MINUTES OF THE WORK SESSION AND REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF NORTH RICHLAND HILLS, TEXAS HELD IN THE CITY HALL 4301 CITY POINT DRIVE AUGUST 25, 2025

WORK SESSION

The City Council of the City of North Richland Hills, Texas met in work session on the 25th day of August at 5:00 p.m. in the Council Workroom prior to the 7:00 p.m. regular City Council meeting.

Present: Jack McCarty Mayor

Cecille Delaney Place 1
Ricky Rodriguez Place 2
Danny Roberts Place 3

Matt Blake Place 4 (present at 5:02 p.m.)

Billy Parks Place 5
Russ Mitchell Place 6

Kelvin Deupree Mayor Pro Tem, Place 7

Staff Members: Paulette Hartman City Manager

Trudy Lewis Assistant City Manager Caroline Waggoner Assistant City Manager

Alicia Richardson City Secretary/Chief Governance Officer

Bradley A. Anderle City Attorney

CALL TO ORDER

Mayor McCarty called the meeting to order at 5:00 p.m.

1. DISCUSS ITEMS FROM REGULAR CITY COUNCIL MEETING.

City Council had no questions for staff.

2. DISCUSS AND FINALIZE DRAFT OF SHORT-TERM RENTAL REGULATIONS.

Director of Planning Cori Reaume provided an overview of the proposed short-term rental ordinance. The overview included a summary of actions taken to date in evaluating potential regulations, software purchase (Deckard Technologies) to monitor short-term rentals, and public input received throughout the process. She noted the most common complaints being cars and parking, garbage accumulation, negative interactions, parties/loud groups, and lack of property maintenance. Ms. Reaume reviewed the proposed zoning districts in which short-term rentals may be permitted, outlined

regulations for short-term operators, enforcement and revocation of a permit.

City Council and staff discussed zoning districts for short-term rentals, selection of software to monitor short-term rentals, responses (67) received at town hall meetings, noise and night time hours, parking, existing short-term rentals in non-permitted zoning districts, reporting requirements, payment of local hotel and motel occupancy taxes, and violation and appeal process.

Ms. Reaume informed City Council if their desire is to allow short-term rentals in transit oriented districts (TOD) that the city will publicize and conduct public hearings to include short-term rentals in the TOD. The proposed ordinance to be considered by the Planning and Zoning Commission (September 4) and City Council (September 8) would not include the TOD zoning districts because it was not included in the publication for the public hearings. An ordinance amendment would be brought forward for City Council's consideration.

At the request of Mayor McCarty, City Attorney Bradley Anderle explained the process for a non-compliant property to come into compliance with the new regulations for short-term rentals. If the non-compliant property ceases to be in use or changes to another use it may no longer operate under as a "grandfathered" use.

3. DISCUSS HOUSE BILL 1522, REVISING NOTICE POSTING REQUIREMENTS FROM 72 HOURS TO THREE (3) BUSINESS DAYS.

City Secretary/Chief Governance Officer Alicia Richardson reviewed posting requirement changes required by House Bill 1522. The bill, effective September 1, 2025, require a municipality to post meeting notices three (3) business days before the scheduled date of the meeting. Currently, municipalities are required to post 72 hours prior to the start of a public meeting. The City Council meeting notice/agenda will be posted on Tuesday for its Monday meeting. The requirement applies to all boards, commissions, and committees.

FUTURE AGENDA ITEM(S)

There were no requests from City Council for future agenda items.

CITY MANAGER REPORT PROVIDING AN UPDATE ON EFFICIENCY AUDITS, STAFFING CHANGES, AND FLASHVOTE SURVEY RESULTS.

City Manager Paulette Hartman provided an update on the following:

Efficiency audit progress - The city expects the preliminary analysis by the end of the week and the IT study official kick-off meeting with the consultants is scheduled for next

week.

Staffing changes - The city's finance director and purchasing manager accepted positions in other cities. The city has an agreement with Rodney Rhodes to serve as the interim finance director for the next three to six months. The city will begin the recruitment process for a finance director which might take time due to a shortage of qualified candidates. Emergency Management Coordinator Raelyn Darnell will serve as liaison to assist the purchasing department until a purchasing manager has been hired.

Flashvote survey results - Out of 481 participants, 306 (64%) responded they felt they were receiving value for their tax dollars. Additional details will be provided during the regular meeting.

Ms. Hartman reminded the City Council of the upcoming strategic planning session on Thursday at 9:00 a.m. in the Community Room.

EXECUTIVE SESSION

SECTION 551.071: CONSULTATION WITH THE CITY ATTORNEY TO SEEK 1. ADVICE ABOUT PENDING OR CONTEMPLATED LITIGATION OR ON A MATTER IN WHICH THE **DUTY** OF THE **ATTORNEY** TO GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH THE OPEN MEETINGS ACT - (1) CITY OF NORTH RICHLAND HILLS V. MANUEL FINANCIAL NO. 2, LLC ET AL, CASE NO. CC240015, MUNICIPAL COURT NO. 2, CITY OF NORTH RICHLAND HILLS, TARRANT COUNTY, TEXAS; (2) CITY OF NORTH RICHLAND HILLS V. MANUEL OLDSMOBILE, INC., CASE NO. CC240019, MUNICIPAL COURT NO. 2, CITY OF NORTH RICHLAND HILLS, TARRANT COUNTY, TEXAS; (3) JESSIE GOODFELLOW VS. CITY OF NORTH RICHLAND HILLS, ET AL, CAUSE NO. 352-366545-25; AND (4) SHORT TERM RENTAL REGULATIONS.

Mayor McCarty announced at 6:06 p.m. that the City Council would adjourn into Executive Session as authorized by Chapter 551, Texas Government Code, specifically, Section 551.071: Consultation with the City Attorney to seek advice about pending or contemplated litigation or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act - (1) City of North Richland Hills v. Manuel Financial No. 2, LLC et al, Case No. CC240015, Municipal Court No. 2, City of North Richland Hills, Tarrant County, Texas; (2) City of North Richland Hills v. Manuel Oldsmobile, Inc., Case No. CC240019, Municipal Court No. 2, City of North

Richland Hills, Tarrant County, Texas; (3) Jessie Goodfellow vs. City of North Richland Hills, et al, Cause No. 352-366545-25; and (4) short term rental regulations. Executive Session began at 6:12 p.m. and concluded at 6:57 p.m.

Mayor McCarty announced at 6:57 p.m. that City Council would convene to the regular City Council meeting.

REGULAR MEETING

A. CALL TO ORDER

Mayor McCarty called the meeting to order August 25, 2025 at 7:05 p.m.

Present: Jack McCarty Mayor

Cecille Delaney Place 1
Ricky Rodriguez Place 2
Danny Roberts Place 3
Matt Blake Place 4
Billy Parks Place 5
Russ Mitchell Place 6

Kelvin Deupree Mayor Pro Tem, Place 7

Staff Members: Paulette Hartman City Manager

Alicia Richardson City Secretary/Chief Governance Officer

Bradley A. Anderle City Attorney

A.1 INVOCATION

Council member Delaney gave the invocation.

A.2 PLEDGE

Mayor McCarty led the Pledge of Allegiance to the United States and Texas flags.

A.3 SPECIAL PRESENTATION(S) AND RECOGNITION(S)

There were no items for this category.

A.4 PUBLIC COMMENTS

There were no requests to speak from the public.

A.5 REMOVAL OF ITEM(S) FROM CONSENT AGENDA

August 25, 2025 City Council Meeting Minutes Page 4 of 9 No items were removed from the consent agenda.

B. CONSIDER APPROVAL OF CONSENT AGENDA ITEMS <u>APPROVED</u>

A MOTION WAS MADE BY COUNCIL MEMBER MITCHELL, SECONDED BY COUNCIL MEMBER PARKS TO APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED.

MOTION TO APPROVE CARRIED 7-0.

- B.1 APPROVE THE MINUTES OF THE AUGUST 11, 2025 CITY COUNCIL MEETING.
- B.2 APPROVE VOTING AND ALTERNATE MEMBERS TO THE FORT WORTH WHOLESALE CUSTOMER ADVISORY COMMITTEE FOR A ONE-YEAR TERM FROM OCTOBER 1, 2025 TO SEPTEMBER 30, 2026.
- B.3 AUTHORIZE THE CITY MANAGER TO EXECUTE THE THIRTEENTH AMENDMENT TO THE TEXAS ANTI-GANG (TAG) CENTER ADMINISTRATOR AGREEMENT, AS GRANT FIDUCIARY FOR THE TAG CENTER GRANT #2848911, INCREASING THE ANNUAL RATE OF COMPENSATION FOR KEVIN SCOTT MCRORY, TAG CENTER ADMINISTRATOR TO \$199,461.60.
- B.4 AUTHORIZE THE CITY MANAGER TO EXECUTE THE SIXTEENTH AMENDMENT TO THE TEXAS ANTI-GANG (TAG) CENTER ANALYST AGREEMENT, AS GRANT FIDUCIARY FOR THE TAG CENTER GRANT #2848911, INCREASING THE ANNUAL RATE OF COMPENSATION FOR REBECCA CIFERRI, TAG CENTER ANALYST TO \$103,638.60.
- B.5 AUTHORIZE THE CITY MANAGER TO EXECUTE THE FIFTH AMENDMENT TO THE TEXAS ANTI-GANG (TAG) CENTER ANALYST AGREEMENT, AS GRANT FIDUCIARY FOR THE TAG CENTER GRANT #2848911, INCREASING THE ANNUAL RATE OF COMPENSATION FOR JESSICA MAST, TAG CENTER ANALYST TO \$97,880.90.
- B.6 CONSIDER AUTHORIZING PAYMENT TO MOTOROLA SOLUTIONS, INC., FOR THE ANNUAL PUBLIC SAFETY RADIO MAINTENANCE AGREEMENT IN THE AMOUNT OF \$222,180.69.

B.7 CONSIDER AMENDMENT NO. 1 TO THE COOPERATIVE **PURCHASE** CUSTOMER AGREEMENT WITH UNIFIRST CORP. FOR THE RENTAL AND PURCHASE OF UNIFORMS. **INDUSTRIAL** MATS, SUPPLIES AND ACCESSORIES THROUGH BUYBOARD CONTRACT NUMBER 773-25 FOR A CUMULATIVE AMOUNT NOT TO EXCEED \$150,000 THROUGH FISCAL YEAR 2028.

C. PUBLIC HEARINGS

C.1 PUBLIC HEARING ON THE FISCAL YEAR 2026 PROPOSED OPERATING AND CAPITAL BUDGET.

Mayor McCarty opened the public hearing. Director of Budget and Research Chase Fosse provided an overview of the proposed Fiscal Year 2025/2026 budget, utility rates, and capital budget. The proposed operating budget is \$169,066,152 and the proposed capital budget is \$151,693,191. The budget is based on a property tax rate of \$0.497841, which is lower than the no-new-revenue rate of \$0.498625 and voter-approval rate of \$0.511490. While the property tax rate is below the no-new-revenue rate, there is a slight increase in certified values than last year. The proposed operating budget includes the General Fund - \$66,958,658; Debt Service Fund - \$13,392,813; TIF Fund - \$327,676; Park and Recreation Facilities Development - \$12,942,635; Crime Control District Fund - \$9,292,976; Utility Fund - \$48,905,255; Aquatic Fund - \$6,269,100; Golf Course Fund - \$3,848,795; and Special Revenue Funds - \$7,128,244. The proposed capital budget includes street and sidewalk projects; drainage projects; utility projects; parks and recreation projects; aquatic park projects; major equipment projects; and economic development projects. Mr. Fosse reviewed the results of the Flashvote survey.

City Council and staff discussed eliminating membership from the National League of Cities, prioritizing public safety, street maintenance funding, utilization of artificial intelligence (AI) assistance, and results of the Flashvote survey.

There being no forms submitted, Mayor McCarty asked if there was anyone in the audience wishing to speak in favor or opposition to come forward. There being no one wishing to speak, Mayor McCarty closed the public hearing.

C.2 PUBLIC HEARING ON THE TAX YEAR 2025 (FISCAL YEAR 2026) PROPOSED TAX RATE.

Mayor McCarty opened the public hearing. City Council received a presentation from Director of Budget and Research Chase Fosse. He stated that the tax year 2025 net taxable value is \$9,269,019,819. The certified roll by category is 66% for residential, 33% commercial, and 1% industrial and other. The proposed tax rate for tax year 2025

is \$0.497841, which is slightly higher than the previous tax year, but below the no-new-revenue rate and the voter approval rate. He provided an overview of the city's tax rate distribution by function: public safety - 49%; streets and traffic - 27%; facilities - 7%; library and parks - 6%; other - 6%; and community and economic development - 4%. Mr. Fosse noted that the city offers a 20% homestead exemption for eligible residents and a tax freeze exemption in the amount of \$36,000 for seniors and disabled persons.

There being no forms submitted, Mayor McCarty asked if there was anyone in the audience wishing to speak for or against the item to come forward. There being no one wishing to speak, Mayor McCarty closed the public hearing.

D. PLANNING AND DEVELOPMENT

There were no items for this category

E. PUBLIC WORKS

E.1 CONSIDER A PROFESSIONAL SERVICES AGREEMENT FOR ENGINEERING SERVICES WITH FREESE AND NICHOLS, INC. IN AN AMOUNT NOT TO EXCEED \$49,800 FOR THE RISK AND RESILIENCE ASSESSMENT AND THE EMERGENCY RESPONSE PLAN PROJECT UPDATE & RECERTIFICATION AS REQUIRED TO COMPLY WITH AMERICA'S WATER INFRASTRUCTURE ACT OF 2018.

APPROVED

City Council received a presentation from Public Works Operations Manager Kenneth Garvin.

A MOTION WAS MADE BY COUNCIL MEMBER BLAKE, SECONDED BY MAYOR PRO **TEM DEUPREE** TO **APPROVE** Α **PROFESSIONAL SERVICES AGREEMENT FOR** ENGINEERING SERVICES WITH FREESE AND NICHOLS, INC. IN AN AMOUNT NOT TO **RISK** \$49,800 FOR THE **AND ASSESSMENT** THE EXCEED RESILIENCE AND EMERGENCY RESPONSE PLAN PROJECT UPDATE & RECERTIFICATION.

MOTION TO APPROVE CARRIED 7-0.

F. CITIZENS PRESENTATION

There were no requests to speak from the public

G. GENERAL ITEMS

G.1 AWARD THE BID FOR RFB 25-023 TO HUMPHREY & MORTON CONSTRUCTION FOR CONSTRUCTION OF THE CITY POINT TRAIL IN THE AMOUNT OF \$135,986.50.

<u>APPROVED</u>

City Council received a presentation from Director of Parks and Recreation Adrien Pekurney.

A MOTION WAS MADE BY COUNCIL MEMBER ROBERTS, SECONDED BY COUNCIL MEMBER DELANEY TO AWARD THE BID FOR RFB 25-023 TO HUMPHREY & MORTON CONSTRUCTION FOR CONSTRUCTION OF THE CITY POINT TRAIL IN THE AMOUNT OF \$135,986.50.

MOTION TO APPROVE CARRIED 7-0.

H. EXECUTIVE SESSION ITEMS - CITY COUNCIL MAY TAKE ACTION ON ANY ITEM DISCUSSED IN EXECUTIVE SESSION LISTED ON WORK SESSION AGENDA

There was no action necessary as the result of the executive session.

I. INFORMATION AND REPORTS

I.1 ANNOUNCEMENTS

Council member Rodriguez made the following announcements.

Enjoy a free concert featuring the Texas Guitar Society at 6:30 p.m. on Thursday, August 28, in the Grand Hall at the NRH Centre. This unique performance will blend the timeless elegance of Mozart with the vibrant sounds of the Spanish guitar. Admission is free, but an RSVP is required. Reserve your ticket online at nrharts.com.

City Hall and other non-emergency City offices will be closed on Monday, September 1 for the Labor Day holiday. The NRH Centre, Iron Horse Golf Course and NRH2O will be open. Garbage and recycling will not be collected on Labor Day. Monday collections will occur on Tuesday and Thursday collections will move to Wednesday.

If you love a bargain, you won't want to miss the NRH Senior Center's indoor garage sale

on September 5 and 6. Come by the Senior Center between 8:00 a.m. and 5:00 p.m. on Friday or between 8:00 a.m. and 2:00 p.m. on Saturday to get out of the heat and enjoy some great shopping. All proceeds will go towards NRH Senior Center events.

Kudos Korner - Curtis Preas, Richard Norman and Ben Alva in Public Works - A resident emailed his appreciation for the quick response and resolution of two issues he reported - one about a traffic signal and the other about pavement markings. He said: "My neighbors and I are very appreciative of how quickly the City jumped into action to address these items. I'm sure you hear mostly complaints from residents, but I wanted to make sure that you also heard from some very satisfied citizens as well. Thank you so much for your prompt attention and hard work. Kudos to you and your team on a job very well done."

J. ADJOURNMENT

Mayor McCarty adjourned the meeting at 7:40 p.m.	
	Jack McCarty, Mayor
ATTEST:	
Alicia Richardson City Secretary/Chief Governance Officer	