
C29	CITY OF PLANO.....	4,460,055.39	0.3192%	16
C15	TOWN OF PONDER.....	567,978.69	0.0407%	2
C48	CITY OF PROSPER	362,218.93	0.0259%	1
C17	CITY OF ROANOKE.....	5,253,028.87	0.3760%	19
C16	CITY OF SANGER.....	2,965,119.05	0.2122%	11
C34	TOWN OF SHADY SHORES	723,392.33	0.0518%	3
C37	CITY OF SOUTHLAKE.....	575,949.97	0.0412%	2
C28	CITY OF TROPHY CLUB..	6,216,540.78	0.4450%	22
C44	CITY OF WESTLAKE	1,367.08	0.0001%	1
CITY TOTAL		\$293,540,890.41	21.01%	1055
TOTAL ALL JURISDICTIONS		\$1,397,055,027.72	100.00%	5000



LEWISVILLE

Deep Roots. Broad Wings. Bright Future.

MEMORANDUM

TO: Mayor Rudy Durham
Mayor Pro Tem R Neil Ferguson
Deputy Mayor Pro Tem Greg Tierney
Councilman T J Gilmore
Councilman Leroy Vaughn
Councilman Brent Daniels

FROM: Donna Barron, City Manager

DATE: September 16, 2015

SUBJECT: Consideration of a Schedule for 2015-2016 Special Workshops, City Council Retreat and Budget Workshop.

BACKGROUND

Special workshops are held when necessary to deal with topics that may require additional City Council focus. This year two special workshops were held – one on January 24, 2015, related to the I-35 Project and a second workshop on May 29, 2015, related to the bond program. Historically, the City Council retreat was used to deal with special projects.

ANALYSIS

Staff is requesting that we schedule an “off” Monday quarterly meeting to discuss special projects that require additional City Council focus. In addition, we are recommending that the City Council Retreat be conducted over Friday and Saturday dropping the Thursday evening presentations. Extending the Saturday schedule to 5:00 p.m. or later should result in the same number of valuable hours for retreat discussion.

The quarterly special workshops will focus on major projects on a more timely basis rather than waiting to discuss these issues during an annual retreat. Regular workshop sessions will also continue to be used for project briefings.

The City Council Retreat will be used to focus on long-range plans and overall goal setting. Held in February, the Retreat focus on these long-term plans will be instrumental in budget development.



LEWISVILLE

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Proposed 2015-2016 Schedule:

- Monday, October 12, 2015 – Special Workshop
- Monday, January 11, 2016 – Special Workshop
- February 26 – 27, 2016 – City Council Retreat
- Monday, April 11, 2016 – Special Workshop
- Saturday, August 13, 2016 – Budget Workshop

RECOMMENDATION

It is City staff's recommendation that the City Council approve the schedule for the 2015-2016 Special Workshop, City Council Retreat and Budget Workshop.