

**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
SEPTEMBER 12, 2022**

WORK SESSION

The City Council of the City of North Richland Hills, Texas met in work session on the 12th day of September at 6:00 p.m. in the City Council Workroom prior to the 7:00 p.m. regular City Council meeting.

Present:	Oscar Trevino	Mayor
	Rita Wright Oujesky	Place 2
	Suzy Compton	Place 3
	Mason Orr	Place 4
	Scott Turnage	Associate Mayor Pro Tem, Place 6
	Kelvin Deupree	Deputy Mayor Pro Tem, Place 7
Absent:	Tito Rodriguez	Mayor Pro Tem, Place 1
Vacant:	Place 5	
Staff Members:	Mark Hindman	City Manager
	Paulette Hartman	Deputy City Manager
	Karen Manila	Assistant City Manager
	Jimmy Perdue	Director of Public Safety
	Alicia Richardson	City Secretary/Chief Governance Officer

CALL TO ORDER

Mayor Trevino called the meeting to order at 6:00 p.m.

1. DISCUSS ITEMS FROM REGULAR CITY COUNCIL MEETING.

City Council had no questions for staff.

2. WELCOME AND INTRODUCTION - PUBLIC OFFICIAL, PUBLIC EMPLOYEE, OR CITIZEN.

Director of Public Safety introduced new canine officer Luka "Dogcic", a one-year old Belgian Malinois from Holland and his handler Officer Matt Boyd.

EXECUTIVE SESSION

1. **SECTION 551.072: DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY - 6600 DAVIS BOULEVARD**
2. **SECTION 551.087: DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS - 8358 DAVIS BOULEVARD**

Mayor Trevino announced at 6:11 p.m. that the City Council would adjourn into Executive Session as authorized by Chapter 551, Texas Government Code, Section 551.072: Deliberate the purchase, exchange, lease or value of real property - 6600 Davis Boulevard and Section 551.087: Deliberation regarding Economic Development negotiations - 8358 Davis Boulevard. Executive Session began at 6:16 p.m. and concluded at 6:24 p.m.

Mayor Trevino announced at 6:24 p.m. that City Council would convene to the regular City Council meeting.

REGULAR MEETING

A. CALL TO ORDER

Mayor Trevino called the meeting to order September 12, 2022 at 7:01 p.m.

Present:	Oscar Trevino	Mayor
	Tito Rodriguez	Mayor Pro Tem, Place 1 (present at 7:16 p.m.)
	Rita Wright Oujesky	Place 2
	Suzy Compton	Place 3
	Mason Orr	Place 4
	Scott Turnage	Associate Mayor Pro Tem, Place 6
	Kelvin Deupree	Deputy Mayor Pro Tem, Place 7

Vacant: Place 5

Staff Members:	Mark Hindman	City Manager
	Alicia Richardson	City Secretary/Chief Governance Officer
	Maleshia B. McGinnis	City Attorney

A.1 INVOCATION

Council member Compton gave the invocation.

A.2 PLEDGE

Council member Compton 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 CITIZENS PRESENTATION

There were no requests to speak from the public.

A.5 PUBLIC COMMENTS

There were no requests to speak from the public.

A.6 REMOVAL OF ITEM(S) FROM CONSENT AGENDA

No items were removed from the consent agenda.

B. CONSIDER APPROVAL OF CONSENT AGENDA ITEMS

APPROVED

A MOTION WAS MADE BY COUNCIL MEMBER ORR, SECONDED BY DEPUTY MAYOR PRO TEM DEUPREE TO APPROVE THE CONSENT AGENDA.

MOTION TO APPROVE CARRIED 5-0.

B.1 APPROVE MINUTES OF THE AUGUST 22, 2022 REGULAR CITY COUNCIL MEETING.

B.2 AUTHORIZE THE CITY MANAGER TO EXECUTE A CUSTOMER SUPPORT AGREEMENT WITH CONVERGINT TECHNOLOGIES, LLC THROUGH OMNIA PARTNERS, PUBLIC SECTOR COOPERATIVE AGREEMENT #R220702, FOR FACILITY TECHNOLOGY INTEGRATION & SECURITY SERVICES FOR FIRE AND BURGLAR ALARM SYSTEMS FOR A COLLECTIVE AMOUNT NOT TO EXCEED \$306,000.

B.3 APPROVE THE PURCHASE OF PUBLIC SAFETY AND FLEET MAKE-READY SUPPLIES AND EQUIPMENT REQUIRED TO UPFIT POLICE AND FIRE VEHICLES FROM GT DISTRIBUTORS INC., USING A BUYBOARD COOPERATIVE CONTRACT IN THE TOTAL AMOUNT OF \$97,598.53.

B.4 AUTHORIZE AN INCREASE TO THE EXISTING PURCHASE ORDER WITH NATIONAL MEDICAL SERVICES, INC., DBA NMS LABS (NMS), FOR FORENSIC LABORATORY ANALYSIS SERVICES FOR A YEARLY CUMULATIVE TOTAL NOT TO EXCEED \$75,000 TO PAY FOR INVOICES RECEIVED AND ANTICIPATED INVOICES WITHIN THIS CURRENT BUDGET YEAR.

C. PUBLIC HEARINGS

There were no items for this category.

D. PLANNING AND DEVELOPMENT

There were no items for this category.

E. PUBLIC WORKS

There were no items for this category.

F. GENERAL ITEMS

F.1 CONSIDER ORDINANCE NO. 3755, ADOPTING THE TAX RATE FOR TAX YEAR 2022 (FISCAL YEAR 2022-2023).

APPROVED

City Manager Mark Hindman commented that the proposed budget was developed and based on input from citizens from the citizen survey, phone calls and social media platforms. The budget includes essential services (public safety, transportation, parks and health) provided to the public. Based on citizen input, the city is investing additional resources in the transportation system and code enforcement. The city will enhance technology/cybersecurity and citizen communication. The city is affected by the inflation increase for fuel, equipment parts and construction materials. The city is contending with a tight labor market, which has made it difficult to recruit and retain employees. The City Council approved an increase in the homestead exemption from 15% to 20%. With the rising appraisals in home values, the lower tax rate combined with the additional 5% in homestead exemption, approximately 70% of homeowners will pay the same or less in property taxes in the previous year.

Director of Budget and Research Trudy Lewis presented the item. The action requested of City Council is to adopt the property tax rate for Tax Year 2022. The property tax rate will be used to support the Fiscal Year 2022/2023 proposed budget. A public hearing for the proposed property tax rate was conducted on September 8. Notification of the proposed tax rate was provided on the city's website, city newsletter, on Citicable, in the Fort Worth Star Telegram and on tarranttaxinfo.org website. The proposed tax rate for

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Tax Year 2022 is \$0.547972, which is a decrease of \$0.024212 or 4.23% from Tax Year 2021. This proposed tax rate exceeds the No-New-Revenue tax rate of \$0.519595, but does not exceed the Voter-Approval tax rate (\$0.547972). Ms. Lewis reviewed the tax exemptions (homestead exemption and seniors over 65 and disabled persons \$36,000 exemption) eligible for residents. The proposed operations and maintenance rate is 63% of the total tax rate and is expected to generate \$25.5 million in property tax revenue for the general fund. The debt service portion is 37% of the total tax rate and will generate \$13.5 million in tax revenue for debt service.

If the adopted tax rate will impose an amount of taxes for maintenance and operations that exceeds the taxes imposed for that purpose in the preceding year, state law requires specific language be included in the ordinance adopting the tax rate. If City Council adopts the proposed tax rate of \$0.547972 per \$100 of valuation, specific language is required for the four separate motions.

A MOTION WAS MADE BY DEPUTY MAYOR PRO TEM DEUPREE, SECONDED BY COUNCIL MEMBER WRIGHT OUJESKY TO MOVE THAT THE PROPERTY TAX RATE FOR MAINTENANCE AND OPERATIONS BE SET AT \$0.347744 DOLLARS PER \$100 OF VALUATION.

MOTION TO APPROVE CARRIED 5-0.

A MOTION WAS MADE BY COUNCIL MEMBER COMPTON, SECONDED BY ASSOCIATE MAYOR PRO TEM TURNAGE TO MOVE THAT THE PROPERTY TAX RATE FOR INTEREST AND SINKING BE SET AT \$0.200228 PER \$100 OF VALUATION.

MOTION TO APPROVE CARRIED 5-0.

A MOTION WAS MADE BY COUNCIL MEMBER WRIGHT OUJESKY, SECONDED BY COUNCIL MEMBER ORR TO APPROVE ORDINANCE NO. 3755, ADOPTING A TOTAL TAX RATE OF \$0.547972 PER \$100 OF VALUATION FOR TAX YEAR 2022.

MOTION TO APPROVE CARRIED 5-0.

Mayor Pro Tem Rodriguez present at 7:16 p.m.

Mayor Trevino commented that each city has to do what is best for their individual city. Mr. Hindman mentioned the highest value for the city are employees. In today's tight job market, the city needs to ensure the employees are taken care of regarding salary, training, equipment and that they receive systematic support from other departments to complete their jobs. The City Council must balance the budget, while being mindful of

keeping the property tax values down. The City Council approved a lower tax rate and increased the homestead exemption to offset the increase in property values. Mayor Trevino stated that the proposed tax rate will allow the city to keep up with inflation and manage the increase for materials and supplies. The city needs to ensure they remain competitive in the employment market with merit increases and market adjustments to hire new employees and retain existing employees. The city will continue to focus on infrastructure and street improvements.

A MOTION WAS MADE BY DEPUTY MAYOR PRO TEM DEUPREE, SECONDED BY COUNCIL MEMBER WRIGHT OUJESKY TO MOVE THAT THE PROPERTY TAX RATE BE INCREASED BY THE ADOPTION OF A TAX RATE OF \$0.547972 DOLLARS, WHICH IS EFFECTIVELY A 5.46 PERCENT INCREASE IN THE TAX RATE.

MOTION TO APPROVE CARRIED 6-0.

F.2 CONSIDER ORDINANCE NO. 3756, ADOPTING THE FISCAL YEAR 2022-2023 PROPOSED OPERATING AND CAPITAL BUDGET.

APPROVED

Director of Budget and Research Trudy Lewis informed City Council the item before them this evening is the ordinance adopting the Fiscal Year 2022-2023 proposed Operating and Capital Budget. The City Council held a work session on July 29, 2022 and public hearings were conducted for Fiscal Year 2022-2023 Park Facilities Development Corporation, Crime Control and Prevention District, and City Operating and Capital Budgets on September 8, 2022. The city's total Fiscal Year 2022-2023 proposed Operating Budget totals \$143.4 million, excluding Internal Service Funds and Tax Increment Financing Funds. The 2022-2023 budget includes a number of programs and initiatives. An increase of \$5 million in street maintenance; market based compensation for employee recruitment and retention; inflationary impact of goods and services; technology purchases; events and resident programs return to pre-pandemic activities for the year; new positions in police, public works, planning, code enforcement, information technology, fire and communications; increase focus on seeking grants for eligible programs and projects; facility maintenance; and stormwater projects.

A MOTION WAS MADE BY ASSOCIATE MAYOR PRO TEM TURNAGE, SECONDED BY COUNCIL MEMBER WRIGHT OUJESKY TO APPROVE ORDINANCE NO. 3756, ADOPTING THE FISCAL YEAR 2022-2023 PROPOSED OPERATING AND CAPITAL BUDGET.

MOTION TO APPROVE CARRIED 6-0.

F.3 CONSIDER RATIFYING AN INCREASE IN PROPERTY TAX REVENUES REFLECTED IN THE FISCAL YEAR 2022-2023 ADOPTED BUDGET.

APPROVED

Director of Budget and Research Trudy Lewis presented the item. As previously presented, the property tax rate for Fiscal Year 2022-2023 is above the No-New Revenue tax rate, but does not exceed the Voter-Approval tax rate. State law requires the annual budget include language on the cover page that the budget will raise more total property taxes than last year's budget by \$1,587,409 or 4.23% and of that amount \$983,347 is tax revenue to be raised from new property added to the roll this year.

A MOTION WAS MADE BY COUNCIL MEMBER WRIGHT OUJESKY, SECONDED BY MAYOR PRO TEM RODRIGUEZ TO RATIFY THE INCREASE IN PROPERTY TAX REVENUES IN THE ADOPTED FISCAL YEAR 2022-2023 BUDGET.

MOTION TO APPROVE CARRIED 6-0.

F.4 CONSIDER RESOLUTION NO. 2022-038, APPROVING THE CERTIFIED TAX ROLL FOR TAX YEAR 2022.

APPROVED

Director of Budget and Research Trudy Lewis presented the item. State law requires that the governing body approve the Certified Tax Roll as a separate item during the budget and tax rate approval process. The City received the 2022 certified tax roll from the Tarrant Appraisal District on Thursday, July 21, 2022. Key components of the certified tax roll include a total appraised value of \$9,469,708,861, a net taxable value of \$7,322,302,762, and estimated net taxable value of \$7,576,210,392. There was \$176,943,505 in new construction added to the certified roll in 2022. The average single family market value is \$316,497 and the average single family taxable value is \$233,679.

A MOTION WAS MADE BY COUNCIL MEMBER ORR, SECONDED BY DEPUTY MAYOR PRO TEM DEUPREE TO APPROVE RESOLUTION NO. 2022-038.

MOTION TO APPROVE CARRIED 6-0.

F.5 CONSIDER ORDINANCE NO. 3757, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2022 RATE REVIEW MECHANISM FILING.

APPROVED

Assistant City Manager Karen Manila presented item. The City Council is requested to consider approval of the settlement agreement and the resulting rate changes under the Rate Review Mechanism Tariff. The monthly residential customer charge will increase from \$20.85 per month to \$21.55 per month. The impact to the monthly bill for the typical residential customer will increase \$4.60 or 6.71%. The average increase for the average commercial customer will be \$14.34 or 4.29%. Staff recommends City Council approve Ordinance No. 3757.

A MOTION WAS MADE BY COUNCIL MEMBER COMPTON, SECONDED BY ASSOCIATE MAYOR PRO TEM TURNAGE TO APPROVE ORDINANCE 3757.

MOTION TO APPROVE CARRIED 6-0.

F.6 CONSIDER RESOLUTION NO. 2022-039, APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN AN AMOUNT NOT TO EXCEED \$14,450,000.

APPROVED

Director of Finance Mark Mills presented the item. The City Council is requested to consider Resolution No. 2022-039, approving and authorizing the publication of the Notice of Intention to Issue Certificates of Obligation in an amount not to exceed \$14,450,000. The 2022 Certificates of Obligation will fund the following projects: street maintenance supplement (\$5,000,000; 5 year term); dump truck (\$185,000; 12 year term); dump truck (\$205,000; 12 year term); fire engine (\$985,000; 12 year term); 24" transmission line (\$3,075,000; 20 year term); and cellular end point conversion (\$4,855,000; 20 year term).

A MOTION WAS MADE BY DEPUTY MAYOR PRO TEM DEUPREE, SECONDED BY COUNCIL MEMBER WRIGHT OUJESKY TO APPROVE RESOLUTION NO. 2022-039, APPROVING AND AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION IN AN AMOUNT NOT TO EXCEED \$14,450,000.

MOTION TO APPROVE CARRIED 6-0.

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

APPROVED

A MOTION WAS MADE BY COUNCIL MEMBER COMPTON, SECONDED BY COUNCIL MEMBER ORR TO AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN ECONOMIC DEVELOPMENT AGREEMENT AND ANY NECESSARY AND RELATED DOCUMENTS WITH REMEMBER THE ALAMO, LLC FOR PROPERTY LOCATED AT 8358 DAVIS BOULEVARD.

MOTION TO APPROVE CARRIED 6-0.

H. INFORMATION AND REPORTS

H.1 ANNOUNCEMENTS

Deputy Mayor Pro Tem Kelvin Deupree made the following announcements.

Keep NRH Beautiful and the Tarrant Regional Water District are hosting a free Sprinkler Repair Class this Thursday, September 15, at the NRH Library. Learn how to check your system for leaks and make simple repairs. The class will start at 6:00 p.m. Visit the city's website for more information.

The NRH Library continues its Celebrating Culture Series with a free bluegrass concert by Ioni Creek this Saturday, September 17. The performance will take place at 3:00 p.m. in the Library lobby. Visit the Library's website for more details.

The NRH Animal Adoption & Rescue Center invites you to their annual Doggie Beach Bash at NRH2O Family Water Park on Sunday, September 25. Admission is \$20.00 per person including up to two dogs, with proceeds benefiting the animal shelter. You can buy tickets and get more information online.

Kudos Korner - Craig Hulse, Clayton Comstock and staff in Economic Development and Planning - The owner of a new business posted his thanks to the City for making the development and zoning process seamless. He added that he looks forward to a continued partnership and being part of the community.

I. ADJOURNMENT

Mayor Trevino adjourned the meeting at 7:48 p.m.

Oscar Trevino, Mayor

ATTEST:

Alicia Richardson
City Secretary/Chief Governance Officer