

KENNEDALE CITY COUNCIL AGENDA
REGULAR MEETING | OCTOBER 15, 2019
CITY HALL COUNCIL CHAMBERS
405 MUNICIPAL DRIVE, KENNEDALE, TX 76060
WORK SESSION AT 5:30 PM | REGULAR SESSION AT 7:00 PM

I. CALL TO ORDER

NOTE: Pursuant to Texas Government Code §551.071, the City Council reserves the right to adjourn into Executive Session at any time during the Work Session or the Regular Session to discuss posted Executive Session items or to seek legal advice from the City Attorney on any item posted on the agenda.

II. WORK SESSION

Anyone wishing to address the City Council regarding Work Session items may do so as that item is considered, provided that a 'Speaker Request Form' is submitted to the City Secretary before the Work Session begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the submitted form, and should address the Council as a whole, rather than individual Councilmembers or staff.

- A. Discussion regarding implementation of a "fine-free" structure for the Kennedale Public Library and an annual fee for those cardholders living outside the legal boundaries of the City of Kennedale
- B. Discussion of potential changes to the composition, charge, and meeting requirements for the Utility and Infrastructure Board (UIB)
- C. Discussion regarding proposal to conduct an impact fee study five-year update
- D. Discussion of items on the regular agenda

III. REGULAR SESSION

IV. ROLL CALL

V. INVOCATION

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State under God; One and Indivisible."

VII. VISITOR AND CITIZEN FORUM

At this time, any person may address the City Council, provided that a 'Speaker Request Form' is submitted to the City Secretary before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the submitted form, and should address the Council as a whole, rather than individual Councilmembers or staff. No formal action or discussion may be taken at this time. Those wishing to speak about an agenda item should indicate as much on the "Speaker Request Form" and will be called upon to speak when the Council considers that item.

VIII. REPORTS AND ANNOUNCEMENTS

In addition to any items listed below, the Mayor and Councilmembers may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

- A. Updates from the City Council
- B. Updates from the Mayor
 - Proclaiming November 2, 2019 as Arbor Day in the City of Kennedale

- C. Updates from the City Manager
 - Announcement of Parks Board Chair and Vice Chair, as elected by membership
- D. Police Department Swearing-In Ceremony

IX. INCIDENTAL ITEMS

X. MONITORING INFORMATION

- A. Monthly Financials for September 2019
- B. Schedule of Investment Activity for quarter ending September 30, 2019
- C. KEDC Financial Report for July 2019
- D. KEDC Financial Report for August 2019

XI. REQUIRED APPROVAL ITEMS (CONSENT)

Consent items are matters that have appeared on previous agendas, require little or no deliberation, or are considered routine. If discussion is desired, any item may be removed from Consent and considered separately.

- A. Approval of the minutes from the 2:00 p.m. September 13, 2019 Special Meeting
- B. Approval of the minutes from the 2:30 p.m. September 13, 2019 Special Meeting
- C. Approval of the minutes from the September 17, 2019 Regular Meeting
- D. Consider appointment of Vice Chair of the Planning & Zoning (P&Z) Commission

XII. DECISION ITEMS

- A. Consider Resolution 561, adopting an amended City of Kennedale Purchasing Policy
- B. Consider authorizing the City Manager to enter into a three-year contract with STW Inc. for financial software
- C. Consider authorizing City Manager to enter into an agreement with Halff and Associates at a cost of \$16,500 for professional engineering services to evaluate the impacts and costs associated with stabilizing the streambank adjacent to Valley Lane in an effort to mitigate erosion and prevent future damage to the roadway
- D. **CASE # PZ 19-07** — Conduct a public hearing and consider Ordinance 670, regarding a request by Trifecta Homes, LLC for a rezoning from “R3” Residential to “MF” Multi-Family for approximately 4 acres located at 962 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 6, 968 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 5R, 1022 N. Bowman Springs Road, Block 1, Lot 4R, 1028 N. Bowman Springs Road, Block 1, Lot 3R, 1034 N. Bowman Springs Road, Block 1, Lot 2R, and 1040 N. Bowman Springs Road, Block 1, Lot 1R, City of Kennedale, Tarrant County, Texas
- E. **CASE #PZ 19-08** — Conduct a public hearing and consider Ordinance 681, regarding a request by Trifecta Homes, LLC for a rezoning from “C1” Commercial to “MF” Multi-Family for approximately 2.5 acres located at 801 Potomac Parkway, M. P. Lamar Survey, Abstract 987, Tract 2, City of Kennedale, Tarrant County, Texas
- F. **CASE #PZ 19-09** — Conduct a public hearing and consider Ordinance 682, regarding a request by Devan Pharis for a rezoning from “R3” Residential to “MF” Multi-Family for approximately 11 acres located at 5306 Kennedale Sublett Road, Block 1, Lot 2, Vaquero Coker Addition, 5310 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1L, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1K Homesite, 5306 Kennedale Sublett Road, James R

Hawkins Survey, Abstract 792, Tract 1J, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1M Homesite, 1996 Palm Arbor 28x66 LB #PFS411170& Palm Harbor, 3176 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1H, 3190 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1F, 1989 High Chaparral 28 x 56, LB #Tex0340915 Tiffany, 3196 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1E, City of Kennedale, Tarrant County, Texas

XIII. EXECUTIVE SESSION

The City Council may meet in Closed Session at any time during the Work Session or the Regular Session, pursuant to Section 551.071 of the Texas Government Code for consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act, and the following:

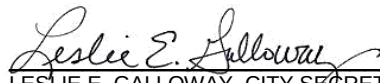
- A. Discussion with the City Attorney regarding the contract with the City of Arlington for operations and maintenance of the water and wastewater utility system and the early termination and release agreement with Global Water Management, LLC
- B. Discussion with the City Attorney regarding salvage yards, including A&A Pickup & Van, Inc., and special exception/special use permits

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

XV. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE OCTOBER 15, 2019 KENNEDALE CITY COUNCIL AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.


LESLIE E. GALLOWAY, CITY SECRETARY

In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.

DATE: October 15, 2019

AGENDA ITEM: WORK SESSION ITEM A.

SUBJECT:

Discussion regarding implementation of a "fine-free" structure for the Kennedale Public Library and an annual fee for those cardholders living outside the legal boundaries of the City of Kennedale

ORIGINATED BY:

Amanda King, Library Director

SUMMARY:

On Friday, September 27, the attached Informal Staff Report was distributed to the Council. Councilmember Chris Pugh has since requested further discussion before considering action on the proposals within. Staff will be available to answer questions from the Council; and seeks direction regarding what the Council wishes to have included in an Ordinance for consideration at a future meeting.

Summary of Staff Recommendations

- Elimination of fines for late materials
- Forgiveness of all outstanding overdue fines
- Implementation of an annual \$35.00 non-resident cardholder fee (with the exception of residents of the Cities of Arlington and Mansfield, due to the existing consortium)
- Continued collection of fines for lost materials
- Continued blockage of additional patron card use when items are overdue

RECOMMENDATION:

ATTACHMENTS:

1.	2019_09.27 ISR_Fine Free Library Proposal	2019_09.27 ISR_Fine Free Library Proposal.pdf
----	---	---

INFORMAL STAFF REPORT

to the Mayor and City Council

DATE: Friday, September 27, 2019

SUBJECT: Recommendation for the Establishment of a 'Fine-Free' Public Library along with the Addition of a Non-Resident Library Patron Card Fee

ORIGINATED BY: Amanda King, Library Director

The Kennedale Public Library respectfully recommends that the Mayor and Council consider eliminating fines for late materials, effective November 1, 2019. In addition, the Library would recommend waiving all outstanding overdue fines as a gesture of equity and goodwill. Lastly, the assessment of an annual \$35.00 non-resident cardholder fee is recommended for implementation no later than January 2020, with the exception of residents of the Cities of Arlington and Mansfield, due to the existing consortium. **Current overdue fines are \$0.25/day per item, with a maximum fine of the item's list price.** The Library would continue to collect for lost materials and to block additional patron card use when items are overdue.

The current checkout period is three weeks with one renewal, assuming there are no holds on the item or blocks on the borrower's account. After an item is overdue for 90 days, the status changes to 'lost' and the borrower's account is charged for the price of the item plus a \$5.00 processing fee. At this time, no change is recommended to those policies – only that overdue fines of \$0.25 per day are no longer assessed.

Historically, fines have not been shown to be an effective deterrent to the late return of materials. However, they can act as a barrier to service – disproportionately affecting children and those who are economically disadvantaged. The U.S. Census Bureau's 2016 Small Area Income and Poverty Estimates indicate that 457 children (ages 5 to 17) in the Kennedale Independent School District live in poverty*.

Eliminating overdue fines – both outstanding and future – would further ongoing efforts to provide equitable service, foster early literacy, and provide barrier-free access to all members of our community.

FISCAL AND STAFFING IMPACTS

The FY18–19 Budget included \$3,135.00 of Library Building Fund Revenue (of which the majority comes from overdue fees and lost item charges). Library staff anticipates recovering the loss of an estimated \$1,000.00 in revenue via the institution of the aforementioned non-resident cardholder fee. As a point of comparison, the annual departmental budget for the Library was \$268,261.00 for FY18–19. Staff time is required for numerous patron interactions related to overdue fines, including:

- Accepting payment of fines
- Negotiating the appropriateness of fines and/or waiving or reducing those fines
- Developing fine payment plans
- Providing phone support to patrons wishing to pay fines via the web portal
- Fiscal reporting and reconciliation within Polaris (our Integrated Library System) of payments in three forms (cash, check, and credit) and via two access points (in-person and online)

* SOURCE: <https://www.census.gov/data/datasets/2016/demo/saie/2016-school-districts.html>

RESEARCH AND HISTORY OF FINE-FREE LIBRARIES

An increasing body of research and anecdotal evidence supports elimination of overdue fines. Nationwide, libraries are recognizing that these penalties serve little or no purpose, but do act as a significant and inequitable barrier to service. Libraries in Texas that report success with a move to a 'Fine-Free' Library include the Cities of Dallas, Coppell, The Colony, Flower Mound, Frisco, Irving, Little Elm, McKinney, Mesquite, Mineral Wells, and Richland Hills, with several other libraries in North Texas anticipated to approve fine free proposals within the next fiscal year.

Libraries that have eliminated fines consistently report:

- No significant negative impact to the return of materials
- An increase in circulation of materials and patron card registrations
- A positive impact on staff morale and customer satisfaction as staff time is redirected from transactions to more proactive, customer-oriented activity (e.g., reader's advisory and merchandising)

Recently, The Colorado State Library issued a white paper – 'Removing Barriers to Access*' – that explored the impact of fines and fees on access to library services for children, which recommended that:

"... Public Library administrators and governing bodies eliminate library fines, and reconsider fees for lost or damaged items, on children's materials, and other items as deemed appropriate for local service. Fines are punitive, not educational incentives... The profession has little empirical evidence that charging fines results in greater circulation of library materials, or indeed the return of items in a timely manner."

Other findings from that study include:

- The threat of accumulating fines for overdue materials and the fees associated with damaged or lost books deters low-income families from visiting libraries and from checking out items.
- 'Fine-Free' policies result in more community members taking advantage of the many resources offered by Public Libraries – particularly those low-income populations who might benefit most.

CONCLUSION

The elimination of overdue fines at the Kennedale Public Library would have a minimal negative budgetary impact, while serving to reduce barriers to access, improve customer service, and make better use of staffing. In the absence of any specific objection, staff will bring forward an appropriate ordinance to amend the adopted fee schedules to reflect these recommendations.

SHOULD YOU HAVE ANY QUESTIONS REGARDING THIS REPORT, PLEASE CONTACT LIBRARY DIRECTOR, AMANDA KING AT 817-985-2137 OR AKING@CITYOFKENNEDEALE.COM.

* **SOURCE:** www.cde.state.co.us/cdelib/removingbarrierstoaccess

DATE: October 15, 2019

AGENDA ITEM: WORK SESSION ITEM B.

SUBJECT:

Discussion of potential changes to the composition, charge, and meeting requirements for the Utility and Infrastructure Board (UIB)

ORIGINATED BY:

George Campbell, City Manager

SUMMARY:

The Utility and Infrastructure Board (UIB) was established in October 2016 via Ordinance 614; and amended via Ordinance 656, which added two alternate places (8 and 9). Both Ordinances are attached to this report. This work session item is on the Council's agenda in order that Council can provide further direction to Staff regarding the restructuring of the Utility and Infrastructure Board.

Based on discussions with the Mayor and Council, a draft of proposed changes to the Code regarding this board is also attached and, at Council's direction, could be incorporated — along with any additional input from tonight's meeting — into an amending Ordinance for your consideration at an upcoming meeting.

The proposed changes to the composition, charge, and meeting requirements of the UIB that are currently reflected in the attached draft code language include:

1. That the Board will meet as requested by the Council to consider specific items or issues as assigned by the Council
2. Regular members (Places 1 through 7) shall include the following: 2 members of the Planning & Zoning (P&Z) Commission; 2 members of the Economic Development Corporation (EDC) Board, 2 members of the Park and Recreation Board; and 1 qualified citizen of the City of Kennedale.
3. Alternate members (Places 8 and 9) shall be qualified citizens of the City of Kennedale.

Staff will be available to answer questions.

RECOMMENDATION:

Council discussion and further direction is respectfully requested.

ATTACHMENTS:

1.	O614 (Establishing UIB) October 2016	O614.pdf
2.	O656 (Adding 2 Alternate Places) December 2018	O656.pdf
3.	DRAFT Code Language (UIB)	Sec. 23_33. Utility and infrastructure board redline.pdf

ORDINANCE NO. 614

AN ORDINANCE CREATING A UTILITY AND INFRASTRUCTURE BOARD; PROVIDING FOR CREATION AND PURPOSE, MEMBERSHIP, ORGANIZATION, RULES AND REQUIREMENTS, AND POWERS AND DUTIES OF THE BOARD; PROVIDING THAT THIS ORDINANCE SHALL BE CUMCLATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale is a home rule city acting under its charter adopted by the electorate pursuant to Article X1, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City Council desires to create a Utility and Infrastructure Board to provide policy recommendations for the City's water and wastewater, solid waste collection, storm water utility, and streets/transportation systems.

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

SECTION 1. CREATION AND PURPOSE

There is hereby created and established a Utility and Infrastructure Board. Such board shall be officially designated as the Utility and Infrastructure Board of the City of Kennedale, Texas. The board shall provide recommendations and advice to the City Council on policies, projects, and other matters pertaining to the water and wastewater system, the storm water utility system, the street/transportation system, and the solid waste collection system.

SECTION 2. MEMBERSHIP

- (a) The board shall consist of seven (7) regular members, designated by Places 1 through 7, who shall be appointed by a majority vote of the City Council. The initial appointment of Places 1, 3, 5, and 7 shall be for a term expiring October 1, 2017. The initial appointment of Places 2, 4, and 6 shall be for a term expiring October 1, 2018. Thereafter the terms for each place shall be two (2) years.
- (b) Members must meet the following qualifications:
 - (1) Be a registered voter of the City;

- (2) Shall have resided in the corporate limits of the City for at least one (1) year; and
- (3) Shall continue residency in the City during the term of office.
- (c) The City Council shall appoint a replacement to fill any vacancy for the unexpired term of a member whose place has become vacant.
- (d) The City Council shall have the authority to remove any member at any time, with or without cause.

SECTION 3. ORGANIZATION, RULES, AND REQUIREMENTS

- (a) By November of each year, the membership shall determine, by simple majority vote, a chair and vice chair. The terms of the chair and vice chair shall be one (1) year. It will be the duty of the chair to preside over meetings. If the chair is absent the vice chair shall assume the duties of the office.
- (b) Members of the board shall meet at least six (6) times per year, on a regular day and time selected by its members. The chair may call special meetings as necessary.
- (c) The board shall conduct meetings and govern its proceedings according to the City Council's adopted rules of order, abide by the Texas Open Meetings Law, and shall keep a record of its proceedings, including votes and attendance, and shall submit these records to the City Secretary's Office.
- (d) Members of the board shall not take any action unless a quorum is present. A quorum shall consist of four (4) members. Each member, including the chair, is entitled to one (1) vote, and action of the board shall require a majority of those members present.
- (e) The City Manager shall designate a city employee to serve as staff liaison to the board.
- (f) Members of the board shall receive one dollar (\$1.00) for each regular meeting attended as compensation for the performance of their duties, but no compensation shall be paid for special meetings. In addition, members may receive reimbursement of authorized expenses attendant to the performance of their duties.

SECTION 4. POWERS AND DUTIES

- (a) This board is advisory only and shall not have any decision-making authority.

(b) The board shall have the following duties:

- (1) To make studies and project plans for the City's water and wastewater system; solid waste collection system; streets/transportation system; and storm water utility system, including erosion controls and improvements along Village Creek tributaries and improvements to the main branch of Village Creek;
- (2) To aid and assist the City in the procuring of financial and other aids and assistance for the City from the state and federal governments and their agencies for each and all the purposes herein enumerated;
- (3) To act with and assist all other municipal boards, governmental agencies, regional associations and the City Council in formulating proper plans for utility infrastructure development;
- (4) To plan and recommend capital improvement projects (CIP) related to the water and wastewater utility, storm water utility, streets and transportation, and solid waste utility;
- (5) To recommend general rules and regulations governing use of water and wastewater utilities, storm water utility, streets and transportation, and solid waste collection;
- (6) To accomplish these duties, the board may establish subcommittees as necessary. Any subcommittee shall be chaired by a Utility and Infrastructure Board member, and an unspecified number of community volunteers may be chosen by the commission as working subcommittee members.

SECTION 5. CUMULATIVE CLAUSE

This ordinance shall be cumulative of all other ordinances of the City of Kennedale, Texas, and shall not repeal any of the provisions of such ordinance except in those instances when provisions of such ordinances are in direct conflict with the provisions of this ordinance, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 6. SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs or sections of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction,

such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same shall have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 7.
EFFECTIVE DATE**

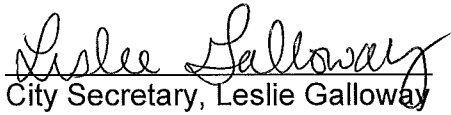
This Ordinance shall be in full force and effect from and after its passage, and it is so ordained.

PASSED AND APPROVED ON THIS 17th DAY OF OCTOBER, 2016.

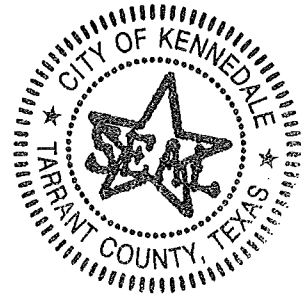


Mayor, Brian Johnson

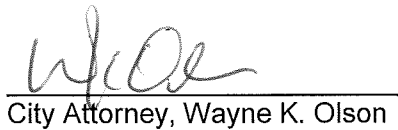
ATTEST:



City Secretary, Leslie Galloway



APPROVED AS TO FORM AND LEGALITY:



City Attorney, Wayne K. Olson

ORDINANCE NO. 656

AN ORDINANCE AMENDING CHAPTER 23, ARTICLE II, OF THE CODE OF ORDINANCES OF THE CITY OF KENNEDALE, TEXAS, AS AMENDED, BY AMENDING SECTION 23-33, "UTILITY AND INFRASTRUCTURE BOARD" TO ADD ALTERNATE MEMBERS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale is a home rule city acting under its charter adopted by the electorate pursuant to Article X1, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City Council previously adopted an ordinance providing for the creation and appointment of the Utility and Infrastructure Board; and

WHEREAS, the City Council now desires to amend said ordinance to provide for the appointment of alternate members on the board.

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

SECTION 1.

Subsection (b)(1) of Section 23-33 "Utility and infrastructure board" of Article II "Municipal Water System" of Chapter 23 "Water, Sewers and Sewage Disposal" of the Kennedale City Code is hereby amended to read as follows:

Sec. 23-33. – Utility and infrastructure board.

* * *

(b) *Membership.*

(1) The board shall consist of seven (7) regular members, designated by Places 1 through 7, who shall be appointed by a majority vote of the city council. Places 1, 3, 5, and 7 shall serve two (2) year terms expiring October 1 of odd numbered years and Places 2, 4, and 6 shall serve two (2) year terms expiring October 1 of even numbered years. The city council may also appoint by majority vote two (2) alternate members, designated as Places 8 and 9 who shall serve in the absence of one or more regular members. Place 8 shall be appointed to an initial term expiring October 1, 2020. Place 9 shall be appointed to an initial term expiring October 1, 2019. Thereafter the terms for each alternate place shall be two (2) years.

* * *

SECTION 2.

This Ordinance shall be cumulative of all other ordinances of the City of Kennedale, and shall not repeal any of the provisions of such ordinance except in those instances when provisions of such ordinances are in direct conflict with the provisions of this ordinance, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 3.

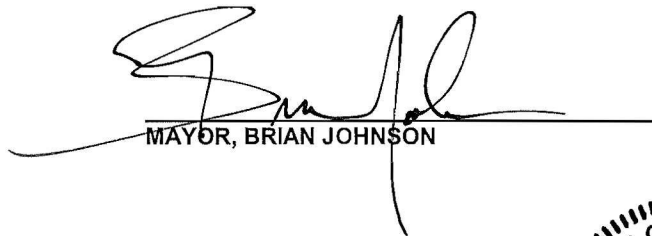
It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4.

This ordinance shall be in full force and effect from and after its passage and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THE 11th DAY OF DECEMBER, 2018.

APPROVED:

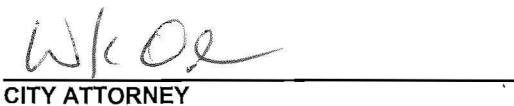

MAYOR, BRIAN JOHNSON

ATTEST:


CITY SECRETARY, LESLIE GALLOWAY



APPROVED AS TO FORM AND LEGALITY:


CITY ATTORNEY

Sec. 23-33. - Utility and infrastructure board.

- (a) *Creation and purpose.* There is hereby created and established a utility and infrastructure board. Such board shall be officially designated as the utility and infrastructure board of the City of Kennedale, Texas. On request of the city council, ~~the~~ the board shall provide recommendations and advice to the city council on policies, projects, and other matters pertaining to the water and wastewater system, the storm water utility system, the street/transportation system, and the solid waste collection system.
- (b) *Membership.*
- (1) The board shall consist of seven (7) regular members, designated by Places 1 through 7, who shall be appointed by a majority vote of the city council. Places 1, 3, 5, and 7 shall serve two (2) year terms expiring October 1 of odd numbered years and Places 2, 4, and 6 shall serve two (2) year terms expiring October 1 of even numbered years. The city council may also appoint by majority vote two (2) alternate members, designated as Places 8 and 9 who shall serve in the absence of one or more regular members. Place 8 shall be appointed to an initial term expiring October 1, 2020. Place 9 shall be appointed to an initial term expiring October 1, 2019. Thereafter the terms for each alternate place shall be two (2) years.
 - (2) Members must meet the following qualifications:
 - a. Be a registered voter of the city;
 - b. Shall have resided in the corporate limits of the city for at least one (1) year; ~~and~~
 - c. Shall continue residency in the city during the term of office;
 - d. May not be a city councilmember at the time of their appointment or throughout the term of their office;
 - e. Members serving as places 1 and 2 must be, at the time of their appointment and throughout the term of their office, members of the Planning and Zoning Commission;
 - f. Members serving as places 3 and 4 must be, at the time of their appointment and throughout the term of their office, members of the Parks and Recreation Board; and
 - g. Members serving as places 5 and 6 must be, at the time of their appointment and throughout the term of their office, members of the Kennedale Economic Development Corporation.-
 - (3) The city council shall appoint a replacement to fill any vacancy for the unexpired term of a member whose place has become vacant.
 - (4) The city council shall have the authority to remove any member at any time, with or without cause.
- (c) *Organization, rules, and requirements.*
- (1) By November of each year, or as soon as practicable thereafter, the ~~membership shall determine~~ city council must appoint, by simple majority vote, a chair and vice chair. The terms of the chair and vice chair shall be one (1) year. It will be the duty of the chair to preside over meetings. If the chair is absent the vice chair shall assume the duties of the office.

- (2) Members of the board shall meet ~~at least six (6) times per year, on a regular day and time selected by its members. The chair may call special meetings as necessary as requested by the city council to consider issues as assigned by the city council.~~
 - (3) The board shall conduct meetings and govern its proceedings according to the city council's adopted rules of order, abide by the Texas Open Meetings Law, and shall keep a record of its proceedings, including votes and attendance, and shall submit these records to the city secretary's office.
 - (4) Members of the board shall not take any action unless a quorum is present. A quorum shall consist of four (4) members. Each member, including the chair, is entitled to one (1) vote, and action of the board shall require a majority of those members present.
 - (5) The city manager shall designate a city employee to serve as staff liaison to the board.
 - (6) Members of the board shall receive one dollar (\$1.00) for each ~~regular~~ meeting attended as compensation for the performance of their duties, ~~but no compensation shall be paid for special meetings.~~ In addition, members may receive reimbursement of authorized expenses attendant to the performance of their duties.
- (d) Powers and duties.
- (1) This board is advisory only and shall not have any decision-making authority.
 - (2) The board shall have the following duties:
 - a. On request of the city council, ~~To~~ to make studies and project plans for the city's water and wastewater system; solid waste collection system; streets/transportation system; and storm water utility system, including erosion controls and improvements along Village Creek tributaries and improvements to the main branch of Village Creek;
 - b. On request of the city council, ~~To~~ to aid and assist the city in the procuring of financial and other aids and assistance for the city from the state and federal governments and their agencies for each and all the purposes herein enumerated;
 - c. On request of the city council, ~~To~~ to act with and assist all other municipal boards, governmental agencies, regional associations and the city council in formulating proper plans for utility infrastructure development;
 - d. On request of the city council, ~~To~~ to plan and recommend capital improvement projects (CIP) related to the water and wastewater utility, storm water utility, streets and transportation, and solid waste utility;
 - e. On request of the city council, ~~To~~ to recommend general rules and regulations governing use of water and wastewater utilities, storm water utility, streets and transportation, and solid waste collection;
 - f. To accomplish these duties, the board may establish subcommittees as ~~necessary~~requested by the city council. Any subcommittee shall be chaired by a utility and infrastructure board member, and an unspecified number of community volunteers may be chosen by the ~~commission-board~~ as working subcommittee members.

(Ord. No. 614, §§ 1-4, 10-17-16; Ord. No. 656, § 1, 12-11-18)

DATE: October 15, 2019

AGENDA ITEM: WORK SESSION ITEM C.

SUBJECT:

Discussion regarding proposal to conduct an impact fee study five-year update

ORIGINATED BY:

Larry Hoover, Public Works Director

SUMMARY:

A significant source of financing for the necessary capital improvements triggered by growth is the assessment of impact fees on new development. This philosophy – sometimes described as '*growth paying for growth*' – aims to alleviate the cost burden of new or expanded infrastructure on existing taxpayers and utility customers while also providing a systematic approach to the assessment of those fees necessary to account for their calculated impact on the roadway, water, and wastewater systems.

The City's current impact fees for streets, water, and sewer are based on a 2015 study (finalized and implemented in 2016) conducted by Freese and Nichols, Inc. (FNI) at a cost of \$98,000. A presentation from FNI regarding '*Impact Fee Basics*' is attached. As stated in the presentation, Local Government Code Chapter 395 requires that impact fee land use assumptions and capital improvement plans be updated every five years.

These periodic updates also serve to ensure that Kennedale's fees are appropriate in comparison to other north Texas cities. With the rapid development currently taking place across the region, an update would be beneficial in assuring that the City is maximizing this revenue source and that the Impact Fee Capital Improvements Plans reflect the projects appropriately eligible for Impact Fee funding.

FNI performed the most recent study (as well as the Water and Wastewater Master Plan in 2014) and thus has a vast working knowledge of our existing infrastructure, which could provide savings in both cost and time. FNI estimates that the study would take 7 to 9 months and cost \$90,000 to 95,000, which could be funded from the current projected impact fee revenue included in the FY19–20 Budget (see below for detailed fiscal information).

Calculation of Impact Fees

Water and Sewer Impact Fees (per service unit) are calculated based on standard water meter sizes as set forth in the definition of living unit equivalent (LUE) – or the typical flow produced by a single family residence.

Roadway Impact Fees are calculated based upon the costs of facilities in proportion to development creating the need for such facilities. All Impact Fees are collected at the time the corresponding building permit is issued.

Projected Year-End FY19–20 Fund Balances for the City's Impact Fee Funds

- Water Impact Fee Fund: (\$105,054)
- Sewer Impact Fee Fund: \$34,391
- Roadway Impact Fee Fund: \$590,810

Revenues in both the Water and Sewer Impact Fee Funds have fallen short of expenditures in the past four fiscal

years, causing the Fund Balance to decrease year over year since FY16–17. Over the past four years, revenues in the Roadway Impact Fee Fund have exceeded expenditures by an average of \$27,751, annually.

Historical Actual/Budgeted Revenue and Expenditures

61-WATER IMPACT FUND		2016-2017	2017-2018	2018-2019	2018-2019	2019-2020
		ACTUAL	ACTUAL	APPROVED	PROJECTED	PROPOSED
REVENUES						
61 4201 00 00	IMPACT FEES	\$ 151,601	\$ 163,427	\$ 120,000	\$ 32,496	\$ 33,146
61 4401 00 00	INVESTMENT INCOME	\$ 831	\$ 1,743	\$ 450	\$ 3,160	\$ 2,000
TOTAL REVENUES		\$ 152,432	\$ 165,170	\$ 120,450	\$ 35,656	\$ 35,146
FUND EXPENDITURES						
61 5710 00 00	TRANSFER OUT - W/S FUND	154,415	153,573	152,525	152,525	152,525
TOTAL FUND EXPENDITURES		\$ 154,415	\$ 153,573	\$ 152,525	\$ 152,525	\$ 152,525
REVENUES OVER (UNDER) EXPENDITURES		\$ (1,983)	\$ 11,597	\$ (32,075)	\$ (116,869)	\$ (117,379)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN (OUT)						
TOTAL OTHER FINANCING SOURCES (USES)						
NET CHANGE IN FUND BALANCE		\$ (1,983)	\$ 11,597	\$ (32,075)	\$ (116,869)	\$ (117,379)
RESTRICTED FUND BALANCE, OCT 1		119,580	117,596	129,193	129,193	12,325
RESTRICTED FUND BALANCE, SEP 30		\$ 117,596	\$ 129,193	\$ 97,118	\$ 12,325	\$ (105,054)

62-SEWER IMPACT FUND		2016-2017	2017-2018	2018-2019	2018-2019	2019-2020
		ACTUAL	ACTUAL	APPROVED	PROJECTED	PROPOSED
REVENUES						
62 4201 00 00	IMPACT FEES	\$ 41,245	\$ 91,992	\$ 32,314	\$ 14,903	\$ 15,201
62 4401 00 00	INVESTMENT INCOME	\$ 517	\$ 1,171	\$ 350	\$ 2,498	\$ 2,000
TOTAL REVENUES		\$ 41,762	\$ 93,162	\$ 32,664	\$ 17,401	\$ 17,201
FUND EXPENDITURES						
61 5710 00 00	TRANSFER OUT - W/S FUND	60,000	60,000	60,000	60,000	60,000
TOTAL FUND EXPENDITURES		\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
REVENUES OVER (UNDER) EXPENDITURES		\$ (18,238)	\$ 33,162	\$ (27,336)	\$ (42,599)	\$ (42,799)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN (OUT)						
TOTAL OTHER FINANCING SOURCES (USES)						
NET CHANGE IN FUND BALANCE		\$ (18,238)	\$ 33,162	\$ (27,336)	\$ (42,599)	\$ (42,799)
RESTRICTED FUND BALANCE, OCT 1		104,864	86,627	119,789	119,789	77,190
RESTRICTED FUND BALANCE, SEP 30		\$ 86,627	\$ 119,789	\$ 92,453	\$ 77,190	\$ 34,391

45-ROADWAY IMPACT FEE FUND		2016-2017	2017-2018	2018-2019	2018-2019	2019-2020
		ACTUAL	ACTUAL	APPROVED	PROJECTED	PROPOSED
REVENUES						
45 4215 00 00	IMPACT FEES	\$ 66,486	\$ 126,951	\$ 60,000	\$ 24,054	\$ 24,535
45 4401 00 00	INVESTMENT INCOME	\$ 506	\$ 1,759	\$ 350	\$ 5,093	\$ 3,000
TOTAL REVENUES		\$ 66,992	\$ 128,711	\$ 60,350	\$ 29,147	\$ 27,535
FUND EXPENDITURES						
45 5798 00 00	TRANSFER OUT - TIF #1 FUND	83,630	10,000	10,000	10,000	10,000
		-	-		-	-
		-	-		-	-
		-	-		-	-
TOTAL FUND EXPENDITURES		\$ 83,630	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
REVENUES OVER (UNDER) EXPENDITURES		\$ (16,637)	\$ 118,711	\$ 50,350	\$ 19,147	\$ 17,535
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN (OUT)		-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		-	-	-	-	-
NET CHANGE IN FUND BALANCE		\$ (16,637)	\$ 118,711	\$ 50,350	\$ 19,147	\$ 17,535
RESTRICTED FUND BALANCE, OCT 1		452,055	435,418	554,128	554,128	573,275
RESTRICTED FUND BALANCE, SEP 30		\$ 435,418	\$ 554,128	\$ 604,478	\$ 573,275	\$ 590,810

Council discussion and direction is appreciated. Staff will be available to answer questions.

RECOMMENDATION:

Direct staff to contract with Freese and Nichols (FNI) to perform an Impact Fee Study for water/sewer and street Impact Fees.

ATTACHMENTS:

1.	Impact Fee Basics Presentation	Impact Fee Basics Presentation.pdf
----	--------------------------------	------------------------------------

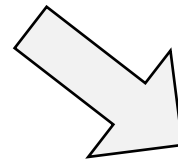
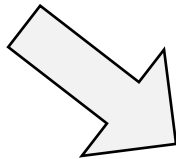


Impact Fee Basics

Roadway, Water, and Wastewater Impact Fee Study

What are Impact Fees?

One-time charge assessed to new development for a ***portion of costs*** related to specific capital improvements



*Systematic, structured
approach to
assessment of fees*

Legislative Basis

CHAPTER 395, TEXAS LOCAL GOVERNMENT CODE

- Precise methodology prescribed
- Adoption procedures
- Administrative rules of the program



- Initiated in 1987, sponsored by Texas Homebuilders
- Last updated in 2001

Basis of Impact Fees?



New development should pay for the cost of public infrastructure required to serve it.

“Growth Paying for Growth”

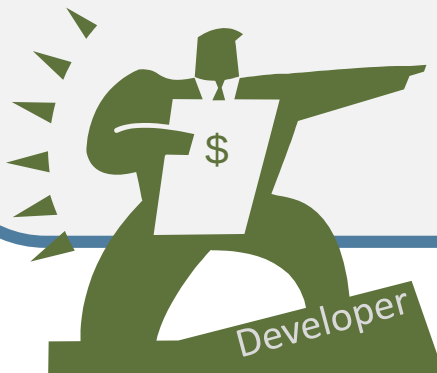
- Authorized by State Law
- Specific requirements for program administration and fee calculation
- Update required every five years
- Fee must be proportional to development’s impact on system



WHO PAYS FOR GROWTH?

IMPACT FEES

New development shares in part of this responsibility



NO IMPACT FEES

Existing and future tax payers build all capital facilities



Impact Fee Considerations

ADVANTAGES

- ✓ Allows for **implementation of key system improvements** over piecemeal approach.
- ✓ Allows **recoupment of projects** already constructed which contains oversized or excess capacity.
- ✓ **Fairly charges based on system impacts.**
- ✓ Provides **up front knowledge of the exact fee** to be imposed.
- ✓ Allows for pooling of funds.
- ✓ Allows for developer credits.
- ✓ **Establishes rough proportionality.**
- ✓ **Alleviates burden** of new facilities on existing tax payers.

- ✗ City may likely have to front the cost of improvements and collect fees as development occurs.
- ✗ Slower economic times means cost recovery may be slow and is dependent on new development.
- ✗ Fees can only be applied to projects within city limits.
- ✗ System update every five years.
- ✗ Administrative requirements may be burdensome to some cities.
- ✗ Increases the cost of development which can affect economic development strategies.

DISADVANTAGES

What can Impact Fees Pay for?



construction



surveying



engineering



land acquisition



debt service

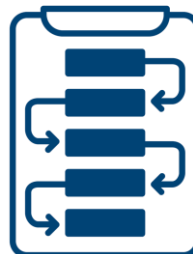


Water supply, treatment, and
distribution facilities



roadway facilities

Impact fees can also pay for
required system updates



included in the specific
Impact Fee
Capital Improvement Plan

What do Impact Fees NOT Pay for?

✕ Projects not included in the Impact Fee CIP

✕ Repair, operation, or maintenance of existing or new facilities

✕ Upgrades to serve existing development

✕ Administrative and operating costs of the impact fee program

✕ Debt service for projects that are not included in the Impact Fee CIP

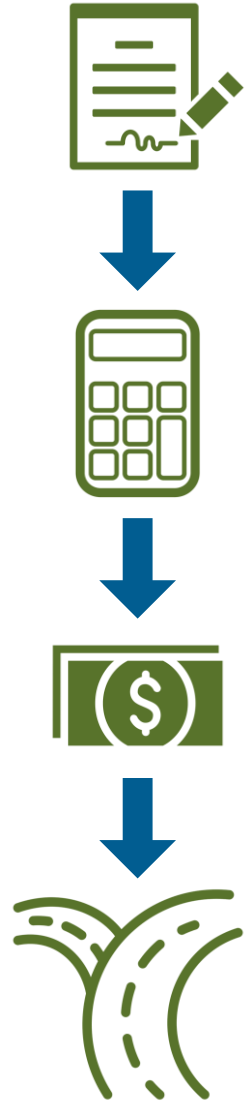


Fee Collection Process

- 1 **Final plat** submitted for review
- 2 Fee calculated and **assessed** upon final plat approval
- 3 Fee **collected** at time of building permit issuance
- 4 Fees used to **implement projects** in the Impact Fee Capital Improvement Plan

Fees are imposed on:

- New development
- Expansion
- Change in use to higher intensity development



Technical Components

- Defined **Service Areas** and **Service Units**
- **Land use and demographic** projections for the next 10 years
- An **Impact Fee Capital Improvement Plan** – a list of all facilities that will need to be built or expanded due to new development
- **Cost per Service Unit Calculations** and fee schedules based on these criteria
- Program must be adopted by **ordinance**



Capital Improvements Plans



Capital Improvement Plan

- Impact fee CIP different from traditional CIP
- Projects eligible include arterial and collector roads on thoroughfare plan
- May include completed projects with excess capacity, projects under construction, and future projects
- State routes (City \$) eligible

ROADWAY



Impact Fee Analysis



Cost per Service Unit



CIP Costing

- Planned & Recoupment Projects

Cost necessitated by growth
in new service units



Cost Per Service Unit

$$\text{Impact Fee per Service Unit} = \frac{\text{IFCIP Cost}}{\text{New Service Units}}$$



- IFCIP Cost credit (50%) or finance study
- Fee collected can be less than the calculated maximum; by service area
- Service Unit Equivalency by land uses

Impact Fee Calculation

ROADWAYS - A Two Step Process:

Step 1: Determine number of service units (vehicle-miles) generated by the development using the equivalency table.

No. of Development Units	x	Vehicle-miles per development unit	=	Development's Vehicle-miles
--------------------------	---	------------------------------------	---	-----------------------------

Step 2: Calculate the impact fee based on the fee per service unit for the roadway service area where the development is located.

Development's Vehicle-miles	x	Cost per Vehicle-mile	=	Impact Fee due from Developer
-----------------------------	---	-----------------------	---	-------------------------------

WATER/WASTEWATER:

Determine the service unit equivalency based on the development's meter connection size. Calculate the impact fee based on the fee per service unit.

Service Unit Equivalency	x	Cost per Service Unit	=	Impact Fee due from Developer
--------------------------	---	-----------------------	---	-------------------------------

Impact Fee Calculation

Example: New Development located within City Limits with the existing collection rates of Roadway at \$250 per vehicle-mile; Water at \$480 per service unit (residential) and \$845 per service unit (commercial); and Wastewater at \$380 per service unit (residential) and \$670 per service unit (commercial).

Single-Family Dwelling

Roads: 1 dwelling unit x 2.49 veh-miles/dwelling unit = 2.49 veh-miles

2.49 veh-miles x \$250/veh-mile = **\$622.50**

Water (5/8" Meter): 1.00 service units x \$480/service unit = **\$480.00**

Wastewater (5/8" Meter): 1.00 service units x \$380/service unit = **\$380.00**

Total Impact Fee: Roads + Water + Wastewater = \$622.50 + \$480 + \$380 = **\$1,482.50**

10,000 square foot (s.f.) Office Building

Roads: 10 (1,000 s.f. units) x 2.53 veh-miles/1,000 s.f. units = 25.30 veh-miles

25.30 veh-miles x \$250/veh-mile = **\$6,325.00**

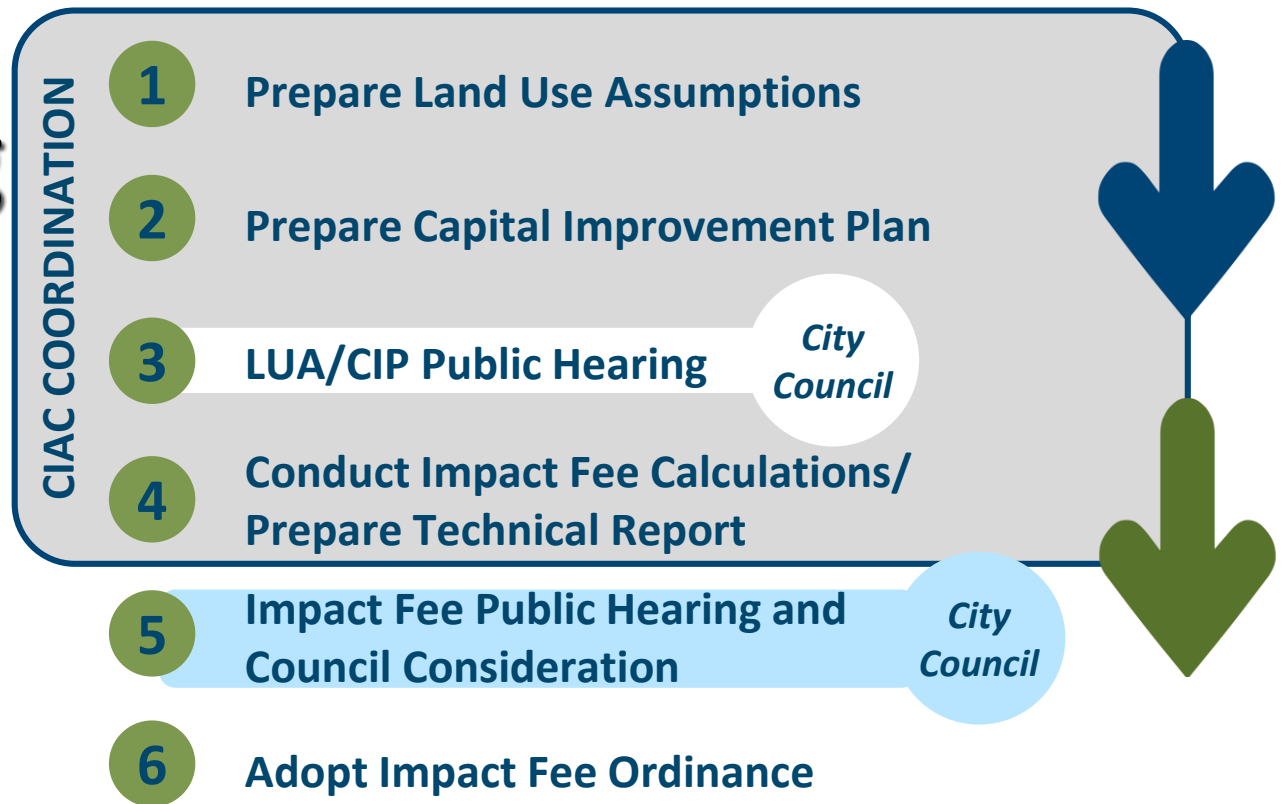
Water (1" Meter): 2.50 service units x \$480/service unit = **\$1,200.00**

Wastewater (1" Meter): 2.50 service units x \$380/service unit = **\$950.00**

Total Impact Fee: Roads + Water + Wastewater = \$6,325 + \$1,200 + \$950 = **\$8,475.00**

Implementing Impact Fees

Public Hearing Process

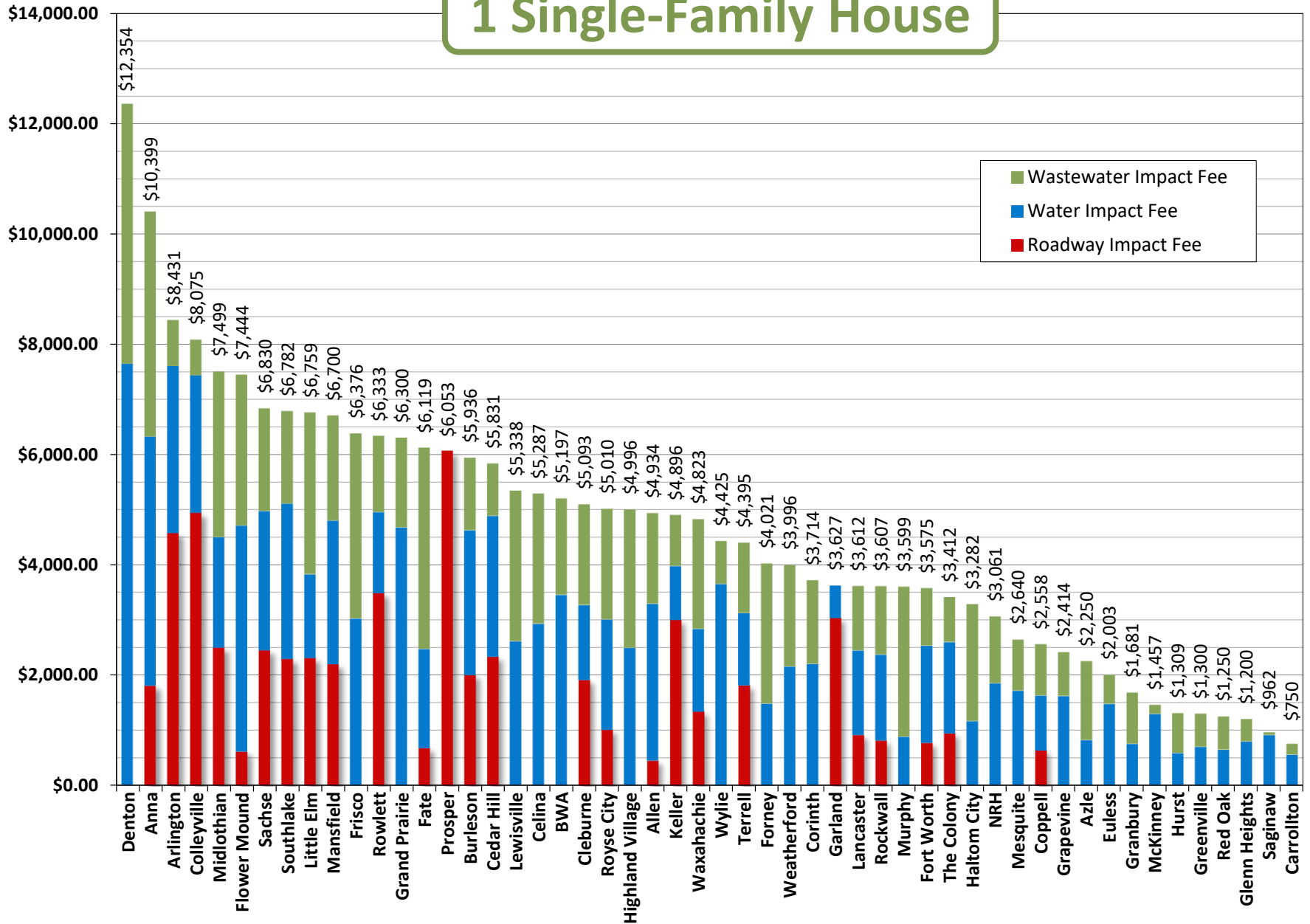


How will it Work?

- Impact fees may be imposed on all new plats and re-plats approved after ordinance adoption
- One-year grace period for development platted prior to the adoption of the ordinance
- Development expansions or redevelopment only charged for additional demands placed on the system



1 Single-Family House





Thank You!

Roadway, Water, and Wastewater Impact Fee Study

DATE: October 15, 2019

AGENDA ITEM: WORK SESSION ITEM D.

SUBJECT:

Discussion of items on the regular agenda

ORIGINATED BY:

George Campbell, City Manager

SUMMARY: At this time, the Council may choose to discuss any item on the agenda.

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: REPORTS AND ANNOUNCEMENTS ITEM A.

SUBJECT:

Updates from the City Council

ORIGINATED BY:

George Campbell, City Manager

SUMMARY: Updates and information from each of the Councilmembers, if any.

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: REPORTS AND ANNOUNCEMENTS ITEM B.

SUBJECT:

Updates from the Mayor

- Proclaiming November 2, 2019 as Arbor Day in the City of Kennedale

ORIGINATED BY:

George Campbell, City Manager

SUMMARY: Updates and information from Mayor Brian Johnson, including:

- Proclaiming November 2, 2019 as Arbor Day in the City of Kennedale

The Keep Kennedale Beautiful (KKB) Commission — who also serve as the Tree Board — during their Tuesday, October 8 Regular Meeting, voted to plant a tree in celebration of Arbor Day on Saturday, November 2, 2019, at 10:00 a.m. at Sonora Park.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_Arbor Day KKB	2019_Arbor Day KKB.pdf
----	--------------------	------------------------

PROCLAMATION

CITY OF KENNEDALE, TEXAS

WHEREAS, in the state of Texas, February 1889 was the first Arbor Day celebration; and

WHEREAS, trees play an important role in the ecosystem in which we live by reducing the erosion of our precious topsoil by wind and water, cleaning the air we breathe and the water we drink, producing oxygen, providing habitat for birds and wildlife, and reducing heating and cooling costs by moderating temperature; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas and beautify our community; and

WHEREAS, trees, wherever they are planted are a source of joy and urban and community forestry is an essential component of a healthy future for the City of Kennedale; and

WHEREAS, the city of Kennedale and the Keep Kennedale Beautiful (KKB) Commission have partnered together to plant a tree at Sonora Park in support of the Arbor Day Foundation and Tree City USA programs; and

NOW THEREFORE, I, Brian Johnson, Mayor of the City of Kennedale, do hereby proclaim Saturday, November 2, 2019

ARBOR DAY

in Kennedale, Texas; and invite all residents to attend the tree planting hosted by KKB at 10:00 a.m. at Sonora Park; and call on the community to support efforts to protect our trees and to plant and care for trees to promote the well-being of this and future generations.

IN TESTIMONY, WHEREOF, I have hereunto set my hand and caused the Seal of the City of Kennedale, Texas to be affixed this the 15th day of October 2019.

MAYOR BRIAN JOHNSON

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

DATE: October 15, 2019

AGENDA ITEM: REPORTS AND ANNOUNCEMENTS ITEM C.

SUBJECT:

Updates from the City Manager

- Announcement of Parks Board Chair and Vice Chair, as elected by membership

ORIGINATED BY:

George Campbell, City Manager

SUMMARY: Updates and information from City Manager George Campbell, including:

- Announcement of Parks Board Chair and Vice Chair, as elected by membership

At their Regular Meeting on Wednesday, September 25, the Parks and Recreation Board voted unanimously to reappoint **David Deaver** (Place 1) as Chair and to newly appoint **Jeff Nevarez** (Place 2) as Vice Chair.

City of Kennedale Code of Ordinances

Article II. PARKS AND RECREATION BOARD

Sec. 16-12. - Organization, rules, and requirements.

(a) By November of each year, the membership shall determine, by simple majority vote, a chair and a vice chair. The terms of the chair and vice chair shall be one (1) year. It will be the duty of the chair to preside over meetings and to assist in setting meeting agendas. If the chair is absent the vice chair shall assume the duties of that office.

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: REPORTS AND ANNOUNCEMENTS ITEM D.

SUBJECT:

Police Department Swearing-In Ceremony

ORIGINATED BY:

Tommy Williams, Police Chief

SUMMARY:

At this time, Mayor Brian Johnson will conduct a ceremonial swearing-in of the following:

- Sergeant Tara Culpepper
- Officer Kevin Hubbell
- Officer Keith Scott

On Thursday, September 19, Police Chief Tommy Williams promoted Tara Culpepper to the rank of Sergeant. Sgt. Culpepper has more than nine years of service and is the first female Sergeant in the known history of the Kennedale Police Department.

At the same ceremony, two new Officers — Kevin Hubbell and Keith Scott — were also sworn to duty preceding their Basic Peace Officer Course graduation that evening at the TCC Northwest Campus. This 20-week course consists of more than 770 hours of classroom instruction. Officer Keith Scott earned a marksmanship award during the included firearms training.

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: MONITORING INFORMATION ITEM A.

SUBJECT:

Monthly Financials for September 2019

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY: Monthly financials and sales tax update as produced by the Finance Department.

RECOMMENDATION:

ATTACHMENTS:

1.	09 Expenditure Summary By Dept	09 Expenditure Summary By Dept.pdf
2.	09 Revenue Summary By Fund	09 Revenue Summary By Fund.pdf
3.	9- 2019 SALES TAX COMPARISON	9- 2019 SALES TAX COMPARISON.pdf

CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
September 2019
EXPENDITURE SUMMARY BY DEPARTMENT

GENERAL FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
CITY MANAGER	\$ 363,210	\$ 363,210	\$ 365,464	\$ 24,176	\$ 322,260	100.0%	88.2%	\$ 43,204
MAYOR/CITY COUNCIL	\$ 158,561	\$ 158,561	\$ 177,323	\$ 63,513	\$ 246,891	100.0%	139.2%	\$ (69,568)
CITY SECRETARY	\$ 130,433	\$ 130,433	\$ 164,073	\$ 14,552	\$ 159,605	100.0%	97.3%	\$ 4,468
MUNICIPAL COURT	\$ 65,492	\$ 65,492	\$ 108,148	\$ 6,423	\$ 96,687	100.0%	89.4%	\$ 11,461
HUMAN RESOURCES	\$ 165,966	\$ 165,966	\$ 104,909	\$ 6,365	\$ 94,158	100.0%	89.8%	\$ 10,751
FINANCE	\$ 341,293	\$ 341,293	\$ 358,365	\$ 20,952	\$ 335,521	100.0%	93.6%	\$ 22,844
POLICE	\$ 2,257,421	\$ 2,257,421	\$ 2,759,841	\$ 191,363	\$ 2,530,178	100.0%	91.7%	\$ 229,663
FIRE	\$ 1,744,007	\$ 1,744,007	\$ 1,907,680	\$ 165,715	\$ 1,891,910	100.0%	99.2%	\$ 15,770
COMMUNITY DEVELOPMENT	\$ 338,010	\$ 338,010	\$ 372,090	\$ 37,526	\$ 353,589	100.0%	95.0%	\$ 18,501
SENIOR CITIZEN CENTER	\$ 49,877	\$ 49,877	\$ 54,028	\$ 4,938	\$ 48,123	100.0%	89.1%	\$ 5,905
LIBRARY	\$ 311,250	\$ 311,250	\$ 268,259	\$ 22,478	\$ 270,310	100.0%	100.8%	\$ (2,051)
NONDEPARTMENTAL	\$ 414,496	\$ 414,496	\$ 511,749	\$ 25,494	\$ 432,510	100.0%	84.5%	\$ 79,239
TOTAL EXPENDITURES	\$ 6,340,016	\$ 6,340,016	\$ 7,151,929	\$ 583,495	\$ 6,781,742	100.0%	94.8%	\$ 370,187

WATER/SEWER FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
UTILITY BILLING	\$ 1,412,952	\$ 1,412,952	\$ 1,293,973	\$ 142,007	\$ 1,303,097	100.0%	100.7%	\$ (9,124)
WATER OPERATIONS	\$ 1,324,784	\$ 1,324,784	\$ 1,576,197	\$ 3,595	\$ 1,129,057	100.0%	71.6%	\$ 447,140
DEBT	\$ 175,327	\$ 175,327	\$ 509,680	\$ -	\$ 509,680	100.0%		
W&S CAPITAL	\$ 15,519	\$ 15,519	\$ 654,796	\$ 2,571	\$ 415,050		63.4%	\$ 239,746
NONDEPARTMENTAL	\$ 1,411,811	\$ 1,441,811	\$ 624,875	\$ 47,741	\$ 617,921	97.9%	98.9%	\$ 6,954
TOTAL EXPENDITURES	\$ 4,340,393	\$ 4,370,393	\$ 4,659,521	\$ 195,914	\$ 3,974,805	99.3%	85.3%	\$ 684,716

STREET IMPROVEMENT FUND	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
STREETS	\$ 630,950	\$ 630,950	\$ 740,910	\$ 66,641	\$ 681,525	100.0%	92.0%	\$ 59,385
PARKS MAINTENANCE	\$ 80,379	\$ 80,379	\$ 125,920	\$ 7,539	\$ 89,105	100.0%	70.8%	\$ 36,815
CAPITAL	\$ 60,555	\$ 60,555	\$ 79,058	\$ -	\$ 79,058			
TOTAL EXPENDITURES	\$ 771,884	\$ 771,884	\$ 945,888	\$ 74,180	\$ 849,688	100.0%	89.8%	\$ 96,200

EDC4B FUNDS	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
ADMINISTRATION	\$ 142,851	\$ 142,581	\$ 168,360	\$ 14,560	\$ 164,801	100.2%	97.9%	\$ 3,559
DEBT SERVICE	\$ 325,006	\$ 325,006	\$ 320,432	\$ 5,009	\$ 320,471	100.0%	100.0%	\$ (39)
TOWN SHOPPING CENTER	\$ 278,194	\$ 278,194	\$ 51,120	\$ 5,246	\$ 73,224	100.0%	143.2%	\$ (22,104)
TOWNCENTER REDEVELOPMENT	\$ 237,866	\$ 237,866	\$ -	\$ -	\$ 5,738			
TOTAL EXPENDITURES	\$ 983,917	\$ 983,647	\$ 539,912	\$ 24,815	\$ 564,234	100.0%	104.5%	\$ (24,322)

**CITY OF KENNEDALE
ANNUAL PROGRAM OF SERVICES
September 2019**

REVENUE SUMMARY BY FUND

REVENUES	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY ACTUAL EARNED	% OF CY BUDGET EARNED	BUDGET REMAINING
GENERAL FUND	\$ 6,751,815	\$ 6,751,815	\$ 6,406,759	\$ 245,459	\$ 6,727,067	100.0%	105.0%	\$ (320,308)
OTHER GENERAL FUNDS	\$ 898,170	\$ 1,035,991	\$ 941,983	\$ 98,597	\$ 799,973	86.7%	84.9%	\$ 142,010
GENERAL FUND	\$ 7,649,985	\$ 7,787,806	\$ 7,348,742	\$ 344,056	\$ 7,527,040	98.2%	102.4%	\$ (178,298)
								\$ -
GENERAL DEBT SERVICE FUND	\$ 1,572,159	\$ 1,572,159	\$ 1,518,995	\$ 27,969	\$ 1,353,905	100.0%	89.1%	\$ 165,090
								\$ -
WATER/SEWER FUND	\$ 4,804,352	\$ 4,804,352	\$ 4,010,901	\$ 429,020	\$ 4,411,354	100.0%	110.0%	\$ (400,453)
STORMWATER UTILITY FUND	\$ 256,278	\$ 256,278	\$ 254,950	\$ 22,383	\$ 269,329	100.0%	105.6%	\$ (14,379)
WATER IMPACT FUND	\$ 165,170	\$ 165,170	\$ 120,450	\$ 22	\$ 37,033	100.0%	30.7%	\$ 83,417
SEWER IMPACT FUND	\$ 93,162	\$ 93,162	\$ 32,664	\$ 127	\$ 19,202	100.0%	58.8%	\$ 13,462
WATER/SEWER FUND	\$ 5,318,962	\$ 5,318,962	\$ 4,418,965	\$ 451,552	\$ 4,736,918	100.0%	107.2%	\$ (317,953)
								\$ -
EDC4B FUND	\$ 991,663	\$ 991,633	\$ 629,752	\$ 70,314	\$ 731,070	100.0%	116.1%	\$ (101,318)
								\$ -
CAPITAL FUND	\$ 186,462	\$ 186,462	\$ 172,535	\$ 1,965,011	\$ 2,036,141	100.0%	1180.1%	\$ (1,863,606)
								\$ -
SPECIAL REVENUE FUND	\$ 43,873	\$ 43,873	\$ 127,497	\$ 2,070	\$ 250,001	100.0%	196.1%	\$ (122,504)
								\$ -
TOTAL REVENUES	\$ 15,763,104	\$ 15,900,895	\$ 14,216,486	\$ 2,860,972	\$ 16,635,075	99.1%	117.0%	\$ (2,418,589)

EXPENDITURE SUMMARY BY FUND

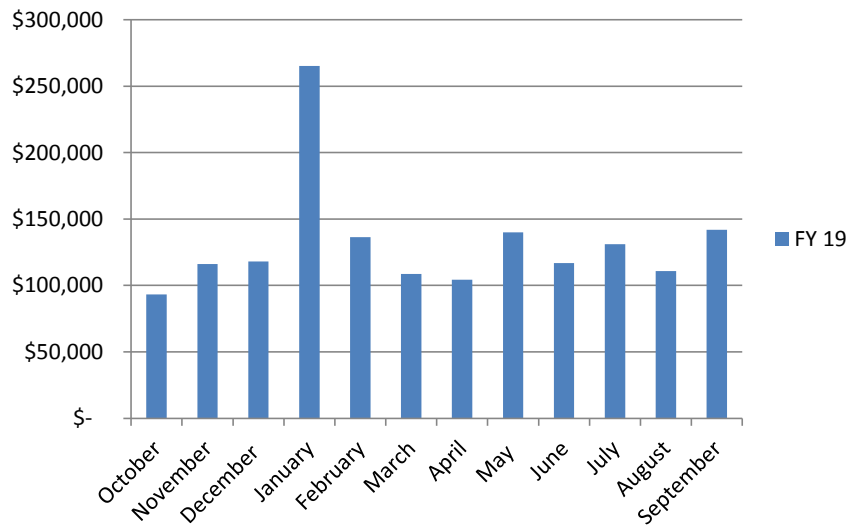
EXPENDITURES	FY17-18 YTD	FY17-18 ACTUAL	FY18-19 ADOPTED	CURRENT MONTH	FY18-19 YTD	% OF PY BUDGET EXPENSED	% OF CY BUDGET EXPENSED	BUDGET REMAINING
GENERAL FUND	\$ 6,340,016	\$ 6,340,017	\$ 7,028,284	\$ 583,495	\$ 6,781,742	100.0%	96.5%	\$ 246,542
OTHER GENERAL FUND	\$ 771,884	\$ 1,063,510	\$ 1,197,369	\$ 74,180	\$ 849,688	72.6%	71.0%	\$ 347,681
GENERAL FUND	\$ 7,111,900	\$ 7,403,527	\$ 8,225,653	\$ 657,675	\$ 7,631,430	96.1%	92.8%	\$ 594,223
								\$ -
GENERAL DEBT SERVICE FUND	\$ 1,420,004	\$ 1,420,004	\$ 1,511,744	\$ 71,353	\$ 1,509,649	100.0%	99.9%	\$ 2,095
								\$ -
WATER/SEWER FUND	\$ 4,340,393	\$ 4,370,392	\$ 4,659,521	\$ 195,914	\$ 3,974,805	99.3%	85.3%	\$ 684,716
STORMWATER UTILITY FUND	\$ 129,371	\$ 188,545	\$ 139,764	\$ 44,684	\$ 174,056	68.6%	124.5%	\$ (34,292)
WATER IMPACT FUND	\$ 151,593	\$ 153,573	\$ 152,525	\$ 153,573	\$ 153,573	98.7%	100.7%	\$ (1,048)
SEWER IMPACT FUND	\$ 83,308	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	138.8%	100.0%	\$ -
WATER/SEWER FUND	\$ 4,704,665	\$ 4,772,510	\$ 5,011,810	\$ 454,171	\$ 4,362,434	98.6%	87.0%	\$ 649,376
								\$ -
EDC4B FUND	\$ 983,917	\$ 1,013,841	\$ 539,912	\$ 24,815	\$ 564,234	97.0%	104.5%	\$ (24,322)
								\$ -
CAPITAL FUND	\$ 83,000	\$ 186,536	\$ 735,000	\$ 107,119	\$ 193,920	44.5%	26.4%	\$ 541,080
								\$ -
SPECIAL REVENUE FUND	\$ 41,226	\$ 26,919	\$ 11,767	\$ 98,599	\$ 266,696	153.1%	2266.5%	\$ (254,929)
								\$ -
TOTAL EXPENDITURES	\$ 14,344,712	\$ 14,823,337	\$ 16,035,886	\$ 1,413,732	\$ 14,528,363	96.8%	90.6%	\$ 1,507,523

**CITY OF KENNEDALE
SALES TAX COMPARISON**

COMPARISON BY FISCAL YEAR

	FY 2014 ACTUAL	FY 2015 ACTUAL	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 ACTUAL	FY 2019 ACTUAL	VARIANCE OVER PRIOR YEAR
October	\$ 65,971	\$ 71,955	\$ 93,137	\$ 88,748	\$ 103,820	\$ 93,144	\$ (10,676)
November	89,600	94,438	119,137	116,156	\$ 114,506	\$ 116,039	\$ 1,533
December	94,982	82,545	97,985	81,855	\$ 86,956	\$ 118,085	\$ 31,129
January	67,373	73,782	75,878	88,956	\$ 95,425	\$ 265,081	\$ 169,656
February	97,781	107,571	116,006	105,794	\$ 163,502	\$ 136,298	\$ (27,204)
March	69,685	72,312	87,589	78,644	\$ 95,107	\$ 108,636	\$ 13,529
April	79,236	81,193	79,516	87,130	\$ 123,760	\$ 104,356	\$ (19,404)
May	93,957	119,350	114,543	100,121	\$ 129,363	\$ 139,848	\$ 10,485
June	77,496	128,463	83,718	80,241	\$ 108,885	\$ 116,904	\$ 8,019
July	71,927	165,756	84,586	100,943	\$ 123,268	\$ 131,085	\$ 7,817
August	86,597	146,297	87,693	49,590	\$ 118,770	\$ 110,825	\$ (7,945)
September	67,978	177,697	91,377	86,549	\$ 89,090	\$ 141,983	\$ 52,893
	\$ 962,583	\$ 1,321,359	\$ 1,131,165	\$ 1,064,727	\$ 1,352,452	\$ 1,582,284	\$ 229,832

FY 19 SALES TAX REVENUE BY MONTH



DATE: October 15, 2019

AGENDA ITEM: MONITORING INFORMATION ITEM B.

SUBJECT:

Schedule of Investment Activity for quarter ending September 30, 2019

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY: In accordance with Public Funds Investment Act (PFIA), the investments should be reported quarterly. This is for the final quarter of FY19 and subsequently will be presented for each quarter to Council to stay current with PFIA.

RECOMMENDATION:

ATTACHMENTS:

1.	SEPTEMBER_2019 Investment Report	SEPTEMBER_2019 Investment Report.pdf
----	----------------------------------	--------------------------------------

CITY OF KENNEDALE, TEXAS
INVESTMENT REPORT
FOR QUARTER ENDING SEPTEMBER 30, 2019

The Quarterly Investment Report provides the City's investment portfolio position as of the report period indicated above. Funds are invested in accordance with the City of Kennedale Investment Policy, as originally adopted on September 13, 2001 and most recently reviewed and adopted in June of 2018.

SUMMARY OF INVESTMENTS FOR THE QUARTER

100% of the City of Kennedale's investments are owned by the Pooled Cash Fund. As of the reporting quarter, 93.88% of the City's investments are in investment pools, and 6.12% are invested in money market savings accounts.

INVESTMENT STRATEGIES

The City's main objectives in managing the portfolio are as follows: suitability, preservation & safety of principal, liquidity, marketability, diversification, and yield.

INVESTMENT PORTFOLIO ALLOWABLE BREAKDOWN

Certificates of Deposit (50%), Investment Pools (100%)*, Money Market Mutual Funds (100%)*, Repurchase Agreements (50%)*, Government Obligations (25%), US Treasury & US Agency Callables (25%), US Government Agencies & Instrumentalities (100%), and US Treasury Notes/Bills (100%)

*(no more than 50% in any individual pool, fund, or repurchase agreement)

CASH BREAKDOWN BY FUND				
Fund	Jul-19	Aug-19	Sep-19	
01- General Fund	\$ 2,417,303.90	\$ 2,039,791.67	\$ 1,683,162.29	
02- Debt Service Fund	\$ 123,986.47	\$ 317,447.95	\$ 319,287.04	
04- Capital Project Fund	\$ 73,582.94	\$ (23,094.26)	\$ (15,083.22)	
05- Capital Replacement Fund	\$ 253,078.33	\$ 244,119.77	\$ 147,444.17	
07- Storm Drainage Utility Fund	\$ 40,470.09	\$ 29,934.89	\$ 41,368.37	
10- Water/Sewer Fund	\$ 1,872,107.14	\$ 1,817,673.80	\$ 2,063,717.33	
12- Court Security Fund	\$ 20,427.34	\$ 20,657.55	\$ 20,863.54	
13-CIP Tax Note	\$ 700,618.88	\$ 701,080.25	\$ 2,647,773.92	
14- Park Dedication Fund	\$ 126,215.91	\$ 125,946.99	\$ 126,149.40	
15- Economic Development Fund	\$ 441,484.24	\$ 313,693.53	\$ 344,981.28	
16- Court Technology Fund	\$ 9,478.51	\$ 9,755.13	\$ 10,001.15	
17- Streets Improvement Fund	\$ 418,897.14	\$ 382,387.83	\$ 406,178.13	
18- Juvenile Case Manager Fund	\$ 8,923.72	\$ 8,029.98	\$ 7,237.99	
21- TIF #1 New Hope Fund	\$ 146,064.79	\$ 146,315.45	\$ 146,550.59	
31- Police Seizure	\$ 654.89	\$ 656.02	\$ 657.07	
32- Library Building Fund	\$ (4,300.07)	\$ (4,057.55)	\$ (3,890.04)	
34- LEOSE Fund	\$ 1,888.80	\$ 1,892.05	\$ 1,895.09	
41- Park Rec/Other Donation Fund	\$ 23,616.29	\$ 21,095.43	\$ 22,105.95	
45- Roadway Impact Fee Fund	\$ 275,474.64	\$ 277,284.83	\$ 277,730.46	
61- Water Impact Fee Fund	\$ 11,699.46	\$ 13,679.88	\$ 13,701.86	
62- Sewer Impact Fee Fund	\$ 76,843.51	\$ 78,864.79	\$ 78,991.53	
83- Tree Reforestation Fund	\$ 70,189.73	\$ 70,310.17	\$ 70,423.17	
85- Unclaimed Property Fund	\$ 1,990.24	\$ 1,990.24	\$ 1,990.24	
95- EDC Reserve Fund	\$ 124,194.25	\$ 124,407.36	\$ 124,607.29	
TOTAL ALL FUNDS	\$ 7,234,891.14	\$ 6,719,863.75	\$ 8,537,844.60	

WELLS FARGO ACCOUNTS RECONCILIATION														
Bank Account	June 30, 2019 GL Balance	June 30, 2019 Bank Balance	Add: July Deposits	Less: July Withdrawals	Add: Juy Interest	Add: August Deposits	Less: August Withdrawals	Add: August Interest	Add: Sepember Deposits	Less: September Withdrawals	Add: September Interest	September 30, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 440,268.33	\$ 440,268.33	\$ 1,233,673.39	\$ (1,220,004.42)		\$ 1,171,643.31	\$ (1,180,150.34)		\$ 1,290,921.94	\$ (1,129,068.54)		\$ 607,283.67	\$ 607,283.67	\$ -
Payroll Clearing	\$ 14.20	\$ 14.20	\$ 430,024.60	\$ (392,759.85)	\$ 2.26	\$ 292,821.14	\$ (292,507.56)	\$ 2.62	\$ 297,867.12	\$ (335,437.91)	\$ 2.66	\$ 21.74	\$ 21.74	\$ -
Section 125 Flex	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Health Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Health Benefit Trust	\$ 8.99	\$ 8.99	\$ 82,778.15	\$ (44,089.19)	\$ 1.86	\$ 0.21	\$ (38,687.10)	\$ 0.21	\$ 38,574.08	\$ (38,573.45)	\$ 0.63	\$ 11.69	\$ 11.69	\$ -
Economic Development Corp	\$ 30,049.25	\$ 30,049.25	\$ -	\$ (43.18)	\$ -	\$ -	\$ (42.70)	\$ -	\$ -	\$ (42.72)	\$ -	\$ 29,920.65	\$ 29,920.65	\$ -
TOTAL WELLS FARGO ACCOUNTS	\$ 470,340.77	\$ 470,340.77										637,237.75	637,237.75	-

TEX TERM INVESTMENTS														
Bank Account	June 30, 2019 GL Balance	June 30, 2019 Bank Balance	Add: July Deposits	Less: July Withdrawals	Add: Juy Interest	Add: August Deposits	Less: August Withdrawals	Add: August Interest	Add: Sepember Deposits	Less: September Withdrawals	Add: September Interest	September 30, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 32,791.62	\$ 32,791.62	\$ -	\$ -	\$ 66.25		\$ -	\$ 61.72		\$ -	\$ 58.25	\$ 32,977.84	\$ 32,977.84	\$ -
TOTAL TEX DAILY ACCOUNTS	\$ 32,791.62	\$ 32,791.62										32,977.84	32,977.84	-

TEX STAR INVESTMENTS														
Bank Account	June 30, 2019 GL Balance	June 30, 2019 Bank Balance	Add: July Deposits	Less: July Withdrawals	Add: Juy Interest	Add: August Deposits	Less: August Withdrawals	Add: August Interest	Add: Sepember Deposits	Less: September Withdrawals	Add: September Interest	September 30, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 341,384.78	\$ 341,384.78	\$ -	\$ -	\$ 692.49	\$ -	\$ -	\$ 617.60	\$ -	\$ -	\$ 593.26	\$ 343,288.13	\$ 343,288.13	\$ -
TOTAL TEX STAR ACCOUNTS	\$ 341,384.78	\$ 341,384.78										343,288.13	343,288.13	-

TEX POOL INVESTMENTS														
Bank Account	June 30, 2019 GL Balance	June 30, 2019 Bank Balance	Add: July Deposits	Less: July Withdrawals	Add: Juy Interest	Add: August Deposits	Less: August Withdrawals	Add: August Interest	Add: Sepember Deposits	Less: September Withdrawals	Add: September Interest	September 30, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 6,509,105.84	\$ 6,509,105.84	\$ 297,228.21	\$ (524,048.28)	\$ 13,078.34	\$ 168,954.19	\$ (481,775.70)	\$ 11,243.67	\$ 2,167,064.91	\$ (533,214.64)	\$ 11,633.81	\$ 7,639,270.35	\$ 7,639,270.35	\$ -
TOTAL TEX POOL ACCOUNTS	\$ 6,509,105.84	\$ 6,509,105.84										7,639,270.35	7,639,270.35	-

	30-Jun-19	30-Sep-19
TOTAL INVESTMENT POOLS	\$ 6,883,282.24	8,015,536.32

APR %	
Wells Fargo Payroll Clearing	0.04%–0.05%
Wells Fargo Section 125 Flex	0.04%–0.05%

DATE: October 15, 2019

AGENDA ITEM: MONITORING INFORMATION ITEM C.

SUBJECT:

KEDC Financial Report for July 2019

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY: Reports from the previous EDC meeting are attached for your reference.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_07 EDC Monthly Financials	2019_07 EDC Monthly Financials.pdf
2.	07_2019 Sales Tax Update-EDC	07_2019 Sales Tax Update-EDC.pdf

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
JULY 2019**

Monthly Information

1. \$43,695 Sales Tax Revenue

2. EDC Director engaged in long-term planning, including relationship with Chamber, hotel status, Red's Roadhouse, and other development deals

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Lakeita Sutton

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
JULY 2019**

EDC CASH POSITION

CATEGORY	DESCRIPTION	FY18-19 YTD
FROM PREVIOUS MONTHS REPORT:		
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 378,514
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 123,957
BEGINNING CASH BALANCE - TOTAL		\$ 502,471
BEGINNING AVAILABLE CASH - TOTAL		378,514
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 49,874 *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 441,484
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 124,194
ENDING CASH BALANCE - TOTAL		\$ 565,678
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 124,194
TOTAL UNAVAILABLE CASH		\$ 124,194
AVAILABLE CASH		\$ 441,484

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

COMBINED EDC FUNDS SUMMARY
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2019

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-19	Jul-19	% Budget
Revenues:				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	384,598	43,695	\$ 376,497	97.9%
INVESTMENT INCOME FUND 15	65	782	\$ 5,360	8246.2%
INVESTMENT INCOME FUND 95		237	\$ 2,195	
MISCELLANEOUS INCOME	24,120	3,032	\$ 29,499	122.3%
INSURANCE REIMBURSEMENT	-	-	\$ -	
RENTAL FEES - SHOPPING CTR	185,223	19,464	\$ 189,319	102.2%
RENTAL INSURANCE	746	-	\$ -	
SALES OF ASSETS	-	-	\$ -	
PROCEEDS-DEBT/LOAN/LEASE	-	-	\$ -	
	-	-	\$ -	
Total Revenues	\$ 629,752	\$ 67,210	\$ 602,870	95.7%
Expenditures:				
ADMINISTRATION	168,360	12,539	131,675	78.21%
DEBT SERVICE	320,432	-	150,619	47.00%
TOWN SHOPPING CENTER	51,120	4,797	63,457	124.13%
TOWN CENTER REDEVELOPMENT	\$ -	-	5,738	
Total Expenditures	\$ 539,912	\$ 17,336	\$ 351,489	65.10%
Total Revenues Over (Under) Exp	\$ 89,840	\$ 49,874	\$ 251,381	
Other Financing Sources (Uses):				
	-	-	-	
Operating Transfer to / from Gene	-	-	-	
Total Other Financing Sources (Uses):	-	-	-	
	-	-	-	
Net Change in Fund Balance	\$ 89,840			
Fund Balance Oct 1	290,178			
Ending Fund Balance	\$ 380,018			
	-			
AVERAGE DAILY EXPENDITURES	\$ 1,479			
Number of Days In Reserve	257			
Fund Balance as a % of Expenditures	70%			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
\$ 35,000	\$ -	\$ -	
373,835	\$ 41,259	\$ 307,941	82.4%
65	446	\$ 2,655	4084.6%
	156	\$ 1,044	
45,120	2,893	\$ 33,142	73.5%
121,112	12,555	\$ 79,263	65.4%
746			
-			
\$ 575,878	\$ 57,309	\$ 424,045	73.6%
195,517	6,903	113,001	58%
322,365	4,911	230,572	72%
45,362	6,954	324,147	715%
-	-	177,712	
\$ 563,244	\$ 18,768	\$ 845,432	150%
\$ 12,634	\$ 38,541	\$ (421,387)	
-	-	-	
-	-	-	
		-	
-	-	-	
\$ 12,634			
\$ 282,651			
\$ 295,285			
-			
\$ 1,543			
191			
52%			

EDC FUND 15 SUMMARY
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2019

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-19	Jul-19	% Budget
Revenues:				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	384,598	43,695	\$ 376,497	97.9%
INVESTMENT INCOME	65	782	\$ 5,360	8246.2%
MISCELLANEOUS INCOME	24,120	3,032	\$ 29,499	122.3%
INSURANCE REIMBURSEMENT	-	-	\$ -	
RENTAL FEES - SHOPPING CTR	185,223	19,464	\$ 189,319	102.2%
RENTAL INSURANCE	746	-	\$ -	
SALES OF ASSETS	-	-	\$ -	
PROCEEDS-DEBT/LOAN/LEASE	-	-	\$ -	
	-	-	\$ -	
Total Revenues	\$ 629,752	\$ 66,973	\$ 600,675	95.4%
Expenditures:				
ADMINISTRATION	168,360	12,539	131,675	78.21%
DEBT SERVICE	320,432	-	150,619	47.00%
TOWN SHOPPING CENTER	51,120	4,797	63,457	124.13%
TOWN CENTER REDEVELOPMENT	\$ -	-	5,738	
Total Expenditures	\$ 539,912	\$ 17,336	\$ 351,489	65.10%
Total Revenues Over (Under) Exp	\$ 89,840	\$ 49,637	\$ 249,186	
Other Financing Sources (Uses):				
	-	-	-	
Operating Transfer to / from Gene	-	-	-	
Total Other Financing Sources (Uses):	-	-	-	
	-	-	-	
Net Change in Fund Balance	\$ 89,840			
Fund Balance Oct 1	168,179			
Ending Fund Balance	\$ 258,019			
	-			
AVERAGE DAILY EXPENDITURES	\$ 1,479			
Number of Days In Reserve	174			
Fund Balance as a % of Expenditures	48%			

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	FY 2017-18		
	Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
	\$ 35,000	\$ -	\$ -	
	373,835	\$ 41,259	\$ 307,941	82.4%
	65	446	\$ 2,655	4084.6%
	45,120	2,893	\$ 33,142	73.5%
	121,112	12,555	\$ 79,263	65.4%
	746			
	-			
	\$ 575,878	\$ 57,153	\$ 423,001	73.5%
	195,517	6,903	113,001	58%
	322,365	4,911	230,572	72%
	45,362	6,954	324,147	715%
	-	-	177,712	
	\$ 563,244	\$ 18,768	\$ 845,432	150%
	\$ 12,634	\$ 38,385	\$ (422,431)	
	-	-	-	
	-	-	-	
			-	
	-	-	-	
	\$ 12,634			
	\$ 162,017			
	\$ 174,651			
	-			
	\$ 1,543			
	113			
	31%			

EDC ADMIN

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-19	Jul-19	% Budget
Expenditures:				
PRINTED SUPPLIES	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	\$ -	0.0%
POSTAGE	50	-	\$ -	0.0%
SUPPLIES TOTAL	2,100	-	-	-
ADVERTISING	1,200	-	\$ -	0.0%
ASSOCIATION DUES/PUBLICATIONS	5,320	-	\$ 4,932	92.7%
TRANING/SEMINARS	250	-	\$ -	0.0%
LEGAL SERVICES	13,000	2,487	\$ 4,710	36.2%
AUDIT SERVICES	4,250	-	\$ 4,250	100.0%
SPECIAL SERVICES	250	228	\$ 503	201.2%
FILING FEES				
ENGINEERING SERVICES				
TRAVEL	-	-	\$ -	
ENGINEERING SERVICES	100	-	\$ -	0.0%
ADMIN CHARGE-GENERAL FUND	117,890	9,824	\$ 98,241	83.3%
FUNCTIONAL GRANT	24,000	-	\$ 19,039	79.3%
LAND	-			
SUNDRY TOTAL	166,260	12,539	131,675	79.20%
CAPITAL TOTAL	-	-	-	-
	-	-	\$ -	
Total EDC Admin Expenditures	\$ 168,360	\$ 12,539	\$ 131,675	78.2%

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	FY 2017-18		
	Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
	\$ 2,000	\$ -	\$ -	0.0%
	50	-	\$ -	0.0%
	50	-	\$ -	0.0%
	2,100	-		0.0%
	1,200	-	\$ 35	2.9%
	5,320	-	\$ 4,890	91.9%
	250	-	\$ -	0.0%
	10,000	100	\$ 11,680	116.8%
	2,250	-	\$ 2,000	88.9%
	68,650	-	\$ 12,298	17.9%
	100			0.0%
	-			
	81,647	6,803	\$ 68,039	83.3%
	24,000	-	\$ 14,059	58.6%
	193,417	6,903	113,001	58.4%
	-	-	-	
	-			
	\$ 195,517	\$ 6,903	\$ 113,001	57.8%

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Expenditures:	Original Budget	Jul-19	Jul-19	% Budget
2007 \$1.2M TAX BOND INTEREST	\$ 50,735		\$ 50,688	99.9%
2007 \$1.2M TAX BOND PRINCIPAL	60,000		\$ 60,000	100.0%
2011 \$1.7M TX LEVERAGE INT	12,834		\$ 13,503	105.2%
2011 \$17.M TX LEVERAGE PRIN	42,038		\$ 26,428	62.9%
TRANSFER OUT-DEBT SERV FUND	154,825			0.0%
	-			
Total EDC Debt Expenditures	\$ 320,432	\$ -	\$ 150,619	47.0%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
\$ 54,905	\$ -	\$ 54,830	99.9%
60,000	-	\$ 60,000	100.0%
14,278	1,643	\$ 14,935	104.6%
40,594	3,268	\$ 33,220	81.8%
152,588		\$ 67,587	44.3%
-			
\$ 322,365	\$ 4,911	\$ 230,572	71.5%

EDCTOWN SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Expenditures:	Original Budget	Jul-19	Jul-19	% Budget
BUILDING MAINTENANCE	\$ 29,920	\$ 3,887	\$ 43,306	144.7%
ELECTRIC SERVICES	6,700	410	\$ 4,012	59.9%
INSURANCE - PROPERTY	8,500		\$ 11,139	131.0%
SPECIAL SERVICES	6,000	500	\$ 5,000	83.3%
	-			
Total EDC Town Center Expenditures	\$ 51,120	\$ 4,797	\$ 63,457	124.1%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
\$ 25,112	\$ 4,983	\$ 286,422	1140.6%
6,700	1,471	\$ 5,695	85.0%
6,500	-	\$ 8,340	128.3%
7,050	500	\$ 23,690	336.0%
-			
\$ 45,362	\$ 6,954	\$ 324,147	714.6%

EDC TOWN CENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Expenditures:	Original Budget	Jul-19	Jul-19	% Budget
ENGINEERING SERVICES	\$ -			
CONSTRUCTION	-		\$ 5,738	
	-			
Total EDC Town Center Expenditures	\$ -	\$ -	\$ 5,738	

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2017-18	FY 2017-18	
Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
		\$ -	
		\$ 177,712	
-			
\$ -	\$ -	\$ 177,712	

EDC FUND 95 SUMMARY
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED JULY 31, 2019

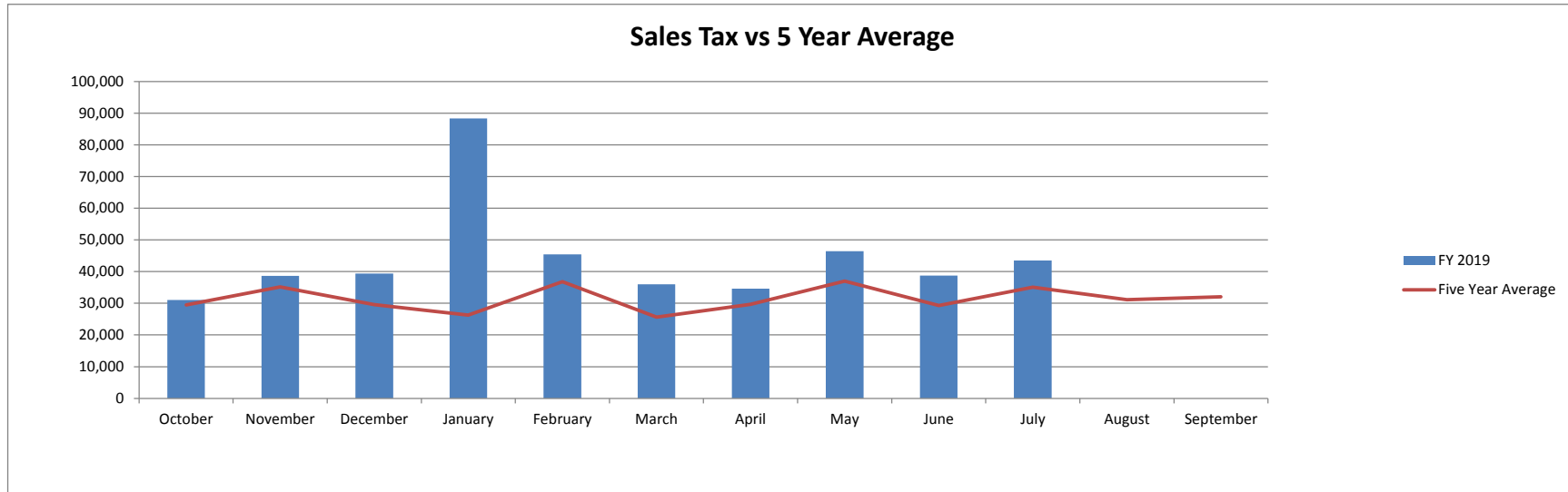
EDC BOND RESERVE FUND

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Jul-19	Jul-19	% Budget
Revenues:				
INVESTMENT INCOME	-	237	\$ 2,195	
Total Revenues	\$ -	\$ 237	\$ 2,195	
Expenditures:				
ADMINISTRATION	\$ -	-	-	
Total Expenditures	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ -	\$ 237	\$ 2,195	
	-	-	-	
Net Change in Fund Balance				
Fund Balance Oct 1	121,999			
Ending Fund Balance	\$ 121,999			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Jul-18	Y-T-D Jul-18	Y-T-D % Budget
-	156	\$ 1,044	
\$ -	\$ 156	\$ 1,044	
\$ -	\$ -	\$ -	
\$ -	\$ 156	\$ 1,044	
\$ 120,634			
120,634			

EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 31,048	\$ 38,680	\$ 39,362	\$ 88,360	\$ 45,433	\$ 36,033	\$ 34,603	\$ 46,432	\$ 38,783	\$ 43,510		\$ -	\$ 442,244
FY2018	\$ 34,607	\$ 38,169	\$ 28,985	\$ 31,808	\$ 54,501	\$ 31,672	\$ 41,253	\$ 43,121	\$ 36,295	\$ 41,089	\$ 39,590	\$ 29,697	\$ 450,787
FY2017	\$ 29,583	\$ 38,719	\$ 27,285	\$ 29,652	\$ 35,265	\$ 26,215	\$ 29,043	\$ 33,374	\$ 26,747	\$ 33,648	\$ 16,530	\$ 28,850	\$ 354,908
FY2016	\$ 31,046	\$ 39,712	\$ 32,662	\$ 25,293	\$ 38,669	\$ 29,196	\$ 26,505	\$ 38,181	\$ 27,906	\$ 28,195	\$ 29,231	\$ 30,459	\$ 377,055
FY2015	\$ 23,985	\$ 31,479	\$ 27,515	\$ 24,594	\$ 35,857	\$ 24,104	\$ 27,064	\$ 39,783	\$ 42,821	\$ 55,252	\$ 48,766	\$ 59,232	\$ 440,453
FY2014	\$ 21,990	\$ 29,867	\$ 31,661	\$ 22,458	\$ 32,594	\$ 23,228	\$ 26,412	\$ 31,319	\$ 25,832	\$ 23,976	\$ 28,866	\$ 22,659	\$ 320,861
FY2013	\$ 33,617	\$ 31,297	\$ 23,446	\$ 20,135	\$ 30,003	\$ 20,791	\$ 20,318	\$ 32,020	\$ 21,136	\$ 22,435	\$ 27,973	\$ 26,025	\$ 309,197
*Net payment after correcting an audit error.													\$ -



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 15, 2019

AGENDA ITEM: MONITORING INFORMATION ITEM D.

SUBJECT:

KEDC Financial Report for August 2019

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY: Reports from the previous EDC meeting are attached for your reference.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_08 EDC Monthly Financials	2019_08 EDC Monthly Financials.pdf
2.	08_2019 Sales Tax Update-EDC	08_2019 Sales Tax Update-EDC.pdf

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

Monthly Information

1. \$36,942 in Sales Tax Revenue

2. EDC Director engaged in long-term planning, including relationship with Chamber, hotel status, Red's Roadhouse, and other development deals

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Lakeita Sutton

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

CATEGORY	DESCRIPTION	FY18-19 YTD
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 441,484
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 124,194
BEGINNING CASH BALANCE - TOTAL		\$ 565,678
BEGINNING AVAILABLE CASH - TOTAL		441,484
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ (127,635) *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 313,694
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 124,407
ENDING CASH BALANCE - TOTAL		\$ 438,101
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 124,407
TOTAL UNAVAILABLE CASH		\$ 124,407
AVAILABLE CASH		\$ 313,694

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED AUGUST 30, 2019**

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Aug-19	Aug-19	% Budget
Revenues:				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	384,598	36,942	\$ 413,440	107.5%
INVESTMENT INCOME	65	647	\$ 6,007	9241.5%
MISCELLANEOUS INCOME	24,120	3,027	\$ 32,526	134.9%
INSURANCE REIMBURSEMENT	-	-	\$ -	
RENTAL FEES - SHOPPING CTR	185,223	19,464	\$ 208,783	112.7%
RENTAL INSURANCE	746	-	\$ -	
SALES OF ASSETS	-	-	\$ -	
PROCEEDS-DEBT/LOAN/LEASE	-	-	\$ -	
	-	-	\$ -	
Total Revenues	\$ 629,752	\$ 60,080	\$ 660,756	104.9%
Expenditures:				
ADMINISTRATION	168,360	18,565	150,241	89.24%
DEBT SERVICE	320,432	164,843	315,461	98.45%
TOWN SHOPPING CENTER	51,120	4,520	67,978	132.98%
TOWN CENTER REDEVELOPMENT	\$ -	-	5,738	
Total Expenditures	\$ 539,912	\$ 187,928	\$ 539,418	99.91%
Total Revenues Over (Under) Exp	\$ 89,840	\$ (127,848)	\$ 121,338	
Other Financing Sources (Uses):				
	-	-	-	
Operating Transfer to / from Gen	-	-	-	
Total Other Financing Sources (Uses):	-	-	-	
	-	-	-	
Net Change in Fund Balance	\$ 89,840			
Fund Balance Oct 1	168,179			
Ending Fund Balance	\$ 258,019			
	-			
AVERAGE DAILY EXPENDITURES	\$ 1,479			
Number of Days In Reserve	174			
Fund Balance as a % of Expenditures	48%			

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	FY 2017-18		
	Original Budget	MONTH Aug-18	Y-T-D Aug-18	Y-T-D % Budget
	\$ 35,000	\$ -	\$ -	
	373,835	\$ 39,767	\$ 347,708	93.0%
	65	459	\$ 3,114	4790.8%
	45,120	2,753	\$ 35,895	79.6%
		14,898	\$ 14,898	
	121,112	12,655	\$ 91,919	75.9%
	746			
	-			
	\$ 575,878	\$ 70,532	\$ 493,534	85.7%
	195,517	7,603	120,604	62%
	322,365	4,513	235,086	73%
	45,362	8,074	332,222	732%
	-	-	177,712	
	\$ 563,244	\$ 20,190	\$ 865,624	154%
	\$ 12,634	\$ 50,342	\$ (372,090)	
	-	-	-	
	-	-	-	
	-	-	-	
	\$ 12,634			
	\$ 162,017			
	\$ 174,651			
	-			
	\$ 1,543			
	113			
	31%			

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC ADMIN

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Aug-19	Aug-19	% Budget
Expenditures:				
1. \$36,942 in Sales Tax Revenue	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	-	0.0%
POSTAGE	50	-	-	0.0%
SUPPLIES TOTAL	2,100	-	-	-
ADVERTISING	1,200	-	\$ -	0.0%
ASSOCIATION DUES/PUBLICATIONS	5,320	-	\$ 4,932	92.7%
TRAINING/SEMINARS	250	-	\$ -	0.0%
LEGAL SERVICES	13,000	1,071	\$ 5,781	44.5%
AUDIT SERVICES	4,250	-	\$ 4,250	100.0%
SPECIAL SERVICES	250	908	\$ 1,411	564.4%
FILING FEES				
ENGINEERING SERVICES				
TRAVEL	-	-	\$ -	
ENGINEERING SERVICES	100	-	\$ -	0.0%
ADMIN CHARGE-GENERAL FUND	117,890	9,824	\$ 108,065	91.7%
FUNCTIONAL GRANT	24,000	6,762	\$ 25,802	107.5%
LAND	-			
SUNDRY TOTAL	166,260	18,565	150,241	90.37%
CAPITAL TOTAL	-	-	-	-
	-	-	\$ -	
Total EDC Admin Expenditures	\$ 168,360	\$ 18,565	\$ 150,241	89.2%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Aug-18	Y-T-D Aug-18	Y-T-D % Budget
\$ 2,000	\$ -	\$ -	0.0%
50	-	\$ -	0.0%
50	-	\$ -	0.0%
2,100	-		0.0%
1,200	-	\$ 35	2.9%
5,320	-	\$ 4,890	91.9%
250	-	\$ -	0.0%
10,000	800	\$ 12,480	124.8%
2,250	-	\$ 2,000	88.9%
68,650	-	\$ 12,298	17.9%
100			0.0%
-			
81,647	6,803	\$ 74,842	91.7%
24,000	-	\$ 14,059	58.6%
193,417	7,603	120,604	62.4%
-	-	-	
-			
\$ 195,517	\$ 7,603	\$ 120,604	61.7%

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Aug-19	Aug-19	% Budget
Expenditures:				
1. \$36,942 in Sales Tax Revenue	\$ 50,735		\$ 50,688	99.9%
2007 \$1.2M TAX BOND PRINCIPAL	60,000		\$ 60,000	100.0%
2011 \$1.7M TX LEVERAGE INT	12,834	3,273	\$ 16,775	130.7%
2011 \$17.M TX LEVERAGE PRIN	42,038	6,745	\$ 33,173	78.9%
TRANSFER OUT-DEBT SERV FUND	154,825	154,825	\$ 154,825	100.0%
	-			
Total EDC Debt Expenditures	\$ 320,432	\$ 164,843	\$ 315,461	98.4%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Aug-18	Y-T-D Aug-18	Y-T-D % Budget
\$ 54,905	\$ -	\$ 54,830	99.9%
60,000	-	\$ 60,000	100.0%
14,278	1,372	\$ 16,307	114.2%
40,594	3,141	\$ 36,362	89.6%
152,588		\$ 67,587	44.3%
-			
\$ 322,365	\$ 4,513	\$ 235,086	72.9%

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDCTOWN SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Aug-19	Aug-19	% Budget
Expenditures:				
1. \$36,942 in Sales Tax Revenue	\$ 29,920	\$ 3,685	\$ 46,992	157.1%
ELECTRIC SERVICES	6,700	335	\$ 4,347	64.9%
INSURANCE - PROPERTY	8,500		\$ 11,139	131.0%
SPECIAL SERVICES	6,000	500	\$ 5,500	91.7%
	-			
Total EDC Town Center Expenditures	\$ 51,120	\$ 4,520	\$ 67,978	133.0%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Aug-18	Y-T-D Aug-18	Y-T-D % Budget
\$ 25,112	\$ 5,933	\$ 292,356	1164.2%
6,700	1,641	\$ 7,336	109.5%
6,500	-	\$ 8,340	128.3%
7,050	500	\$ 24,190	343.1%
-			
\$ 45,362	\$ 8,074	\$ 332,222	732.4%

"YOU'RE HERE. YOUR HOME."

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC TOWN CENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Expenditures:	Original Budget	Aug-19	Aug-19	% Budget
1. \$36,942 in Sales Tax Revenue	\$ -			
CONSTRUCTION	-		\$ 5,738	
	-			
Total EDC Town Center Expenditures	\$ -	\$ -	\$ 5,738	

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Aug-18	Y-T-D Jul-18	Y-T-D % Budget
		\$ -	
		\$ 177,712	
-			
\$ -	\$ -	\$ 177,712	

"YOU'RE HERE. YOUR HOME."

**REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED AUGUST 30, 2019**

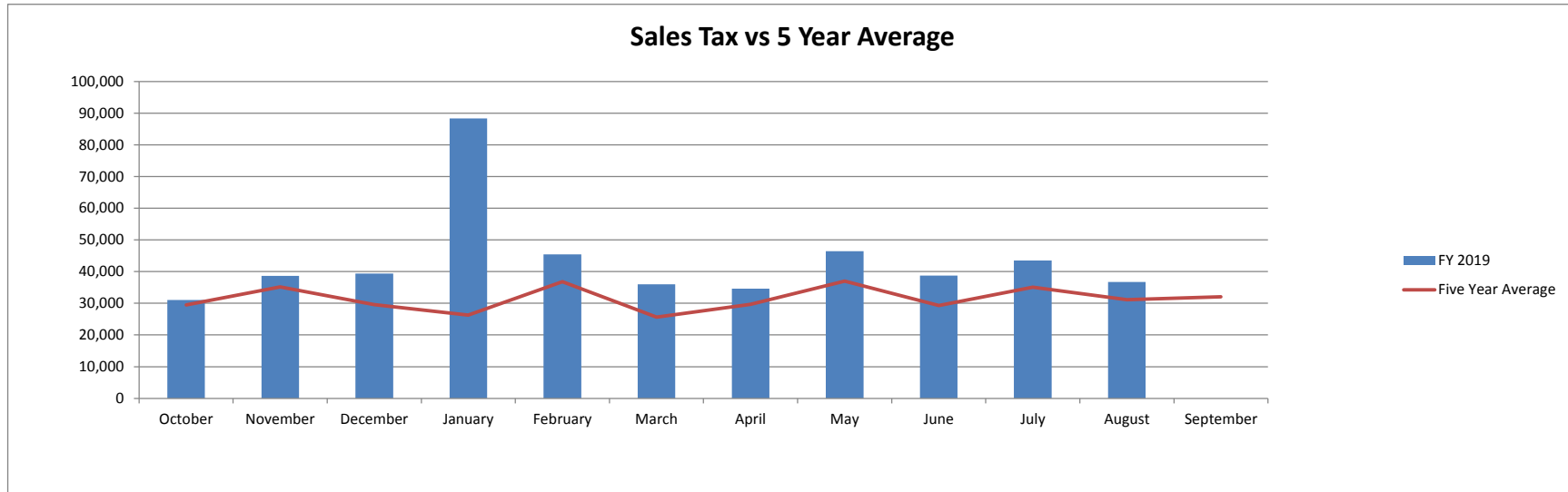
		CURRENT FISCAL YEAR		
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Revenues:	Original Budget	Aug-19	Aug-19	% Budget
INVESTMENT INCOME	-	213	\$ 2,408	
Total Revenues	\$ -	\$ 213	\$ 2,408	
Expenditures:				
ADMINISTRATION	\$ -	-	-	
Total Expenditures	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ -	\$ 213	\$ 2,408	
	-	-	-	
Net Change in Fund Balance				
Fund Balance Oct 1	121,999			
Ending Fund Balance	\$ 121,999			

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Aug-18	Y-T-D Aug-18	Y-T-D % Budget
-	160	\$ 1,204	
\$ -	\$ 160	\$ 1,204	
	-	-	
\$ -	\$ -	\$ -	
\$ -	\$ 160	\$ 1,204	
\$ 120,634			
120,634			

"YOU'RE HERE. YOUR HOME."

EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 31,048	\$ 38,680	\$ 39,362	\$ 88,360	\$ 45,433	\$ 36,033	\$ 34,603	\$ 46,432	\$ 38,783	\$ 43,510	\$ 36,757	\$ -	\$ 479,001
FY2018	\$ 34,607	\$ 38,169	\$ 28,985	\$ 31,808	\$ 54,501	\$ 31,672	\$ 41,253	\$ 43,121	\$ 36,295	\$ 41,089	\$ 39,590	\$ 29,697	\$ 450,787
FY2017	\$ 29,583	\$ 38,719	\$ 27,285	\$ 29,652	\$ 35,265	\$ 26,215	\$ 29,043	\$ 33,374	\$ 26,747	\$ 33,648	\$ 16,530	\$ 28,850	\$ 354,908
FY2016	\$ 31,046	\$ 39,712	\$ 32,662	\$ 25,293	\$ 38,669	\$ 29,196	\$ 26,505	\$ 38,181	\$ 27,906	\$ 28,195	\$ 29,231	\$ 30,459	\$ 377,055
FY2015	\$ 23,985	\$ 31,479	\$ 27,515	\$ 24,594	\$ 35,857	\$ 24,104	\$ 27,064	\$ 39,783	\$ 42,821	\$ 55,252	\$ 48,766	\$ 59,232	\$ 440,453
FY2014	\$ 21,990	\$ 29,867	\$ 31,661	\$ 22,458	\$ 32,594	\$ 23,228	\$ 26,412	\$ 31,319	\$ 25,832	\$ 23,976	\$ 28,866	\$ 22,659	\$ 320,861
FY2013	\$ 33,617	\$ 31,297	\$ 23,446	\$ 20,135	\$ 30,003	\$ 20,791	\$ 20,318	\$ 32,020	\$ 21,136	\$ 22,435	\$ 27,973	\$ 26,025	\$ 309,197
*Net payment after correcting an audit error.													\$ -



DATE: October 15, 2019

AGENDA ITEM: REQUIRED APPROVAL ITEMS (CONSENT) ITEM A.

SUBJECT:

Approval of the minutes from the 2:00 p.m. September 13, 2019 Special Meeting

ORIGINATED BY:

Leslie E. Galloway, City Secretary & Communications Coordinator

SUMMARY: Please see the attached minutes for your approval.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_09.13_200PM_Minutes_City Council Special Meeting_DRAFT	2019_09.13_200PM_Minutes_City Council Special Meeting_DRAFT.pdf
----	---	---

KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | SEPTEMBER 13, 2019 AT 2:00 PM
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 2:01 p.m.

II. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Josh Altom, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** NONE. **Staff:** City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway, Finance Director Lakeita Sutton, Director of Planning & Economic Development Melissa Dailey, Director of HR and Administrative Services Danielle Clarke, Public Works Director Larry Hoover, Police Chief Tommy Williams, Fire Chief James Brown.

III. VISITOR AND CITIZEN FORUM

There were no requests to speak at this time.

IV. WORK SESSION

- A. Continued discussion regarding the City Manager's Proposed Fiscal Year 2019–2020 annual budget and the supporting Tax Rate

There was a brief discussion of the Tax Increment Reinvestment Zone (TIRZ) Fund and Board, the recently issued Tax Notes and potential projects, and updates regarding the Safe Routes to School and New Hope Road Bridge projects. In response to questions from Councilmember Rhodes, it was the consensus of the Council at this time to support a \$1.00 increase in the Stormwater Fee and the new Planner I position in the FY19-20 budget.

V. REGULAR SESSION

Mayor Johnson convened the Regular Session at 2:24 p.m.

- A. Public hearing on the Fiscal Year 2019–2020 Tax Rate
1. Staff Presentation

City Manager George Campbell stated that staff was available to make this presentation and/or answer questions, if desired by the Council.

2. Public Hearing

Mayor Johnson opened the public hearing at 2:25 p.m.

Sarah Johnson Cotton, 700 Crestview Drive, spoke against the \$1.00 increase in the Stormwater Fee, particularly for senior citizens.

Mayor Johnson closed the public hearing at 2:29 p.m.

3. Staff Response and Summary

There was no discussion at this time.

4. Announcement of Date of Vote on Tax Rate

Mayor Johnson announced that the vote on the FY 2019–2020 Tax Rate would be held Tuesday, September 17, 2019, at 7:00 p.m., in these Council Chambers (405 Municipal Drive, Kennedale, TX 76060).

VI. ADJOURNMENT

Motion To Adjourn. Action Adjourn. Moved By Rhodes. Seconded By Mayor Pro Tem Lee. Motion passes unanimously.

Mayor Johnson adjourned the meeting at 2:29 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

DRAFT UNTIL
APPROVED
BY COUNCIL

DATE: October 15, 2019

AGENDA ITEM: REQUIRED APPROVAL ITEMS (CONSENT) ITEM B.

SUBJECT:

Approval of the minutes from the 2:30 p.m. September 13, 2019 Special Meeting

ORIGINATED BY:

Leslie E. Galloway, City Secretary & Communications Coordinator

SUMMARY: Please see the attached minutes for your approval.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_09.13_230PM_Minutes_City Council Special Meeting_DRAFT	2019_09.13_230PM_Minutes_City Council Special Meeting_DRAFT.pdf
----	---	---

KENNEDALE CITY COUNCIL MINUTES
SPECIAL MEETING | SEPTEMBER 13, 2019 AT 2:30 PM
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 2:31 p.m., and immediately recessed to Executive Session; the Work Session reconvened at 3:11 p.m.

II. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Josh Altom, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** NONE. **Staff:** *City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway.*

III. VISITOR AND CITIZEN FORUM

There were no requests to speak at this time.

IV. WORK SESSION

A. Interviews of applicants for appointment to Advisory Boards and Commissions

At this time, the Council interviewed Vinita Thomas, Mark Perkins, and Jessica Virnoche. Heather Hicks and Derrick Rubin were not able to attend.

V. EXECUTIVE SESSION

A. Discussion regarding actions and performance of current board and commission members

VI. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

EXECUTIVE SESSION WAS HELD PRECEDING IV. WORK SESSION.

VII. REGULAR SESSION

Mayor Brian Johnson opened the Regular Session to order at 3:27 p.m.

A. Consider adoption of Ordinance 676, adding two alternate places to the Parks and Recreation Board

Motion To Approve. Action Approve Consider adoption of Ordinance 676, adding two alternate places to the Parks and Recreation Board. **Moved By** Rhodes. **Seconded By** Mayor Pro Tem Lee. **Motion passes unanimously.**

B. Consider making appointments to various Advisory Boards and Commissions

Motion To Approve. Action Approve the appointment of the following to the Board of Adjustment (BOA)/Building Board of Appeals (BBA): Azam Shaikh to Place 1, Kelli Rod to Place 3, Lana Sather to Place 5, Jeremy Johnston to Place 6 (alternate), Jessica Virnoche to Place 7 (alternate), and Pat Vader to Place 9 (alternate). **Moved By** Pugh. **Seconded By** Altom. **Motion passes 4-0-1, with Mayor Pro Tem Lee abstaining.**

Motion To Approve. Action Approve the appointment of the following to the Economic Development Corporation (EDC) Board: Johnny Trevino to Place 1, Cesar Guerra to Place 2, Andrew Schaffer to Place 3, Mayor Pro Tem Sandra Lee to Place 5, and April Coltharp to Place 7. **Moved By** Wandel. **Seconded By** Rhodes. **Motion passes unanimously.**

Motion To Approve. Action Approve the appointment of the following to the Parks and Recreation Board: David Deaver to Place 1, Kenneth Michels to Place 3, Phil Wallace to Place 5, Jeremy Johnston to Place 6, Ann Beck to Place 7, Jan Joplin to Place 8 (alternate), and David Green to Place 9 (alternate). **Moved By** Altom. **Seconded By** Rhodes. **Motion passes unanimously.**

Motion To Approve. Action Approve the appointment of the following to the Planning and Zoning (P&Z) Commission: Greg Adams to Place 1, Austin Degenhart to Place 3, David Green to Place 5, Mark Perkins to Place 7, and Perry Clementi to Place 9 (alternate). **Moved By** Wandel. **Seconded By** Altom. **Motion passes unanimously.**

Motion To Approve. Action Approve the appointment of the following to the Tax Increment Reinvestment Zone (TIRZ) #1 Board: Darold Tippey to Place 1, Councilmember Chris Pugh to Place 3, Precinct 2 Commissioner Devan Allen to Place 5 (representing Tarrant County), Jill "J.R." Labbe to Place 6 (representing the Hospital District), and Dr. Eugene Giovannini to Place 7, with Susan Alanis designated as his proxy (representing the College District). **Moved By** Wandel. **Seconded By** Altom. **Motion passes unanimously.**

Motion To Approve. Action Approve the appointment of the following to the TownCenter Development District (TDD) Board: EDC President Mark Yearly to Place 1, Mayor Brian Johnson to Place 3, and Councilmember Linda Rhodes to Place 5. **Moved By** Pugh. **Seconded By** Altom. **Motion passes 4-0-1, with Rhodes abstaining.**

Motion To Postpone. Action Postpone appointments to the Library Board. **Moved By** Pugh. **Seconded By** Wandel. **Motion passes unanimously.**

Motion To Approve. Action Approve the appointment of the following to the Keep Kennedale Beautiful (KKB) Commission: Cesar Guerra to Place 1, Jessica Virnoche to Place 3, Lauren Warn to Place 4, Wilda Turner to Place 5, Linda Miller to Place 7, and Heather Hicks to Place 9. **Moved By** Altom. **Seconded By** Mayor Pro Tem Lee. **Motion passes unanimously.**

Appointments were not made to the Library Board or the Utility and Infrastructure Board (UIB) at this time.

VIII. ADJOURNMENT

Motion To Adjourn. Action Adjourn. **Moved By** Wandel. **Seconded By** Pugh. **Motion passes unanimously.**

Mayor Johnson adjourned the meeting at 3:57 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

DATE: October 15, 2019

AGENDA ITEM: REQUIRED APPROVAL ITEMS (CONSENT) ITEM C.

SUBJECT:

Approval of the minutes from the September 17, 2019 Regular Meeting

ORIGINATED BY:

Leslie E. Galloway, City Secretary & Communications Coordinator

SUMMARY: Please see the attached minutes for your approval.

RECOMMENDATION:

ATTACHMENTS:

1.	2019_09.17_Minutes_City Council Regular Meeting_DRAFT	2019_09.17_Minutes_City Council Regular Meeting_DRAFT.pdf
----	---	---

KENNEDALE CITY COUNCIL MINUTES
REGULAR MEETING | SEPTEMBER 17, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION - 5:30 PM | REGULAR SESSION - 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:30 p.m.

II. WORK SESSION

- A. Continue interviews of applicants for appointment to Advisory Boards and Commissions, if needed

There was no discussion at this time.

- B. Discussion regarding the composition, purpose, and charge of the Utility and Infrastructure Board (UIB)

City Manager George Campbell stated that the Council had not yet made appointments to the Utility and Infrastructure Board (UIB) as there had been some discussion regarding changing the charge and composition of the board, perhaps to meet only at the request of the Council to consider specific issues (e.g., water and sewer rates, prioritizing drainage projects, etc.), and to be primarily composed of members of other boards due to past difficulty assembling a quorum.

Following a brief discussion, there was a consensus among Council to have the City Attorney draft an amending Ordinance and to delay appointments until after the adoption of such an ordinance.

- C. Discussion of contracting with Chute 2 Productions to hold the "Kennedale Western Festival", a Professional bull riding event with various vendors to be held on Saturday, November 9, 2019 in TownCenter, at a cost of \$15,000.00

Public Works Director Larry Hoover gave an overview of the events hosted by Chute 2, noting that the Parks and Recreation Board was supportive of the event, but that staff did not feel there was enough time to draft a sufficient contract, identify an appropriate location, and publicize the event by the proposed date of November 9. He added that staff would recommend postponing, looking into ways to manage the associated vendors, consider making this a part of a larger event to broaden the appeal, consider adding it to a future year's budget, and continue looking for the best venue.

Following a brief discussion, there was a consensus among Council to postpone the event.

- D. Continued discussion regarding the City Manager's Proposed Fiscal Year 2019–2020 annual budget

There was some discussion regarding salary adjustments for civilian employees and the continued planned implementation of the public safety step plan.

E. Discussion of items on the regular agenda

In response to a question from Mayor Johnson, Public Works Director Larry Hoover stated that staff planned to present a contract for Peggy Lane on the next agenda.

Mayor Brian Johnson recessed to Executive Session at 5:55 p.m.

III. REGULAR SESSION

Mayor Brian Johnson convened the Regular Session at 7:01 p.m.

IV. ROLL CALL

Present: Mayor Brian Johnson; Mayor Pro Tem Sandra Lee, Place 3; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** Josh Altom, Place 1. **Staff:** City Manager George Campbell, City Secretary & Communications Coordinator Leslie E. Galloway, Director of Finance and Information Technology Lakeita Sutton, Director of Planning & Economic Development Melissa Dailey, Director of HR and Administrative Services Danielle Clarke, Public Works Director Larry Hoover, Library Director Amanda King, Fire Chief James Brown, Police Chief Tommy Williams, Planner Meghan Riddlespurger, City Attorney Drew Larkin.

V. INVOCATION

Sara Johnson Cotton offered the invocation.

VI. UNITED STATES PLEDGE AND TEXAS PLEDGE

VII. VISITOR AND CITIZEN FORUM

- **Joe Palmer**, 4017 Sanguinet Court, Fort Worth, spoke on behalf of the Kennedale Alliance of Business Owners (KABO), spoke about businesses being a vital part of the community.
- **Jeff Nevarez**, 338 Spring Branch Lane, spoke on behalf of the Parks Board, announcing Concert in the Park on Saturday, October 12, including vendors, "Kennedale's Got Talent" as a fundraiser for Theatre in the Park, and live music beginning at 4:00 p.m.
- **Laurie Sanders**: 208 W 5th Street, announced the Mayor's History Lecture Thursday September 19; and the Health Fair on Saturday, November 16 in TownCenter by the Muslim Community Center.
- **Iris Esprit**, 309 E. Kennedale Parkway, spoke in favor of increased leniency in the regulation of farmers markets.

VIII. REPORTS AND ANNOUNCEMENTS

A. Updates from the City Council

- **CHRIS PUGH, Place 2**, announced that he and his wife attended the Grape Stomp in Grapevine and won "Most Juice Produced".
- **MAYOR PRO TEM SANDRA LEE, Place 3**, announced that she attended a presentation about the Muslim community at First United Methodist Church (FUMC) of Kennedale and announced the next Senior Outreach of Kennedale on the October 28.
- **LINDA RHODES, Place 4**, announced that she attended the Rotary Meeting with Sheriff Bill Wayborn who spoke about Law Enforcement programs dealing with Mental Health issues and overcrowding of jails in Tarrant County.
- **CHAD WANDEL, Place 5**, announced that he attended a meeting of "When we Love", a homelessness outreach program, especially for children.

B. Updates from the Mayor

Mayor Brian Johnson announced that he attended the Tarrant Regional Transportation Coalition (TRTC) board meeting where the Hyperloop was discussed, had a meeting planned with Fort Worth Mayor Betsy Price and Arlington Mayor Jeff Williams about redesigning that board redefining the group's direction, and that TxDOT recently announced that they had fully funded the interchange at 287/Loop 820/I-20, which he hoped would offer better access to Kennedale and might spur redevelopment on the north end of Kennedale Parkway.

C. Updates from the City Manager

City Manager George Campbell yielded his time to City Secretary Leslie Galloway, who discussed the new technology in the Council chambers and offered the Council a chance to test the electronic voting system. She added that videos of Council meetings would be uploaded the day following the meeting; and that staff would offer a training and Q&A session to each Councilmember soon.

IX. INCIDENTAL ITEMS

X. MONITORING INFORMATION

- A. Monthly Financials for August 2019
There was no discussion at this time.

XI. REQUIRED APPROVAL ITEMS (CONSENT)

- A. Approval of the minutes from the August 20, 2019 Regular Meeting
- B. Approval of the minutes from the 5:00 p.m. September 5, 2019 Special Meeting
- C. Approval of the minutes from the 7:00 p.m. September 5, 2019 Special Meeting
- D. Consider approval of Ordinance 677, approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the company's 2019 rate review mechanism (RRM) filing
- E. Consider authorizing the City Manager to sign a one-year extension of an Interlocal Agreement with City of Fort Worth for rabies control services and the utilization of animal impoundment and quarantine facilities
- F. Discuss and consider approval of Resolution 559, to adopt the HART InterCivic Verity, version 2.3.1, for use in Absentee Voting By Mail, Early Voting By Personal Appearance, Regular Voting on Election Day and Provisional Voting
- G. Approval of Resolution 560, approving the continued receipt of a share of bingo prize fees collected by licensed authorized organizations in accordance with section 2001.502 of the Texas Occupations Code

Motion Approve. **Action** Approve the Required Approval Items (Consent) Agenda.
Moved By Wandel, **Seconded By** Rhodes. **Motion passed Unanimously.**

XII. DECISION ITEMS

- A. Discuss and consider Ordinance 678 of the City of Kennedale, Texas, adopting the Budget for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; appropriating resources for each department, project, operation, activity, purchase, account, and other expenditures; providing for emergency expenditures and expenditures as allowed by applicable State Law; providing for the filing and posting of the Budget as required by State Law; providing a severability clause; and providing an effective date

There was one request to speak on this item:

Joe Palmer, 4017 Sanguinet Court, Fort Worth, speaking on behalf of the Kennedale Alliance of Business Owners (KABO), stated his desire for Council identify budget cuts.

Motion Approve. Action Approve Ordinance 678 of the City of Kennedale, Texas, adopting the Budget for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; appropriating resources for each department, project, operation, activity, purchase, account, and other expenditures; providing for emergency expenditures and expenditures as allowed by applicable State Law; providing for the filing and posting of the Budget as required by State Law; providing a severability clause; and providing an effective date, **Moved By** Pugh, **Seconded By** Mayor Pro Tem Lee. **Motion passed with a vote of 4-0-0, with Councilmember Chris Pugh, Mayor Pro Tem Sandra Lee, Councilmember Chad Wandel, and Councilmember Linda Rhodes voting for; and none voting against approval. Councilmember Josh Altom was not present.**

- B. Discuss and consider ratification of property tax increase reflected in FY2019–2020 Adopted Budget

There was one request to speak on this item:

Joe Palmer, 4017 Sanguinet Court, Fort Worth, speaking on behalf of the Kennedale Alliance of Business Owners (KABO), stated his desire for the Council to adopt the effective tax rate.

There was some discussion among the Council regarding the effect that adopted the effective rate last year had on the reserves, the need for salary increases, the hope for continued growth of sales tax revenues, and the need for funding to address drainage issues.

Motion Ratify. Action Ratify the property tax increase reflected in the FY19–20 Adopted Budget, **Moved By** Mayor Pro Tem Lee, **Seconded By** Wandel. **Motion passed with a vote of 4-0-0; with None voting against approval.**

- C. Discuss and consider approval of Ordinance 679, fixing and levying municipal Ad Valorem Taxes for the City of Kennedale, Texas, for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; directing the assessment and collection thereof; providing a severability clause; and providing an effective date

There was one request to speak on this item:

Joe Palmer, 4017 Sanguinet Court, Fort Worth, speaking on behalf of the Kennedale Alliance of Business Owners (KABO), questioned what amount was needed to run the City.

There was some discussion among the Council regarding the cost of the planned implementation of the public safety step plan, the costs of providing healthcare rising faster than

inflation, the shortfall created by dropping the property tax rate last year, and the cost of delaying needed repairs and projects.

Motion Approve. Action Approve Ordinance 679, fixing and levying municipal Ad Valorem Taxes for the City of Kennedale, Texas, for the Fiscal Year beginning October 1, 2019, and ending September 30, 2020; directing the assessment and collection thereof; providing a severability clause; and providing an effective date, Moved By Pugh, Seconded By Mayor Pro Tem Lee. Motion passed with a vote of 4-0-0; with None voting against approval.

D. Consider making appointments to various advisory boards and commissions

There was neither discussion nor action at this time.

E. Consider authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with roadway, water, sanitary sewer and drainage improvements for Linda Road

Public Works Director Larry Hoover gave an overview of the contract, noting that it provided for the replacement of Linda Road with a 24-foot asphalt roadway; an analysis of the existing drainage system; and all services from design to completion of construction at a cost of \$99,200.

Motion Approve. Action Approve authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with roadway, water, sanitary sewer and drainage improvements for Linda Road, Moved By Wandel, Seconded By Pugh. Motion passed Unanimously.

F. Consider authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with roadway, water, sanitary sewer, and drainage improvements for Collett Sublett Road

Public Works Director Larry Hoover gave an overview of the contract, stating that it provided for the replacement of Collett Sublett Road with a 28-foot concrete roadway with a storm drainage system and curb inlets; discussed the included updates to the water and wastewater system; noted that the plans, as presented, waived the on-street parking included in the current Master Thoroughfare Plan so that the improved roadway could still be contained within the existing 50-foot ROW; and that all services from design to completion of construction at a cost of \$87,700.

In response to a question from Councilmember Chad Wandel, Hoover stated that converting Collett Sublett to a through-street had been included in the Thoroughfare Plan since 2012.

Motion Approve. Action Approve authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with roadway, water, sanitary sewer, and drainage improvements for Collett Sublett Road, Moved By Rhodes, Seconded By Mayor Pro Tem Lee. Motion passed Unanimously.

G. Consider authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with approximately 600 linear feet of roadway for Trent Street

Public Works Director Larry Hoover gave an overview of the contract, stating that it provided for the connection of Trent Street to Kennedale Parkway (Business 287); noted that staff is

currently in discussions with another engineering firm to address the erosion issues on Valley Lane (which is currently the sole access point to this particular area); that this project would require TxDOT permitting; and that all services from design to completion of construction at a cost of \$59,400.

Motion Approve. **Action** Approve authorizing the City Manager to enter into an agreement with Shield Engineering Group for civil engineering services associated with approximately 600 linear feet of roadway for Trent Street, **Moved By** Rhodes, **Seconded By** Pugh. **Motion passed Unanimously.**

THERE WAS NO EXECUTIVE SESSION HELD AT THIS TIME. COUNCIL RECESSED TO EXECUTIVE IMMEDIATELY FOLLOWING THE WORK SESSION, BUT BEFORE THE REGULAR SESSION.

XIII. EXECUTIVE SESSION

- A. Discussion with the City Attorney regarding salvage yards, including A&A Pickup & Van, Inc., and special exception/special use permits

XIV. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

No action was taken pursuant to Executive Session.

XV. ADJOURNMENT

Motion Adjourn. **Action** Adjourn, **Moved By** Mayor Pro Tem Lee, **Seconded By** Wandel. **Motion passed Unanimously.**

Mayor Brian Johnson adjourned the meeting at 8:02 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

DATE: October 15, 2019

AGENDA ITEM: REQUIRED APPROVAL ITEMS (CONSENT) ITEM D.

SUBJECT:

Consider appointment of Vice Chair of the Planning & Zoning (P&Z) Commission

ORIGINATED BY:

Melissa Dailey, Director of Planning & Economic Development

SUMMARY: At their Thursday, October 10 meeting, the Planning and Zoning (P&Z) Commission nominated and would now respectfully request that the Council consider appointing Kayla Hughes as Vice Chair of P&Z.

Planning and Zoning (P&Z) Commission Membership

Place 1: Greg Adams
Place 2: Martha Dibella, Chair
Place 3: Austin Degenhart
Place 4: Kayla Hughes
Place 5: David Green
Place 6: Billy Don Gilley
Place 7: Mark Perkins
Place 8: Brent Jones, Alternate
Place 9: Perry Clementi, Alternate

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM A.

SUBJECT:

Consider Resolution 561, adopting an amended City of Kennedale Purchasing Policy

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY:

State law (Local Government Code, Chapter 252: Purchasing and Contracting Authority of Municipalities) serves as the primary purchasing authority for the City of Kennedale. The attached Purchasing Policy (*originally adopted November 13, 2008; and most recently reviewed and adopted October 16, 2018*) establishes standard practices and procedures to create uniformity, economy, efficiency, and effectiveness in our purchasing program.

Since 2005, the City has maintained an internal administrative Purchasing Policy. In 2008, with changes to Local Government Code 252, this policy was officially adopted by the City Council. A part of this change was increasing the minimum purchase requiring Council approval from \$25,000 to \$50,000, to match State guidelines. In March 2018, the minimum purchase amount for Council approval was changed to \$25,000, lowering the City Manager's approval authority to a maximum of \$24,999.99.

Staff recently reviewed the Policy and is proposing to restore the less restrictive practice as it relates to the City Manager's approval authority by increasing it to \$49,999.99. This amendment would better align with other Cities' policies and State guidelines.

In the chart below, you will find the spending caps on similar and/or nearby Cities. The Policy column indicates the amount that requires City Council approval. Of note, the Cities of Forest Hill and Alvarado require only the approval of the City Manager for any purchase that was approved in the adopted budget.

City	Policy	Budget Size
Arlington	\$50,000	\$50 million+
Haltom City	\$50,000	\$50 million+
Burleson	\$25,000	\$50 million+
Watauga	\$50,000	\$25 million+
White Settlement	\$50,000	\$20 million+
Crowley	\$25,000	\$18 million+
Kennedale	\$25,000	\$15 million+
Forest Hill	All Budgeted	\$15 million+
Lake Worth	\$50,000	\$13 million+
Keene	\$50,000	\$8.5 million+
Alvarado	All Budgeted	\$8 million+

The implementation of the revised approval amount at the City Manager level will improve the City's relationship with vendors by preventing delays associated with an additional approval step on purchases between the amount(s) of \$25,000 and \$49,999.

For this reason the staff recommends adopting the attached amended Purchasing Policy.

RECOMMENDATION: Approve

ATTACHMENTS:

1.	R561 Adopting Amended Purchasing Policy	R561 Adopting Amended Purchasing Policy.pdf
----	---	---

RESOLUTION NO. 561

**A RESOLUTION ADOPTING AN AMENDED CITY OF KENNEDALE, TEXAS,
PURCHASING POLICY.**

WHEREAS, on November 13, 2008, the City Council adopted the document entitled, "Purchasing Policy," as guidelines for future City procurement; and

WHEREAS, a Purchasing Policy establishes standard practices and procedures to create uniformity, economy, efficiency and effectiveness in our purchasing program; and

WHEREAS, the City Council has reviewed the City's Purchasing Policy.

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

The City Council of the City of Kennedale, Texas hereby approves the Purchasing Policy dated October 15, 2019, attached hereto as "Exhibit A."

PASSED, ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THIS THE 15TH DAY OF OCTOBER, 2019.

APPROVED:

MAYOR, BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

RESOLUTION NO. 561

EXHIBIT A

CITY OF KENNEDALE, TEXAS
PURCHASING POLICY
DATED OCTOBER 15, 2019

CITY OF KENNEDALE



PURCHASING POLICY

ORIGINALLY ADOPTED BY CITY COUNCIL: NOVEMBER 13, 2008

PREFACE

State law (Local Government Code, Chapter 252: Purchasing and Contracting Authority of Municipalities) serves as the primary purchasing authority for the City of Kennedale. In addition to several administrative updates, which further establish standard practices and procedures to create uniformity, economy, efficiency and effectiveness in our purchasing program, Staff incorporated a major revision due to a change in statute. Specifically, the expenditure threshold increased from \$25,000 to \$50,000 in reference to competitive bidding and proposal requirements per Senate Bill 1765.

This policy was formally adopted by the Council on November 13, 2008. However, prior to this date, it was created on May 16, 2005 and reviewed administratively.

It is our intent to bring forth this policy to Council for review at least annually. In order to demonstrate that review, it will be custom practice for the governing board of a municipality to adopt a resolution to make the review an official public record.

SUBSEQUENT REVIEW & ADOPTION

NOVEMBER 5, 2009

NOVEMBER 17, 2011

OCTOBER 3, 2012

OCTOBER 1, 2013

OCTOBER 13, 2014

OCTOBER 19, 2015

OCTOBER 17, 2016

MARCH 5, 2018

OCTOBER 16, 2018

OCTOBER 15, 2019

I. PURPOSE

The purpose of this policy is to establish standard practices and procedures to create a uniformity, economy, efficient and effective purchasing program for the City of Kennedale.

II. POLICY

It is the policy of the City of Kennedale to authorize purchases at time and place needed in the proper quantity and of the proper quality, all goods and services required for City operations. Goods and services shall be procured at the lowest possible cost consistent with prevailing economic conditions while establishing and maintaining a reputation for fairness and integrity, with the express intent to promote open and fair conduct in all aspects of the purchasing process.

III. GOVERNING AUTHORITY

The primary governing authority for the City of Kennedale's Purchasing Policy shall be the City's Charter, in conjunction with Chapter 252 of the Local Government Code: Purchasing and Contracting Authority of Municipalities. All procurement activity shall be governed in accordance with applicable federal, state, and local statutes, ordinances, and codes.

IV. CODE OF ETHICS

Every time items are purchased, city funds are committed. Therefore, this is a responsibility that should not be taken lightly. By participating in the purchasing process, employees of the City of Kennedale agree to:

- A. Make purchases in the conduct of the City's business only. **To acquire or purchase goods and services for other than official use of the City is fraudulent use and may subject the employee to disciplinary action, up to and including dismissal as specified in the City's Personnel Policy and/or criminal prosecution.**
- B. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications.
- C. Demonstrate loyalty to the City of Kennedale by diligently following the lawful instructions of the employer, using reasonable care, and only authority granted.
- D. Refrain from any private business or professional activity that would create a conflict between personal interests and the interest of the City of Kennedale.
- E. Refrain from soliciting or accepting money, loans, credits, or prejudicial discounts, and the acceptance of gifts, entertainment, favors, or services from present or potential suppliers that might influence, or appear to influence purchasing decisions.

- F. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether as payment for services or not; and never accept for himself or herself or for family members, favors or benefits under circumstance which might be construed by reasonable persons as influencing the performance of Governmental duties.
- G. Engage in no business with the City of Kennedale, directly or indirectly, which is inconsistent with the conscientious performance of Governmental duties.
- H. Handle confidential or proprietary information belonging to employer or suppliers with due care and proper consideration of ethical and legal ramifications and governmental regulations.
- I. Never use any information gained confidentially in the performance of Governmental duties as a means of making private profit.
- J. Promote positive supplier relationships through courtesy and impartiality in all phases of the purchasing cycle.
- K. Know and obey the letter and spirit of laws governing the purchasing function and remain alert to the legal ramifications of purchasing decisions.
- L. Expose corruption and fraud wherever discovered.
- M. Uphold these principles, ever conscious that public office is a public trust.

V. FUND AVAILABILITY & PAYMENT AUTHORIZATION

- A. Verification of fund availability is the responsibility of the User Department.
- B. Finance Department shall verify available funds through the City's financial reporting system during requisition entry. If funds are not available at the time, no purchase will be made until funds are made available with approval from City Manager.
- C. At a minimum, payment approval is required from Department Head to pay for **all** products and/or services.
- D. As a tax-exempt government agency, the City of Kennedale does **not** pay sales tax on applicable items. The cardholders can request a copy of the City's tax exemption certificate from Accounts Payable City's. Furthermore, a sales tax identification number is provided on the face of the City's Procurement Card should it be utilized. Employees are responsible for ensuring that the vendor does not include sales tax in the transaction, unless an item is subject to sales tax. **If tax is included in error, the employee may be responsible for reimbursing the tax to the City if it is not recovered**

from the vendor. Contact Accounts Payable for questions in regards to which purchases are subject to tax.

- E. Approved invoices are forwarded directly to the Finance Department with the appropriate supporting documentation and signatures. **If an employee misplaces or loses a receipt or is unable to provide adequate details concerning a purchase, a *Missing Or Lost Receipt Form* must accompany the employer's request for payment. Recurring instances of misplaced or lost receipts may result in the revocation of employee purchasing privileges. Furthermore, the employee will be responsible for reimbursing the City of Kennedale for all applicable charges, and the City is authorized to deduct any applicable charges from the payroll of the employee if not otherwise reimbursed.**
- F. Payments for goods and services must be paid **no later than 30 days after the later of:**
 - 1) Receipt of goods/services OR receipt of the invoice for the goods/services.
 - 2) Goods/services will be considered received when they have been accepted as usable by the User Department.

VI. LEGAL REQUIREMENTS

- A. Texas Local Government Code, Subchapter B, Section 252.021 defines the requirements for competitive bids. Under no circumstances shall multiple requisitions be used in combination to avoid otherwise applicable bidding requirements or City Council approval. Intentionally splitting purchases to circumvent the competitive bid process (i.e. two or more purchases made to keep the amount under \$50,000) will result in disciplinary action.
- B. Likewise, intentionally splitting purchases to circumvent the three (3) quote requirement process (i.e. two or more purchases made to keep the amount under \$3,000.01) will result in disciplinary action.
- C. Purchases made through an approved Cooperative Purchasing Program satisfy state law competitive bid requirements, as well the City of Kennedale's requirement for any quote process. Cooperative purchasing occurs when **two or more** governmental entities coordinate some or all purchasing efforts to reduce administrative costs, take advantage of quantity discounts, share specifications, and create a heightened awareness of legal requirements. Cooperative purchasing can occur through interlocal agreements, state contracts, piggybacking, and joint purchases.
- D. Any exemption per Section 252.022, General Exemption of Texas Local Government Code will need the approval from City Manager. The Department Head will need to include a written explanation, as well as copies of all the quotes for City Manager review. Upon

approval from City Manager, attach written explanation and all documentation and send to Finance Department for payment.

VII. QUOTES

- A. Purchases of non-contract goods or services totaling **\$3000 or less require no quotation**. In such instances, departments should make every effort to use the City's procurement card.
- B. Except where otherwise exempted by applicable State law, purchases totaling **\$3,000.01 to \$49,999.99 require a minimum of three (3) quotes**. All quotations received must be in writing from the vendor and will be evaluated by the Department Head who will then authorize the purchase.
 - 1) Chapter 252.0215 of the Local Government Code: Competitive Bidding in Relation to Historically Underutilized Business (HUB) Vendors, states that a municipality, in making an expenditure of **more than \$3,000 but less than \$50,000**, shall contact **at least two HUBs** on a rotating basis. If the list fails to identify a disadvantaged business in the county in which the City is situated, the City is exempt from this section.
 - 2) Historically Underutilized Business (HUB) are defined as any business determined by the State of Texas to be a disadvantaged (minority/woman owned) vendor.
 - 3) Refer to Appendix B for specific instructions on how to conduct a HUB search.

VIII. SEALED COMPETITIVE PROCESS

Except as otherwise exempted by applicable State law, requisitions for item(s) whose aggregate total cost is **\$50,000 or more** must be processed as competitive solicitations (e.g. sealed bids, request for proposals).

- 1) With the approval from the City Manager to begin the competitive process, the User Department shall prepare a bid package with specifications and any other pertinent information. Along with the specifications and other information, the Department may submit suggested vendors for the item(s) requested.
- 2) A notice will be published in Kennedale's official newspaper to indicate the City's intent to accept bids in accordance with State law. **Bids must be advertised for two (2) consecutive weeks with the first publication at least 14 days prior to the bid opening date.**
- 3) Vendor pre-bid conferences may be conducted if, in the opinion of requesting Department, further explanation or coordination is needed due to the nature of the bid.

- 4) The City Secretary or designee shall publicly open the bids received and read them aloud at a designated time and as indicated in the bid packet. The City Secretary or designee will indicate to those present when the Council will most likely address this item and will make available to those present the names of the vendors and the amount of their respective bids. In the case of an RFP, only the submitter's names will be announced. A tabulation will then be created. A representative from the User Department should be present during bid openings.

IX. AWARD OF CONTRACT

The City of Kennedale shall award contracts based on criteria deemed in the best interest of the City. The Texas Local Government Code, Section 252.043, states, in part:

- 1) If the competitive sealed bidding requirement applies to the contract for goods or services, the contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.
- 2) Before awarding a contract under this section, a municipality must indicate in the bid specifications and requirements that the contract may be awarded either to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

X. RECIPROCITY

The State of Texas Reciprocity Law provides that the State or political subdivision cannot award contracts or purchases to non-resident bidders having local preference laws in their resident states, unless their bid is lower than the lowest bid submitted by a responsible Texas resident bidder by the amount that a Texas resident bidder would be required to underbid a nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

XI. DISCLOSURE OF INFORMATION

Access to bidder-declared trade secrets or confidential information shall be in accordance with the Texas Government Code Chapter 552, the Public Information Act, and applicable City policies implementing this chapter. The Texas Local Government Code Chapter 252.049(b) states, in part:

- A. If provided in a Request For Proposal (RFP), proposals shall be opened in a manner that avoids disclosure of the contents to competing offers and keeps the proposals secret during negotiations. All proposals are open for public inspection after the contract is awarded, but trade secrets and confidential information in the proposals are not open for public inspection.

XII. AUTOMATED INFORMATION TECHNOLOGY PURCHASES

Departments may contact the Finance Department for all technology procurements, so that it can coordinate with Information Technology to ensure that the appropriate solicitation procedure is used and product is sought. Automated information technology purchases include:

- A. The computers on which the information system is automated;
- B. A service related to the automation of the system, including computer software, or the computer; and
- C. A telecommunications apparatus or device that serves as a component of a voice, data, or video communications network for transmitting, switching, routing, multiplexing, modulating, amplifying, or receiving signals on the network.

XIII. PROFESSIONAL SERVICES (EXEMPT FROM SEALED COMPETITIVE PROCESS)

Personal and professional services are exempted from the competitive bidding process and are procured through the use of Request for Qualification (RFQ) documents. The Finance Department is available to consult with departments regarding the preparation of information; however, the presentation of technical and qualifications aspects of personal and/or professional services included in the RFQ documents is the sole responsibility of the requesting department.

- A. Texas Government Code, Chapter 2254, Subchapter A, Professional Services, states that contracts for the procurement of defined professional services may not be awarded on the basis of competitive bids. Instead, they must be awarded on the basis:
 - 1) Of demonstrated competence and qualifications to perform the services;
 - 2) For a fair and reasonable price;
 - 3) Fees are allowed;
 - 4) Must be consistent with and not higher than the recommended practices and fees published by the applicable professional associations; and
 - 5) May not exceed any maximum provided by law.
- B. Professional Services, for the purposes of Government Code Chapter 2254, are defined as those “services within the scope of the practice, as defined by state law, of accounting, architecture, landscape architecture, land surveying, medicine, optometry,

professional engineering, real estate appraising, or professional nursing, or provided in connection with the professional employment or practice of a person who is licensed or registered as a certified public accountant, an architect, a landscape architect, a land surveyor, a physician, including a surgeon, an optometrist, a professional engineer, a state certified or state licensed real estate appraiser, or a registered nurse.”

XIV. SOLE SOURCE PURCHASES (EXEMPT FROM SEALED COMPETITIVE PROCESS)

Sole-source purchases are items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies as defined by local government code. When a department has identified a specific item with unique features or characteristics essential and necessary to the requesting department and no alternate products are available, a written justification must be provided to the Finance Department upon purchase. The legislature exempted certain items from sealed bidding in the Vernon's Texas Codes Annotated - Local Government Code Section 252.022 (a) 7, in part:

- A. Items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies;
- B. films, manuscripts, or books;
- C. gas, water and other utility services;
- D. capital replacement parts or components for equipment;
- E. books, papers, and other library materials for a public library that are available only from the person holding exclusive distribution rights to the materials; and
- F. management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits.

XV. EMERGENCY PURCHASES (EXEMPT FROM SEALED COMPETITIVE PROCESS)

Valid emergencies are those that occur as a result of the breakdown of equipment, which must be kept in operation to maintain the public's safety or health, or whose breakdown would result in the disruption of City operations. When this situation occurs, the department shall contact the Finance Department to conduct the procurement of supplies and services. The Legislature exempted certain items from the competitive sealed process in the Texas Local Government Code Section 252.022(a), including, but not limited to:

- A. A procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of the municipality's residents or to preserve the property of the municipality;

- B. A procurement necessary to preserve or protect the public health or safety of the municipality's residents;
- C. A procurement necessary.

XVI. INELIGIBLE VENDORS

- A. An ineligible vendor shall not be allowed to conduct business until:
 - 1) Financial arrears are paid in full.
 - 2) Inappropriate practices are corrected.
 - 3) Vendors have satisfied any and all penalties imposed by the City.
 - 4) If applicable, a listing of ineligible vendors will be developed and distributed annually by the Finance Department to all other departments, unless a greater frequency is determined by the Director of Finance.
 - 5) At the recommendation of a User Department, the Finance Department may declare a vendor ineligible if it has failed to comply with the terms of a previous award, specifications of a bid or conducted inappropriate business practices.
 - 6) The penalty imposed may be for a period of up to twelve (12) months during which time bids submitted by such vendor shall not be considered.
 - 7) A penalty greater than twelve (12) months due to the severity of the infraction requires the approval of the City Manager or designee.
- B. The City of Kennedale reserves the right to change, modify, amend, revoke or rescind all or part of this policy in the future.

XVII. AUDIT OF DEPARTMENTAL RECORDS

The Finance Department may audit User Department purchasing files to ensure compliance with the procedures described herein.

XVIII. ANNUAL REVIEW

The Director of Finance shall, at a minimum, submit proposed amendments of this policy to the City Council annually.

APPENDIX A

CITY OF KENNEDALE, TEXAS PURCHASING MATRIX

PURCHASE	\$0 - \$3,000.00	\$3,000.01 - \$49,999.99	\$50,000 & Above
SIGNATURES REQUIRED	Department Head	- Department Head - City Manager	- City Manager - City Council
PURCHASE ORDER	- Not Required - Only If Vendor Needs	- Not Required - Only If Vendor Needs	- Not Required - Only If Vendor Needs
LEGAL REQUIREMENT	N/A	- Three (3) Quotes - Two (2) Of Three (3) Quotes Must Be HUB Vendors In Tarrant County - If HUB(s) not listed, City Is Exempt	- Competitive Bid Or - Competitive Proposal
EXEMPT FROM LEGAL REQUIREMENT	N/A	- Cooperative Programs Purchases - Sole Source Purchases - Emergency Purchases - Professional Service Purchase	- Cooperative Programs Purchases - Sole Source Purchases - Emergency Purchases - Professional Service Purchase - MUST USE REQUEST FOR QUALIFICATIONS PROCESS. REFER TO SECTION XIII.
MINIMUM PAYMENT DOCUMENT(S)	- Pay Request - Invoice (Not Quote) - Applicable Receipts - Backup Documents	- Pay Request - Invoice (Not Quote) - Applicable Receipts - Backup Documents	- Pay Request - Invoice (Not Quote) - Applicable Receipts - Backup Documents
PAYMENT TERMS	TX Prompt Payment Act (No Later 30 Days)	TX Prompt Payment Act (No Later 30 Days)	TX Prompt Payment Act (No Later 30 Days)

Cooperative Programs (Approved Annually As Of 10/03/12): US General Services Administration (GSA), Department of Information Resources (DIR), Texas Building and Procurement Commission (TBPC), Texas Multiple Award Schedules (TXMAS), Texas Procurement and Support Services (TPASS), City of Fort Worth Cooperative Purchasing Program, Parker County Cooperative Purchasing Program, Tarrant County Cooperative Purchasing Program, Texas Interlocal Purchasing System (TIPS), Houston-Galveston Area Council (H-GAC), Local Government Purchasing Cooperative (BuyBoard), The Cooperative Purchasing Network (TCPN), US Communities and Western States Contracting Alliance.

APPENDIX B

CITY OF KENNEDALE, TEXAS HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROCEDURES

Excerpts from the Texas Local Government Code, Chapter 252, Subchapter B:

- A. Section 252.0215, “ A municipality, in making an expenditure of **more than \$3,000 but less than \$50,000**, shall contact at least two historically underutilized businesses on a rotating basis, based on information provided by the comptroller pursuant to Chapter 2161, Government Code. If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the municipality is exempt from this section.”
- B. Centralized Master Bidders List & Historically Underutilized Business (HUB) Search
 - 1) Go to <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>
 - 2) Click “HUBS on CMBL.”
 - 3) Enter “Class Code, Item Code, District” if available. Description of each is provided by clicking on link directly below.
 - 4) Select “Tarrant” on Texas County dropdown list.
 - 5) Click “Submit Search.”
 - 6) Select appropriate Output Fields on “Select Fields For Detail List” page.
 - 7) Click “Go.”
 - 8) Results will appear.

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM B.

SUBJECT:

Consider authorizing the City Manager to enter into a three-year contract with STW Inc. for financial software

ORIGINATED BY:

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY: As Council may be aware, the City utilizes STW, Inc. for payroll and financial services software. STW is in the process of updating contracts with their partner cities and the City of Kennedale's contract is up for renewal. STW now offers longer-term contracts for customers who seek to lock in pricing for a set number of years.

Historically, pricing has increased as much as \$2,300 annually. Since staff has no immediate plans to move to different financial software, staff is recommending locking in a rate of \$16,425 annually for three years via the attached proposed agreement.

In FY18–19, the City paid \$14,935 for its annual fee to STW. Assuming an average inflation increase of \$2,300 the City could potentially save \$2,430 over this three-year period.

Finance Director Lakeita Sutton will be available to answer questions from the Council.

BACKGROUND INFORMATION

The City has contracted with STW for financial software since 1997, under annual contracts with pricing adjusted each year. The most recent significant contract change (a software upgrade) was in 2007.

RECOMMENDATION: Approve

ATTACHMENTS:

1.	STW Kennedale, City of - 3 Year Software Lease Contract - 2019 Renewal	STW 3 Year Software Lease Contract - 2019 Renewal ORIGINAL.pdf
2.	STW Pricing Options	STW Pricing Options.pdf

Contract Between City of Kennedale, Texas, and STW, Inc.

For Licensing, Installing and Supporting Application Software

The parties to this "Contract" are STW, Inc.), a Texas corporation, on behalf of itself and its Affiliates ("STW") and City of Kennedale, Texas a Texas general law municipality ("Customer"). This Contract sets forth the terms and conditions under which STW will furnish Licensed Products and provide certain services described herein to Customer, and Customer will pay therefor. "Party" means Customer or STW collectively, and Customer and STW shall be referred to as "Parties".

Exhibits attached which are a part of this Contract are:

Appendix A - the STW Investment Quotation for the City of Kennedale, Texas

For and in consideration of the mutual undertakings herein set forth, the Parties hereto agree as follows:

- 1) **DEFINITIONS.** The following terms as defined below are used throughout this Contract.
 - a) "Affiliate" means a business entity now or hereafter controlled by, controlling or under common control with a Party. Control exists when an entity owns or controls directly or indirectly 50% or more of the outstanding equity representing the right to vote for the election of directors or other managing authority of another entity.
 - b) "Authorized Copies." The only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined as follows:
 - i) the single copy of the Licensed Software and the related Licensed Documentation delivered by STW under this Contract; and
 - ii) any additional copies made by the Customer, as authorized in Section 3(c) and 3(d).
 - c) "Designated System." The hardware and software as specified, listed in Appendix A, and installed at 405 Municipal Drive, Kennedale, Texas 76060.
 - d) "Initial Term" is from 10/1/2019 (the "Effective Date") until 9/30/2024.
 - e) "Licensed Custom Software." Any software programs (or portions of programs) developed by STW specifically for Customer's own use.
 - f) "Licensed Documentation." The published user manuals and documentation that STW makes generally available for the Licensed Software.
 - g) "Licensed Products." (1) The Licensed Software, (2) Licensed Documentation, (3) Updates, and (4) Licensed Custom Software provided under this Contract, or (5) any copy of items (1) - (4).
 - h) "Licensed Software." The machine-readable object code version of the software that STW makes generally, commercially available.

- i) "Renewal Term" means each additional renewal period, which shall be for a period of equal duration as the Initial Term.
- j) "Updates." Any enhanced and/or improved versions of the Licensed Software provided under Appendix A of this Contract and released to the Customer after execution of this Contract.
- k) "Lease Fees": The sum of annual recurring fees for all software modules contracted by the Customer.
- l) "Extended Support": See Appendix A for a detailed description.
- m) "Annual Recurring Fees": The sum of all Lease Fees and Extended Support contracted by the Customer.
- n) "Installation": The service provided by STW to install the Licensed Software modules contracted by Customer on the Designated Systems and provision of the Licensed Products to the Customer.
- o) "Conversion": The service provided by STW to enable (convert and validate) past Customer data into the Designated System.
- p) "Training": The service provided by STW to train Customer contacts on the use of the Licensed Products.
- q) "Travel": Expenses required by STW personnel to commute to the Customer site to complete work required by Customer including but not limited to hotel, mileage, meals, and time to commute.

2) PRIMARY CONTACTS AND REPRESENTATIVES.

The primary contact for STW during the term of this Contract shall be:

Mr. Steven Franklin
212 East Franklin Street
Grapevine, Texas 76051
Phone: (817) 329-1711
Fax: (817) 421-0206

The primary contact for Customer during the term of this contract shall be:

Mr. George Campbell
City of Kennedale
405 Municipal Drive
Kennedale, Texas 76060
Phone: (817) 985-2105

Both Parties shall notify the other Party in writing of any change in the primary contact.

3) LIMITED USE LICENSE.

- a) In consideration of annual software rental fees and other charges, if any, and the applicable custom software fees, if any, as provided in Appendix A, STW hereby grants Customer and Customer hereby accepts from STW a limited, non-transferrable and non-exclusive right to use the Licensed Software only on the Designated System and only for its internal processing needs, subject to the terms and conditions specified herein for a term as provided by Section 18 herein.
- b) Once Customer has paid the annual software rental fees for Licensed Software, Customer shall have the right and license to use the Licensed

Software only for the Customer's own use and only on the Designated System for the Term.

- c) In order to assist Customer in the event of an emergency, Customer is permitted to make up to two (2) backup copies on magnetic media of each application of the Licensed Software and one back up copy of the related Licensed Documentation. These Authorized Copies may be stored off-site away from Customer's premises (as specified in the Definitions Section) so long as they are kept in a location secure from unauthorized use. Customer or anyone obtaining access through Customer shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product includes, without limitation, copies of the following:
 - i) program libraries, both source or object code;
 - ii) operating control language;
 - iii) test data, sample files, or file lay outs;
 - iv) program listings; and
 - v) licensed documentation.
- d) Upon written request by Customer, and with written permission by STW, additional Authorized Copies may be made for Customer's internal use only.
- e) Customer may use the Licensed Products on the Designated System only while it has access to and operates the Designated System, and only during the Term.
- f) If the Designated System is located at Customer's premises and it becomes temporarily inoperable, Customer may load and use the Software on another System until the original Designated System becomes operable.
- g) Any other use or transfer of the Software will require STW's prior approval, which approval will not be unreasonably withheld, and which may be subject to additional charges.
- h) Customer may use Licensed Products only in and for the Customer's own internal purposes and business operations. Customer will not permit any other person to use Licensed Products, whether on a time-sharing, remote job entry or other multiple-user arrangement. Customer may make back-up archival copies of the Software and any related Updates. Customer will reproduce all confidentiality and proprietary notices on each of these copies and maintain an accurate record of the location of each of these copies. Customer will not otherwise attempt to copy, translate, modify, adapt, decompile, disassemble or reverse engineer Licensed Products. The Licensed Software will be resident on Customer's Designated System, during the Term of the Contract.

4) **PAYMENT.**

Customer agrees to pay STW the amounts specified in each Appendix in U.S. dollars and by the Effective Date and on each anniversary of the Effective Date during the Initial Term. For any Renewal Term, Customer shall pay STW for the applicable fees specified in each Appendix on each anniversary of the Effective

Date. Customer shall pay STW for reasonable travel-related expenses, in accordance with Customer's policy and guidelines, monthly as incurred. Any amount not paid when due, which is not in dispute, will accrue interest at the rate of one (1) percent per month, or the maximum interest allowable under applicable law, whichever is less. Customer will pay such interest when remitting the principal amount to STW. All amounts under this Contract are exclusive of any applicable sales, value-added, use or other taxes ("Sales Taxes"). Customer is solely responsible for any and all Sales Taxes, not including taxes based solely on STW's net income. If any Sales Taxes related to the amounts under this Contract are found at any time to be payable, the amount may be billed by STW to, and shall be paid by, Customer. If Customer fails to pay any Sales Taxes, then Customer will be liable for any related penalties or interest, and will indemnify STW for any liability or expense incurred in connection with such Sales Taxes. In the event Customer or the transactions contemplated by the Contract are exempt from Sales Taxes, Customer agrees to provide STW, as evidence of such tax exempt status, proper exemption certificates or other documentation acceptable to STW.

5) LICENSED SOFTWARE UPDATES, CUSTOMER SUPPORT.

- a) STW agrees to provide Customer, at no additional charge, with the Updates that STW may make generally available during the Contract period. This Paragraph will not be interpreted to require STW to either:
 - i) develop and/or release Updates; or
 - ii) customize Updates to satisfy Customer's particular requirements.
- b) Updates will not include any new Products that STW decides, in its discretion, to make generally available as a separately priced Update or option.
- c) The following services shall also be included as Support, and provided under this Section:
 - i) Temporary fixes to Licensed Products;
 - ii) Revisions to Licensed Documentation to reflect new software functions, features and operations;
 - iii) Reasonable telephone and/or remote (dial-in) support for Licensed Products, Monday through Friday from 8:00 a.m. to 5:00 p.m., local time, excluding holidays; and
 - iv) Invitations to and participation in user group meetings, if any.
- d) Additional support for other services is available as requested by Customer, using the hourly rates as provided in Appendix A of this Contract. Such hourly rates are subject to change after one (1) year from the Effective Date. These additional services include, but are not limited to, the following:
 - i) Designing, programming and supporting Licensed Custom Software.
 - ii) Maintaining modified Licensed Software and/or Licensed Custom Software.
 - iii) File conversion and assistance.
 - iv) Installation of Updates.

6) LIMITED WARRANTIES.

- a) **Warranty.** STW warrants that Licensed Software and Updates will (1) conform to STW published product manuals in effect on the date of delivery; and (2) perform substantially as described in the accompanying Licensed Documentation after delivery for 90 calendar days. STW does not warranty that the Licensed Products will satisfy or may be customized to satisfy all of Customer's requirements.
- b) **Remedies.** In case of breach of such warranty , STW or its representative will use commercially reasonable efforts to correct or replace any defective Licensed Software or Update or, if not practicable, STW will accept the return of the defective Licensed Software and will provide a pro-rata refund to Customer the amount actually paid to STW for the defective Licensed Software, , and a pro-rata share of any maintenance fees that Customer actually paid to STW for the period that such Licensed Software was deficient. Customer acknowledges that this Paragraph sets forth Customer's exclusive remedy, and STW's exclusive liability, for any breach of warranty related to the limited warranty of the Licensed Software and Updates.
- c) **Disclaimer.** Except as expressly provided in this Contract, all other warranties, conditions, representations, indemnities and guarantees with respect to the Licensed Products whether expressed or imputed, arising by law, custom, prior oral or written statements by STW or its licensors or representatives or otherwise, including, but not limited to, any warranty or merchantability, fitness for particular purpose or non-infringement, are hereby overridden, and excluded and disclaimed.
- d) The foregoing warranties do not apply if the Licensed Products have been modified or are supported by any party other than STW or its authorized licensors or representatives.

7) INDEMNITY.

- a) STW agrees to indemnify and hold Customer harmless from and against any and all judgments, suits, costs and expenses subject to the limits set forth in this Contract resulting from any alleged infringement of any patent (U.S. only) or copyright arising from the licensing of the Licensed Software pursuant to this Contract.
- b) If an action is brought against Customer claiming that Licensed Software infringes a patent (U.S. only) or copyright, STW will defend Customer at STW's expense and, subject to Section 8 of this Contract, pay the damages and costs finally awarded against STW in the infringement action, or against Customer for an infringement for which STW has agreed to indemnify Customer under this Contract. Such damages are due Customer only under the following conditions: (1) Customer notifies STW promptly upon learning that the claim might be asserted; (2) STW has control over the defense of the claim and any negotiation for its settlement or

compromise; and (3) Customer takes no action that, in STW's judgment, is contrary to STW's interest.

- c) a claim described in Paragraph 7(b) may be or has been asserted, Customer will permit STW, at STW's option and expense to (1) procure the right to continue using the Licensed Product; (2) replace or modify the Licensed Software to eliminate the infringement while providing functionally equivalent performance; or (3) accept the return of the Licensed Software and provide a pro-rata refund to Customer the amount actually paid to STW for such Licensed Software that is unused, , and a pro-rata share of any Support fees that Customer actually paid to STW for the period that such Licensed Software .
- d) Limitation. STW shall have no indemnity obligation to Customer if an infringement claim results from the following:
 - i) a correction or modification of the Licensed Software not provided by STW;
 - ii) the failure to promptly install an Update; or
 - iii) the combined use of the Licensed Software with software not provided or supplied by STW.

8) NO CONSEQUENTIAL DAMAGES.

Under no circumstances will STW or its licensors or representatives be liable for any consequential indirect special, punitive, or incidental damages, whether foreseeable or unforeseeable based on Customer's claims or those of its customers, including, but not limited to, claims for loss of data, goodwill, profits, use of money or use of the Licensed Products, interruption in use or availability of data, stoppage or other work or impairment of other assets out of breach or failure of express or implied warranty, breach of contract, misrepresentation of negligence, strict liability in tort or otherwise, except only in the case of death or personal injury where and to the extent that applicable law requires such liability. In no event will the aggregate liability which STW or its Affiliates or representatives may incur in any action or proceeding exceed the total amount actually paid by Customer for the specific Licensed Product that directly caused the damage.

9) OWNERSHIP.

- a) All trademarks, service marks, patents, copyrights, trade secrets and other proprietary rights in or related to the Licensed Products and Feedback are and will remain the exclusive property of STW or its licensors, whether or not specifically recognized or perfected under applicable law. Customer shall obtain no right, title or interest in the Licensed Products by virtue of this Contract other than the non-exclusive, nontransferable license to use the Licensed Products as restricted herein. Customer will not take any action that jeopardizes STW's or its licensor's proprietary rights or acquire any right in the Licensed Products, except the limited use rights specified in Section 4. STW agrees to notify customer in writing if STW determines that

Customer has or is about to take any action identified above which Customer has agreed not to take.

- b) STW or its licensor will own all rights in any copy, translation, modification, adaptation or derivation of the Licensed Products, including any Feedback, improvement or development thereof.
- c) Customer will obtain, at STW's request, the execution of any instrument that may be appropriate to assign these rights to STW or its licensor or perfect these rights in STW's or its licensor's name.

10) CONFIDENTIAL INFORMATION AND NON-DISCLOSURE.

- a) Customer acknowledges that Licensed Products incorporate confidential and proprietary information developed or acquired by or licensed to STW. Customer will take all reasonable precautions necessary to safeguard confidentiality or proprietary notice placed on Licensed Products. The placement of copyright notices on these items will not constitute publication or otherwise impair their confidential nature.
- b) Subject to requirements of the Freedom of Information Act (FOIA) and applicable state and local statutes relating to open records, each party shall hold all confidential information in trust and confidence for the Party claiming confidentiality and not use such confidential information other than for the benefit of that Party. The other Party agrees not to disclose any such confidential information by publication or otherwise, to any other person or organization, unless ordered to do so by a court of law or otherwise required under federal or State law.
- c) Customer hereby acknowledges and agrees that all Licensed Products are confidential information and proprietary to STW. In addition to other restrictions set forth elsewhere in this Contract or otherwise agreed to in writing, Customer agrees to implement all reasonable measures to safeguard STW's proprietary rights in Licensed Products, including without limitation the following measures:
 - i) Customer shall permit access to Licensed Products only to those employees who require access and only to the extent necessary to perform Customer's internal processing needs.
 - ii) With respect to agents or third parties, Customer shall permit access to Licensed Products only after STW has approved and returned a written non-disclosure statement to Customer, which approval shall not be unreasonably withheld. STW reserves the right to reasonably refuse access to a third party after it has evaluated the request. Customer agrees to provide information reasonably requested by STW to assist STW in evaluating Customer's request to permit third party access to Licensed Products. In addition to any other remedies, STW may recover all reasonable and documented damages and legal fees incurred in the enforcement of this provision on third party access,
 - iii) Customer shall cooperate with STW in the enforcement of the conditions set forth in the non-disclosure statement, or any other

reasonable restrictions STW may specify in writing in order to permit or restrict access.

- iv) Customer shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials.

11) **TERM & TERMINATION.**

- a) Unless either Party terminates this Contract in writing no less than ninety (90) days before the end of the Initial Term, this Contract shall renew for another period of the same duration as the Initial Term. The "Term" of this Contract is the Initial Term, and the Renewal Term. Reasonable price increases are applicable after the first year of the Contract.
- b) By Customer: If STW materially breaches any term of this Agreement and fails to cure such breach within ninety (90) days after notice by Customer, the Customer may terminate this Agreement immediately upon notice.
- c) By STW: If Customer fails to make prompt payments to STW when invoiced and within the time frame outlined in this Contract, or if Customer fails to fulfill its responsibilities as prescribed in this Contract, STW may at its option terminate this Contract, as follows:
 - i) The termination notice shall define the reason(s) for termination;
 - ii) If the reason cited for termination is Customer's failure to make prompt payment, Customer shall have fifteen (15) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - iii) If the cited reason for termination is Customer's failure to fulfill its responsibilities, Customer shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this Contract.
 - iv) At the end of ninety (90) days, unless the notice of termination has been revoked in writing by STW, the Contract terminates.
- d) This Contract may be terminated without judicial or administrative resolution if Customer or STW, or any of Customer's, or STW's employees or representatives breach any term or condition hereof
 - i) Either Party may terminate this Contract in the event of bankruptcy, insolvency and/or assignment for the benefit of creditors of or by either Party.
 - ii) Upon the termination of this Contract for any reason, STW's maintenance and support of the Licensed Products will cease, and the license shall be considered terminated.
 - iii) Upon termination of this Contract for any reason, Customer shall return or destroy all copies of the previously Licensed Product and shall cease all use of the Licensed Product and, upon request certify as to such actions.
 - iv) The provisions of Sections 7, 8, 9, 10, 12, 16 and 18 will survive the termination of this Contract.

12) RIGHT TO INSPECTION.

During the term of this Contract, STW or its representative may, upon 30 days prior written notice to Customer, inspect the files, computer processors, equipment and facilities of Customer during normal working hours to verify Customer's compliance with this Contract.

13) INSTALLATION AND TRAINING.

- a) STW shall make available to Customer qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. Customer and STW will develop a mutually agreeable training schedule. Costs for hourly services for the first year of the Term are described in Appendix A.
- b) Installation and training support services will be performed at Customer's premises, unless otherwise stated.
- c) Training shall consist of both operational and administrative information.
- d) Training will also include hardware and data communications systems, as applicable, including, but not limited to, system configuration, back-up and recovery training, standards for system management and general operations training for Customer personnel.
- e) Each software application training shall be provided by STW. Each program shall be demonstrated step-by-step, practicing each menu, each screen, and each entry as well as explaining how to use the written and/or on-line documentation.

14) INDEPENDENT CONTRACTOR.

STW is an independent contractor. The personnel of one Party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each Party shall be responsible for the acts of its own employees.

15) INSURANCE REQUIREMENTS.

Each Party shall be responsible for Worker Compensation coverage for its own personnel. STW shall not commence work under this Contract until it has obtained Worker Compensation Insurance. STW shall procure and maintain, during the term of this Contract, Worker Compensation Insurance for all of its employees or representatives who engage in the work to be performed. Should Customer require other insurance coverage of STW, it shall be provided at Customer's expense upon notice to STW.

16) NOTICES

Notices to STW shall be mailed certified mail, return receipt requested to: Mr. Steven Franklin at 212 East Franklin, Grapevine, TX 76051.

Notices to Customer shall be mailed certified mail, return receipt requested to: Mr. George Campbell, City of Kennedale, Texas, 405 Municipal Drive, Kennedale, Texas 76060

17) MISCELLANEOUS.

- a) All notices or approvals required or permitted under this Contract must be given in writing.
- b) This Contract will bind both the Customer's and STW's Affiliates. This Contract will be governed by and interpreted in accordance with the laws of the State of Texas, U.S.A. If any provision of this Contract is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Contract.
- c) The prevailing Party in any dispute or legal proceedings enforcing this Contract shall be entitled to recover its attorney's fees, witness fees, litigation expenses and costs, as same are reasonable and necessary, to be paid by the non-prevailing Party.
- d) STW shall have the right to use and display Customer's logos and trade names for marketing and promotional purposes in connection with STW's website and marketing materials, subject to Customer's trademark usage guidelines provided to STW.
- e) Except as set forth in this Paragraph, neither Party shall assign, delegate, or otherwise transfer this Contract or any of its rights or obligations to a third party without the other Party's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. Either Party may assign, without such consent but upon written notice, its rights and obligations under this Contract to: (i) its Affiliate; or (ii) any entity that acquires all or substantially all of its capital stock or its assets related to this Contract, through purchase, merger, consolidation, or otherwise. Any other attempted assignment shall be void. This Contract shall inure to the benefit of and bind each Party's permitted assigns and successors.
- f) The Parties acknowledge that any breach of the confidentiality provisions or the unauthorized use of a Party's intellectual property may result in serious and irreparable injury to the aggrieved Party for which damages may not adequately compensate the aggrieved Party. The Parties agree, therefore, that, in addition to any other remedy that the aggrieved Party may have, it shall be entitled to seek equitable injunctive relief without being required to post a bond or other surety or to prove either actual damages or that damages would be an inadequate remedy.
- g) Neither Party shall be held responsible or liable for any losses arising out of any delay or failure in performance of any part of this Contract, other than payment obligations, due to any act of god, act of governmental authority, or due to war, riot, labor difficulty, failure of performance by any third-party service, utilities, or equipment provider, or any other cause beyond the reasonable control of the Party delayed or prevented from performing.
- h) If any provision of this Contract is found to be unenforceable or invalid, that provision will be limited or eliminated to the minimum extent necessary so that this Contract will otherwise remain in full force and effect and enforceable. Any express waiver or failure to exercise promptly any right

under this Contract will not create a continuing waiver or any expectation of non-enforcement. There are no third-party beneficiaries to this Contract.

- i) This Contract contains the complete and exclusive statement of the agreement between the Parties concerning the matters referred to herein and replaces any prior oral or written representations or communications between the Parties. Each individual signing below represents that they have the requisite authority to execute this Contract on behalf of the organization for which they represent and that all necessary formalities have been met. This Contract is effective upon the last date shown on this page. No modification of this Contract will be binding, unless in writing and signed by an authorized representative of each Party.

AGREED TO BY:

STW Inc.

Customer

By: _____
Steven Franklin, President

By: _____
Mr. George Campbell

Title

Date _____

Date _____

Appendix A

1) Installation Time.

Installation has been completed pursuant to the prior agreement between the parties.

2) Licensed Products and Charges:

Appendix A Charges Summary	Annual Fees
Applications Currently Leased	\$13,595.00
Additional Products/Services	\$2,830.00
Reporting Tools	\$ 0.00

Applications Currently Leased	Annual Lease Amount
General Ledger	2,087.00
Accounts Payable	1,487.00
Budget Preparation	1,407.00
Payroll	2,809.00
Utility Billing	2,680.00
Cash Receipts	1,124.00
Fixed Assets	594.00
Purchase Card	0.00
Payroll Timesheets	0.00
Payroll Budgeting	0.00
Accounts Receivable	0.00
Report Distribution	0.00
Requisitions	0.00
STW Tools	1,407.00
Total	\$13,595.00

Additional Products/Services	
Supporting Software	2,230.00
STW Backups	600.00
Security License	0.00
Email Service	0.00
OpenGov Interface	
Total Additional Products/Services	\$2,830.00

Note: Any amounts that are zero are for applications/products currently not used.

Amounts specified for Vision and Intellicus are based upon the previous year's amounts and may change. The amounts will be billed at the time a bill is received from the vendor.

Reporting Tools	
Intellicus	0.00
Vision (Infor)	0.00
Total Additional Products/Services	\$ 0.00

3) **Miscellaneous:**

- a) STW may engage independent contractors to perform all or part of STW's obligations under this Contract.
- b) Should the Customer require additional Services beyond the estimated amount as specified in the Summary table below, such services shall be performed and charged to Customer at \$145 / hour.

Application	2019 Amounts	1 Year contract	3 Year contract	5 Year contract
General Ledger	\$ 1,950.00	\$ 2,145.00	\$ 2,087.00	\$ 2,009.00
Accounts Payable	\$ 1,390.00	\$ 1,529.00	\$ 1,487.00	\$ 1,432.00
Budget	\$ 1,315.00	\$ 1,447.00	\$ 1,407.00	\$ 1,354.00
Accounts Receivable		\$ -	\$ -	\$ -
Payroll Budgeting		\$ -	\$ -	\$ -
Payroll	\$ 2,625.00	\$ 2,888.00	\$ 2,809.00	\$ 2,704.00
Utility Billing	\$ 2,505.00	\$ 2,756.00	\$ 2,680.00	\$ 2,580.00
Cash Receipts	\$ 1,050.00	\$ 1,155.00	\$ 1,124.00	\$ 1,082.00
Fixed Assets	\$ 555.00	\$ 611.00	\$ 594.00	\$ 572.00
Purchase Card		\$ -	\$ -	\$ -
Report Distribution	\$ -	\$ -	\$ -	\$ -
Requisitions		\$ -	\$ -	\$ -
Payroll Timesheets		\$ -	\$ -	\$ -
Stw Tools	\$ 1,315.00	\$ 1,447.00	\$ 1,407.00	\$ 1,354.00
Supporting Software	\$ 2,230.00	\$ 2,230.00	\$ 2,230.00	\$ 2,230.00
Backups	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00
2019 Total	\$ 15,535.00	\$ 16,808.00	\$ 16,425.00	\$ 15,917.00

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM C.

SUBJECT:

Consider authorizing City Manager to enter into an agreement with Halff and Associates at a cost of \$16,500 for professional engineering services to evaluate the impacts and costs associated with stabilizing the streambank adjacent to Valley Lane in an effort to mitigate erosion and prevent future damage to the roadway

ORIGINATED BY:

Larry Hoover, Public Works Director

SUMMARY:

This is a first step towards mitigating the erosion issues affecting Valley Lane by identifying the Federal Emergency Management Association (FEMA) and the United States Army Corps of Engineers (USACE) requirements for the project. The engagement of a project manager and assignment of a project number early on should allow for a smoother process throughout – initially by providing valuable insight regarding which permits will be required and the estimated cost of obtaining those permits.

As such, the attached contract:

1. provides for Halff and Associates to engage (as a representative of the City) in discussions with USACE and FEMA regarding the approval of design and construction plans throughout the detailed permitting process;
2. includes the completion of a preliminary grading and easement determination for a typical channel design; and
3. will result in an 'Opinion of Probable Cost' for the necessary improvements and associated engineering.

RECOMMENDATION: Approve

ATTACHMENTS:

1.	Valley Lane Contract (HALFF)	HALFF Valley Lane Contract FINAL.pdf
2.	Valley Lane Scope	Valley Lane Scope.pdf

AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES ON A DEFINED SCOPE OF SERVICES BASIS

This Agreement for Professional Engineering Services, hereinafter called "Agreement," is entered into by the City of Kennedale a Home Rule City of the State of Texas, hereinafter referred to as "Client", duly authorized to act by the City Council of said Client, and **HALFF ASSOCIATES, INC.**, a Texas corporation, acting through a duly authorized officer, herein called "Engineer," relative to Engineer providing professional engineering services to the Client. Client and Engineer when mentioned collectively shall be referred to as the "Parties".

W I T N E S S E T H:

For the mutual promises and benefits herein described, the Client and Engineer agree as follows:

I. Term of Agreement. This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.

II. Services to be Performed by Engineer. Engineer shall provide to the Client basic engineering services as described in the scope of services attachment and fully incorporated herein as "**Exhibit A**" which services may include, but will not be limited to, those services normally rendered by an engineer to a Home Rule City. Engineer hereby covenants and agrees to perform the services hereinafter described with diligence and in accordance with the professional standards customarily obtained for such services in the State of Texas. Engineer shall perform its obligations under this agreement as an independent contractor and not as an agent or fiduciary of any other party.

III. Compensation - Client agrees to pay monthly invoices or their undisputed portions within 30 days of receipt. Payment later than 30 days shall include interest at 1 percent (1%) per month or lesser maximum enforceable interest rate, from the date the Client received the invoice until the date Engineer receives payment. Such interest is due and payable when the overdue payment is made.

It is understood and agreed by the Parties that Engineer's receipt of payment(s) from Client is not contingent upon Client's receipt of payment, funding, reimbursement or any other remuneration from others.

Time-related charges will be billed as specified in this Agreement. Unless stated otherwise in this Agreement, direct expenses, subcontracted services and direct costs will be billed at actual cost plus a service charge of 10 percent. Mileage will be billed at current IRS rates.

IV. Client's Obligations. The Client agrees that it will (i) designate a specific person to act as the Client's representative, (ii) provide Engineer with any previous studies, reports, data, budget constraints, special Client requirements, or other pertinent information known to the Client, when necessitated by a project, (iii) provide site access, and to provide those services described in the attached Scope of Services to assist Engineer in obtaining access to property necessary for performance of Engineer's work for the Client, (iv) make prompt payments in response to Engineer's statements and (v) respond in a timely fashion to requests from Engineer.

V. Termination of Work - Either the Client or the Engineer may terminate this Agreement at any time with or without cause upon giving the other Party ten (10) calendar days' prior written notice. Following Engineer's receipt of such termination notice the Client shall, within ten (10) calendar days of Client's receipt of Engineer's final invoice, pay the Engineer for all services rendered and all costs incurred up to the date of Engineer's receipt of such notice of termination.

VI. Ownership of Documents - Upon Engineer's completion of services and receipt of payment in full, Engineer shall grant to Client a non-exclusive license to possess the final drawings and instruments produced in connection with Engineer's performance of the work under this Agreement, if any. Said drawings and instruments may be copied, duplicated, reproduced and used by Client for the purpose of constructing, operating and maintaining the improvements. Client agrees that such documents are not intended or represented to be suitable for reuse by Client or others for purposes outside the Scope of Services of this Agreement. Notwithstanding the foregoing, Client understands and agrees that any and all computer programs, GIS applications, proprietary data or processes, and certain other items related to the services performable under this Agreement are and shall remain the sole and exclusive property of Engineer and may not be used or reused, in any form, by Client without the express written authorization of Engineer. Client agrees that any reuse by Client, or by those who obtain said information from or through Client, without written verification or adaptation by Engineer, will be at Client's sole risk and without liability or legal exposure to Engineer or to Engineer's employees, agents, representatives, officers, directors, affiliates, shareholders, owners, members, managers, attorneys, subsidiary entities, advisors, subconsultants or independent contractors or associates. Engineer may reuse all drawings, reports, data and other information developed in performing the services described by this Agreement in Engineer's other activities.

VII. Notices. Any notices to be given hereunder by either party to the other may be affected either by personal delivery, in

writing, or by registered or certified mail.

VII. Sole Parties and Entire Agreement. This Agreement shall not create any rights or benefits to anyone except the Client and Engineer, and contains the entire agreement between the parties. Oral modifications to this Agreement shall have no force or effect.

IX. Insurance. Engineer shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement and for a period of four (4) years thereafter, professional liability insurance. The limits of liability shall be \$1,000,000 per claim and in the aggregate. Engineer shall submit to the Client a certificate of insurance prior to commencing any work for the Client.

X. Prompt Performance by Engineer. All services provided by Engineer hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of the engineering profession in the State of Texas applicable to such engineering services contemplated by this Agreement.

XI. Client Objection to Personnel. If at any time after entering into this Agreement, the Client has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom the Client has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

XII. Assignment and Delegation. Neither the Client nor Engineer may assign their rights or delegate their duties without the written consent of the other party. This Agreement is binding on the Client and Engineer to the fullest extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Client officer, employee or agent.

XIII. Jurisdiction and Venue - This Agreement shall be administered under the substantive laws of the State of **Texas** (and not its conflicts of law principles) which shall be used to govern all matters arising out of, or relating to, this Agreement and all of the transactions it contemplates, including without limitation, its validity, interpretation, construction, performance and enforcement. Exclusive venue shall lie in any court of competent jurisdiction in **Tarrant County, Texas**.

XIV. Integration, Merger and Severability – This Agreement and the Scope of Services, including fee and schedule are fully incorporated herein and represent the entire understanding of Client and Engineer. No prior oral or written understanding shall be of any force or effect with respect to those matters covered herein. The Agreement may not be modified or altered except in writing signed by both Parties. This Agreement constitutes, represents and is intended by the Parties to be the complete and final statement and expression of all of the terms and arrangements between the Parties to this Agreement with respect to the matters provided for in this Agreement. This Agreement supersedes any and all prior or contemporaneous agreements, understandings, negotiations, and discussions between the Parties and all such matters are merged into this Agreement. Should any one or more of the provisions contained in this Agreement be determined by a court of competent jurisdiction or by legislative pronouncement to be void, invalid, illegal, or unenforceable in any respect, such voiding, invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be considered as if the entirety of such void, invalid, illegal, or unenforceable provision had never been contained in this Agreement.

XV. Exclusivity of Remedies – The Parties acknowledge and agree that the remedies set forth in this Agreement, including those set forth in Article XX. Agreed Remedies are and shall remain the Parties' sole and exclusive remedy with respect to any claim arising from, or out of, or related to, the subject matter of this Agreement. The Parties agree that Engineer is to have no liability or responsibility whatsoever to Client for any claim(s) or loss(es) of any nature, except as set forth in this Agreement. No Party shall be able to avoid the limitations expressly set forth in this Agreement by electing to pursue some other remedy.

XVI. Timeliness of Performance - Engineer shall perform its professional services with due and reasonable diligence consistent with sound professional practices.

XVII. Dispute Resolution. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to schedule a series of no less than two meetings of senior personnel of Client and Engineer in which the disagreement or conflict will be discussed. The first of such meetings will be scheduled as soon as possible following identification of such disagreement or conflict and the second meeting must occur within thirty (30) days following the initial meeting. Subsequent meetings, if any may be scheduled upon mutual agreement of the parties. The parties agree that these two meetings are conditions precedent to the institution of legal proceedings unless such meetings will adversely affect the rights of one or more of the parties as such rights relate to statutes of limitation or repose.

XVIII. Signatories. The Client and Engineer mutually warrant and represent that the representation of each who is executing this Agreement on behalf of the Client or Engineer, respectively, has full authority to execute this Agreement and bind the entity so represented.

XIX. INTENTIONALLY LEFT BLANK

XX. AGREED REMEDIES

A. IT IS THE INTENT OF THE PARTIES TO THIS AGREEMENT THAT ENGINEER'S SERVICES UNDER THIS AGREEMENT SHALL NOT SUBJECT ENGINEER'S INDIVIDUAL EMPLOYEES, OFFICERS OR DIRECTORS TO ANY PERSONAL LEGAL EXPOSURE FOR CLAIMS AND RISKS ASSOCIATED WITH THE SERVICES PERFORMED OR PERFORMABLE UNDER THIS AGREEMENT.

B. IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO BOTH THE CLIENT AND THE ENGINEER, AND ACKNOWLEDGING THAT THE ALLOCATION OF RISKS AND LIMITATIONS OF REMEDIES ARE BUSINESS UNDERSTANDINGS BETWEEN THE PARTIES AND THESE RISKS AND REMEDIES SHALL APPLY TO ALL POSSIBLE LEGAL THEORIES OF RECOVERY. CLIENT FURTHER AGREES, TO THE FULLEST EXTENT PERMITTED BY LAW, AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT OR ANY REFERENCE TO INSURANCE OR THE EXISTENCE OF APPLICABLE INSURANCE COVERAGE, THAT THE TOTAL LIABILITY, IN THE AGGREGATE, OF THE ENGINEER AND ENGINEER'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS TO THE CLIENT OR TO ANYONE CLAIMING BY, THROUGH OR UNDER THE CLIENT, FOR ANY AND ALL CLAIMS, LOSSES, COSTS OR DAMAGES WHATSOEVER ARISING OUT OF, RESULTING FROM, OR IN ANY WAY RELATED TO, THE SERVICES UNDER THIS AGREEMENT FROM ANY CAUSE OR CAUSES OF THE ENGINEER OR THE ENGINEER'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS, SHALL BE LIMITED TO CLIENT'S ACTUAL AND DIRECT DAMAGES, CLAIMS FOR INDEMNIFICATION, AND ATTORNEY'S FEES AND COST OF COURT AS DESCRIBED FURTHER IN THIS AGREEMENT.

C. NOTWITHSTANDING ANY OTHER PROVISION OF THE AGREEMENT, ENGINEER SHALL HAVE NO LIABILITY TO THE CLIENT FOR CONTINGENT, CONSEQUENTIAL OR OTHER INDIRECT DAMAGES INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF USE, REVENUE OR PROFIT; OPERATING COSTS AND FACILITY DOWNTIME; OR OTHER SIMILAR BUSINESS INTERRUPTION LOSSES, HOWEVER, THE SAME MAY BE CAUSED.

D. ENGINEER SHALL INDEMNIFY AND HOLD HARMLESS CLIENT, ITS OFFICERS, OFFICIALS, AGENTS AND EMPLOYEES, IN THEIR INDIVIDUAL AND OFFICIAL CAPACITIES, FROM ANY LOSS, DAMAGES, LIABILITY OR EXPENSE ON ACCOUNT OF DAMAGE TO PROPERTY AND/OR INJURIES (INCLUDING DEATH) TO ANY PERSON OR PERSONS, INCLUDING OFFICERS, EMPLOYEES OR AGENTS OF ENGINEER, TO THE EXTENT CAUSED BY THE NEGLIGENT ERROR, OMISSION, DEFECT, OR DEFICIENCY IN THE PERFORMANCE OF ENGINEER'S PROFESSIONAL SERVICES OR IN THE NEGLIGENT PREPARATION OF DESIGNS, WORKING DRAWINGS, SPECIFICATIONS OR OTHER ENGINEERING DOCUMENTS INCORPORATED INTO IMPROVEMENTS CONSTRUCTED IN ACCORDANCE HERewith. ENGINEER SHALL REIMBURSE CLIENT'S REASONABLE ATTORNEY'S FEES AND COSTS OF COURT IN PROPORTION TO ENGINEER'S LIABILITY AND SATISFY JUDGMENTS WHICH MAY BE INCURRED BY OR RENDERED AGAINST CITY OR ITS OFFICERS, OFFICIALS, AGENTS OR EMPLOYEES IN CONNECTION HERewith; PROVIDING AND EXCEPT, HOWEVER, THAT THIS INDEMNITY PROVISION SHALL NOT BE CONSTRUED AS REQUIRING ENGINEER TO INDEMNIFY OR HOLD HARMLESS CITY, ITS OFFICERS, OFFICIALS, AGENTS, OR EMPLOYEES FROM LOSS, DAMAGES, LIABILITY OR EXPENSE ON ACCOUNT OF DEFECTS OR DEFICIENCIES IN DESIGN CRITERIA AND INFORMATION FURNISHED TO ENGINEER BY CITY AND WHICH ENGINEER COULD NOT DISCOVER BY THE EXERCISE OF REASONABLE DILIGENCE. IT IS UNDERSTOOD AND AGREED BY BOTH PARTIES TO THIS AGREEMENT THAT THE FIRST TEN DOLLARS (\$10.00) OF REMUNERATION PAID TO ENGINEER UNDER THIS AGREEMENT SHALL BE IN CONSIDERATION FOR INDEMNITY/INDEMNIFICATION PROVIDED FOR IN THIS AGREEMENT.

XXI. WAIVER - Any failure by Engineer to require strict compliance with any provision of this Agreement shall not be construed as a waiver of such provision, and Engineer may subsequently require strict compliance at any time, notwithstanding any prior failure to do so.

XXII. Attorney's Fees. If it becomes necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party, the prevailing party's reasonable attorney's fees and costs of court.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the ____ day of _____, 20__.

HALFF ASSOCIATES, INC.

CLIENT: CITY OF KENNEDALE, TEXAS

By: _____
Signature

Printed Name

Title

Date

By: _____
Signature

Printed Name

Title

Date

EXHIBIT 'A' - ATTACHMENT 'A'
SCOPE OF WORK
Streambank Stabilization along Valley Lane
City of Kennedale, Texas

GENERAL DESCRIPTION – The City of Kennedale has requested Halff Associates to evaluate the impacts and costs associated with stabilizing the streambank adjacent to Valley Lane to mitigate erosion and prevent future damage to the street.

ASSUMPTIONS – Professional services shall include only services that are normal and customary and are not represented as including special services or those requiring expertise that is greater than that provided by other service providers.

- A. This project scope does not include Geotechnical Engineering or recommendations.
- B. No utility relocations shall be designed under this contract, and franchise utility coordination is excluded.
- C. 2015 NCTCOG Lidar data will be utilized. No ground survey is included under this contract.
- D. This scope excludes evaluation and plan preparation for Valley Lane.
- E. This scope does not include the development of construction plans, a project manual, or specifications.

TASK 1 – Preliminary Grading and Easement Determination: Halff will develop a preliminary grading exhibit and provide typical channel cross sections based on 2015 NCTCOG Lidar data. Halff will establish the limits of the proposed easement. A legal description and easement documents are not included in this scope. This task assumes up to two meetings. The preliminary grading exhibit will consist of the following sheets:

- A. Typical Sections: Typical sections shall be drawn to scales of 1" = 5' h and 1" = 2' v and shall depict a view looking north or east. As a minimum, typical sections will be drawn showing the relationship of the proposed channel with respect to the street. Typical sections will include right-of-way lines and proposed easement along with all proposed improvements and will depict all significant items of work.
- B. Preliminary Grading Plan: The Consultant will prepare preliminary grading plans including any proposed stabilization. Grading plans will include right-of-way lines and proposed easement along with all proposed improvements and will depict all significant items of work.

TASK 2 – Opinion of Probable Cost: Halff will develop an opinion of probable cost for improvements associated with this project. Costs for engineering will also be provided.

TASK 3 – Federal Permitting (Section 404 of Clean Water Act)

- A. Jurisdictional Determination/Delineation: Halff will perform an on-the-ground jurisdictional determination to identify the limits of waters of the United States, including wetlands. The jurisdictional determination will delineate the limits of the ordinary high water mark of the stream channel. Halff will investigate overbank areas and take on-site photography to document the presence or absence of adjacent wetlands. Halff will also prepare USACE stream assessment sheets to characterize the stream condition. A summary report will be prepared describing the methodology and results of the investigation, so that the report may satisfy the jurisdictional determination requirement for anticipated permit requirements.
- B. USACE Fort Worth District Coordination: Halff will submit a request to the United States Army Corps of Engineers (USACE) Fort Worth District requesting the assignment of a project manager (PM) for future correspondence. Once a project number and PM have been assigned, Halff will coordinate with the USACE to host a pre-application meeting to address the permitting approach as well as any compensatory mitigation requirements. This task assumes one meeting at the USACE office.

TASK 4 – Floodplain Study and Permitting: Halff will evaluate the future effort involved with hydraulic analysis and floodplain permitting required to determine feasibility, impacts, and design criteria for the proposed channel improvements along Tributary VC-4. Halff will deliver a scope for future effort including a cost estimate and a timeline.

EXHIBIT 'A' - ATTACHMENT 'B'
FEE SUMMARY
Streambank Stabilization along Valley Lane
City of Kennedale, Texas

Task	Description	Total
1.	Preliminary Grading & Typical Sections	\$6,100
2.	Opinion of Probable Cost	\$1,400
3.	Federal Permitting Determination	\$6,500
4.	Floodplain Study Determination	\$2,500
TOTAL		\$16,500

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM D.

SUBJECT:

CASE # PZ 19-07 — Conduct a public hearing and consider Ordinance 670, regarding a request by Trifecta Homes, LLC for a rezoning from "R3" Residential to "MF" Multi-Family for approximately 4 acres located at 962 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 6, 968 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 5R, 1022 N. Bowman Springs Road, Block 1, Lot 4R, 1028 N. Bowman Springs Road, Block 1, Lot 3R, 1034 N. Bowman Springs Road, Block 1, Lot 2R, and 1040 N. Bowman Springs Road, Block 1, Lot 1R, City of Kennedale, Tarrant County, Texas

ORIGINATED BY:

Melissa Dailey, Director of Planning & Economic Development

SUMMARY:

BACKGROUND AND OVERVIEW

Request	Rezone from R3 Single Family (Residential) to MF (Multi-Family Residential)
Applicant	Trifecta Homes, LLC
Location	Multiple lots at Bowman Springs Road and Corry A Edwards Drive
Surrounding Uses	Schools, Single-Family Residential, Commercial, Industrial
Surrounding Zoning	PD-UV, UV, R1, R3, C2, I
Future Land Use Plan Designation	Residential
Staff Recommendation	Approve

CURRENT STATUS OF PROPERTY

The property is currently vacant land.

SURROUNDING PROPERTIES & NEIGHBORHOOD

The property fronts Bowman Springs Road and is located at the Corry A Edwards intersection. Bowman Springs is identified in the Future Transportation Plan as a Boulevard and a priority bicycle/pedestrian project. The corridor is characterized by a variety of uses, including Kennedale Junior High School, Fellowship Academy, single family homes and subdivisions, a golf driving range, commercial buildings, industrial buildings, undeveloped land, and the Southwest Nature Preserve.

STAFF REVIEW

Future Land Use Plan

The Future Land Use Plan indicates this property as residential.

Related Goals From the Comprehensive Land Use Plan

The comprehensive plan goal related to this rezoning request falls under:

- **PRINCIPLE 1: CONNECTED CITY. SUPPORTING A WALKABLE BUILT ENVIRONMENT.**
As land development creates the demand to travel, ensure that it reduces the need to drive by providing ample direct connections for pedestrians, bicycles, and transit.
- **PRINCIPLE 2: ECONOMIC PROSPERITY. PROMOTE ACCESS TO HOUSING.**
Providing housing options for people of varying financial means and residential preferences. Provide the regulatory framework and developer support to provide quality housing for residents. Create job opportunities

in Kennedale that help stabilize the local tax base and allow residents to work close to home.

- **PRINCIPLE 3: THRIVING COMMUNITY. CREATE VIBRANT CENTERS.**
Promote social integration and economic activity through the development of different scale centers throughout the community.

City Council Ends Statements and Goals

- Business uses are compatible with residential areas.
- Sidewalks and landscaping are integral to the community.
- Financially responsible and sustainable.
- Well planned community based on principles of a connected city, economic prosperity, and a thriving community.
- Connected city with a multi-modal transportation system designed and maintained to reduce auto congestion, increase accessibility and accommodate pedestrians and cyclists safely and comfortably.

SUMMARY

This property has been vacant for many years. The growth in the area along with the surrounding development in the immediate vicinity has made this property viable for development, particularly for multi-family planned for the site. Surrounding uses are highly mixed with institutional, commercial and residential development.

The developer plans to build townhomes in a walkable, sustainable development on this 4-acre site, providing for an optimal transitional use for adjacent residential and commercial development. The development will be required to meet the new building and street form recently adopted for Multi-Family zoning that requires a quality, walkable development in an urban form. The location on an arterial street that connects to Kennedale Parkway and to Arlington and Interstate-20 is ideal for a higher density residential development.

Townhomes are in high demand by those wanting a different type of housing with less maintenance, and this development will provide quality housing for that market, while adding to the diversity of housing options in Kennedale.

The Planning & Zoning (P&Z) Commission recommended approval of this request with a 4-2 vote at their meeting on October 10, 2019.

STAFF RECOMMENDATION

Based on the above analysis, staff recommends approval of the rezoning.

ACTION BY THE CITY COUNCIL

- **Approval:** Based on the information presented, I find that the request meets city requirements and is in compliance with the comprehensive land use plan and make a motion to approve the request for rezoning.
- **Deny:** Based on the information presented, I find that the proposed use does not meet (list standards or requirements not met) and make a motion to deny the request.

RECOMMENDATION:

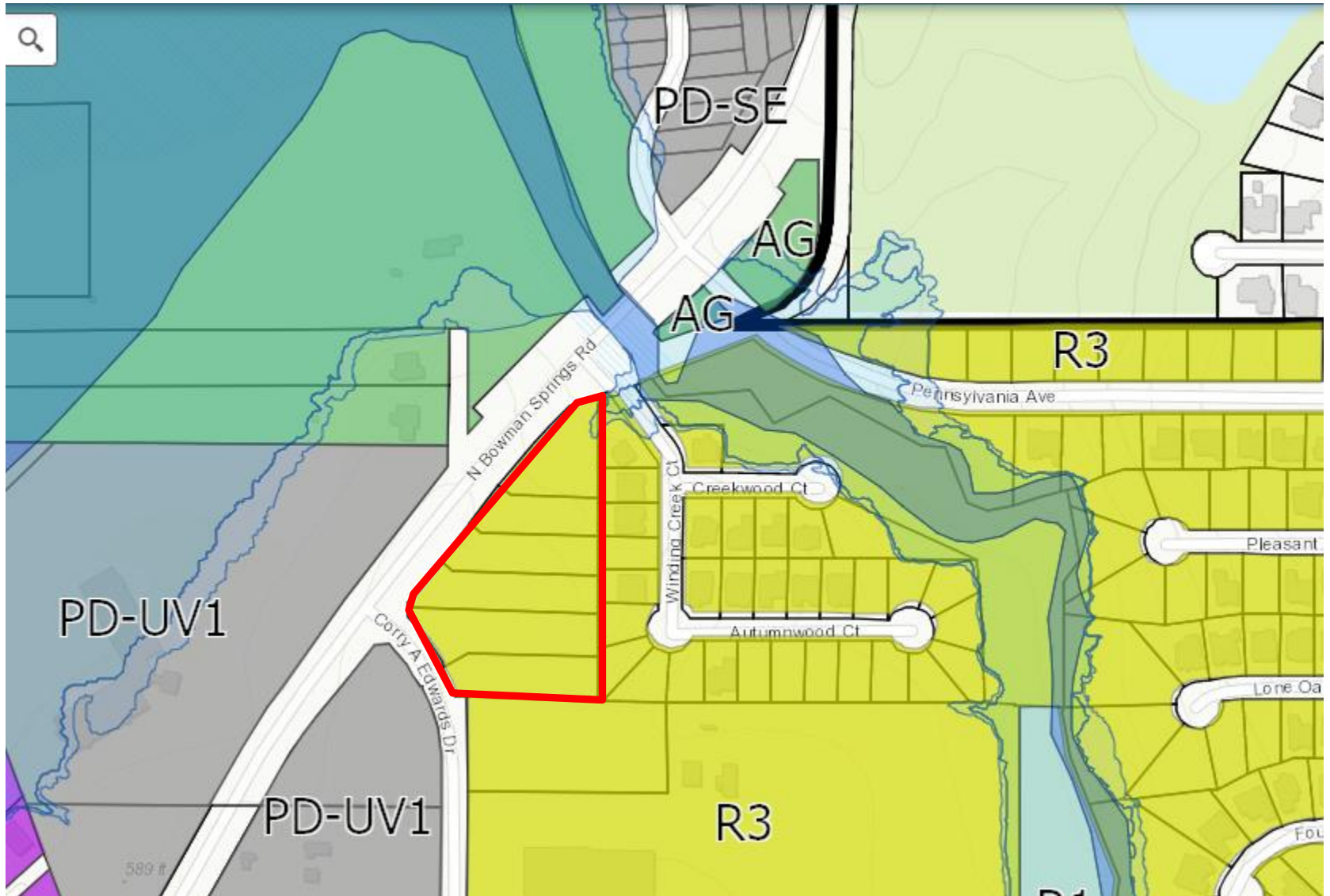
ATTACHMENTS:

1.	19-07	PZ19-07 1022 Bowman Springs Maps.pdf
2.	O680 PZ 19-07 962 Corry A Edwards Ordinance Draft	O680 PZ 19-07 962 Corry A Edwards Ordinance Draft.pdf

PZ 19-07 Location Map

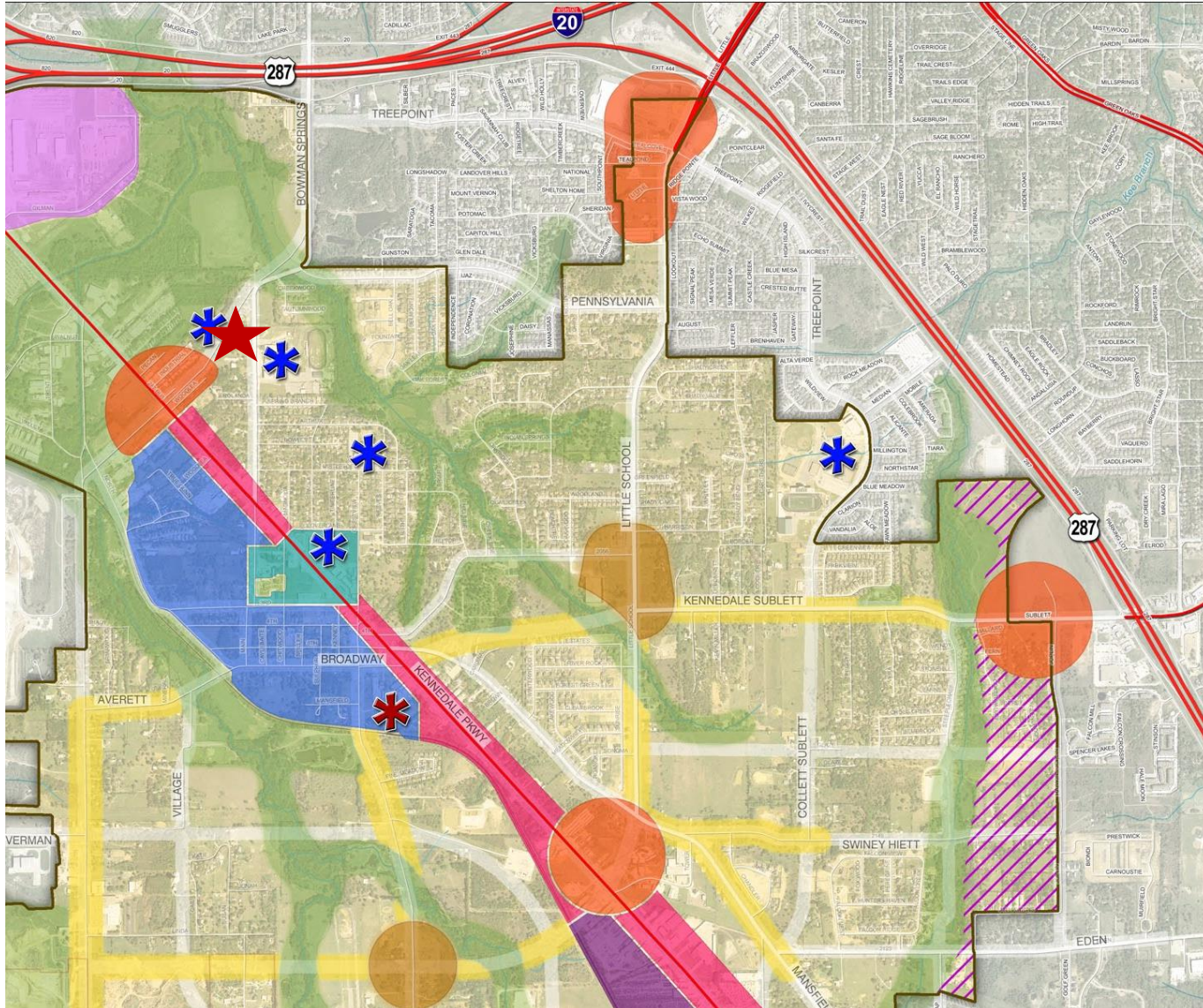


PZ 19-07
Zoning Map



★ Property location

PZ 19-07 Future Land Use Map



KENNEDALE COMPREHENSIVE PLAN UPDATE

FUTURE LAND USE PLAN

CATEGORIES

- | | |
|--|---|
| Town Center |  |
| Downtown Village |  |
| Urban Village |  |
| Urban Corridor |  |
| Neighborhood Village |  |
| Neighborhood Corridor |  |
| Neighborhoods |  |
| Employment Center |  |
| Light Industrial District |  |
| Park & Open Space |  |
| Conservation Overlay |  |
| Potential Commuter Train or
Park & Ride Station |  |
| Schools |  |

ORDINANCE NO. 670

AN ORDINANCE AMENDING THE UNIFIED DEVELOPMENT CODE OF THE CITY OF KENNEDALE, TEXAS, BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY WITHIN THE CITY OF KENNEDALE, BEING APPROXIMATELY 4 ACRES DESCRIBED AS 962 CORRY A EDWARDS DRIVE, EMERALD CREST ESTATES, BLOCK 1, LOT 6, 968 CORRY A EDWARDS DRIVE, EMERALD CREST ESTATES, BLOCK 1, LOT 5R, 1022 N. BOWMAN SPRINGS ROAD, BLOCK 1, LOT 4R, 1028 N. BOWMAN SPRINGS ROAD, BLOCK 1, LOT 3R, 1034 N. BOWMAN SPRINGS ROAD, BLOCK 1, LOT 2R, AND 1040 N. BOWMAN SPRINGS ROAD, BLOCK 1, LOT 1R FROM "R-3" SINGLE FAMILY RESIDENTIAL DISTRICT TO "MF" MULTIFAMILY RESIDENTIAL DISTRICT; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP TO REFLECT SUCH CHANGE; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government; and

WHEREAS, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance and map regulating the location and use of buildings, other structures and land for business, industrial, residential or other purposes, for the purpose of promoting the public health, safety, morals and general welfare, all in accordance with a comprehensive plan; and

WHEREAS, a change in the zoning classification of the property listed below was requested by a person or entity having a proprietary interest in said property; and

WHEREAS, a public hearing was duly held by the Planning and Zoning Commission of the City of Kennedale, Texas, on October 10, 2019, and by the City Council of the City of Kennedale, Texas, on October 15, 2019, with respect to the zoning change described herein; and

WHEREAS, all requirements of law dealing with notice to other property owners, publication and all procedural requirements have been complied with in accordance with Chapter 211 of the Local Government Code; and

WHEREAS, the City Council of the City of Kennedale, Texas, does hereby deem it advisable and in the public interest to amend the Unified Development Code, as amended, as described herein.

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

SECTION 1.

The Unified Development Code, as amended, is hereby amended so that the permitted uses in the hereinafter described area shall be altered, changed and amended as shown and described below:

Approximately 4 acres, located at 962 Corry A Edwards Drive, and being described as Emerald Crest Estates, Block 1, Lot 6, 968 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 5R, 1022 N. Bowman Springs Road, Block 1, Lot 4R, 1028 N. Bowman Springs Road, Block 1, Lot 3R, 1034 N. Bowman Springs Road, Block 1, Lot 2R, and 1040 N. Bowman Springs Road, Block 1, Lot 1R on the illustration attached hereto as Exhibit "A" and incorporated herein for all purposes of this ordinance, is hereby rezoned from "R-3" Single Family Residential District to "MF" Multifamily Residential District.

SECTION 2.

The zoning districts and boundaries herein established have been made in accordance with the comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets, to secure safety from fire, panic, flood and other dangers, to provide adequate light and air, to prevent overcrowding of land, to avoid undue concentration of population, to facilitate the adequate provisions of transportation, water, sewerage, parks and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses allowed and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

SECTION 3.

The City Secretary is hereby directed to amend the official zoning map to reflect the changes in classifications approved herein.

SECTION 4.

The use of the property hereinabove described shall be subject to all the applicable regulations contained in the Unified Development Code, as amended, and all other applicable and pertinent ordinances of the City of Kennedale, Texas.

SECTION 5.

This Ordinance shall be cumulative of the Unified Development Code, as amended, and all other Ordinances of the City of Kennedale, Texas, affecting zoning and land use, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance.

SECTION 6.

All rights or remedies of the City of Kennedale, Texas, are expressly saved as to any and all violations of the Unified Development Code, as amended, that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

SECTION 7.

It is hereby declared to be the intention of the City Council that takes the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 8.

Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 9.

The City Secretary of the City of Kennedale is hereby directed to public the caption, Section 1, penalty clause, publication clause and effective date clause of this Ordinance in every issue of the official newspaper of the City of Kennedale for two days or one issue of the newspaper if the official newspaper is a weekly newspaper as authorized by Section 3.10 of the City of Kennedale Charter.

SECTION 10.

This Ordinance shall be in full force and effect from and after its passage and publication as required by law and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OFF THE CITY OF KENNEDALE, TEXAS, THIS THE 15TH DAY OF OCTOBER, 2019.

APPROVED:

MAYOR BRIAN JOHNSON

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM E.

SUBJECT:

CASE #PZ 19-08 — Conduct a public hearing and consider Ordinance 681, regarding a request by Trifecta Homes, LLC for a rezoning from "C1" Commercial to "MF" Multi-Family for approximately 2.5 acres located at 801 Potomac Parkway, M. P. Lamar Survey, Abstract 987, Tract 2, City of Kennedale, Tarrant County, Texas

ORIGINATED BY:

Melissa Dailey, Director of Planning & Economic Development

SUMMARY:

BACKGROUND AND OVERVIEW

Request	Rezone from C1 (Commercial) to MF (Multi-Family Residential)
Applicant	Trifecta Homes, LLC
Location	801 Potomac Parkway
Surrounding Uses	Commercial, Single-Family Residential, Institutional (church)
Surrounding Zoning	C1, R2, R1, UV, single family (Arlington)
Future Land Use Plan Designation	Residential
Staff Recommendation	Approve

CURRENT STATUS OF PROPERTY

The property is currently vacant land.

SURROUNDING PROPERTIES & NEIGHBORHOOD

The property is located at Potomac and N. Little School Road. North Little School Road is identified in the Future Transportation Plan as a Boulevard and a priority bicycle/pedestrian project. The corridor is characterized by a variety of uses, including a self-storage facility, various neighborhood commercial uses, a church, single family residential, and vacant land. A 12-acre property zoned Urban Village is located 300 feet north and is planned for townhomes and neighborhood commercial.

STAFF REVIEW

Future Land Use Plan

The Future Land Use Plan indicates this property as residential.

Related Goals From the Comprehensive Land Use Plan

The comprehensive plan goal related to this rezoning request falls under:

- **PRINCIPLE 1: CONNECTED CITY. SUPPORTING A WALKABLE BUILT ENVIRONMENT.**
As land development creates the demand to travel, ensure that it reduces the need to drive by providing ample direct connections for pedestrians, bicycles, and transit.
- **PRINCIPLE 2: ECONOMIC PROSPERITY. PROMOTE ACCESS TO HOUSING.**
Providing housing options for people of varying financial means and residential preferences. Provide the regulatory framework and developer support to provide quality housing for residents. Create job opportunities in Kennedale that help stabilize the local tax base and allow residents to work close to home.
- **PRINCIPLE 3: THRIVING COMMUNITY. CREATE VIBRANT CENTERS.**
Promote social integration and economic activity through the development of different scale centers

throughout the community.

City Council Ends Statements and Goals

- Business uses are compatible with residential areas.
- Sidewalks and landscaping are integral to the community.
- Financially responsible and sustainable.
- Well planned community based on principles of a connected city, economic prosperity, and a thriving community.
- Connected city with a multi-modal transportation system designed and maintained to reduce auto congestion, increase accessibility and accommodate pedestrians and cyclists safely and comfortably.

SUMMARY

This property has been vacant for many years. The growth in the area along with the surrounding development in the immediate vicinity has made this property viable for development, particularly for multi-family planned for the site. Surrounding uses are mixed with institutional, commercial and residential development.

The developer plans to build townhomes in a walkable, sustainable development on this 2.5-acre site, providing for an optimal transitional use for adjacent residential and commercial development. The development will be required to meet the new building and street form recently adopted for Multi-Family (MF) zoning that requires a quality, walkable development in an urban form.

The location on an arterial street that connects Kennedale and Arlington is ideal for a higher density residential development. Townhomes are in high demand by those wanting a different type of housing with less maintenance, and this development will provide quality housing for that market, while adding to the diversity of housing options in Kennedale.

The Planning & Zoning (P&Z) Commission recommended approval of this request with a 4-2 vote at their meeting on October 10, 2019.

STAFF RECOMMENDATION

Based on the above analysis, staff recommends approval of the rezoning.

ACTION BY THE CITY COUNCIL

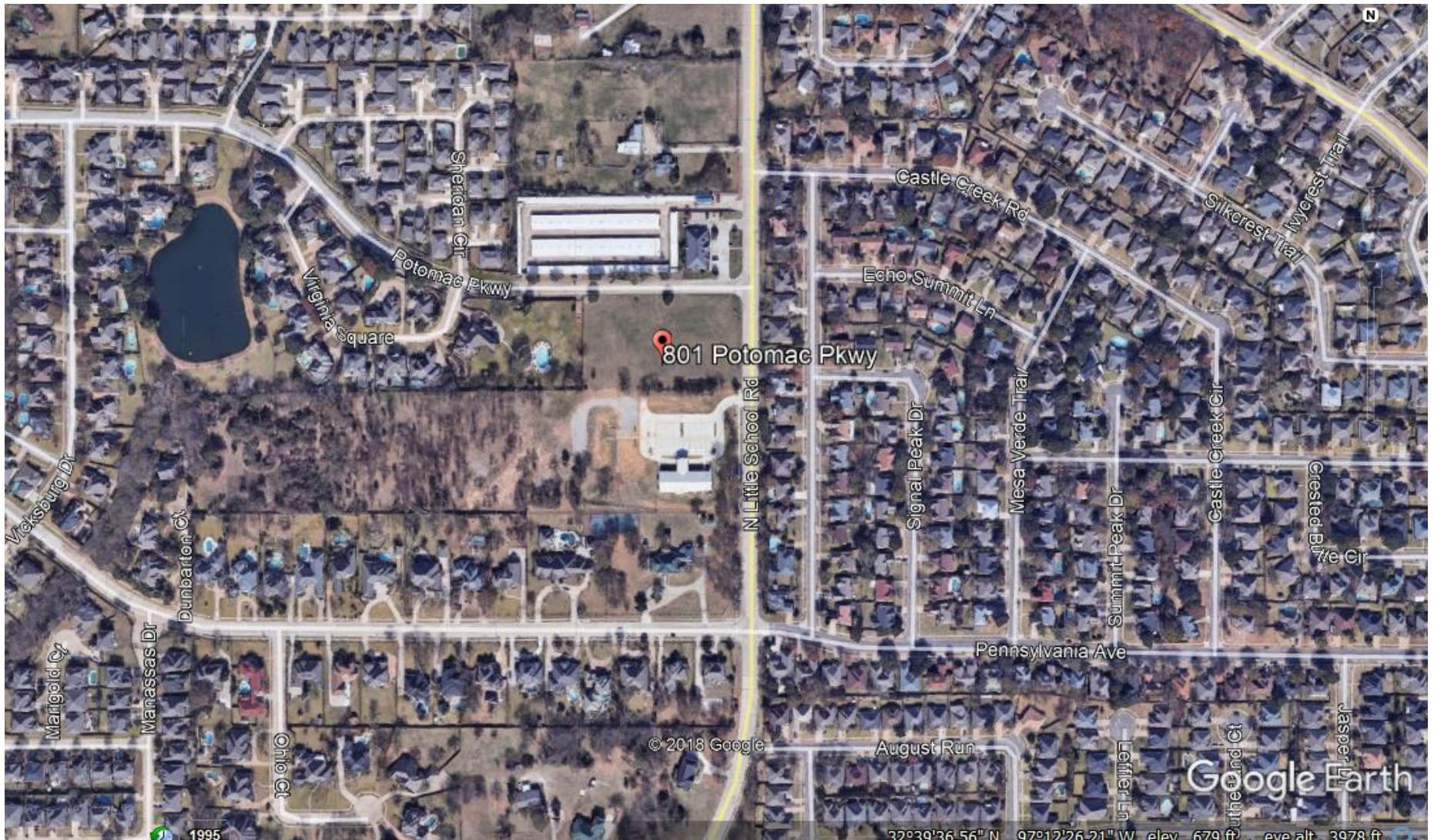
- **Approval:** Based on the information presented, I find that the request meets City requirements and is in compliance with the comprehensive land use plan and make a motion to approve the request for rezoning.
- **Deny:** Based on the information presented, I find that the proposed use does not meet (list standards or requirements not met) and make a motion to deny the request.

RECOMMENDATION:

ATTACHMENTS:

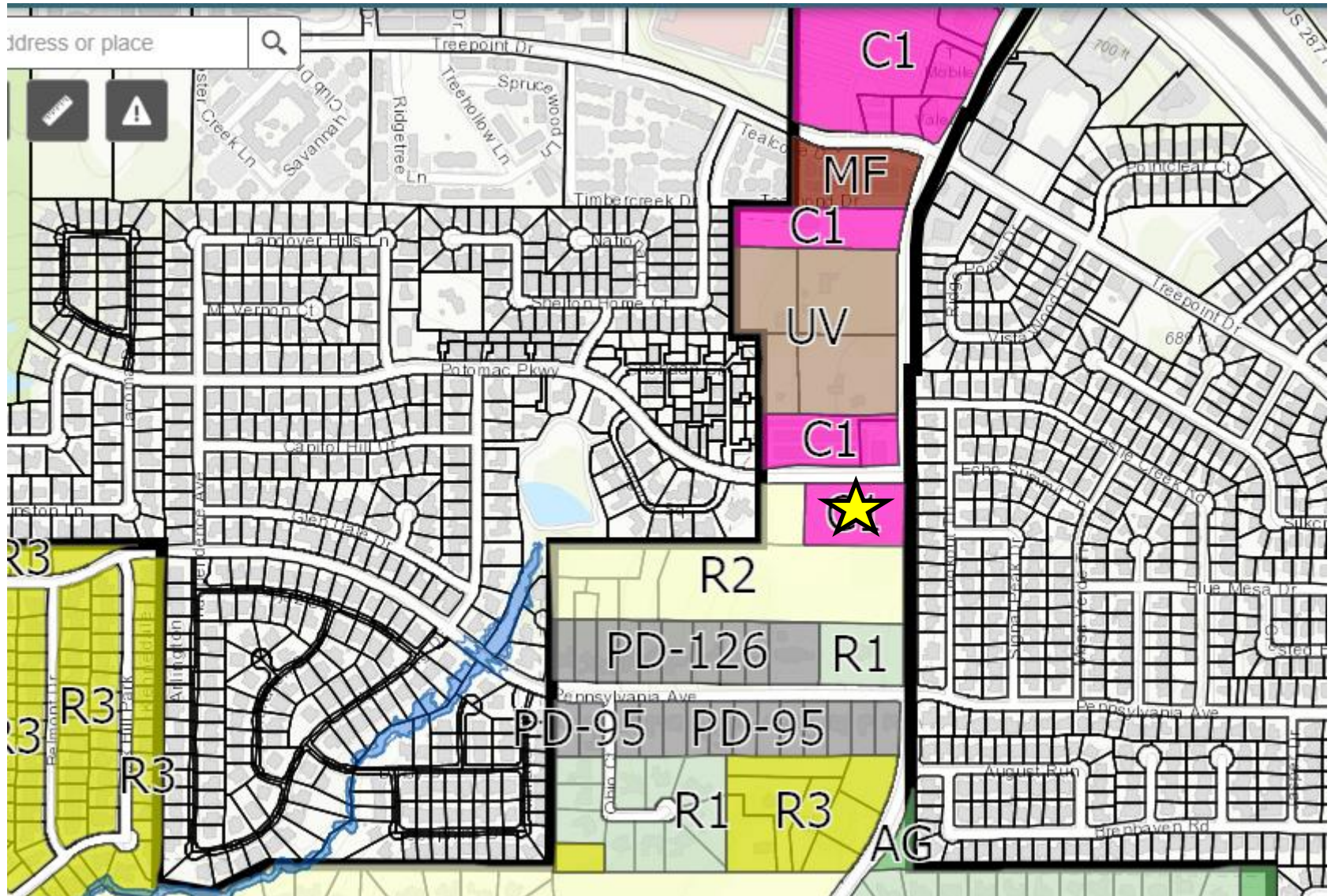
1.	19-08	PZ19-08 801 Potomac Maps.pdf
2.	O681_PZ19-08 801 Potomac Parkway Ordinance Draft	O681_PZ19-08 801 Potomac Parkway Ordinance Draft.pdf

PZ 19-08 801 Potomac Parkway
Location Map



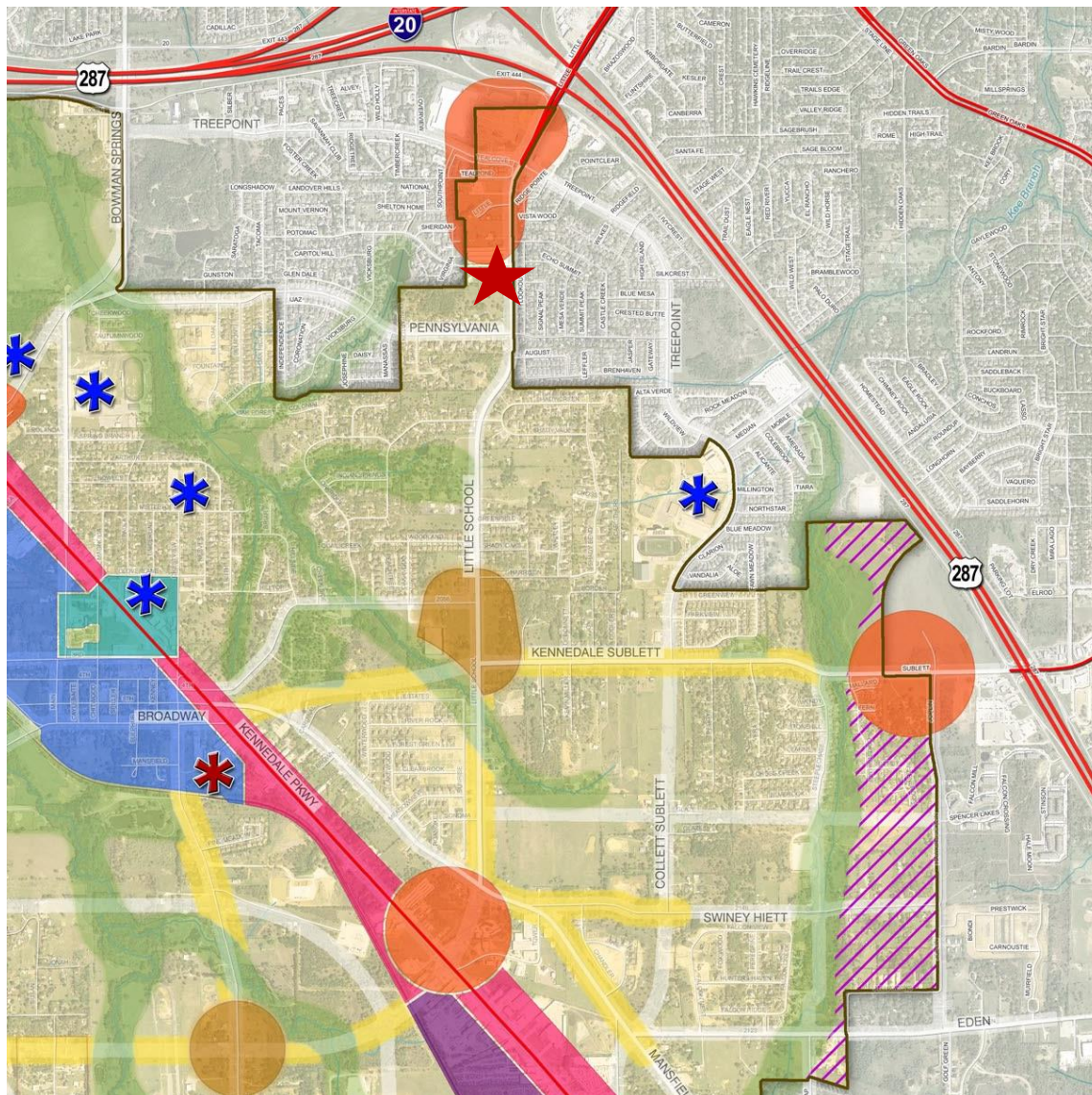


PZ 19-08 801 Potomac Parkway Zoning Map





PZ 19-08 801 Potomac Parkway Future Land Use Map



KENNEDALE COMPREHENSIVE PLAN UPDATE

FUTURE LAND USE PLAN

CATEGORIES

Town Center	
Downtown Village	
Urban Village	
Urban Corridor	
Neighborhood Village	
Neighborhood Corridor	
Neighborhoods	
Employment Center	
Light Industrial District	
Park & Open Space	
Conservation Overlay	
Potential Commuter Train or Park & Ride Station	
Schools	

ORDINANCE NO. 681

AN ORDINANCE AMENDING THE UNIFIED DEVELOPMENT CODE OF THE CITY OF KENNEDALE, TEXAS, BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY WITHIN THE CITY OF KENNEDALE, BEING APPROXIMATELY 2.5 ACRES LOCATED AT 801 POTOMAC PARKWAY, M. P. LAMAR SURVEY, ABSTRACT 987, TRACT 2, CITY OF KENNEDALE, TARRANT COUNTY, TEXAS FROM “C-1” COMMERCIAL DISTRICT TO “MF” MULTIFAMILY RESIDENTIAL DISTRICT; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP TO REFLECT SUCH CHANGE; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government; and

WHEREAS, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance and map regulating the location and use of buildings, other structures and land for business, industrial, residential or other purposes, for the purpose of promoting the public health, safety, morals and general welfare, all in accordance with a comprehensive plan; and

WHEREAS, a change in the zoning classification of the property listed below was requested by a person or entity having a proprietary interest in said property; and

WHEREAS, a public hearing was duly held by the Planning and Zoning Commission of the City of Kennedale, Texas, on October 10, 2019, and by the City Council of the City of Kennedale, Texas, on October 15, 2019, with respect to the zoning change described herein; and

WHEREAS, all requirements of law dealing with notice to other property owners, publication and all procedural requirements have been complied with in accordance with Chapter 211 of the Local Government Code; and

WHEREAS, the City Council of the City of Kennedale, Texas, does hereby deem it advisable and in the public interest to amend the Unified Development Code, as amended, as described herein.

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

SECTION 1.

The Unified Development Code, as amended, is hereby amended so that the permitted uses in the hereinafter described area shall be altered, changed and amended as shown and described below:

Approximately 2.5 acres located at 801 Potomac Parkway, M. P. Lamar Survey, Abstract 987, Tract 2, City of Kennedale, Tarrant County, Texas on the illustration attached hereto as Exhibit "A" and incorporated herein for all purposes of this ordinance, is hereby rezoned from "C-1" Commercial District to "MF" Multifamily Residential District.

SECTION 2.

The zoning districts and boundaries herein established have been made in accordance with the comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets, to secure safety from fire, panic, flood and other dangers, to provide adequate light and air, to prevent overcrowding of land, to avoid undue concentration of population, to facilitate the adequate provisions of transportation, water, sewerage, parks and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses allowed and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

SECTION 3.

The City Secretary is hereby directed to amend the official zoning map to reflect the changes in classifications approved herein.

SECTION 4.

The use of the property hereinabove described shall be subject to all the applicable regulations contained in the Unified Development Code, as amended, and all other applicable and pertinent ordinances of the City of Kennedale, Texas.

SECTION 5.

This Ordinance shall be cumulative of the Unified Development Code, as amended, and all other Ordinances of the City of Kennedale, Texas, affecting zoning and land use, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance.

SECTION 6.

All rights or remedies of the City of Kennedale, Texas, are expressly saved as to any and all violations of the Unified Development Code, as amended, that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

SECTION 7.

It is hereby declared to be the intention of the City Council that takes the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 8.

Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 9.

The City Secretary of the City of Kennedale is hereby directed to public the caption, Section 1, penalty clause, publication clause and effective date clause of this Ordinance in every issue of the official newspaper of the City of Kennedale for two days or one issue of the newspaper if the official newspaper is a weekly newspaper as authorized by Section 3.10 of the City of Kennedale Charter.

SECTION 10.

This Ordinance shall be in full force and effect from and after its passage and publication as required by law and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THIS THE 15TH DAY OF OCTOBER, 2019.

APPROVED:

MAYOR BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

DATE: October 15, 2019

AGENDA ITEM: DECISION ITEMS ITEM F.

SUBJECT:

CASE #PZ 19-09 — Conduct a public hearing and consider Ordinance 682, regarding a request by Devan Pharis for a rezoning from "R3" Residential to "MF" Multi-Family for approximately 11 acres located at 5306 Kennedale Sublett Road, Block 1, Lot 2, Vaquero Coker Addition, 5310 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1L, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1K Homesite, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1J, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1M Homesite, 1996 Palm Arbor 28x66 LB #PFS411170& Palm Harbor, 3176 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1H, 3190 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1F, 1989 High Chaparral 28 x 56, LB #Tex0340915 Tiffany, 3196 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1E, City of Kennedale, Tarrant County, Texas

ORIGINATED BY:

Melissa Dailey, Director of Planning & Economic Development

SUMMARY:

BACKGROUND AND OVERVIEW

Request	Rezone from R3 (Single-Family Residential) to MF (Multi-Family Residential)
Applicant	Devan Pharis
Location	Various lots at Kennedale Sublett Road and Joplin Road
Surrounding Uses	Commercial and single-family residential
Future Land Use Plan Designation	Urban Village
Staff Recommendation	Approve

CURRENT STATUS OF PROPERTY

The property is vacant land.

SURROUNDING PROPERTIES & NEIGHBORHOOD

This property is located at the southwest corner of Kennedale Sublett and Joplin Roads. Kennedale Sublett Road is identified in the Future Transportation Plan as a Boulevard and a priority bicycle/pedestrian project. The corridor is characterized by a variety of uses, including a self-storage facility, two large garage stores, fast food restaurants and other neighborhood commercial uses, and single family residential. Commercial uses are planned for the site immediately adjacent to the north. A new retail strip center and fitness club are currently under construction directly across Kennedale Sublett Road from this site.

STAFF REVIEW

Future Land Use Plan

The Future Land Use Plan indicates this property as Urban Village.

Related Goals From the Comprehensive Land Use Plan

The comprehensive plan goal related to this rezoning request falls under:

- PRINCIPLE 1: CONNECTED CITY. SUPPORTING A WALKABLE BUILT ENVIRONMENT.

As land development creates the demand to travel, ensure that it reduces the need to drive by providing ample direct connections for pedestrians, bicycles, and transit.

- **PRINCIPLE 2: ECONOMIC PROSPERITY. PROMOTE ACCESS TO HOUSING.**
Providing housing options for people of varying financial means and residential preferences. Provide the regulatory framework and developer support to provide quality housing for residents. Create job opportunities in Kennedale that help stabilize the local tax base and allow residents to work close to home.
- **PRINCIPLE 3: THRIVING COMMUNITY. CREATE VIBRANT CENTERS.**
Promote social integration and economic activity through the development of different scale centers throughout the community.

City Council Ends Statements and Goals

- Business uses are compatible with residential areas.
- Sidewalks and landscaping are integral to the community.
- Financially responsible and sustainable.
- Well planned community based on principles of a connected city, economic prosperity, and a thriving community.
- Connected city with a multi-modal transportation system designed and maintained to reduce auto congestion, increase accessibility and accommodate pedestrians and cyclists safely and comfortably.

SUMMARY

significant growth in the area, along with the surrounding development in the immediately vicinity, has made this property viable for development, particularly for multi-family planned for the site. Over the past several years, a new grocery store and multiple restaurants have been built, with more being constructed at this time adjacent to this property. Interstate 287 is approximately 1,100 feet to the east.

The developer plans to build high-end apartments in a walkable, sustainable development on this 11-acre site, providing an optimal transitional use for adjacent single family to the intense commercial uses to the north and east. The development will be required to meet the new building and street form recently adopted for Multi-Family (MF) zoning that requires a quality, walkable development in an urban form. The location on an arterial street that connects Kennedale and Arlington is ideal for a higher-density residential development.

Apartments are in high demand by those wanting a different type of housing with less maintenance, and this development will provide that quality housing for that market, while adding to the diversity of housing options in Kennedale. The future land use plan calls for this site to be Urban Village. This developer plans commercial on the site immediately north of the multi-family, and the multi-family to be developed in accordance with the building/site form that emulates the urban village requirements.

The Planning & Zoning (P&Z) Commission recommended approval of this request with a 4-2 vote at their meeting on October 10, 2019.

STAFF RECOMMENDATION

Based on the above analysis, staff recommends approval of the rezoning.

ACTION BY THE CITY COUNCIL

- **Approval:** Based on the information presented, I find that the request meets City requirements and is in compliance with the comprehensive land use plan and make a motion to approve the request for rezoning.
- **Deny:** Based on the information presented, I find that the proposed use does not meet (list standards or requirements not met) and make a motion to deny the request.

RECOMMENDATION: Approve

ATTACHMENTS:

1.	19-09	PZ 19-09 5306 Kennedale Sublett Maps.pdf
2.	O682 PZ19-09 5306 Kennedale Sublett Draft	O682 PZ19-09 5306 Kennedale Sublett Draft.pdf

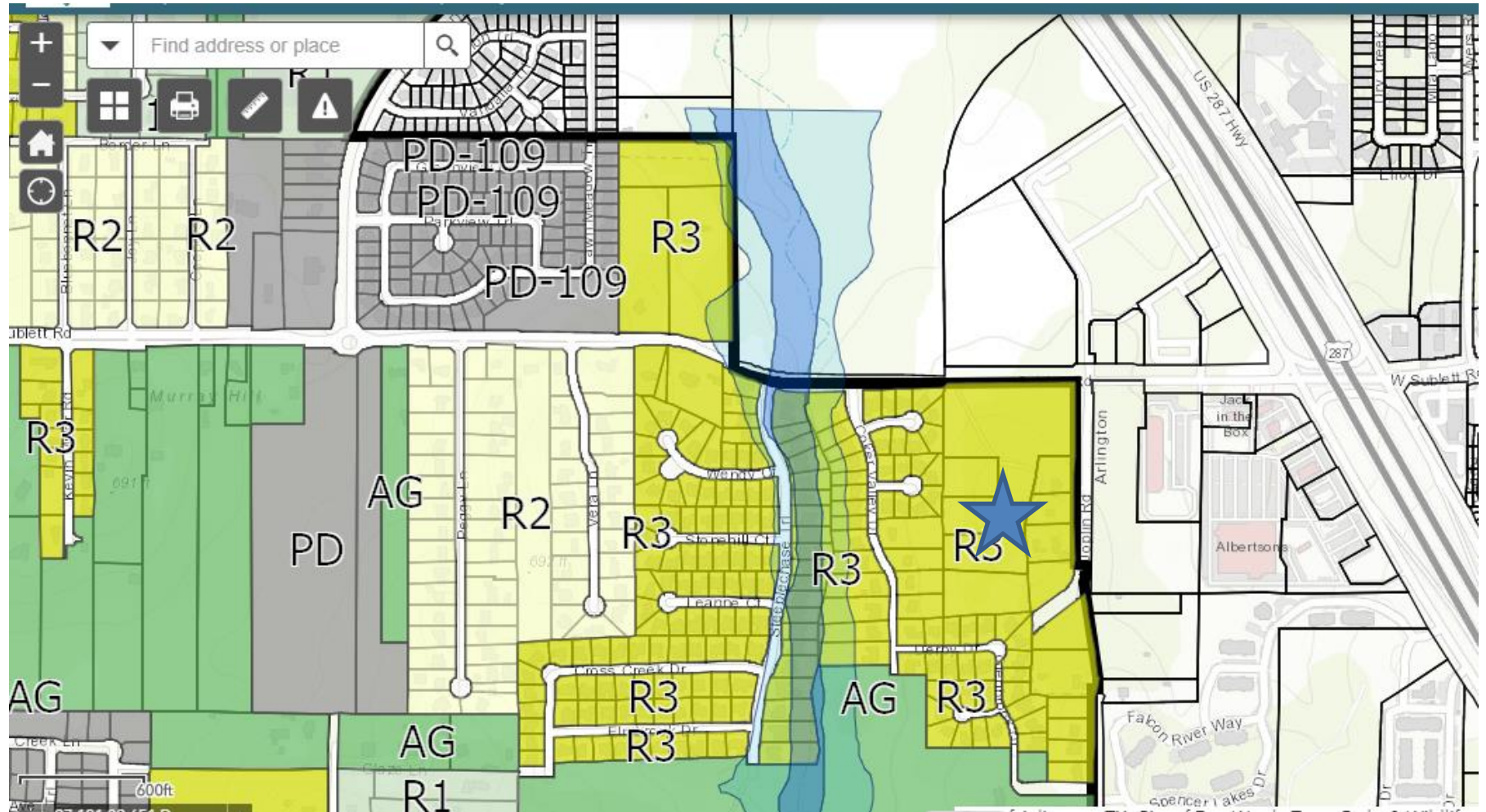
PZ 19-09 Location Map





Property location

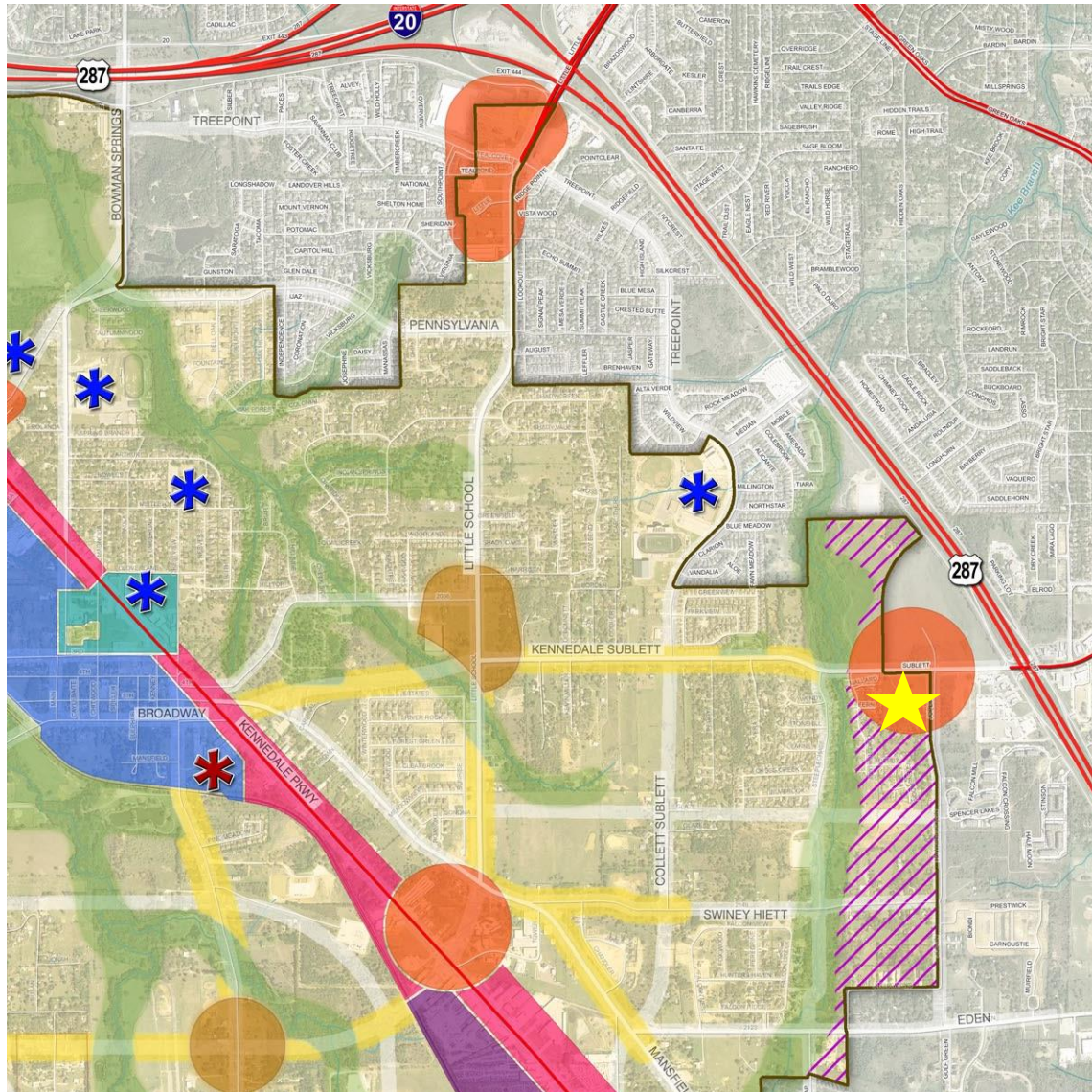
PZ 19-09 Zoning Map





Property location

PZ 19-09 Future Land Use Map



KENNEDALE COMPREHENSIVE PLAN UPDATE

FUTURE LAND USE PLAN

CATEGORIES

Town Center	
Downtown Village	
Urban Village	
Urban Corridor	
Neighborhood Village	
Neighborhood Corridor	
Neighborhoods	
Employment Center	
Light Industrial District	
Park & Open Space	
Conservation Overlay	
Potential Commuter Train or Park & Ride Station	
Schools	

ORDINANCE NO. 682

AN ORDINANCE AMENDING THE UNIFIED DEVELOPMENT CODE OF THE CITY OF KENNEDALE, TEXAS, BY CHANGING THE ZONING CLASSIFICATION OF CERTAIN PROPERTY WITHIN THE CITY OF KENNEDALE, BEING APPROXIMATELY 11 ACRES LOCATED AT 5306 KENNEDALE SUBLETT ROAD, BLOCK 1, LOT 2, VAQUERO COKER ADDITION, 5310 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1L, 5308 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1G, 5308 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1G, 5306 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1K HOMESITE, 5306 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1J, 5306 KENNEDALE SUBLETT ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1M HOMESITE, 1996 PALM ARBOR 28X66 LB #PFS411170& PALM HARBOR, 3176 HAWKINS JOPLIN ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1H, 3190 HAWKINS JOPLIN ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1F, 1989 HIGH CHAPARRAL 28 X 56, LB #TEX0340915 TIFFANY, 3196 HAWKINS JOPLIN ROAD, JAMES R HAWKINS SURVEY, ABSTRACT 792, TRACT 1E, CITY OF KENNEDALE, TARRANT COUNTY, TEXAS FROM "R-3" SINGLE FAMILY RESIDENTIAL DISTRICT TO "MF" MULTIFAMILY RESIDENTIAL DISTRICT; PROVIDING FOR THE AMENDMENT OF THE OFFICIAL ZONING MAP TO REFLECT SUCH CHANGE; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR A PENALTY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas, is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government; and

WHEREAS, pursuant to Chapter 211 of the Local Government Code, the City has adopted a comprehensive zoning ordinance and map regulating the location and use of buildings, other structures and land for business, industrial, residential or other purposes, for the purpose of promoting the public health, safety, morals and general welfare, all in accordance with a comprehensive plan; and

WHEREAS, a change in the zoning classification of the property listed below was requested by a person or entity having a proprietary interest in said property; and

WHEREAS, a public hearing was duly held by the Planning and Zoning Commission of the City of Kennedale, Texas, on October 10, 2019, and by the City Council of the City of Kennedale, Texas, on October 15, 2019, with respect to the zoning change described herein; and

WHEREAS, all requirements of law dealing with notice to other property owners, publication and all procedural requirements have been complied with in accordance with Chapter 211 of the Local Government Code; and

WHEREAS, the City Council of the City of Kennedale, Texas, does hereby deem it advisable and in the public interest to amend the Unified Development Code, as amended, as described herein.

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

SECTION 1.

The Unified Development Code, as amended, is hereby amended so that the permitted uses in the hereinafter described area shall be altered, changed and amended as shown and described below:

Approximately 11 acres located at 5306 Kennedale Sublett Road, Block 1, Lot 2, Vaquero Coker Addition, 5310 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1L, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5308 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1G, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1K Homesite, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1J, 5306 Kennedale Sublett Road, James R Hawkins Survey, Abstract 792, Tract 1M Homesite, 1996 Palm Arbor 28x66 LB #PFS411170& Palm Harbor, 3176 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1H, 3190 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1F, 1989 High Chaparral 28 x 56, LB #Tex0340915 Tiffany, 3196 Hawkins Joplin Road, James R Hawkins Survey, Abstract 792, Tract 1E, City of Kennedale, Tarrant County, Texas on the illustration attached hereto as Exhibit "A" and incorporated herein for all purposes of this ordinance, is hereby rezoned from "R-3" Residential Single Family to "MF" Multifamily Residential District.

SECTION 2.

The zoning districts and boundaries herein established have been made in accordance with the comprehensive plan for the purpose of promoting the health, safety, morals, and general welfare of the community. They have been designed to lessen congestion in the streets, to secure safety from fire, panic, flood and other dangers, to provide adequate light and air, to prevent overcrowding of land, to avoid

undue concentration of population, to facilitate the adequate provisions of transportation, water, sewerage, parks and other public requirements. They have been made after a full and complete hearing with reasonable consideration among other things of the character of the district and its peculiar suitability for the particular uses allowed and with a view of conserving the value of the buildings and encouraging the most appropriate use of land throughout the community.

SECTION 3.

The City Secretary is hereby directed to amend the official zoning map to reflect the changes in classifications approved herein.

SECTION 4.

The use of the property hereinabove described shall be subject to all the applicable regulations contained in the Unified Development Code, as amended, and all other applicable and pertinent ordinances of the City of Kennedale, Texas.

SECTION 5.

This Ordinance shall be cumulative of the Unified Development Code, as amended, and all other Ordinances of the City of Kennedale, Texas, affecting zoning and land use, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance.

SECTION 6.

All rights or remedies of the City of Kennedale, Texas, are expressly saved as to any and all violations of the Unified Development Code, as amended, that have accrued at the time of the effective date of this Ordinance and as to such accrued violations and all pending litigation, both civil and criminal, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the Courts.

SECTION 7.

It is hereby declared to be the intention of the City Council that takes the phrases, clauses, sentences, paragraphs, and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 8.

Any person, firm or corporation who violates, disobeys, omits, neglects or refuses to comply with or who resists enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars (\$2,000.00) for each offense. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 9.

The City Secretary of the City of Kennedale is hereby directed to public the caption, Section 1, penalty clause, publication clause and effective date clause of this Ordinance in every issue of the official newspaper of the City of Kennedale for two days or one issue of the newspaper if the official newspaper is a weekly newspaper as authorized by Section 3.10 of the City of Kennedale Charter.

SECTION 10.

This Ordinance shall be in full force and effect from and after its passage and publication as required by law and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OFF THE CITY OF KENNEDALE, TEXAS, THIS THE 15TH DAY OF OCTOBER, 2019.

APPROVED:

MAYOR BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

DATE: October 15, 2019

AGENDA ITEM: EXECUTIVE SESSION ITEM A.

SUBJECT:

Discussion with the City Attorney regarding the contract with the City of Arlington for operations and maintenance of the water and wastewater utility system and the early termination and release agreement with Global Water Management, LLC

ORIGINATED BY:

SUMMARY:

RECOMMENDATION:

ATTACHMENTS:

DATE: October 15, 2019

AGENDA ITEM: EXECUTIVE SESSION ITEM B.

SUBJECT:

Discussion with the City Attorney regarding salvage yards, including A&A Pickup & Van, Inc., and special exception/special use permits

ORIGINATED BY:

SUMMARY:

RECOMMENDATION:

ATTACHMENTS: