

**RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
SEPTEMBER 11, 2023
MINUTES**

Roll Call:

Council present

Edward Lopez, Mayor
G.W. Estep, Mayor Pro Tem
Douglas Knowlton, Place 1
Travis Malone, Place 2
Theresa Bledsoe, Place 3
Roland Goveas, Place 6

Council absent

Javier Alvarez, Place 4

Staff present

Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary
James Donovan, City Attorney

CITY COUNCIL WORK SESSION – 6:31 PM

1. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.

1. Section 551.071: Consultation with Attorney
 - Agenda Item 6A

Motion: Motion was made by Councilmember Knowlton and seconded by Mayor Pro Tem Estep to adjourn into Executive Session at 6:32 p.m.

Motion carried by a vote of 6-0.

Mayor Lopez reconvened into open session at 7:04 p.m.

2. **Discuss items listed on tonight's City Council agenda. No action will be taken and each item will be considered during the Regular Session.**

None.

Mayor Lopez adjourned the work session at 7:04 p.m.

REGULAR SESSION – Mayor Lopez Called to Order – Time 7:04 p.m.

INVOCATION AND PLEDGES OF ALLEGIANCE – Councilmember Knowlton

PRESENTATIONS

1A. Employee Service Awards

Mayor Lopez announced the employee service awards and expressed congratulations to the following employees on reaching an employment milestone with the City of Richland Hills:

5 Years of Service

City Manager Candice Edmondson

Firefighter Gabriel Munoz

Firefighter Lainea Nolen

Firefighter Jaime Taylor

1B. National Emergency Preparedness Month Proclamation

Mayor Lopez read a proclamation declaring September 2023 as “National Emergency Preparedness Month” in Richland Hills and presented it to Fire Chief Russell Shelley.

1C. Citizen Appearances/Public Comments

None.

CONSENT AGENDA

2A. Approved minutes from the August 28, 2023 City Council Regular Meeting

2B. Excuse the absence of Mayor Edward Lopez from the July 10, 2023 regular City Council meeting

2C. Excuse the absence of Councilmember Douglas Knowlton from the August 14, 2023 regular City Council meeting

2D. Approve an update to the Authorized Representatives at the Federal Reserve Bank for City deposits at JP Morgan Chase Bank, N.A.

2E. Approve Resolution 583-23, authorizing the change of authorized representatives for the Texas Local Government Investment Pool (TexPool)

2F. Approve Resolution 584-23, authorizing the change of authorized representatives for the Texas Short Term Asset Reserve Program (TexSTAR)

2G. Approve Ordinance 1481-23 approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2023 Rate Review Mechanism Filing

Motion: Motion was made by Councilmember Malone and seconded by Mayor Pro Tem Estep to approve the consent agenda.

Motion carried by a vote of 6-0.

PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

**3A. Fiscal Year 2024 Budget and Multi-Year Capital Improvement Program
PUBLIC HEARING**

City Manager Candice Edmondson presented the item to the City Council and advised that the budget summarizes the plan of municipal operations and capital projects for the fiscal year that begins October 1, 2023. The proposed budget was presented to City Council during work sessions on August 14, 2023, and August 28, 2023. The proposed budget consists of 19 different funds. The FY 2024 Budget includes estimated revenues at \$25,639,331 and expenditures at \$28,283,540 which is a 2.63 percent increase in revenues and a 0.92 percent increase in expenditures over the FY 2023 Adopted Budget. The FY 2024 budget is based off a recommended tax rate of \$0.522689 which is \$0.016196 cents lower than the current tax rate.

Mayor Lopez opened the public hearing at 7:51 p.m. and asked to hear from any proponents of the case followed by opponents.

Curtis Bergthold, 3641 Scruggs Drive, expressed concern regarding longstanding projects including backlit street signs and a masonry fence.

Mayor Lopez closed the public hearing at 7:52 p.m.

3B. Fiscal Year 2024 Tax Rate PUBLIC HEARING

City Manager Candice Edmondson presented the item to the City Council and advised that at the August 14, 2023 Council meeting, she presented the proposed FY 2024 General Fund Budget that included a proposed ad valorem tax rate of \$0.522689 per hundred dollars of valuation. Additionally, the City Council approved the FY 2024 /Tax Year 2023 Certified Tax Roll and reviewed the 2023 Tax Rate Calculation Worksheet at the August 8, 2022 meeting. The calculated No-New-Revenue Rate (formerly known as the Effective Tax Rate) is \$0.459704/\$100.

T The proposed FY 2024 ad valorem tax rate is lower than the current FY 2023 ad valorem tax rate of \$0.538885 by \$0.016196 cents. The FY 2024 allocation of the tax rate is \$0.361700 for Operations and Maintenance that funds General Fund operations, and

\$0.160989 for Interest and Sinking that funds debt service payments, for a total ad valorem tax rate of \$0.522689.

Mayor Lopez opened the public hearing at 7:57 p.m. and asked to hear from any proponents followed by opponents of the budget.

Curtis Bergthold, 3641 Scruggs Drive, expressed his appreciation to the City Council for working to keep costs down for residents while continuing to provide good service.

Mayor Lopez closed the public hearing at 7:58 p.m.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

4A. Approved Ordinance 1482-23 providing for the sale and issuance of the City of Richland Hills, Texas Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2023; and ordaining other matters relating to the subject

City Manager Candice Edmondson presented the item to the City Council and advised that during the April 10, 2023 City Council Budget Workshop, staff provided a presentation on the City’s current debt obligations and capacity. In particular, staff looked at how the City could complete the next 16 street reconstruction projects by issuing Certificates of Obligation. The City’s financial advisors, Hilltop Securities, provided a financial analysis that included three separate debt issuances in 2023, 2024 and 2025. The analysis included a suggested three-cent, three-year tax rate increase to finance the 16 street projects. The tax rate impact for the Series 2023 issuance is \$0.0178, which has been included in the City’s proposed tax rate for Fiscal Year 2024.

The Series 2023 Certificates of Obligation will fund the following six street improvement projects:

Street Name	Begin	End	Notes
Jameson St.	Gerome St.	Faye Dr.	Paving, Water, Sewer
Joanne Ct.	Mathews Dr.	Cul-de-sac	Paving, Water
Mary Boaz Dr.	Lavon Dr.	Marceille Ct.	Paving, Water, Sewer
Mary Boaz Dr.	Marceille Ct.	Jameson St.	Paving, Water, Sewer
Brooks Ave.	Rufe Snow Dr.	Holder St.	Paving, Water, Sewer
Oxley Dr.	Evergreen Rd.	Booth Calloway Rd.	Paving, Water, Sewer

Hilltop Securities representative Marti Shew was in attendance to address any questions.

Marti Shew advised that the sale was held this morning, Monday, September 11, 2023, and six companies submitted bids. The winning bid was submitted by BOK Financial Securities, Inc. with an interest rate of 3.985115 percent. Ms. Shew stated that the City received an AA credit rating and obtaining an interest rate below four percent means the City is in a strong financial position.

Discussion ensued regarding if the City is obligated to issue debt in 2024 and 2025.

Ms. Edmondson confirmed that this is an individual action and City Council is not required to issue debt in future years.

Motion: Motion was made by Councilmember Goveas and seconded by Mayor Pro Tem Estep to approve Ordinance 1482-23 providing for the sale and issuance of the City of Richland Hills, Texas Combination Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2023; and ordaining other matters relating to the subject.

Motion carried by a vote of 6-0.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5. None.

OTHER ITEMS FOR CONSIDERATION

6A. Approved extension of Agreement for Use of Hotel Motel Revenue between the City of Richland Hills and CN Churchill II LLC and CN Churchill III LLC and request for hotel motel tax revenue grant funds

On October 17, 2019, the City of Richland Hills entered into an agreement for the use of hotel motel tax revenue with CN Churchill II LLC and CN Churchill III LLC (“Companies”). The Companies, represented by Sanjiv Melwani, owned and operated the La Quinta Inn & Suites and Fairfield Inn & Suites in Richland Hills. Since the agreement was extended, the Companies have sold the La Quinta Inn & Suites to a new hotel operator and only operate the Fairfield Inn & Suites in Richland Hills.

On August 8, 2022, the City Council approved a one-year extension of the agreement and authorized payment of tax revenue grants in the amount of \$55,000 for Fiscal Year 2022 and Fiscal Year 2023. Per the agreement, the City may provide a single tax revenue grant in the amount of \$55,000 payable to the Companies and to be used solely for marketing purposes.

Owner Sanjiv Melwani, 643 NE Loop 820, Hurst, expressed his appreciation to the City Council for their consideration of the extension of the agreement and advised of a recently held gymnastics event where he partnered with The Link Recreation Center and was pleased by the success of the event.

Motion: Motion was made by Mayor Pro Tem Estep and seconded by Councilmember Malone to approve extension of Agreement for Use of Hotel Motel Revenue between the City of Richland Hills and CN Churchill II LLC and CN Churchill III LLC and approve request for hotel motel tax revenue

grant funds based on modifications discussed in Executive Session pending a draft by the City Attorney.

Motion carried by a vote of 6-0.

REPORTS & DISCUSSIONS

7A. Fiesta de Herencia

Director of Parks and Recreation Jason Brown presented an update regarding the upcoming third annual Fiesta de Herencia celebrating Hispanic Heritage Month event to be held Friday, September 15, 2023, from 6:00 to 10:00 p.m. at The Link Plaza. He advised of several food vendors, entertainment options, and community partners. He is looking forward to another fun event.

7B. Solid Waste, Recycling and Bulk Collection

Mayor Lopez introduced the item and advised that the City Council was interested in hearing from the public regarding recent issues with the City's bulk collection process.

Athena Campbell, 2802 Elm Park, expressed frustration at new stricter guidelines for bulk collection.

Jenny Clark, 6973 Hardisty Street, read from sections of the contract and the definitions contained within the contract regarding bulk collections.

Curtis Bergthold, 3641 Scruggs Drive, expressed his appreciation to Republic Services for their efforts during the month of August due to heat and storm damage coverage and stated his preference for the City to upgrade the current trash service.

Greg Garza, 3401 Ruth Road, compared Richland Hills bulk collection requirements to the City of Fort Worth and felt Richland Hills was too restrictive.

Republic Services Municipal Services Manager Jeri Harwell explained the history of Republic providing bulk collection to Richland Hills and how quickly the truck would be filled and need to be emptied. She advised that Republic wants to continue to be a good partner to the City.

Mayor Lopez stated that he would like to see a Memorandum of Understanding at a future City Council meeting that clarifies the contract between the City and Republic Services.

The City Council expressed a desire for the City and Republic Services to remain good partners and serve the citizens.

COMMUNITY INTEREST ITEMS

8. Mayor Pro Tem Estep advised of several upcoming events:

- Applications are now open for the 75th Anniversary Committee and are due to the City Secretary by Friday, September 22, 2023;
- Tuesday, September 12, 2023, Richland Hills Literary Club, Public Library, 6:30 p.m.;
- Thursday, September 14, 2023,
 - Senior Lunch Bunch and Bingo, The Link, 12:00 to 2:00 p.m.;
 - Tarrant County Food Pantry, The Link parking lot, 5:30 to 7:00 p.m.;
- Friday, September 15, 2023, Fiesta de Herencia, The Link Plaza, 6:00 to 9:00 p.m.;
- Monday, October 16, 2023, Solar Eclipse, Public Library;
- Every Thursday, Coffee Talk, Public Library, 10:00 to 11:30 a.m.; and
- Every Thursday, Evening Storytime, Public Library, 5:30 p.m.

Assistant to the City Manager Logan Thatcher advised that Republic will begin a special storm debris pickup beginning Monday, September 18, 2023.

EXECUTIVE SESSION

9. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, Sec. 551.073, Sec. 551.074, Sec. 551.076, Sec. 551.087 and Sec. 418.0183 (f) and 418.106 (d) & (e) of the Texas Government Code (Texas Disaster Act).

None.

ADJOURNMENT

10. A motion was made by Councilmember Bledsoe and seconded by Councilmember Goveas to adjourn.

Motion carried by a vote of 6-0.

There being no further business to come before the City Council, Mayor Lopez declared the meeting adjourned at 9:00 p.m.

ATTEST:

APPROVED:

Lindsay Rawlinson, City Secretary

Edward Lopez, Mayor