



Town of Highland Park, Texas
TOWN COUNCIL MEETING
AGENDA

4:00 PM
August 28, 2017

4700 Drexel Drive
Town Council Chamber

WORK SESSION - 4:00 PM

- I. CALL TO ORDER**
- II. DISCUSSION**

TOWN COUNCIL REGULAR AGENDA - 4:00 P.M.

- I. CALL TO ORDER**
- II. INVOCATION**
- III. CITIZEN COMMENTS REGARDING ITEMS NOT ON THE AGENDA**

This is an opportunity for the public to address the Town Council on any subject not on the Agenda. In accordance with the Texas Open Meetings Act, the Town Council may not discuss issues raised or make any decision at this time. Issues raised may be referred to Town staff for research and possible future action.

IV. PROCLAMATION

- A. Mayor Williams will read a proclamation designating September as Library Card Sign-Up Month.

V. PUBLIC HEARING

- A. Conduct a public hearing on the 2017 Tax Year Proposed Property Tax Rate.
- B. Conduct a public hearing on the Proposed Combined Budget for Fiscal Year 2017-18.

VI. CONSENT AGENDA

All items under the Consent Agenda are considered to be routine by the Town Council and will be enacted by one motion and vote. There will be no separate discussion of items unless a request by a Council Member is made prior to the time of the Town Council voting on the motion. In such event, the item will be removed, without debate, from the general order of business and

considered in its normal sequence.

- A. Consider approval of the minutes of the Town Council study session held on June 6, 2017.
- B. Consider approval of the minutes of the Town Council meeting held on June 12, 2017.
- C. Consider approval of a bid for contract labor services in the Town Services Department, Parks Division.
- D. Consider approval of an ordinance establishing regulations for grease and grit traps in food establishments in the Town and the hauling of liquid waste.
- E. Consider approval of an ordinance adopting Right-of-Way Management and Design Manual for the: (i) maintenance; (ii) siting; and (iii) criteria for the installation of wireless facilities.
- F. Consider approval of interlocal agreements with the City of University Park for the Drug Abuse Resistance Education and the School Resource Officer programs.
- G. Consider awarding the Town's employee health insurance plan to Cigna and the dental insurance plan to United Health Care.

VII. ADJOURNMENT

SPECIAL ACCOMMODATIONS FOR TOWN COUNCIL MEETINGS

Let us know if you need special assistance of any kind.

Please contact the Town of Highland Park Administrative staff at (214) 521-4161

7:30 a.m. to 4:30 p.m., Monday through Friday.



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Library

Director: Kortney Nelson

TITLE

Mayor Williams will read a proclamation designating September as Library Card Sign-Up Month.

BACKGROUND

The value of today's libraries goes beyond books. Librarians and library staff are leaders in their communities, helping people of any age to find what they need to help improve their quality of life. September is Library Card Sign-Up Month, a time when the Highland Park Library joins with the American Library Association and public libraries nationwide to make sure every student has the most important school supply of all - a library card.

Libraries build a foundation for children's future success starting from the earliest stages of development. Library staff play a key role in helping children develop the basic tools for school readiness by teaching families the components of early literacy. As new technologies evolve, libraries continue to lead the way in providing access to digital tools and media. Libraries offer digital literacy training for students of all ages to navigate today's changing world.

The Highland Park Library provides high quality public library access which fulfills the informational, educational, and basic research needs of the community, and strives to increase public awareness of these services through technical and public service.

RECOMMENDATION

None.

FINANCIAL IMPACT

None.

ATTACHMENTS:

File Name	Description
Library_Card_Sign-Up_Month_September_2017.docx	Proclamation

Town of Highland Park, Texas

PROCLAMATION

WHEREAS, a library card is the most important school supply of all; and

WHEREAS, libraries play an important role in the education and development of children; and

WHEREAS, library programs range broadly from helping every child be ready to read and prepared for school, to building research skills, career exploration and development, and accessing information in numerous formats; and

WHEREAS, librarians offer digital and traditional literacy training to help students of all ages; and

WHEREAS, libraries continue to transform and expand their services in ways that meet the needs of the communities they serve;

NOW, THEREFORE, on behalf of the Town Council of the Town of Highland Park, Texas, I hereby proclaim the month of September 2017 as

Library Card Sign-Up Month

in the Town of Highland Park, Texas, and encourage our citizens to consider the many ways in which libraries enhance our quality of life.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the Town of Highland Park, Texas to be affixed hereto on this the 28th day of August, 2017.

Joel T. Williams, III
Mayor



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

TITLE

Conduct a public hearing on the 2017 Tax Year Proposed Property Tax Rate.

BACKGROUND

The Texas Property Tax Code requires that if a taxing unit's governing body proposes to set a tax rate that exceeds the computed effective tax rate, two public hearings must be scheduled and a notice must be published detailing the dates, times, and location of such public hearings. This is the first of two public hearings on the proposed tax rate. The second hearing is scheduled on Tuesday, September 5, 2017, at 8:00 a.m. The required public notice for both hearings was published in *The Park Cities News* on August 17, 2017, and posted on the Town's website.

The Town's computed 2017 effective and rollback tax rates are \$0.214177 and \$0.231311 per \$100 of taxable assessed value, respectively. At its meeting on August 14, 2017, the Town Council set a preliminary tax rate of \$0.22 per \$100 of taxable assessed value, which is the same as the 2016 tax rate. The effective tax rate is the calculated tax rate that when applied to the current year's taxable value, minus the taxable value of new construction, would generate the same tax dollars as levied in the prior year. The rollback tax rate is equal to the effective tax rate plus 8%, and is the rate that can initiate voter action to reduce any tax increase back to the rollback rate. Please refer to the attached 2017 Tax Rate Calculation Worksheet for a detailed calculation of the effective and rollback tax rates.

The increase in property tax revenues generated from a tax rate of \$0.22 per \$100 of taxable assessed value would be a primary funding source for the Fiscal Year 2016-17 Proposed Combined Budget.

RECOMMENDATION

None.

FINANCIAL IMPACT

The proposed tax rate of \$0.22 per \$100 of taxable assessed value will generate an additional \$553,695 in total tax levy, when compared to the property tax levy generated from the 2016 Certified Taxable Assessed Value. Of this increase, \$276,963 is from new property added to the appraisal roll and \$276,732 is due to the increase in property values over 2016.

ATTACHMENTS:

File Name	Description
Town_of_Highland_Park_2017_ETR_RTR.pdf	2017 Tax Rate Calculation Worksheet

2017 Tax Rate Calculation Worksheet

Date: 07/28/2017 09:07 AM

Taxing Units Other Than School Districts or Water Districts

Town of Highland Park

Taxing Unit Name

Phone (area code and number)

<>

<>

Taxing Unit's Address, City, State, Zip

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the effective tax rate and rollback tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. School districts do not use this form, but instead use Comptroller Form 50-859 Tax Rate Calculation Worksheet for School Districts. Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 Water District Rollback Tax Rate Worksheet. This worksheet is provided to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: Effective Tax Rate (No New Taxes)

The effective tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the effective tax rate should decrease.

The effective tax rate for a county is the sum of the effective tax rates calculated for each type of tax the county levies.

Effective Tax Rate Activity	Amount/Rate
1. 2016 total taxable value. Enter the amount of 2016 taxable value on the 2016 tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-third over-appraisal corrections from these adjustments. This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (will deduct taxes in Line 14). ¹	\$5,748,092,020
2. 2016 tax ceilings. Counties, cities and junior college districts. Enter 2016 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in 2016 or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$0
3. Preliminary 2016 adjusted taxable value. Subtract Line 2 from Line 1.	\$5,748,092,020
4. 2016 total adopted tax rate.	\$0.220000/\$100
5. 2016 taxable value lost because court appeals of ARB decisions reduced 2016 appraised value. A. Original 2016 ARB Values.	\$55,164,660
B. 2016 values resulting from final court decisions.	\$50,397,260
C. 2016 value loss. Subtract B from A. ³	\$4,767,400
6. 2016 taxable value, adjusted for court-ordered reductions. Add Line 3 and Line 5C.	\$5,752,859,420
7. 2016 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2016. Enter the 2016 value of property in deannexed territory. ⁴	\$0
8. 2016 taxable value lost because property first qualified for an exemption in 2017. Note that lowering the amount or percentage of an existing exemption does not create a new exemption or reduce taxable value. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount.	

Do not include value lost to freeport or goods-in-transit exemptions.	
A. Absolute exemptions. Use 2016 market value:	\$0
B. Partial exemptions. 2017 exemption amount or 2017 percentage exemption times 2016 value:	\$30,004,140
C. Value loss. Add A and B. ⁵	\$30,004,140
9. 2016 taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in 2017. Use only properties that qualified in 2017 for the first time; do not use properties that qualified in 2016.	
A. 2016 market value:	\$0
B. 2017 productivity or special appraised value:	\$0
C. Value loss. Subtract B from A. ⁶	\$0
10. Total adjustments for lost value. Add lines 7, 8C and 9C.	\$30,004,140
11. 2016 adjusted taxable value. Subtract Line 10 from Line 6.	\$5,722,855,280
12. Adjusted 2016 taxes. Multiply Line 4 by Line 11 and divide by \$100.	\$12,590,281
13. Taxes refunded for years preceding tax year 2016. Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2016. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2016. This line applies only to tax years preceding tax year 2016. ⁷	\$16,665
14. Taxes in tax increment financing (TIF) for tax year 2016. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2017 captured appraised value in Line 16D, enter 0. ⁸	\$0
15. Adjusted 2016 taxes with refunds and TIF adjustment. Add Lines 12 and 13, subtract Line 14. ⁹	\$12,606,946
16. Total 2017 taxable value on the 2017 certified appraisal roll today. This value includes only certified values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 18). These homesteads include homeowners age 65 or older or disabled. ¹⁰	
A. Certified values:	\$5,945,671,240
B. Counties: Include railroad rolling stock values certified by the Comptroller's office:	\$0
C. Pollution control and energy storage system exemption : Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property:	\$0
D. Tax increment financing: Deduct the 2017 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2017 taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 21 below. ¹¹	\$0

E. Total 2017 value. Add A and B, then subtract C and D.	\$5,945,671,240
17. Total value of properties under protest or not included on certified appraisal roll.¹² A. 2017 taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value. ¹³ B. 2017 value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about, but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value. ¹⁴ C. Total value under protest or not certified: Add A and B.	 \$66,442,367 \$0 \$66,442,367
18. 2017 tax ceilings. Counties, cities and junior colleges enter 2017 total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing units adopted the tax ceiling provision in 2016 or a prior year for homeowners age 65 or older or disabled, use this step. ¹⁵	\$0
19. 2017 total taxable value. Add Lines 16E and 17C. Subtract Line 18.	\$6,012,113,607
20. Total 2017 taxable value of properties in territory annexed after Jan. 1, 2016. Include both real and personal property. Enter the 2017 value of property in territory annexed. ¹⁶	\$0
21. Total 2017 taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in 2016. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, 2016, and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for 2017. ¹⁷	\$125,892,289
22. Total adjustments to the 2017 taxable value. Add Lines 20 and 21.	\$125,892,289
23. 2017 adjusted taxable value. Subtract Line 22 from Line 19.	\$5,886,221,318
24. 2017 effective tax rate. Divide Line 15 by Line 23 and multiply by \$100. ¹⁸	\$0.214177/\$100
25. COUNTIES ONLY. Add together the effective tax rates for each type of tax the county levies. The total is the 2017 county effective tax rate. ¹⁹	

¹Tex. Tax Code Section 26.012(14)

²Tex. Tax Code Section 26.012(14)

³Tex. Tax Code Section 26.012(13)

⁴Tex. Tax Code Section 26.012(15)

⁵Tex. Tax Code Section 26.012(15)

⁶Tex. Tax Code Section 26.012(15)

⁷Tex. Tax Code Section 26.012(13)

⁸Tex. Tax Code Section 26.03(c)

⁹Tex. Tax Code Section 26.012(13)

¹⁰Tex. Tax Code Section 26.012

¹¹Tex. Tax Code Section 26.03(c)

¹²Tex. Tax Code Section 26.01(c) and (d)

¹³Tex. Tax Code Section 26.01(c)

¹⁴Tex. Tax Code Section 26.01(d)

¹⁵Tex. Tax Code Section 26.012(6)

¹⁶Tex. Tax Code Section 26.012(17)

SECTION 2: Rollback Tax Rate

The rollback tax rate is split into two separate rates:

1. **Maintenance and Operations (M&O):** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus eight percent. This rate accounts for such things as salaries, utilities and day-to-day operations.
2. **Debt:** The debt tax rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The rollback tax rate for a county is the sum of the rollback tax rates calculated for each type of tax the county levies. In most cases the rollback tax rate exceeds the effective tax rate, but occasionally decreases in a taxing unit's debt service will cause the effective tax rate to be higher than the rollback tax rate.

Rollback Tax Rate Activity	Amount/Rate
26. 2016 maintenance and operations (M&O) tax rate.	\$0.220000/\$100
27. 2016 adjusted taxable value. Enter the amount from Line 11.	\$5,722,855,280
28. 2016 M&O taxes.	
A. Multiply Line 26 by Line 27 and divide by \$100.	\$12,590,281
B. Cities, counties and hospital districts with additional sales tax: Amount of additional sales tax collected and spent on M&O expenses in 2016. Enter amount from full year's sales tax revenue spent for M&O in 2016 fiscal year, if any. Other taxing units enter 0. Counties exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$0
C. Counties: Enter the amount for the state criminal justice mandate. If second or later year, the amount is for increased cost above last year's amount. Other taxing units enter 0.	\$0
D. Transferring function: If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in H below. The taxing unit receiving the function will add this amount in H below. Other taxing units enter 0.	\$0
E. Taxes refunded for years preceding tax year 2016: Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2016. This line applies only to tax years preceding tax year 2016.	\$16,665
F. Enhanced indigent health care expenditures: Enter the increased amount for the current year's enhanced indigent health care expenditures above the preceding tax year's enhanced indigent health care expenditures, less any state assistance.	\$0
G. Taxes in TIF: Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no 2017 captured appraised value in Line 16D, enter 0.	\$0
H. Adjusted M&O Taxes. Add A, B, C, E and F. For taxing unit with D, subtract if discontinuing function and add if receiving function. Subtract G.	\$12,606,946

29. 2017 adjusted taxable value. Enter Line 23 from the Effective Tax Rate Worksheet.	\$5,886,221,318
30. 2017 effective maintenance and operations rate. Divide Line 28H by Line 29 and multiply by \$100.	\$0.214177/\$100
31. 2017 rollback maintenance and operation rate. Multiply Line 30 by 1.08.	\$0.231311/\$100
32. Total 2017 debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. Enter debt amount. B. Subtract unencumbered fund amount used to reduce total debt. C. Subtract amount paid from other resources. D. Adjusted debt. Subtract B and C from A.	\$0 \$0 \$0 \$0
33. Certified 2016 excess debt collections. Enter the amount certified by the collector.	\$0
34. Adjusted 2017 debt. Subtract Line 33 from Line 32D.	\$0
35. Certified 2017 anticipated collection rate. Enter the rate certified by the collector. If the rate is 100 percent or greater, enter 100 percent.	100.00%
36. 2017 debt adjusted for collections. Divide Line 34 by Line 35	\$0
37. 2017 total taxable value. Enter the amount on Line 19.	\$6,012,113,607
38. 2017 debt tax rate. Divide Line 36 by Line 37 and multiply by \$100.	\$0/\$100
39. 2017 rollback tax rate. Add Lines 31 and 38.	\$0.231311/\$100
40. COUNTIES ONLY. Add together the rollback tax rates for each type of tax the county levies. The total is the 2017 county rollback tax rate.	

SECTION 3: Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its effective and rollback tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its effective tax rate and/or rollback tax rate because it adopted the additional sales tax.

Activity	Amount/Rate
41. Taxable Sales. For taxing units that adopted the sales tax in November 2016 or May 2017, enter the Comptroller's estimate of taxable sales for the previous four quarters. ²⁰ Taxing units that adopted the sales tax before November 2016, skip this line.	\$0
42. Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ²¹ Taxing units that adopted the sales tax in November 2016 or in May 2017. Multiply the amount on Line 41 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ²² - or - Taxing units that adopted the sales tax before November 2016. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$0
43. 2017 total taxable value. Enter the amount from Line 37 of the Rollback Tax Rate Worksheet.	\$6,012,113,607
44. Sales tax adjustment rate. Divide Line 42 by Line 43 and multiply by \$100.	\$0/\$100
45. 2017 effective tax rate, unadjusted for sales tax. ²³ Enter the rate from Line 24 or 25, as applicable, on the Effective Tax Rate Worksheet.	\$0.214177/\$100
46. 2017 effective tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November 2016 or in May 2017. Subtract Line 44 from Line 45. Skip to Line 47 if you adopted the additional sales tax before November 2016.	\$0.214177/\$100
47. 2017 rollback tax rate, unadjusted for sales tax. ²⁴ Enter the rate from Line 39 or 40, as applicable, of the Rollback Tax Rate Worksheet.	\$0.231311/\$100
48. 2017 rollback tax rate, adjusted for sales tax. Subtract Line 44 from Line 47.	\$0.231311/\$100

¹⁷Tex. Tax Code Section 26.012(17)

¹⁸Tex. Tax Code Section 26.04(c)

¹⁹Tex. Tax Code Section 26.04(d)

²⁰Tex. Tax Code Section 26.041(d)

²¹Tex. Tax Code Section 26.041(i)

²²Tex. Tax Code Section 26.041(d)

²³Tex. Tax Code Section 26.04(c)

²⁴Tex. Tax Code Section 26.04(c)

SECTION 4: Additional Rollback Protection for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Additional Rollback Protection for Pollution Control Activity	Amount/Rate
49. Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ²⁵ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ²⁶	\$0
50. 2017 total taxable value. Enter the amount from line 37 of the Rollback Tax Rate Worksheet.	\$6,012,113,607
51. Additional rate for pollution control. Divide line 49 by Line 50 and multiply by \$100.	\$0/\$100
52. 2017 rollback tax rate, adjusted for pollution control. Add Line 51 to one of the following lines (as applicable): Line 39, Line 40 (counties) or Line 48 (taxing units with the additional sales tax).	\$0.231311/\$100

SECTION 5: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

Effective tax rate (Line 24; line 25 for counties; or line 46 if adjusted for sales tax)	\$0.214177
Rollback tax rate (Line 39; line 40 for counties; or line 48 if adjusted for sales tax)	\$0.231311
Rollback tax rate adjusted for pollution control (Line 52)	\$0.231311

SECTION 6: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the taxing unit.

print here ◇

Printed Name of Taxing Unit Representative

sign here _____

Taxing Unit Representative

Date

²⁵Tex. Tax Code Section 26.045(d)

²⁶Tex. Tax Code Section 26.045(i)



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

TITLE

Conduct a public hearing on the Proposed Combined Budget for Fiscal Year 2017-18.

BACKGROUND

The purpose of this public hearing is to provide a forum for public comments on the Proposed FY 2017-18 Combined Budget (the "Proposed Budget").

On July 28, 2017, the Town Administrator submitted the Proposed Budget to the Town Secretary, the Town Council, and the Finance and Audit Advisory Committee. The Town Council reviewed the Proposed Budget at its study sessions on August 8, 2017 and August 22, 2017.

The Texas Local Government Code requires that the Town hold a public hearing on the Proposed Budget. This is the second of two public hearings; the first public hearing was held on August 14, 2017. Notice of these public hearings was published in *The Park Cities News* on July 27, 2017, and on August 10, 2017, and posted on the Town's website.

The Proposed Budget is available for public inspection at the Town Secretary's office or on the Town's website.

RECOMMENDATION

None

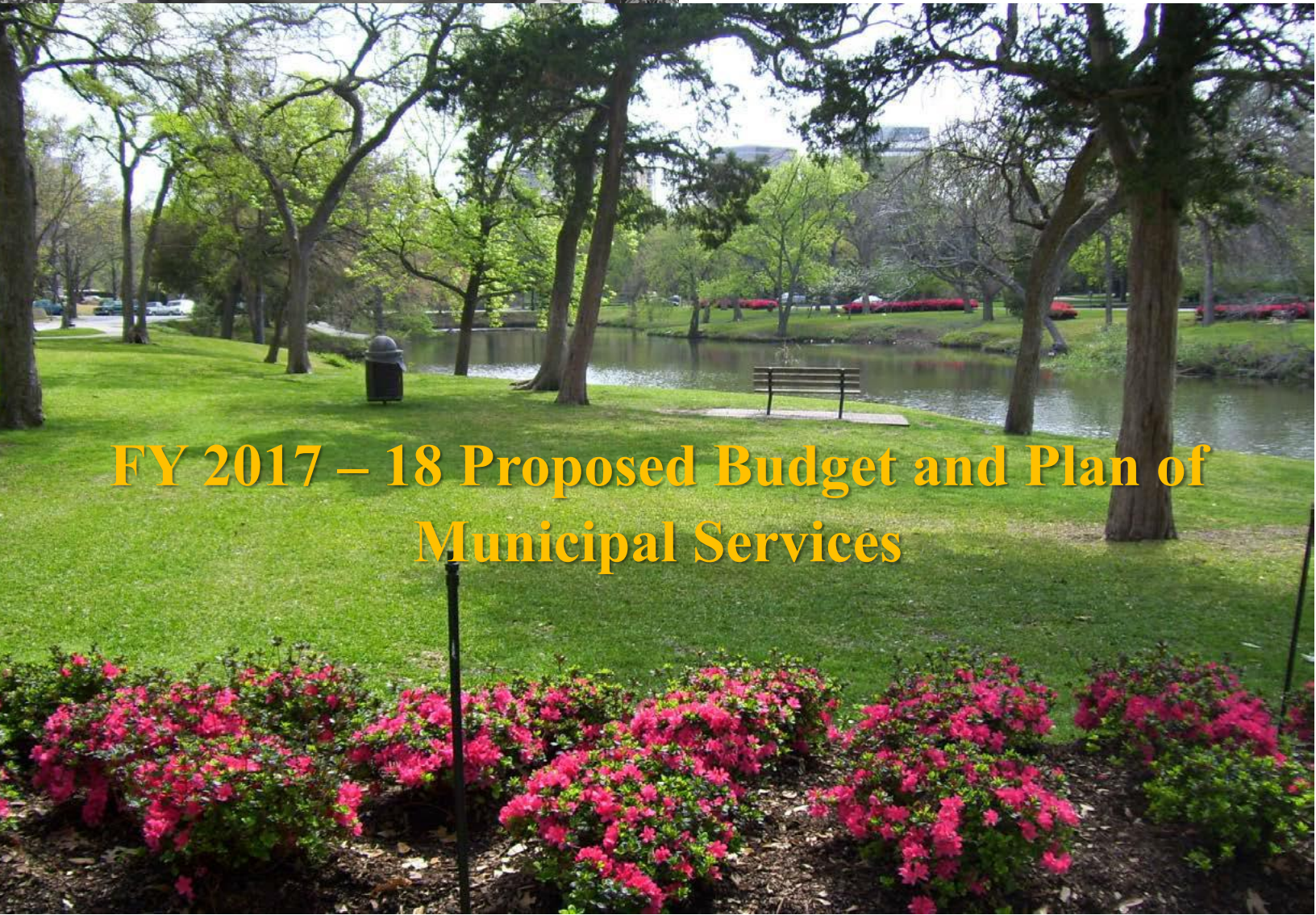
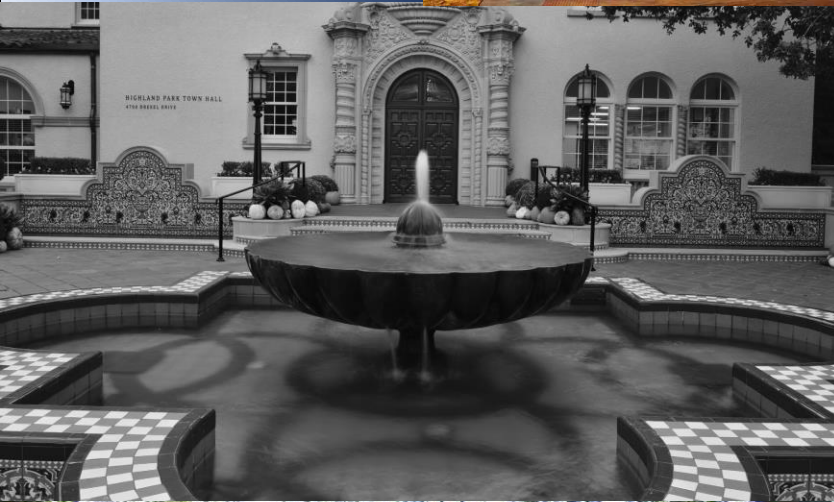
FINANCIAL IMPACT

There is no financial impact at this time.

ATTACHMENTS:

File Name	Description
FY_2017-18_Proposed_Budget.pdf	FY 2017-18 Proposed Budget and Plan of Municipal Services

*Excellence
in Public
Service*



**FY 2017 – 18 Proposed Budget and Plan of
Municipal Services**

Town of Highland Park

Proposed Budget

Operating and Capital

For the Fiscal Year 2017-2018

This budget will raise more revenue from property taxes than last year's budget by an amount of \$553,695 which is a 4.37 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$276,963.

The members of the governing body voted on the budget as follows:

FOR:

AGAINST:

PRESENT and not voting:

ABSENT:

Tax Rate:	Adopted 2017-18	Adopted 2016-17
Property Tax Rate:	\$0.220000/100	\$0.220000/100
Effective Tax Rate:	\$0.214177/100	\$0.204043/100
Effective Maintenance & Operations Tax Rate:	\$0.214177/100	\$0.204043/100
Rollback Tax Rate:	\$0.231311/100	\$0.220366/100
Debt Rate:	\$0.000000/100	\$0.000000/100

Total debt obligation for Town of Highland Park secured by property taxes: \$0.00



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Highland Park
Texas**

For the Fiscal Year Beginning

October 1, 2015

Executive Director

TOWN OF HIGHLAND PARK, TEXAS

PROPOSED BUDGET OPERATING AND CAPITAL OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018

AS SUBMITTED TO
THE MAYOR AND THE TOWN COUNCIL

JOEL T. WILLIAMS III
MAYOR

BOB CARTER
MAYOR PRO TEM

DAVID DOWLER
ERIC GAMBRELL
MARGO GOODWIN
JOHN MCKNIGHT
COUNCIL MEMBERS

BILL LINDLEY
TOWN ADMINISTRATOR

STEVEN J. ALEXANDER
DIRECTOR OF ADMINISTRATIVE SERVICES & CFO

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CONTROLLER

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Award Recognition	4
List of Principal Officials.....	5
Table of Contents	7

Budget Message

Proposed Budget Executive Summary	11
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Budget Information

Proposed Budget Fund Summary	17
Combined Budget Summary	26
Combined Summary of Revenues and Expenditures and Changes to Fund Balance	27
Revenues & Expenditures by Type – All Funds.....	28
Authorized Personnel.....	30
Ordinance Adopting the Annual Budget.....	31
Ordinance Adopting the Property Tax Rate.....	32

General Fund

General Fund.....	33
Summary Statement of Revenues & Expenditures	34
Statement of Revenues.....	38
Department Budgets	
Administrative Department	41
Town Services Department.....	42
Department of Public Safety	43
Street Department	44
Street Lighting Department	45
Library Department	46
Parks Department.....	47
Swimming Pool Department.....	48
Municipal Court Department.....	49
Finance Department.....	50
Building Inspection Department.....	51
Sanitation Department	52
Information Technology Department	53
Non-Departmental	54
Transfers to Other Funds	55

Enterprise Funds

Utility Fund.....	57
Summary Statement of Revenues & Expenses	58
Statement of Revenues.....	62
Department Budgets	
Administrative Department	63

Water Department.....	64
Sanitary Sewer Department	65
Engineering Department	66
Transfers to Other Funds	67
Solid Waste Fund	69
Summary Statement of Revenues & Expenses	70
Statement of Revenues.....	74
Department Budgets	
Sanitation Department	75
Transfer to Other Funds	76
Other Funds	
Other Funds.....	77
Storm Water Drainage Utility Fund	
Statement of Revenues & Expenditures	78
Fund Summary	79
Equipment Replacement Fund	
Statement of Revenues & Expenses	81
Equipment Inventory & Replacement Schedule.....	82
Technology Replacement Fund	
Statement of Revenues & Expenses	84
Building Maintenance & Investment Fund	
Statement of Revenues & Expenses	85
Service Center.....	86
Municipal Buildings	87
Forfeited Property Fund	
Statement of Revenues & Expenditures	89
Court Technology Fund	
Statement of Revenues & Expenditures	90
Court Security Fund	
Statement of Revenues & Expenditures	91
Library Fund	
Statement of Revenues & Expenditures	92
DPS Technology Fund	
Statement of Revenues & Expenditures	93

Capital Improvements

Capital Projects Fund	95
Statement of Revenues & Expenditures.....	97

Capital Improvement Plan

Capital Projects Fund - FY 2018-2027	98
Storm Water Drainage Utility Fund - FY 2018-2027	100
Utility Fund - FY 2018-2027	102
10-Year Financial Forecast Basic Assumptions	105
10-Year Financial Forecast - FY 2018-2027	106

Appendix

Budget Calendar.....	110
Town Charter - Chapter 9 – Financial Administration	115
Financial Management Policies	119
Glossary of Terms	133

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Memorandum

To: Mayor & Town Council Members

Via: Bill Lindley, Town Administrator

From: Steven J. Alexander, Director of Admin. Services & CFO

Date: July 28, 2017

Subject: Fiscal Year 2017-18 Proposed Budget Highlights

The Proposed Budget provided with this memorandum is structurally balanced for all funds, meaning, operating revenues cover operating expenditures in a manner that is sustainable, barring significant economic downturns, into the foreseeable future. Attached for your review is an entity-wide summary of major funds, an entity-wide summary of all funds and summary statements for each fund. Key highlights within the Proposed Budget include the following:

Operating Revenues:

Property Taxes – Taxable assessed values (T.A.V.) are anticipated to increase by 4.3% which is factored into the Proposed Budget. The tax rate proposed remains at 22 cents per \$100 of taxable assessed values. The most current information presented by Dallas Central Appraisal District (DCAD) shows a 4.3% increase in T.A.V., but approximately \$95.0 M in T.A.V. remains in dispute. The Proposed Budget anticipates that the amount under dispute will ultimately result in an estimated \$66.0 M in T.A.V. Construction values are making up \$125,892,289 of the total increase, which equates to \$276,963 of the total \$542,497 increase in property tax revenue. The special legislative session currently underway may result in legislation that impacts this proposal since two of the issues identified by Governor Abbott included:

1. Revenue caps (the Governor urged the legislature to pass S.B. 2 from the regular session – a four-percent property tax cap).
2. Spending caps for both the state and cities equal to population growth plus inflation (this bill was not filed during the regular session).

Sales Taxes - With construction activity anticipated to continue at Highland Park Shopping Village and the potential rehabilitation of Preston and Livingston Roads, sales tax is expected to remain relatively flat for next fiscal year. While an increase of 4.6%, or \$164,286, over current year-end projections is proposed, this is driven in part by a reduction in sales tax revenue in the current year related to a repayment of sales tax revenue due to a prior period audit. This reduction is expected to be a one-time occurrence. Taking this matter into account, the anticipated growth in sales tax represents a 2.5% increase over what sales tax would have been for the current fiscal year without the prior period audit adjustment. This anticipated growth projection is also in line with DART's transit sales tax projections used to estimate the amount of funding to contribute to the Town for participating in DART's Transportation Related Improvements Program (TRIP).

Utility Revenues - Water and wastewater rates are planned to remain the same for fiscal year 2017-18; however, the financial forecast over the next 10 years anticipates rates increasing by 4.75% in fiscal year 2018-19.

Solid Waste Revenues - As previously presented to Town Council, based on the new contract with Republic Services, solid waste and recycling rates are proposed to increase 5.5% (CPI rate increase for October through December) and 10.8% beginning on January 1 for a total increase of 16.3% over current rates. This increase generates an additional \$167,612 in revenue and is necessary to maintain a balanced budget within the Solid Waste Fund.

Other Revenues - The Proposed Budget returns the accounting of alarm monitoring revenue back to the General Fund as was the practice in previous years. In recent years, the amount of revenue paid to Thrive has been accounted for within the DPS Technology Fund. The impact of this accounting change is General Fund revenues growing by \$202,238. This amount will no longer be reflected in the DPS Technology Fund. Going forward, the only revenues reported in the DPS Technology fund will relate to revenues received from Telecommunications Properties, Inc. derived from leasing tower space at Town Hall to cellular carriers. The Proposed Budget also anticipates an increase in the annual alarm permit fee charged to residents. This fee is proposed to increase from \$30 to \$48 per year which is comparable to other cities within the region.

Operating Expenditures:

Payroll - The Proposed Budget anticipates continuing the Town's pay for performance program and plans for a 3% increase in pay for those individuals that are not eligible for pay for performance or currently at the top of their pay range. Continuing the compensation program results in a \$441,308 increase in the General Fund (\$399,494) and Utility Fund (\$41,814) budgets (exclusive of additional taxes, TMRS contribution, etc.). Paradox Compensation Advisors is completing an update to the Town's compensation analysis, but anticipates the 3% adjustment to be in line with the Town's other comparison cities. As a side note, the Dallas Central Appraisal District (DCAD) has proposed a 4% compensation adjustment in next year's budget.

Pay for Performance & Fitness – The Proposed Budget continues to fund the Town's pay for performance and fitness programs for Fiscal Year 2017-18. Pay for performance provides a quarterly incentive in recognition of an employee's performance for the past quarter and allows an employee to earn up to 7% of their quarterly income. Additionally, those employees who participate in the Town's quarterly fitness program, can earn up to 2% of their quarterly pay based on how well they score on an agility test. Overall, the budget includes \$580,741 for pay for performance and \$229,341 for fitness.

Health Insurance - At a total additional cost of \$122,124, health insurance is budgeted to increase by 10%. Bids received from insurance carriers presented an 18%-22% increase to continue the existing health insurance benefit. As can be seen in the following table, the Town's loss ratio is high for fiscal year 2016-17, with the last couple of months being above 100%. IPS Advisors is in the process of completing negotiations with Cigna (the apparent low bidder), and finalizing plan design options that would allow the cost of the program to remain within the 10% increase proposed. Overall, the Proposed Budget includes \$1,801,299 for insurance related items including health, dental, workers' compensation and long-term disability.

Town of Highland Park
Health / Dental Loss Ratio

	Total Claims*	Premium*	Loss Ratio
2011-2012	\$8,238	\$10,667	77.2%
2012-2013	\$11,846	\$11,566	102.4%
2013-2014	\$9,447	\$11,807	80.0%
2014-2015	\$13,762	\$12,965	106.1%
2015-2016	\$11,269	\$13,465	83.7%
2016-2017 (YTD)	\$13,380	\$13,484	99.2%

YTD - Oct - May 2017

*Total Claims / Premium numbers are shown as per capita (per employee)

TMRS - According to TMRS's *Actuarial Valuation Report* as of December 31, 2016, the Town's total required contribution rate for calendar year 2018 is 5.54% which is slightly above the current rate of 5.40%. In calendar year 2017 the Town experienced a significant increase in its contribution rate to TMRS, increasing from 3.19% to 5.40%. Since a change in the contribution rate is not effective until January of each year, the increase for calendar year 2017 is fully experienced in Fiscal Year 2017-18. Highland Park's total actuarial liability of \$71,505,794 related to retirement remains fully funded at 102.1%. In an effort to maintain this funding status, the Proposed Budget includes funding to cover the Town's normal cost rate for next year which equals 6.27%. Overall, this increases the budget for TMRS contributions by \$71,227.

In addition to the adjustments to **Personnel Services** discussed above, it is important to note that the Proposed Budget includes the addition of a Sergeant and Alarm Specialist in DPS at a budgeted cost of \$265,027, and a full-time Town Librarian position at a cost of \$152,847 that was previously funded through Contract Services. These costs are partially offset by the elimination of one Parks Maintenance Worker I position at an estimated cost of \$63,000 and funding the assistant foreman position in the Utility Fund for one-half of the next fiscal year reducing the Utility Fund operating budget by approximately \$45,000.

Supplies - Overall Supplies & Equipment is proposed to increase 2.37%, or \$91,699. The increase is primarily attributed to the increase in the cost of water purchases of \$150,386 resulting from the water rate increase adopted by Dallas County Park Cities Municipal Utility District (DCPCMUD) for Fiscal Year 2017 along with slightly larger anticipated water purchases. Other changes in supplies includes reductions in needed funds resulting from the completion of the vehicle ding & dent repairs in Fiscal Year 2017 (\$20,875) and non-recurring purchases of capital equipment (\$17,650).

Services & Charges – Increasing overall by 1.21%, or \$77,943, this expense category is impacted by the elimination of payments made to Thrive (\$230,000) which is partially offset by the addition of costs associated with TelGuard services totaling \$92,400. The Proposed Budget for the Utility Fund includes an increase in wastewater treatment charges assessed by the City of Dallas totaling \$99,602. Approximately \$56,000 has been included in the Utility Fund for additional human resources consulting services and wellness management services. Services and charges within the Parks Department are proposed to increase by \$77,274 due to a greater focus on outsourcing parks maintenance as opposed to filling vacant positions. Additionally, the Library had a significant decrease of approximately (\$153,000) in contract services with the departure of the former Town Librarian. Finally, with a new contract in effect January 1, 2018, contract services in the Solid Waste Fund is increasing \$145,720 for collection and recycling charges.

New Programs Proposed:

- ***Addition of a motorcycle unit in DPS*** – the budgeted cost of this program is \$141,619, which includes the cost of the motorcycle. Revenues anticipated within the budget have been limited to the overall cost of the program and are increasing court revenues by \$141,619. Any additional revenue that might result from the added unit could be used to address capital or other identified needs.
- ***Single sign-on (SSO) for Library Services*** – Total net impact to the General Fund - \$8,250
- ***Addition of a plans reviewer*** – Fully funded within the General Fund, this position budgeted at \$79,568 is partially funded through the addition of a Sub-Contractor Registration fee of \$125 per registration and through applying the current plan review fee to renovation projects with a construction value of over \$100,000 – Total net impact to the General Fund - \$18,044.
- ***Contract Labor in Parks*** - Increase in contract labor for parks with associated elimination of one full-time position – Total net impact to the General Fund – (\$18,530).

Capital Improvement Program (CIP):

Revenue Assumptions - There are three significant revenue assumption changes made in the CIP. Within the financial model for the General Fund, which is used to determine the annual transfer to the Capital Projects Fund, taxable assessed valuation growth has been reduced to 4.5%, as opposed to 5%, to take on a more conservative outlook and in anticipation of future revenue caps or tax rate growth limitations that may be legislatively set by the State. This change reduces anticipated property taxes over the 10-year period presented in the financial model by \$3,793,221. Sales tax growth has been trending the last couple of years less than what was initially projected. In the updated financial model, sales tax is anticipated to grow at a rate of 4% per year, versus the previously anticipated 5%. Reducing the sales tax revenue growth assumption results in a \$2,127,039 reduction in sales tax revenue over the 10-year planning horizon. Regarding the Utility Fund, revenue modeling previously anticipated a 4% increase in water and wastewater rates in alternating years beginning in Fiscal Year 2018-19. The updated model anticipates these increases to be at 4.75%, which is in part driven by the increased cost of water purchased from the DCPCMUD and treatment of wastewater by the City of Dallas.

DART – Through the recent approval of a Transportation Related Improvements Program (TRIP) policy by DART, the Town anticipates that DART will provide approximately \$1.7 million per year over the next 9 years toward the Town's CIP as it relates to transportation projects and/or projects that positively impact public transportation provided by DART. The annual contribution from DART, equal to 42% of the Town's sales tax that is paid to DART, has not been incorporated into the CIP, but if approved will allow the Town to focus its existing funding on projects not currently included in the CIP such as improvements to Wycliff Avenue, and the replacement of the elevated water storage tank at Holland Avenue. To the extent that the improvements to Wycliff Avenue could be incorporated into the CIP, the North Central Texas Council of Governments has indicated a willingness to participate by providing approximately \$5.0 million in funding toward the project.

Project Changes & Additions

- ***Livingston Avenue Rehab, Preston (Phase II & Phase III)*** – **Timing Modification** - All three projects moved out one year on the CIP.
- ***Armstrong Bridges (2) Rehabilitation*** – **Timing modification** – Project moved out one year on the CIP.

- ***Potential Project Funding*** – Initially the CIP included \$2,400,000 in anticipated project funding in the outer five-years of the plan. In order to accommodate the change in revenue assumptions mentioned above, these funding amounts were removed.

If you have any questions or require additional information, please let me know.

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Budgeted Funds

GENERAL FUND

The General Fund is the Town's principal operating fund supported by property and sales taxes, various fees and other revenues used for a variety of purposes. This fund accounts for core Town functions such as police, fire, parks, building code, finance, administrative operations, etc.

The Proposed Budget for the General Fund Budget is \$23,304,376 representing an increase of \$1,096,916, or 4.9% over the previous fiscal year Adopted Budget. Operational expenditures represent \$19,330,342, or 82.9% of the General Fund Budget, with the remaining balance of \$3,974,034 representing transfers to other funds. The Transfer to the Capital Projects Fund is \$2,657,228 representing 11.4% of the overall General Fund Proposed Budget.

Revenues:

The Proposed Budget includes a property tax rate of \$0.22 per \$100 of taxable assessed value (T.A.V.) which is the same tax rate assessed for the past 10 years. Based on the certified tax rolls provided by the Dallas County Appraisal District (DCAD), this budget will raise more revenue from property taxes than last year's budget by \$542,497. Of this amount, 48.9% is from existing property revaluation, while the remaining 51.1% is from new construction.

Historically, the Town has enjoyed a low property tax rate and positive increases in T.A.V. Over the last 10 years, the Town has experienced an average annual increase in T.A.V. of 4.12%.

Town of Highland Park Historical Property Tax Information

Tax Year	Tax Rate	Taxable Assessed Value (T.A.V.)	% Change in T.A.V.	Tax Levy
1995	0.2970	\$1,526,711,852	4.07%	\$ 4,534,334.20
1996	0.2970	\$1,584,600,472	3.79%	\$ 4,706,263.40
1997	0.2970	\$1,626,075,722	2.62%	\$ 4,829,444.89
1998	0.2693	\$1,786,189,741	9.85%	\$ 4,810,208.97
1999	0.2575	\$1,939,868,756	8.60%	\$ 4,995,162.05
2000	0.2462	\$2,146,638,147	10.66%	\$ 5,285,023.12
2001	0.2290	\$2,416,780,567	12.58%	\$ 5,534,427.50
2002	0.2208	\$2,628,830,785	8.77%	\$ 5,804,458.37
2003	0.2300	\$2,770,409,688	5.39%	\$ 6,371,942.28
2004	0.2300	\$2,911,465,259	5.09%	\$ 6,696,370.10
2005	0.2300	\$3,175,218,560	9.06%	\$ 7,303,002.69
2006	0.2250	\$3,605,667,701	13.56%	\$ 8,112,752.33
2007	0.2200	\$4,040,272,597	12.05%	\$ 8,888,599.71
2008	0.2200	\$4,364,487,558	8.02%	\$ 9,601,872.63
2009	0.2200	\$4,573,579,178	4.79%	\$ 10,061,874.19
2010	0.2200	\$4,437,430,774	-2.98%	\$ 9,762,347.70
2011	0.2200	\$4,406,947,910	-0.69%	\$ 9,695,285.40
2012	0.2200	\$4,446,174,261	0.89%	\$ 9,781,583.37
2013	0.2200	\$4,598,788,373	3.43%	\$ 10,117,334.42
2014	0.2200	\$4,924,894,226	7.09%	\$ 10,834,767.30
2015	0.2200	\$5,324,500,745	8.11%	\$ 11,713,901.64
2016	0.2200	\$5,765,524,023	8.28%	\$ 12,684,152.85
2017*	0.2200	\$6,012,113,607	4.28%	\$ 13,226,649.94

*Includes anticipated results for disputed values.

Between fiscal years 2008 and 2010, the Town benefitted from increased property values that resulted in increased revenues to fund operations and capital projects. Property values declined in fiscal years 2011 and 2012, and the Town chose to maintain the existing tax rate, resulting in a decline in property tax revenue. The economy began to rebound in fiscal year 2013, and as a result, the Town has experienced an increase in taxable assessed property values over the last six years. Keeping the tax rate constant has allowed the Town to use the resulting increase in property tax revenues to address increases in operational costs, and increase funding toward the Town's Capital Improvement Program, as well as the Town's equipment, technology and facilities replacement programs.

Additional revenues are derived from the Town leasing space to multiple cellular communication companies at the 5005 Holland Avenue location. The Town has recently approved new contracts ranging from 5 to 10 years. These leases currently generate approximately \$225,000 within the General Fund.

Other significant revenue changes for FY 2018 include:

- Sales tax receipts, the fund's second largest source of revenue is estimated at \$3,720,000, representing a 4.6% increase over the year end projection for 2016-17.
- Continued steady rate of construction activity on new residential homes and remodeling projects is reflected by the number of permits issued by the Town. During fiscal year 2016-17, building permit revenue is expected to be higher than originally anticipated. Nevertheless, using a conservative approach in estimating building permit revenue going forward, total building permit revenue in fiscal year 2017-18 is projected at \$960,000, which is equal to the amount budgeted in fiscal year 2016-17.
- Municipal Court revenues are expected to be higher than the amount budgeted in the Adopted Budget for fiscal year 2016-17 with the continuation of the traffic enforcement unit implemented during the previous year and the addition of another motorcycle unit. While not reliant on this revenue source, the Proposed Budget reflects the expected change in revenue equivalent to the cost of the new unit. Any revenues that might be generated above the cost could be used toward meeting capital or other operating needs.
- The Proposed Budget anticipates increases to various fees that were identified during a review of the Town's fee schedule. These fees include:
 - Plan review fees – increase \$50 to \$250 per review
 - New Subcontractor registration fees – \$125
 - Alarm permits – increase from \$30 to \$48 per year
 - Library non-resident fees – increase from \$200 to \$250 per year
 - Ambulance fees – increase mileage rate from \$9 to \$15 per mile and add a new Treat/ No Transport fee of \$125

Expenditures:

The operations portion of the budget funds the day-to-day activities of the Town such as personnel services, commodities, contractual services, and equipment replacement. Entity-wide personnel costs account for 46.11% of the overall budget, excluding transfers. Compensation and benefit strategies are tied to the Town's strategic objective of attracting, developing, and retaining a skilled workforce in its goal of continuing to be an employer of choice.

Compensation- As a service organization, Town employees are critical in the delivery of quality services to our residents. In order to maintain service level stability, it is important to retain and attract the type of quality employees we enjoy. In recognition of this important goal, the General Fund budget includes \$399,494 (exclusive of additional taxes, TMRs, etc.) for compensation increases. Consistent with past

years, employees not at the top of their pay range are eligible for a merit increase up to 7%, while employees who have reached the top-end of their pay range, or employees who are not eligible for pay-for-performance increases, are budgeted to receive a 3% adjustment.

During fiscal year 2012-13, the Council updated the list of comparable cities and corresponding salary survey information for our compensation program. The system provides a financially sustainable model that ensures a fair and predictable method of career progression and compensation for employees. Not only was the Council able to confirm its labor market and define market positions, it also confirmed that the current pay structure should be maintained and adjusted as market conditions warrant. As noted, the Town's pay system is a pure pay-for-performance format, substantially different than most municipal systems which are tenure-based pay structures where employees are granted automatic pay increases.

Pension- The Town is a member of the Texas Municipal Retirement System (TMRS) which provides retirement, disability, and death benefits to employees of participating municipalities. The pension contribution rate paid by the Town for employees is increasing by 2.6%, to 5.54% of payroll for fiscal year 2017-18. However, in an effort to maintain fully funding the Town's pension liability, the Proposed Budget includes funding to cover the Town's normal cost rate which equal 6.27% of total payroll. Overall, within the General Fund, pension cost is growing by \$172,440 when compared to the fiscal year 2016-17 Adopted Budget. Some of the benefit provisions offered by TMRS include Ad Hoc Updated Service Credits (USC) and Ad Hoc Cost of Living Adjustments (COLA). Participation is optional for these benefits and, in past years, the Town has not participated. While many other municipalities have provided these benefits, by choosing not to participate, the Town will save an estimated \$500,000 in overall retirement costs for fiscal year 2017-18.

Health Insurance- Providing a competitive health insurance plan is another significant factor in attracting quality candidates, retaining valuable employees and continuing to be an employer of choice. Based on bids from the health insurance market, the Town's current health insurance provider, Blue Cross Blue Shield (BCBS), provided a bid for next fiscal year of 22% to remain with the current plan design structure. Cigna, the lowest bidder, provided a bid of 18% for the Town to remain with the current design structure. Further discussions with Cigna indicate that if the Town were to move to their narrow network option, the Town could reduce the anticipated increase to 10%. Health plan design options are being analyzed and will be provided to the Town Council for consideration. The majority of the Town's employees, 88%, subscribe to the Health Savings Account (HSA) plan, while the remainder subscribe to the Preferred Provider Organization (PPO) plan.

Town Staff continues to assess the Town's wellness program and has included funding in the Proposed Budget to contract with Methodist Health Systems to assist the Town in designing and managing a wellness program focused on a maintaining a healthy workforce. The cost of this service is anticipated to be approximately \$25,000 and is shared evenly between the General Fund and the Utility Fund.

Capital Improvement Plan-The General Fund's portion of the transfer to the Capital Projects Fund is budgeted at \$2,657,228. Of this amount, \$1,408,280 is sustained as a result of new funding from enhanced revenue provided by the growth in property value over the past three years. Maintaining this funding source to the Town's Capital Projects Fund was a major focus in preparing the Proposed Budget as the Council continues its focus on a pay-as-you-go system in funding infrastructure needs.

Other significant items within the General Fund include:

- The budget includes \$35,000 for racial profiling training and quarterly reviews of policing and municipal court data to be performed by Del Carmen Consulting.

- The Proposed Budget continues to allocate \$125,000 in anticipation of employee retirements that may occur during the fiscal year. This funding is used to fund the payout of compensated absences that are not budgeted for within each department.
- The transfer to the Equipment Replacement Fund, while staying relatively the same, includes another year of \$28,000 to set aside funds to replace the Department of Public Safety's self-contained breathing apparatus (SCBA) equipment.
- The Proposed Budget includes the expansion of the Town's traffic management program with the addition of a motorcycle unit. This additional motorcycle unit is budgeted at \$141,619.
- A plan review technician has been added to the building inspections department at a total cost of \$79,568. The majority of this position (\$56,524) is funded through added subcontractor registration fees and applying the plan review fee to all projects with an estimated construction value of \$100,000 or more.
- The Proposed Budget also includes \$366,788 related to the Town taking back the alarm monitoring program as opposed to outsourcing this service.

Fund Balance:

The Town's financial policies state that the fund balance in the General Fund shall be equal to a minimum of 17% of General Fund operating expenditures. The Proposed Budget reflects an ending fund balance of \$3,543,526 meeting this policy requirement. This ending balance is set aside to provide funding in the event of an unanticipated economic downturn or other emergencies to protect the Town's budget. Any excess revenue and unallocated appropriation, above the 17% fund balance requirement, is transferred to the Capital Projects Fund.

UTILITY FUND

The Utility Fund is used to account for the acquisition, operation, and maintenance of the Town's municipal water and sewer utility operations. This fund is supported primarily by user charges to utility customers. The fund accounts for operational costs, as well as capital improvement funding for utility system improvements. An operational transfer to the General Fund is provided to properly account for general administration and oversight.

Revenues:

Utility Fund revenues proposed for fiscal year 2017-18 are \$11,122,347, which is an increase of 1.5%, or \$160,750, when compared to the Adopted Budget for fiscal year 2016-17. A large portion of the increase in revenue proposed is directly attributed to contributions anticipated to be received from Atmos Gas related to resurfacing of alleyways in conjunction with their gas line replacement program. The Proposed Budget anticipates water and wastewater rates to remain constant for fiscal year 2017-18.

The last rate adjustment was approved for fiscal year 2015-16 as a result of reduced consumption. The utility rates were set at a level to meet the Town's revenue requirement and begin funding a rate stabilization fund. Revenues being received from the current rate structure have recovered past revenue shortfalls and have funded a rate stabilization fund. However, as can be seen in the 10-year financial model for the Utility Fund, it is anticipated that the Town will need to revisit the rate structure in fiscal year 2018-19 in order to continue providing adequate funding to meet operational needs and capital funding requirements.

Expenditures:

Unlike the General Fund, which is driven principally by personnel costs, a large portion of expenses for this fund are contractually related to water purchases and sanitary sewer treatment attributing to 35.5%, or \$3,699,462 of the overall costs projected for fiscal year 2017-18. The Proposed Budget also includes \$2,533,000 for capital outlay and capital improvements related to the Town's utility system. Personnel costs within the Utility Fund are also impacted by the aforementioned changes in compensation and benefits.

The Proposed Budget for the Utility Fund includes an 11.1% increase in the cost of wastewater treatment paid to the City of Dallas. This increase in the wastewater treatment rate is increasing the sewer department budget by \$99,602. The Dallas County Park Cities Municipal Utility District ("District") has proposed a 1.11% decrease in the rate they charge the Town for water purchases. However, the increase that was approved by the District Board for fiscal year 2016-17 continues to impact the Town's annual cost by approximately \$106,671.

Fund Balance (Net Working Capital):

Similar to the General Fund, the Town's fiscal policies require that the fund balance of the Utility Fund be equal to 25% of operating expenditures. Net working capital (current assets minus current liabilities) is used as the measure of fund balance for the Utility Fund. The budget reflects a projected ending fund balance that exceeds 25% of operating expenditures, which represents \$1,849,215.

The ending fund balance in the Utility Fund is projected to be \$4,880,382. Excess fund balance will be set aside to maintain the rate stabilization fund and fund future capital needs.

SOLID WASTE FUND

The Solid Waste Fund is a new fund added in fiscal year 2016-17. This fund will be used to account for all revenues and expenses associated with providing solid waste services to Town residents and businesses. In previous years, the Town has accounted for this activity within the General Fund; however, to ensure that the rates charged for this activity cover the full cost of providing this service, it is considered appropriate for this activity to be accounted for within its own fund.

Revenues:

Solid waste revenues are projected to be \$1,425,038, representing a 15.5% increase over the Adopted Budget for fiscal year 2016-17. Revenues consists of charges for solid waste services and recycling. Rates charged for the provision of solid waste are proposed to increase to accommodate an increase in the cost of service from the Town's service provider. Overall, the increase in monthly rates proposed is 16.3% (5.5% CPI rate increase October 1st and 10.8% beginning on January 1st) and will ultimately increase the monthly solid waste bill for regular service by \$4.10 and pack-out service by \$7.28.

Expenditures:

Solid waste service is outsourced to the private sector and primarily consists of solid waste collection costs and disposal costs. Contracts for these services are budgeted at \$1,151,720 and \$105,200 respectively for fiscal year 2017-18. The purchase, maintenance and handling of solid waste containers is completed by internal staff. The Proposed Budget for fiscal year 2017-18 includes \$45,500 for the purchase of new containers. The Proposed Budget for the Solid Waste Fund also includes a Transfer-Out of \$71,700 to the Capital Projects Fund, which represents 5% of projected revenues for fiscal year 2017-18.

Fund Balance:

There is not a fund balance requirement for the Solid Waste Fund. However, the fund balance projected at the end of fiscal year 2017-18 is \$17,015.

STORM WATER UTILITY FUND

The Storm Water Utility Fund accounts for sources and uses of resources related to the maintenance, repair, and construction of the public storm water related services and facilities. Storm water utility fees are assessed each month on the utility bills to provide a funding source for this fund. The monthly storm water fee is based on the size of the lot. Residential properties are currently charged between \$4.28 and \$33.76 per month for each dwelling unit that is on the property, based on the size of the lot. Fees for non-residential properties are calculated individually in proportion to each property's storm water runoff potential.

Revenues:

Revenues in the Storm Water Utility Fund, from storm water fees, are projected to be \$398,920, which is slightly higher than the revenue projected in the prior fiscal year. Rates charged for storm water drainage have historically been indexed to the Consumer Price Index, for the Dallas-Fort Worth region which is currently 2.24%. The Proposed Budget also includes a transfer from the Capital Projects Fund of \$1,100,000, to fund future storm water drainage projects within this fund. This transfer is made possible through revenues being added to the Capital Projects Fund primarily as a result of increased property values the Town has experienced over the last few years.

Expenditures:

The Storm Water Utility Fund accounts for expenditures related to street sweeping and other drainage related items. The overall appropriations proposed for this fund total \$2,041,027, and include an indirect cost transfer to the Utility Fund for personnel costs attributed to storm water related projects and issues. The most significant items in this budget include \$1,640,000 set aside for improvements to Hackberry Creek, and \$185,000 for the rehabilitation of bridges at Armstrong.

Fund Balance:

There is not a fund balance requirement for the Storm Water Utility Fund and fund balance projected at the end of fiscal year 2017-18 is \$550,531. This fund balance is committed to improvements to the Town's storm water drainage system.

CAPITAL PROJECTS FUND

One of the highest priorities in this and future budgets will be to continue attention to the Town's public infrastructure, including roads, utility lines, inlets, parks, traffic signs and signals, and the hardware associated with technology. While components of some of these will receive funding in this budget and will continue to be funded in future budgets to the extent funds are available, the improvement of streets remains one of the Town's highest long-term priorities.

The five-year Capital Improvement Plan has been updated and is incorporated in the Capital Improvements Section of the Proposed Budget. This plan establishes a multi-year funding schedule for the purchase,

construction, or replacement of physical assets of the Town. The Capital Improvements Section of the Proposed Budget also includes a 10-year financial forecast developed and updated on a pay-as-you-go basis.

The first year of the Capital Improvement Plan presented has been incorporated into the Proposed Budget within each respective fund including the Capital Projects Fund. Funds for projects are budgeted on an annual basis.

Revenues:

Revenues in the Capital Projects Fund are projected to be \$4,115,510 for fiscal year 2017-18 and are primarily made up of transfers from other funds. The Utility Fund and the Solid Waste Fund transfer 5% of revenues collected from water, sewer, and solid waste rates. These two transfers make up \$564,900 of the total projected revenues in this fund. The General Fund annually transfers funds to the Capital Projects Fund for the purpose of maintaining an active capital improvement program. This funding is annually indexed for inflation, and equates to \$22,900 for the next fiscal year. In fiscal year 2014-15, the Town Council approved keeping the property tax rate the same, which allowed the Town to commit an additional \$342,651 per year toward the Capital Improvement Plan. This practice has continued since then, and as a result of the increase in taxable assessed values of properties within the Town, the Proposed Budget allocates \$1,408,280 from additional property tax revenue to meet existing and future capital needs. In previous financial models this amount has been reflected within the “Supplemental General Fund Transfer.” To the extent that the General Fund has excess fund balance above the required fund balance level set out by Town Council, an additional transfer will be made to the Capital Projects Fund.

Dallas County is also expected to fund 50% of the rehabilitation of Preston Road, which provides \$659,760 to the revenue budget for fiscal year 2017-18. Funding anticipated from the Dallas Area Rapid Transit (DART) Transportation Related Improvement Program (TRIP) has not been included in the Proposed Budget or the 10-year financial plan. Estimated at approximately \$1,700,000 per year on average, once approved, this funding will be incorporated into the plan.

Expenditures:

Expenditures in the Capital Projects fund are budgeted to be \$5,754,139, with \$975,919 in appropriations applied toward the Town’s annual street/sidewalk/alley rehabilitation program and \$1,319,520 for the rehabilitation of Preston Road. Some of the other projects in the Proposed Budget include \$471,000 related to park and parkway renovations, \$850,000 for Armstrong Parkway Reconstruction, \$200,000 for tennis court reconstruction, \$410,000 for Livingston Rehabilitation and \$100,000 for the heating of the swimming pool. The Proposed Budget also includes an indirect cost allocation transfer to the Utility Fund for personnel costs attributed to projects funded in the Capital Projects Fund, and a \$1,100,000 transfer to the Storm Water Drainage Fund to meet capital funding needs.

Fund Balance:

The Town’s fiscal policies promote maintaining a \$2,000,000 fund balance within the Capital Projects Fund. During times when this fund balance falls below the minimum \$2,000,000, the policy states that a plan should be put in place to rebuild the fund balance to \$2,000,000. The Proposed Budget for fiscal year 2017-18 projects the fund balance of the Capital Projects Fund to be at \$2,743,315 at year-end, meeting the required minimum.

OTHER FUNDS

The Town maintains a number of other funds that are necessary for various reasons. Three of these funds, the Equipment Replacement Fund, the Technology Replacement Fund, and the Building Maintenance Fund are internal service funds established for the purpose of accumulating resources over time to replace and maintain physical assets in a manner that does not significantly impact the operating budgets in any given fiscal year. Other funds such as the Forfeited Property Fund, Court Security Fund, the Court Technology Fund, Library Fund and the Department of Public Safety Technology Fund are considered special revenue funds and have been established to account for sources and uses of funds identified for a specific purpose either by law or local policy. These funds do not have a minimum fund balance requirement.

Equipment Replacement Fund:

This fund accounts for the resources needed to manage the purchase of vehicles and other rolling stock for the Town's fleet. Total revenues within this fund are projected to be \$508,521, and are primarily made up of transfers from the General Fund and the Utility Fund. The transfers from these funds are based on equipment depreciation schedules, and the amount of annual depreciation is then adjusted for inflation to insure adequate funding is provided at the time of replacement. Total expenditures are budgeted at \$515,989 to replace two public safety vehicles, two dump trucks, two trucks with aerial lifts, a truck equipped with a pipe hunter jet system, two vehicles within Town Services, and a SCBA compressor system. The fund balance projected within this fund at the end of the next fiscal year is \$2,525,279.

Technology Replacement Fund:

This fund accounts for the resources needed to manage the replacement and upgrade of software and hardware related equipment. Revenues within this fund are primarily derived from transfers from the General Fund and the Utility Fund and total \$498,719. The transfers to this fund are based on equipment depreciation schedules, and the amount of annual depreciation is then adjusted for inflation to insure adequate funding is provided at the time of replacement. Expenditures within this fund are budgeted at \$5,000. There are no significant replacements of technology equipment proposed for next fiscal year.

The fund balance projected within this fund at the end of the next fiscal year is \$1,846,715.

Building Maintenance Fund:

The Building Maintenance Fund accounts for the resources needed to maintain the Town Hall and the Service Center, as well as plan for significant replacements and upgrades in the future. Town Staff has developed a replacement schedule for major equipment and capital maintenance of Town Hall. Revenues for this fund are projected to be \$529,400, and are derived from transfers from the General Fund and the Utility Fund. These transfers are based on the annual budget of the Building Maintenance Fund, which is proportionally divided between the General Fund and the Utility Fund based on the number of employees within each fund who utilize the Service Center and Town Hall. Expenditures within this fund are budgeted to be \$522,327, which is 14.3% more than the amount budgeted in fiscal year 2016-17. This increase is primarily attributed to the replacement of air conditioner units at the department of public safety. Through sound planning and a practice to set aside funding for future needs, fund balance in this fund continues to grow in anticipation of major improvements or repairs. The Proposed Budget projects fund balance within this fund to grow by \$20,392.

Forfeited Property Fund:

This special revenue fund is used to account for receipt of forfeited assets as a result of criminal activities and the funding of crime prevention programs and equipment. The use of these resources is restricted by their enabling statutes. Fund balance at end of fiscal year 2017-18 is projected to be \$3,137.

Court Technology Fund & Court Security Fund:

These two special revenue funds are used to account for revenues provided by a State-approved administrative fee, added to citations. The use of these resources is restricted by their enabling statutes. Revenues within the Court Security Fund are projected to be \$29,239, which is annually transferred to the General Fund to fund a portion of the bailiff's salary in the Municipal Court. Revenues in the Court Technology Fund are projected to be \$37,180, and are used to fund technological improvements within the Municipal Court. Both funds are projected to maintain minimal fund balances at the end of fiscal year 2017-18, with \$91,005 remaining in the Court Technology Fund and \$9,795 remaining in the Court Security Fund.

Library Fund:

The Library Special Revenue Fund was established to account for resources received from royalties that are restricted for the Library. Revenues anticipated for next fiscal year total \$14,275. The Proposed Budget for fiscal year 2017-18 includes \$42,650 for the purpose of completing the comprehensive master plan for the Library, property tax payments, and technology purchases. Fund balance in the Library Fund at the end of next fiscal year is projected to be \$181,012.

DPS Technology Fund:

The DPS Technology Fund was established during fiscal year 2013-14, and is used to account for resources received from the subleasing of telecommunications facilities located on Town property. More specifically, \$82,950 of the revenues in this fund are tied directly to an agreement between the Town and Telecommunication Properties, Inc. and will be used to fund technological improvements related to public safety within the Town. This fund had also been used to account for the portion of revenues received from alarm monitoring fees that were used to fund the contract with Thrive, the company engaged to assist the Town in providing direct alarm monitoring services to Town residents. As a result of the Town's plan to take back the direct management of alarm monitoring services, these revenues are reflected in the General Fund beginning in fiscal year 2017-18. Revenues within this fund for next fiscal year are anticipated to be \$83,323, and fund balance at the end of next fiscal year is projected to be \$188,914. Currently, the fund balance within this fund is anticipated to be used towards the acquisition of a new radio system for DPS through the Capital Projects Fund.

**COMBINED BUDGET SUMMARY
FOR ALL FUNDS SUBJECT TO APPROPRIATION**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change from Budget to Proposed
BEGINNING FUND BALANCE	\$ 14,017,098	\$ 18,224,764	\$ 18,224,764	\$ 18,221,543	
REVENUES/SOURCES OF FUNDS					
Property Taxes	\$ 11,573,644	\$ 12,592,311	\$ 12,624,341	\$ 13,129,384	4.30%
Water Sales	6,699,336	6,985,822	6,933,194	6,985,822	0.00%
Sewer Charges	2,788,561	2,999,275	2,937,393	2,964,169	-1.20%
Sales Taxes	3,606,074	3,779,265	3,555,714	3,720,000	-1.60%
Sanitation/Recycling Charges	1,235,509	1,234,320	1,236,358	1,403,970	13.70%
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000	4.80%
Building Inspection Fees/Permits	1,075,931	1,121,510	1,225,851	1,180,284	5.20%
Municipal Court Fines/Fees	1,019,914	1,223,110	1,136,407	1,354,385	10.70%
Interest Earnings	106,305	107,567	224,352	266,987	148.20%
Storm Water Fees	386,838	390,450	390,180	398,920	2.20%
Other Revenues	3,233,402	2,820,260	2,754,810	3,221,782	14.20%
TOTAL REVENUES	\$ 32,746,802	\$ 34,293,890	\$ 34,060,730	\$ 35,715,703	4.10%
OTHER SOURCES					
Transfers In	\$ 7,310,594	\$ 7,620,815	\$ 7,697,730	\$ 7,464,920	-2.00%
TOTAL OTHER SOURCES	\$ 7,310,594	\$ 7,620,815	\$ 7,697,730	\$ 7,464,920	
TOTAL REVENUES/SOURCES	\$ 40,057,396	\$ 41,914,705	\$ 41,758,460	\$ 43,180,623	3.00%
EXPENDITURES					
Personnel Services					
Payroll	\$ 12,138,107	\$ 12,678,479	\$ 12,602,662	\$ 13,309,165	5.00%
Payroll Taxes	825,243	915,133	892,765	963,754	5.30%
Retirement	409,319	604,698	612,111	790,424	30.70%
Insurance	1,493,592	1,601,083	1,543,160	1,801,299	12.50%
Total Personnel	\$ 14,866,261	\$ 15,799,393	\$ 15,650,698	\$ 16,864,642	6.70%
Supplies & Equipment	3,522,677	3,869,851	3,815,409	3,961,550	2.40%
Services & Charges	5,421,227	6,430,016	6,275,631	6,507,959	1.20%
Capital Outlay	5,062,747	10,242,413	8,322,213	9,363,868	-8.60%
Cost Allocation	-	-	-	-	N/A
TOTAL EXPENDITURES	\$ 28,872,912	\$ 36,341,673	\$ 34,063,951	\$ 36,698,019	1.00%
OTHER USES					
Transfers Out	6,976,818	7,620,815	7,697,730	7,464,920	-2.00%
TOTAL OTHER USES	\$ 6,976,818	\$ 7,620,815	\$ 7,697,730	\$ 7,464,920	-2.00%
TOTAL USES	\$ 35,849,730	\$ 43,962,488	\$ 41,761,681	\$ 44,162,939	0.50%
ENDING FUND BALANCE	\$ 18,224,764	\$ 16,176,981	\$ 18,221,543	\$ 17,239,227	

**COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES TO FUND BALANCE
ALL FUNDS SUBJECT TO APPROPRIATION**

	General	Utility	All Other Funds	Proposed FY 2018	Adopted FY 2017	% Change
BEGINNING FUND BALANCE	\$ 3,543,393	\$ 4,181,096	\$ 10,497,054	\$ 18,221,543	\$ 18,224,764	-0.02%
REVENUES:						
Property Taxes	\$ 13,129,384	\$ -	\$ -	\$ 13,129,384	\$ 12,592,311	4.27%
Water Sales	-	6,985,822	-	6,985,822	6,985,822	0.00%
Sewer Charges	-	2,964,169	-	2,964,169	2,999,275	-1.17%
Sales Taxes	3,720,000	-	-	3,720,000	3,779,265	-1.57%
Sanitation/Recycling Charges	-	-	1,403,970	1,403,970	1,234,320	13.74%
Franchise Fees	1,090,000	-	-	1,090,000	1,040,000	4.81%
Building Inspection Fees/Permits	1,013,860	64,000	-	1,077,860	1,071,160	0.63%
Municipal Court Fines/Fees	1,288,719	-	65,666	1,354,385	1,223,110	10.73%
Interest Earnings	109,300	37,356	120,081	266,737	106,180	151.21%
Storm Water Drainage Fees	-	-	398,920	398,920	390,450	2.17%
All Other	1,791,546	612,200	920,710	3,324,456	2,871,997	15.75%
TOTAL REVENUES	\$ 22,142,809	\$ 10,663,547	\$ 2,909,347	\$ 35,715,703	\$ 34,293,890	4.15%
Transfers from Other Funds	1,161,700	458,800	5,844,420	7,464,920	7,620,815	-2.05%
TOTAL REVENUES & TRANSFERS	\$ 23,304,509	\$ 11,122,347	\$ 8,753,767	\$ 43,180,623	\$ 41,914,705	3.02%
TOTAL AVAILABLE RESOURCES	\$ 26,847,902	\$ 15,303,443	\$ 19,250,821	\$ 61,402,166	\$ 60,139,469	2.10%
EXPENDITURES:						
Personnel Services:						
Payroll	\$ 11,928,274	\$ 1,380,891	\$ -	\$ 13,309,165	\$ 12,678,479	4.97%
Taxes	860,741	103,013	-	963,754	915,133	5.31%
Retirement (TMRS)	706,847	83,577	-	790,424	604,698	30.71%
Insurance	1,578,225	223,074	-	1,801,299	1,601,083	12.51%
Total Personnel	\$ 15,074,087	\$ 1,790,555	\$ -	\$ 16,864,642	\$ 15,799,393	6.74%
Supplies & Equipment	\$ 942,276	\$ 2,924,446	\$ 94,828	\$ 3,961,550	\$ 3,869,851	2.37%
Services & Charges	3,266,739	1,418,496	1,822,724	6,507,959	6,430,016	1.21%
Capital Outlay	47,240	2,533,000	6,783,628	9,363,868	10,242,413	-8.58%
TOTAL EXPENDITURES	\$ 19,330,342	\$ 8,666,497	\$ 8,701,180	\$ 36,698,019	\$ 36,341,673	0.98%
Transfers to Other Funds	3,974,034	1,756,564	1,734,322	7,464,920	7,620,815	-2.05%
TOTAL EXPENDITURES & TRANSFERS	\$ 23,304,376	\$ 10,423,061	\$ 10,435,502	\$ 44,162,939	\$ 43,962,488	0.46%
ENDING FUND BALANCE	\$ 3,543,526	\$ 4,880,382	\$ 8,815,319	\$ 17,239,227	\$ 16,176,981	6.57%
FUND BALANCE MINIMUM	\$ 3,501,984	\$ 1,849,215	\$ 2,000,000	\$ 7,351,199	\$ 6,737,092	9.12%
FUND BALANCE SURPLUS	\$ 41,542	\$ 3,031,167	\$ 6,815,319	\$ 9,888,028	\$ 9,439,889	4.75%

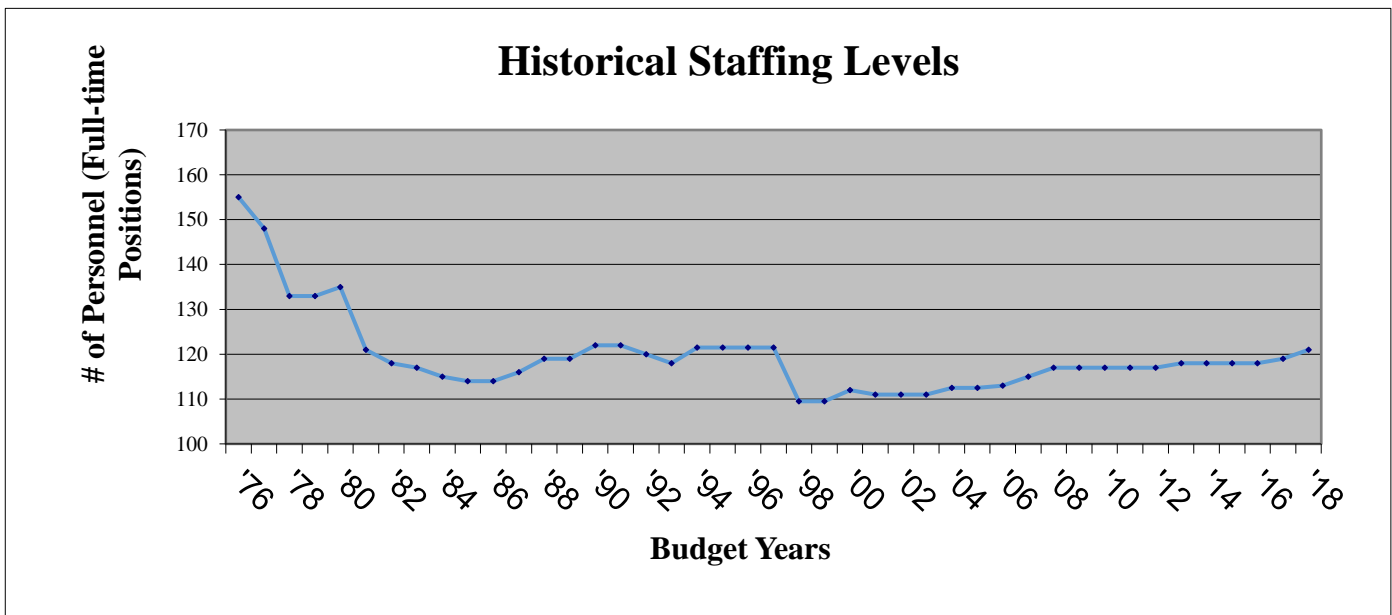
**COMBINED SUMMARY OF REVENUES AND EXPENDITURES
AND CHANGES TO FUND BALANCE
ALL FUNDS SUBJECT TO APPROPRIATION**

	General	Utility	Solid Waste	Storm Drainage	Equipment Replacement	Technology Replacement
BEGINNING FUND BALANCE	\$ 3,543,393	\$ 4,181,096	\$ 9,489	\$1,081,538	\$ 2,532,747	\$ 1,352,996
REVENUES:						
Property Taxes	\$ 13,129,384	\$ -	\$ -	\$ -	\$ -	\$ -
Water Sales	-	6,985,822	-	-	-	-
Sewer Charges	-	2,964,169	-	-	-	-
Sales Taxes	3,720,000	-	-	-	-	-
Sanitation/Recycling Charges	-	-	1,403,970	-	-	-
Franchise Fees	1,090,000	-	-	-	-	-
Building Inspection Fees/Permits	1,013,860	64,000	-	-	-	-
Municipal Court Fines/Fees	1,288,719	-	-	-	-	-
Interest Earnings	109,300	37,356	1,068	11,100	28,600	16,370
Storm Water Drainage Fees	-	-	-	398,920	-	-
All Other	1,791,546	612,200	-	-	45,000	2,500
TOTAL REVENUES	\$ 22,142,809	\$ 10,663,547	\$ 1,405,038	\$ 410,020	\$ 73,600	\$ 18,870
Transfers from Other Funds	1,161,700	458,800	20,000	1,100,000	434,921	479,849
TOTAL REVENUES & TRANSFERS	\$ 23,304,509	\$ 11,122,347	\$ 1,425,038	\$ 1,510,020	\$ 508,521	\$ 498,719
TOTAL AVAILABLE RESOURCES	\$ 26,847,902	\$ 15,303,443	\$ 1,434,527	\$ 2,591,558	\$ 3,041,268	\$ 1,851,715
EXPENDITURES:						
Personnel Services:						
Payroll	\$ 11,928,274	\$ 1,380,891	\$ -	\$ -	\$ -	\$ -
Taxes	860,741	103,013	-	-	-	-
Retirement (TMRS)	706,847	83,577	-	-	-	-
Insurance	1,578,225	223,074	-	-	-	-
Total Personnel	\$ 15,074,087	\$ 1,790,555	\$ -	\$ -	\$ -	\$ -
Supplies & Equipment	\$ 942,276	\$ 2,924,446	\$ 45,500	\$ 7,256	\$ -	\$ -
Services & Charges	3,266,739	1,418,496	1,257,712	95,271	3,600	5,000
Capital Outlay	47,240	2,533,000	-	1,825,000	512,389	-
TOTAL EXPENDITURES	\$ 19,330,342	\$ 8,666,497	\$ 1,303,212	\$ 1,927,527	\$ 515,989	\$ 5,000
Transfers to Other Funds	3,974,034	1,756,564	114,300	113,500	-	-
TOTAL EXPENDITURES & TRANSFERS	\$ 23,304,376	\$ 10,423,061	\$ 1,417,512	\$ 2,041,027	\$ 515,989	\$ 5,000
ENDING FUND BALANCE	\$ 3,543,526	\$ 4,880,382	\$ 17,015	\$ 550,531	\$ 2,525,279	\$ 1,846,715
FUND BALANCE MINIMUM	\$ 3,501,984	\$ 1,849,215	\$ -	\$ -	\$ -	\$ -
FUND BALANCE SURPLUS	\$ 41,542	\$ 3,031,167	\$ 17,015	\$ 550,531	\$ 2,525,279	\$ 1,846,715

Building Maintenance & Investment	Forfeited Property Fund	Court Technology	Court Security	Library Fund	DPS Technology	Capital Projects	Proposed FY 2018	Adopted FY 2017
\$ 651,528	\$ 10,095	\$ 77,361	\$ 5,156	\$ 209,387	\$ 184,813	\$ 4,381,944	\$ 18,221,543	\$ 18,224,764
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	13,129,384	12,592,311
-	-	-	-	-	-	-	6,985,822	6,985,822
-	-	-	-	-	-	-	2,964,169	2,999,275
-	-	-	-	-	-	-	3,720,000	3,779,265
-	-	-	-	-	-	-	1,403,970	1,234,320
-	-	-	-	-	-	-	1,090,000	1,040,000
-	-	-	-	-	-	-	1,077,860	1,071,160
-	-	36,480	29,186	-	-	-	1,354,385	1,223,110
5,100	42	700	53	2,275	373	54,400	266,737	106,180
-	-	-	-	-	-	-	398,920	390,450
16,000	2,500	-	-	12,000	82,950	759,760	3,324,456	2,871,997
\$ 21,100	\$ 2,542	\$ 37,180	\$ 29,239	\$ 14,275	\$ 83,323	\$ 814,160	\$ 35,715,703	\$ 34,293,890
508,300	-	-	-	-	-	3,301,350	7,464,920	7,620,815
\$ 529,400	\$ 2,542	\$ 37,180	\$ 29,239	\$ 14,275	\$ 83,323	\$ 4,115,510	\$ 43,180,623	\$ 41,914,705
\$ 1,180,928	\$ 12,637	\$ 114,541	\$ 34,395	\$ 223,662	\$ 268,136	\$ 8,497,454	\$ 61,402,166	\$ 60,139,469
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	13,309,165	\$ 12,678,479
-	-	-	-	-	-	-	963,754	915,133
-	-	-	-	-	-	-	790,424	604,698
-	-	-	-	-	-	-	1,801,299	1,601,083
\$ -	\$ -	\$ -	\$ -			\$ -	\$ 16,864,642	\$ 15,799,393
\$ 38,000	\$ -	\$ 4,072	\$ -	\$ -	\$ -	\$ -	\$ 3,961,550	\$ 3,869,851
389,527	9,500	19,464	-	42,650	-	-	6,507,959	6,430,016
94,800	-	-	-	-	-	4,351,439	9,363,868	10,242,413
\$ 522,327	\$ 9,500	\$ 23,536	\$ -	\$ 42,650	\$ -	\$ 4,351,439	\$ 36,698,019	\$ 36,341,673
-	-	-	24,600	-	79,222	1,402,700	\$ 7,464,920	7,620,815
\$ 522,327	\$ 9,500	\$ 23,536	\$ 24,600	\$ 42,650	\$ 79,222	\$ 5,754,139	\$ 44,162,939	\$ 43,962,488
\$ 658,601	\$ 3,137	\$ 91,005	\$ 9,795	\$ 181,012	\$ 188,914	\$ 2,743,315	\$ 17,239,227	\$ 16,176,981
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 7,351,199	\$ 6,737,092
\$ 658,601	\$ 3,137	\$ 91,005	\$ 9,795	\$ 181,012	\$ 188,914	\$ 743,315	\$ 9,888,028	\$ 9,439,889

Town of Highland Park Authorized Personnel
By Fund and By Department
(Expressed in Full-Time Equivalent)

	Budget FY 2016		Budget FY 2017		Proposed FY 2018	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
General Fund						
Administration	2.0	0.0	2.0	0.0	2.0	0.0
Public Safety	69.0	0.5	70.0	0.5	73.0	0.5
Town Services	3.0	0.0	3.0	0.0	3.0	0.0
Street	3.3	0.0	3.3	0.0	3.3	0.0
Street Lighting	1.0	0.0	1.0	0.0	1.0	0.0
Library	4.0	2.0	4.0	2.0	4.0	2.0
Parks & Recreation	9.0	0.0	9.0	0.0	7.0	0.0
Swimming Pool	0.0	3.4	0.0	3.4	0.0	3.4
Municipal Court	2.0	1.0	2.0	1.0	2.0	1.0
Finance	5.0	0.0	5.0	0.0	5.0	0.0
Building Inspection	4.0	0.0	4.0	0.0	5.0	0.0
Information Technology	1.0	0.0	1.0	0.0	1.0	0.0
Sub-Total General Fund	103.3	6.9	104.3	6.9	106.3	6.9
Utility Fund						
Administration	3.0	0.0	3.0	0.0	3.0	0.0
Water	4.4	0.0	4.4	0.0	4.4	0.0
Sewer	2.3	0.0	2.3	0.0	2.3	0.0
Engineering	5.0	0.0	5.0	0.0	5.0	0.0
Sub-Total Utility Fund	14.7	0.0	14.7	0.0	14.7	0.0
Storm Water Drainage Fund						
Engineering	0.0	0.0	0.0	0.0	0.0	0.0
Sub-Total Storm Water Drainage Fund	0.0	0.0	0.0	0.0	0.0	0.0
Total	118.0	6.9	119.0	6.9	121.0	6.9



Note: In 1976 the Town implemented Department of Public Safety (dual police & fire) staffing model.

ORDINANCE NO.

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, ADOPTING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2017, AND ENDING SEPTEMBER 30, 2018, AND AUTHORIZING EXPENDITURES AS SET OUT IN SAID BUDGET.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS (“TOWN”):

That, the Town Administrator, as budget officer, has caused to be prepared a proposed budget totaling \$44,162,939, including \$7,464,920 for inter-fund transfers, of the Town of Highland Park, Texas, for the fiscal year beginning October 1, 2017, and ending September 30, 2018, in accordance with the provisions of the Town Charter, Section 4.02 (d) and Section 9.05; and

That, a copy of said proposed budget was filed in the office of the Town Secretary on July 28, 2017, and more than thirty (30) days prior to the end of the fiscal year 2016, in accordance with the provisions of Section 4.02 (d), (4) and Section 9.05 of the Town Charter, and not less than thirty (30) days prior to October 1, 2017, in accordance with Section 102.005 of the Local Government Code, Texas Codes Annotated; and

That, notice of public hearings on the proposed budget on August 14, 2017, and August 28, 2017, was duly advertised by the Town Secretary, in accordance with Section 102.006 of the Local Government Code, Texas Codes Annotated; and

That, the official budget, including amendments, was approved by the Town Council of the Town of Highland Park, Texas, on September 11, 2017, following the public hearing, and a copy of said official budget is made a part hereof by reference as though copied fully herein.

PASSED AND APPROVED this 11th day of September, 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle
Town Attorney

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary

ORDINANCE NO. ____

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2017 ON ALL PROPERTY SITUATED IN THE TOWN OF HIGHLAND PARK, TEXAS.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS:

That, for the tax year 2017, there is hereby levied an ad valorem tax of \$0.220000 on each \$100.00 of assessed valuation of all taxable property, real, personal or mixed, located in the Town of Highland Park on the 1st day of January 2017, and not exempted from taxation by the constitution and laws of the State of Texas.

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

THAT, THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.72 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.00.

That said tax shall be for the purpose of defraying current expense of the municipal government of the Town of Highland Park, Texas, for the fiscal year 2018.

That said tax shall be due and payable October 1, 2017.

That all constitutional provisions and laws of the State of Texas that pertain to delinquencies and collection procedures are applicable to this 2017 levy.

PASSED AND APPROVED this 11th day of September 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle
Town Attorney

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary

GENERAL FUND

The General Fund is the financial structure used for the accounting of receipt of resources (revenues) and uses of resources (expenditures) for what are generally recognized as governmental services and/or functions. These governmental services and/or functions include Public Safety (Police, Fire and Emergency Medical Services), Public Works (Town Services, Street, Street Lighting and Service Center), Parks and Swimming Pool, Library, and General Governmental (Administrative Services, Finance, Municipal Court and Building Services). The basis of accounting for the General Fund for both financial reporting and budgeting is the modified accrual basis.

GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 4,515,176	\$ 3,517,765	\$ 3,517,765	\$ 3,543,393
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 15,371,124	\$ 16,563,576	\$ 16,390,403	\$ 17,065,384
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000
Licenses & Permits	1,050,004	1,106,705	1,215,745	1,139,087
Charges for Services	2,477,505	1,403,620	1,415,701	1,798,145
Fines & Forfeits	474,178	539,900	452,877	584,985
Miscellaneous	381,089	383,270	455,217	465,208
Total Revenues	\$ 20,775,188	\$ 21,037,071	\$ 20,972,073	\$ 22,142,809
Other Sources:				
Transfers In	\$ 1,092,931	\$ 1,148,900	\$ 1,148,900	\$ 1,161,700
Total Other Sources	\$ 1,092,931	\$ 1,148,900	\$ 1,148,900	\$ 1,161,700
Total Revenues/Sources	\$ 21,868,119	\$ 22,185,971	\$ 22,120,973	\$ 23,304,509
EXPENDITURES/USES OF FUNDS				
Administration Department	\$ 790,258	\$ 753,194	\$ 717,642	\$ 743,185
Town Services	487,325	524,540	539,969	547,182
Department of Public Safety	10,733,899	11,131,434	11,287,202	12,060,980
Street Department	368,322	404,138	333,627	383,437
Street Lighting Department	164,602	185,661	182,810	185,751
Library Department	703,073	771,626	702,409	795,427
Parks Department	1,345,028	1,496,923	1,411,621	1,466,597
Pool Department	181,723	189,712	195,171	195,828
Municipal Court Department	375,111	380,175	377,612	402,762
Finance Department	758,081	824,983	812,165	862,276
Building Inspection Department	506,222	603,990	603,762	709,110
Sanitation Department	1,093,055	-	-	-
Information Technology Department	529,960	553,412	544,228	544,017
Non-Departmental	279,708	416,690	416,145	433,790
Total Expenditures	\$ 18,316,367	\$ 18,236,478	\$ 18,124,363	\$ 19,330,342
Other Uses:				
Transfers to Other Funds	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
Total Other Uses	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
Total Expenditures/Uses	\$ 22,865,530	\$ 22,207,460	\$ 22,095,345	\$ 23,304,376
Excess (Deficiency) of Revenues/Sources over Expenditures/Uses	\$ (997,411)	\$ (21,489)	\$ 25,628	\$ 133
Fund Balance	\$ 3,517,765	\$ 3,496,276	\$ 3,543,393	3,543,526
Ideal Fund Balance	\$ 3,283,954	\$ 3,318,449	\$ 3,300,355	\$ 3,501,984
Fund Balance in Excess of Minimum	\$ 233,811	\$ 177,827	\$ 243,038	\$ 41,542

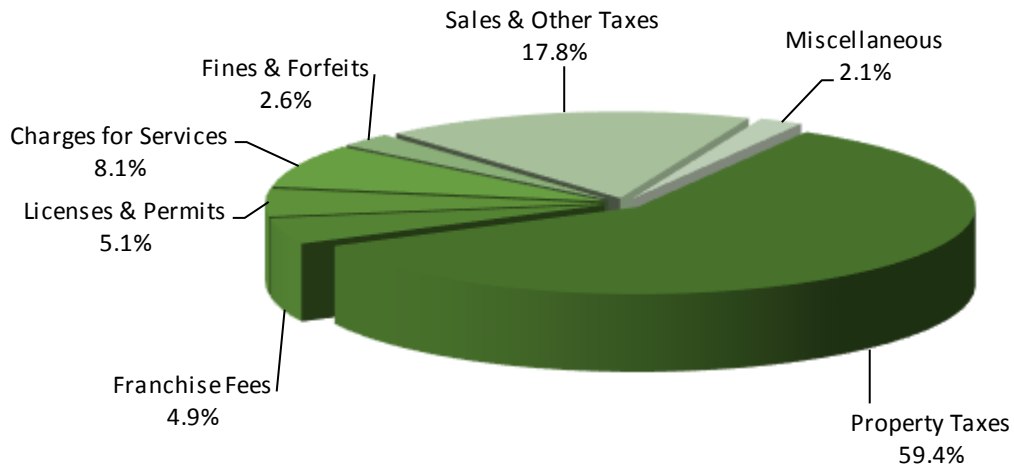
GENERAL FUND
STATEMENT OF REVENUES & EXPENDITURES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 4,515,176	\$ 3,517,765	\$ 3,517,765	\$ 3,543,393
REVENUES/SOURCES OF FUNDS				
Taxes	\$ 15,371,124	\$ 16,563,576	\$ 16,390,403	\$ 17,065,384
Franchise Fees	1,021,288	1,040,000	1,042,130	1,090,000
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Total Revenues/Sources	\$ 21,868,119	\$ 22,185,971	\$ 22,120,973	\$ 23,304,509
EXPENDITURES/USES OF FUNDS				
Personnel Services				
Payroll	\$ 10,795,382	\$ 11,228,946	\$ 11,302,568	\$ 11,928,274
Payroll Taxes	734,359	809,197	804,238	860,741
Retirement	362,293	534,407	548,300	706,847
Insurance	1,327,569	1,404,192	1,377,304	1,578,225
Total Personnel	\$ 13,219,603	\$ 13,976,742	\$ 14,032,410	\$ 15,074,087
Supplies & Equipment	934,806	993,834	950,161	942,276
Services & Charges	3,805,182	3,254,622	3,136,192	3,266,739
Capital Outlay	356,775	11,280	5,600	47,240
Total Expenditures	\$ 18,316,366	\$ 18,236,478	\$ 18,124,363	\$ 19,330,342
Other Uses:				
Transfers Out	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
Total Other Uses	\$ 4,549,163	\$ 3,970,982	\$ 3,970,982	\$ 3,974,034
Total Expenditures/Uses	\$ 22,865,529	\$ 22,207,460	\$ 22,095,345	\$ 23,304,376
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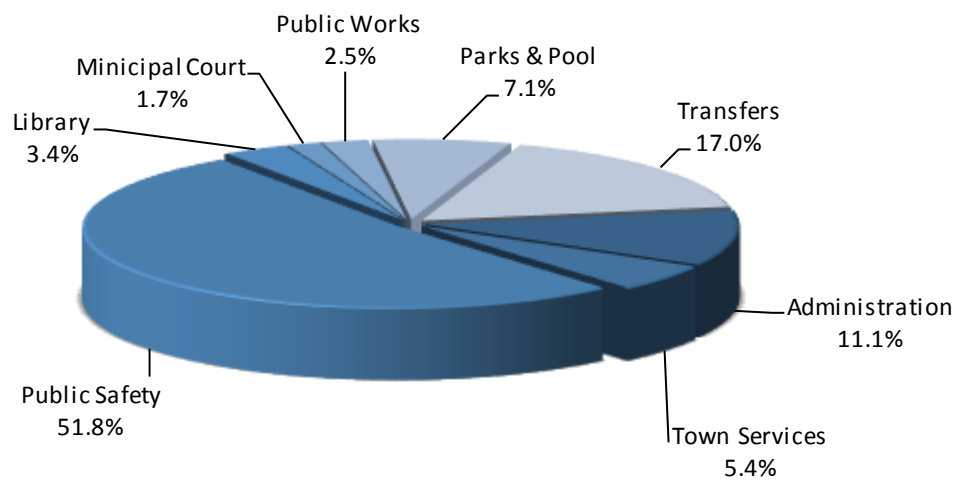
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GENERAL FUND

CURRENT REVENUES & SOURCES OF FUNDS



BUDGETED EXPENDITURES & USES OF FUNDS



**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
Taxes				
Ad Valorem Taxes	\$ 11,580,927	\$ 12,557,311	\$ 12,594,104	\$ 13,094,384
Delinquent Ad Valorem Taxes	(7,283)	35,000	30,237	35,000
City Sales Tax	3,606,074	3,779,265	3,555,714	3,720,000
Mixed Beverage Tax	191,406	192,000	210,348	216,000
<i>Subtotal</i>	\$ 15,371,124	\$ 16,563,576	\$ 16,390,403	\$ 17,065,384
Franchise Fees				
Electric Utility Franchise Fees	\$ 505,907	\$ 530,000	\$ 520,261	\$ 530,000
Natural Gas Utility Franchise Fees	184,367	190,000	174,235	190,000
Telecom Franchise Fees	80,911	90,000	83,063	92,000
CATV Franchise Fees	212,946	195,000	209,768	210,000
Solid Waste	17,237	15,000	26,859	40,000
Carriages	19,919	20,000	27,944	28,000
<i>Subtotal</i>	\$ 1,021,287	\$ 1,040,000	\$ 1,042,130	\$ 1,090,000
Licenses & Permits				
Beverage Licenses	\$ 4,565	\$ 11,990	\$ 12,930	\$ 4,565
Health Permits	5,550	4,525	5,925	5,525
Alarm Permits	60,605	66,610	62,307	104,352
Electrical Licenses	18,000	18,750	18,500	18,500
Building Permits	917,580	960,000	1,070,794	960,000
Electrical Permits	32,506	33,900	34,362	35,000
Excavation Permits	345	510	285	360
Carriage Licenses	5,300	4,500	4,750	4,825
Animal Licenses	5,553	5,920	5,892	5,960
<i>Subtotal</i>	\$ 1,050,004	\$ 1,106,705	\$ 1,215,745	\$ 1,139,087
Charges For Services				
Sanitation Charges	\$ 1,137,022	\$ -	\$ -	\$ -
Recycling Charges	98,487	-	-	-
E911 Users' Fee	130,834	138,100	132,027	134,450
Alarm Monitoring Fees	276,925	281,350	266,830	483,588
Emergency Medical Fees	168,983	182,500	204,310	225,239
Board Hearing Fee	1,600	3,260	2,400	2,200
Swimming Pool Daily Fees	21,432	17,800	21,432	26,000
Swimming Pool Annual Fees	76,840	82,700	82,700	85,000
Tennis Court Use Fees	11,722	12,000	11,402	12,000
Animal Pound Fees	1,260	1,000	1,080	1,000
Library Non-resident Fees	4,838	4,200	4,430	6,000
Court Administration Fees	25,848	30,360	32,910	33,000
Warrant Fees	54,892	65,700	62,970	63,000
Court Fees	140,030	174,300	180,600	182,410
Building Registration Fees	40,375	44,500	42,410	80,025

**GENERAL FUND
STATEMENT OF REVENUES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
Plan Review Fees	4,400	5,850	5,200	22,399
Deferred Adjudication Fees	282,016	360,000	365,000	441,834
<i>Subtotal</i>	\$ 2,477,504	\$ 1,403,620	\$ 1,415,701	\$ 1,798,145
Fines & Forfeits				
Municipal Court Fines	\$ 465,897	\$ 530,000	\$ 437,557	\$ 568,475
Library Fines	4,171	4,000	3,720	4,010
Lost Book Charges	1,761	900	900	1,000
Invalid Alarm Fines	2,350	5,000	10,700	11,500
<i>Subtotal</i>	\$ 474,179	\$ 539,900	\$ 452,877	\$ 584,985
Miscellaneous				
Interest	\$ 44,448	\$ 48,000	\$ 76,500	\$ 109,300
Interest-Dallas County	185	225	225	250
Penalty & Interest - Tax Collection	48,196	50,120	58,110	52,750
Sale of Assets	-	1,500	1,500	1,500
Sale of Impounded Property	-	-	-	-
Rental-Town Property	239,005	225,025	264,400	248,808
Library Donations	3,381	2,300	2,300	2,600
Contributions	10,000	6,000	17,275	10,000
Intergovernmental Revenue	3,912	4,000	-	-
Town Property Damage Refund	750	6,000	7,107	10,000
Miscellaneous	31,212	40,100	27,800	30,000
<i>Subtotal</i>	\$ 381,089	\$ 383,270	\$ 455,217	\$ 465,208
Total Revenues	\$ 20,775,187	\$ 21,037,071	\$ 20,972,073	\$ 22,142,809

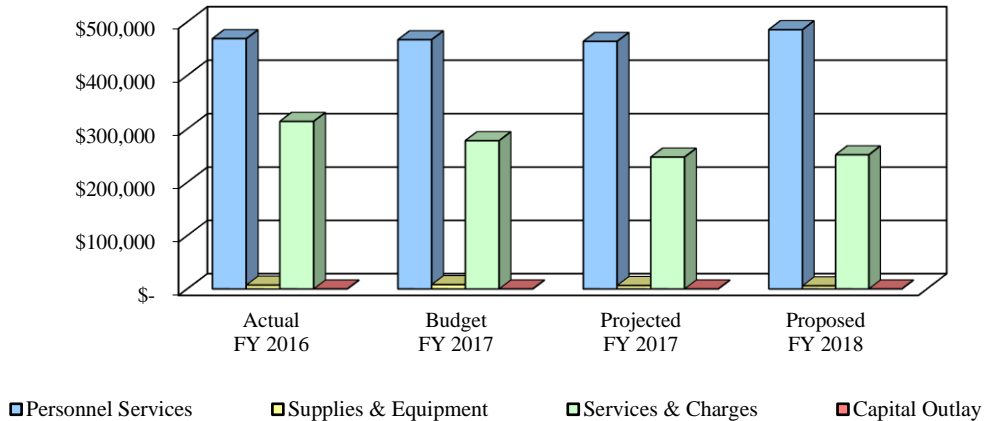
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Administrative Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 468,868	\$ 466,897	\$ 463,817	\$ 485,724	4.03%
Supplies & Equipment	7,147	8,100	6,400	5,750	-29.01%
Services & Charges	314,243	278,197	247,425	251,711	-9.52%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 790,258	\$ 753,194	\$ 717,642	\$ 743,185	-1.33%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

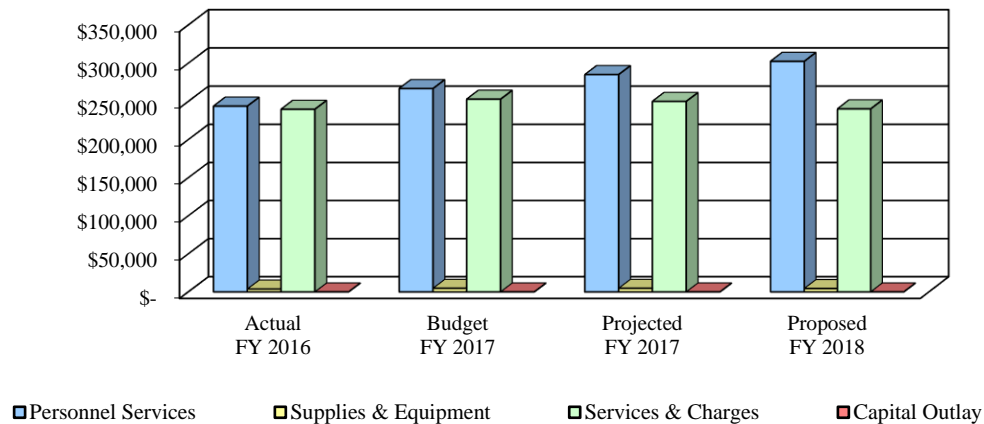
- 1 The Administrative Department budget includes the salaries of the Town Administrator and the Town Secretary.
- 2 Legal Expense includes \$170,000 for Town Attorney services and \$10,000 for other legal services as needed. Legal Expense proposed budget was reduced (\$20,000) from prior year budget.
- 3 Contract services include \$53,591 for Consulting. This is a (\$6,809) decrease from prior budget.
- 4 The Proposed Budget includes \$12,000 for election services, which is a \$500 increase from FY 2016-17 budget.



Town Services Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 243,872	\$ 266,849	\$ 285,158	\$ 302,471	13.35%
Supplies & Equipment	3,693	4,750	4,750	4,450	-6.32%
Services & Charges	239,760	252,941	250,061	240,261	-5.01%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 487,325	\$ 524,540	\$ 539,969	\$ 547,182	4.32%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

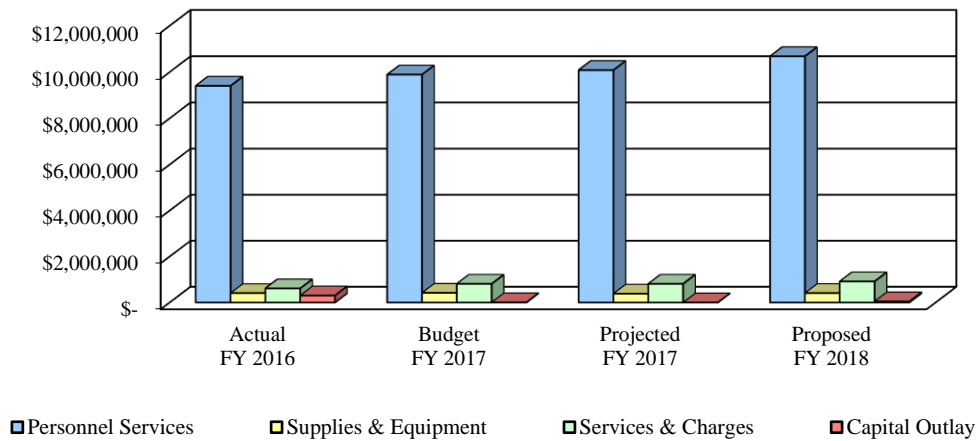
- 1 Personnel Services is increasing as a result of annual pay adjustments, increases in health insurance, and a position reclassification that occurred during FY 2016-17.
- 2 Services & Charges reduction of (\$12,680) includes a decrease in Contract Services of (\$12,228).



Department of Public Safety

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 9,406,513	\$ 9,891,244	\$ 10,086,737	\$ 10,684,714	8.02%
Supplies & Equipment	407,489	420,052	385,565	411,024	-2.15%
Services & Charges	613,081	814,458	814,900	918,002	12.71%
Capital Outlay	306,816	5,680	-	47,240	731.69%
Total Department	\$ 10,733,899	\$ 11,131,434	\$ 11,287,202	\$ 12,060,980	8.35%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

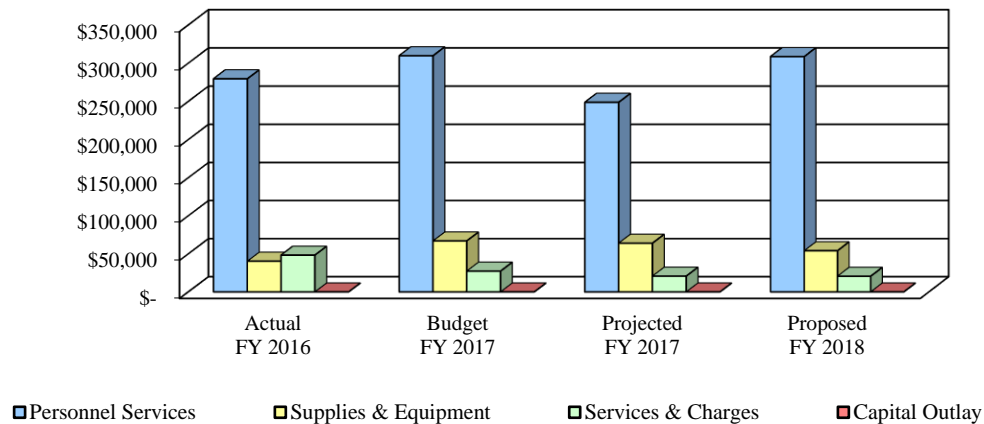
- 1 The FY 2018 Personnel Services budget includes the addition of a full-time alarm monitor position and a Sergeant position to oversee the alarm monitoring program.
- 2 Supplies & Equipment includes an overall reduction of (\$4,512) with an increase in vehicle maintenance \$3,660 primarily for insurance deductibles; police supplies increase of \$4,234 relating to Tasers and Taser parts and batteries; Non-capital tools decreased (\$5,500); Office & Computer supplies decreased (\$7,180).
- 3 Services & Charges increased \$93,728 and includes \$92,400 for TelGuard services related to the alarm monitoring program; \$50,100 for the Town's share of the DARE & SRO programs; \$171,000 for crossing guards; and a \$10,700 increase for education reimbursement.
- 4 Services & Charges also includes a reduction in EMS Training of (\$6,076); Contract Services of (\$8,922); and Repair & Maintenance Services of (\$5,500).
- 5 New programs include an additional motorcycle officer for traffic safety totaling \$141,619 which includes \$47,240 for a motorcycle unit.



Street Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 279,644	\$ 309,796	\$ 248,885	\$ 308,705	-0.35%
Supplies & Equipment	40,352	67,022	64,022	54,132	-19.23%
Services & Charges	48,326	27,320	20,720	20,600	-24.60%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 368,322	\$ 404,138	\$ 333,627	\$ 383,437	-5.12%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

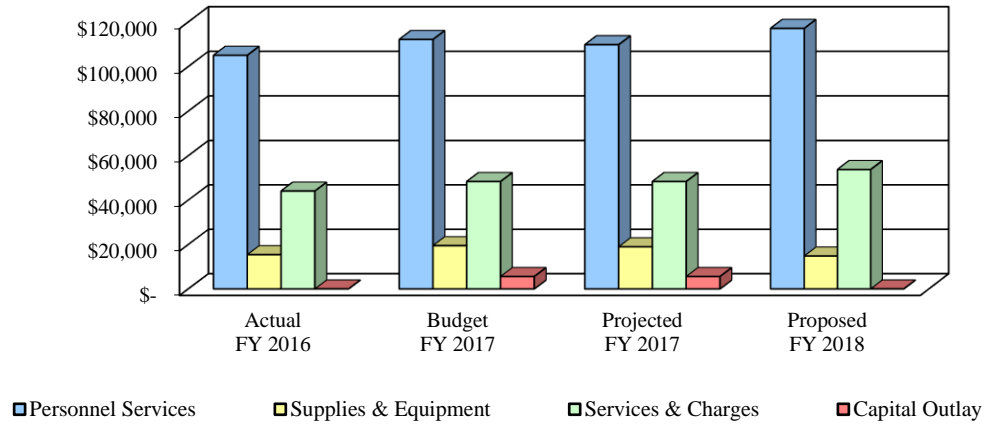
- Supplies & Equipment decreased (\$12,890) and includes reductions of (\$3,320) in vehicle maintenance and equipment repair; (\$5,070) after finishing the FY 2017 ding & dent repairs; (\$3,000) in street signage.
- Services & Charges decreased (\$6,720), \$6,600 is related to professional services. Architectural landscaping services for Preston Road were budgeted and used in FY 2017 and a budget for this service is no longer needed.



Street Lighting Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 105,067	\$ 112,179	\$ 109,828	\$ 117,143	4.43%
Supplies & Equipment	15,440	19,488	18,988	14,818	-23.96%
Services & Charges	44,095	48,394	48,394	53,790	11.15%
Capital Outlay	-	5,600	5,600	-	0.00%
Total Department	\$ 164,602	\$ 185,661	\$ 182,810	\$ 185,751	0.05%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

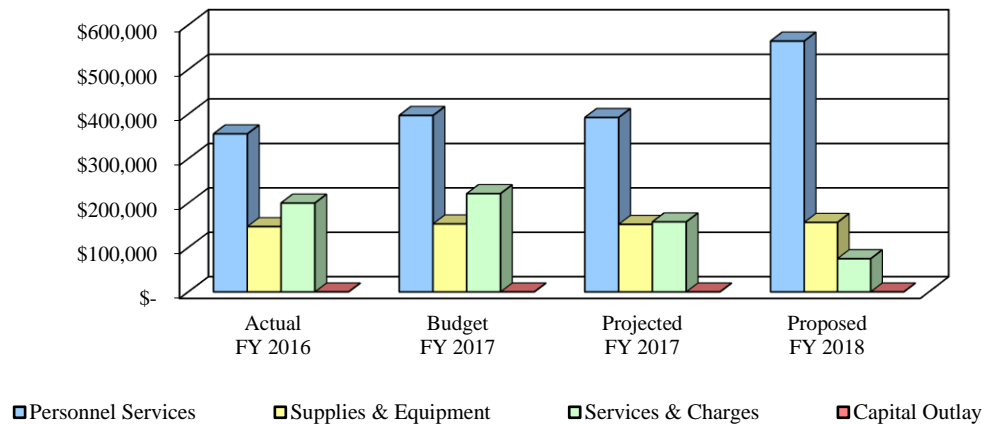
- 1 Supplies & Equipment decreased (\$4,670), of which \$4,170 relates to the vehicle maintenance following the completion of the ding & dent repairs in FY 2017.
- 2 Services & Charges includes \$5,600 for continue conflict monitoring program.



Library Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 355,835	\$ 397,114	\$ 392,517	\$ 563,989	42.02%
Supplies & Equipment	147,064	153,116	152,212	156,618	2.29%
Services & Charges	200,174	221,396	157,680	74,820	-66.21%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 703,073	\$ 771,626	\$ 702,409	\$ 795,427	3.08%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

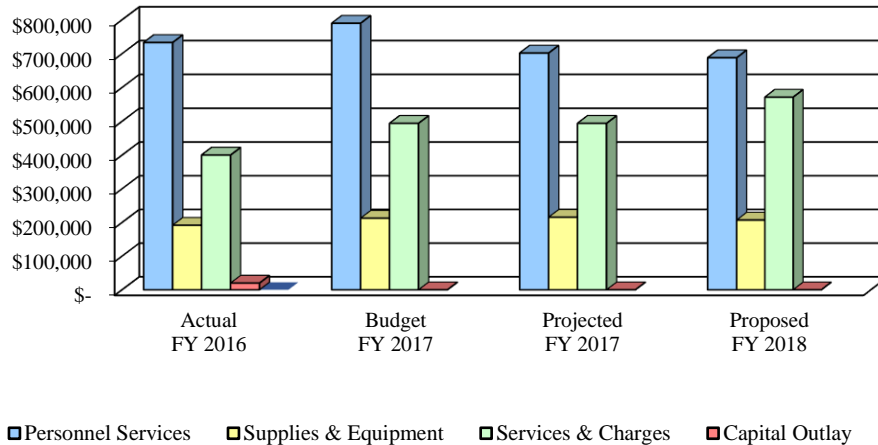
- 1 Supplies & Equipment increase of \$3,500 includes additional book costs to address increases in costs of library collection material.
- 2 Services & Charges decrease includes the former Library Director's contract being replaced with a full-time salaried position in Personnel Services.
- 3 New Programs - An EBSCO subscription, in the amount of \$8,250, would allow the Library to create a single sign-on for patrons to access the electronic databases provided by the Library.



Parks Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 733,066	\$ 790,063	\$ 701,946	\$ 688,083	-12.91%
Supplies & Equipment	191,754	212,772	215,587	207,152	-2.64%
Services & Charges	400,224	494,088	494,088	571,362	15.64%
Capital Outlay	19,984	-	-	-	0.00%
Total Department	\$ 1,345,028	\$ 1,496,923	\$ 1,411,621	\$ 1,466,597	-2.03%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

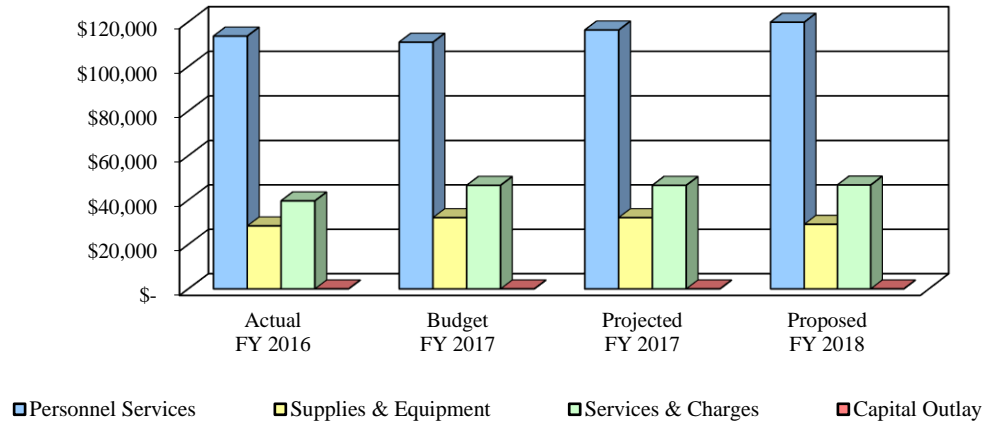
- Supplies & Equipment includes eliminating (\$6,620) in vehicle maintenance after finishing the dent & ding repairs in FY 2017; uniforms decreased (\$2,400); Christmas lighting increased \$5,300 to include additional activities at the lighting ceremony.
- Services & Charges includes an increase of \$77,274 for repair and maintenance services. This increase is a result of savings of \$49,274 from an unfilled parks position being used to contract third party landscape care started in mid FY 2017 and includes eliminating a parks worker I position in FY 2017-18 and using a portion of the salary savings, \$28,000, for additional contract labor in repair and maintenance.



Pool Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 113,680	\$ 110,950	\$ 116,409	\$ 119,922	8.09%
Supplies & Equipment	28,382	32,100	32,100	29,100	-9.35%
Services & Charges	39,661	46,662	46,662	46,806	0.31%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 181,723	\$ 189,712	\$ 195,171	\$ 195,828	3.22%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

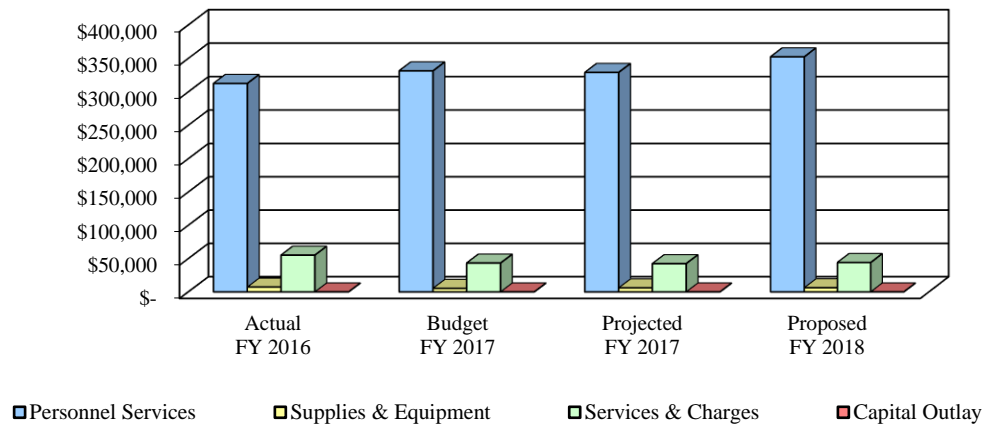
- Supplies & Equipment net decrease of (\$3,000) reflects the addition of \$1,500 for plants and vegetation offset by the elimination of a \$4,500 pool aerator purchased in FY 2017.



Municipal Court Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 312,621	\$ 331,460	\$ 329,131	\$ 352,423	6.32%
Supplies & Equipment	7,257	5,350	6,021	6,202	15.93%
Services & Charges	55,233	43,365	42,460	44,137	1.78%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 375,111	\$ 380,175	\$ 377,612	\$ 402,762	5.94%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

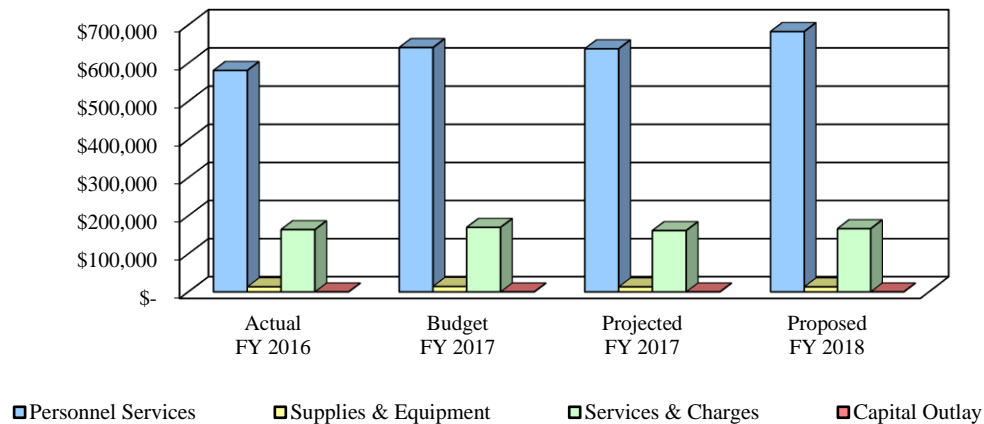
- 1 Supplies & Equipment increase of \$852 which includes printing and postage due to the increase in case correspondence by mail.



Finance Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 581,012	\$ 640,950	\$ 637,775	\$ 682,915	6.55%
Supplies & Equipment	13,392	14,444	13,221	13,220	-8.47%
Services & Charges	163,677	169,589	161,169	166,141	-2.03%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 758,081	\$ 824,983	\$ 812,165	\$ 862,276	4.52%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

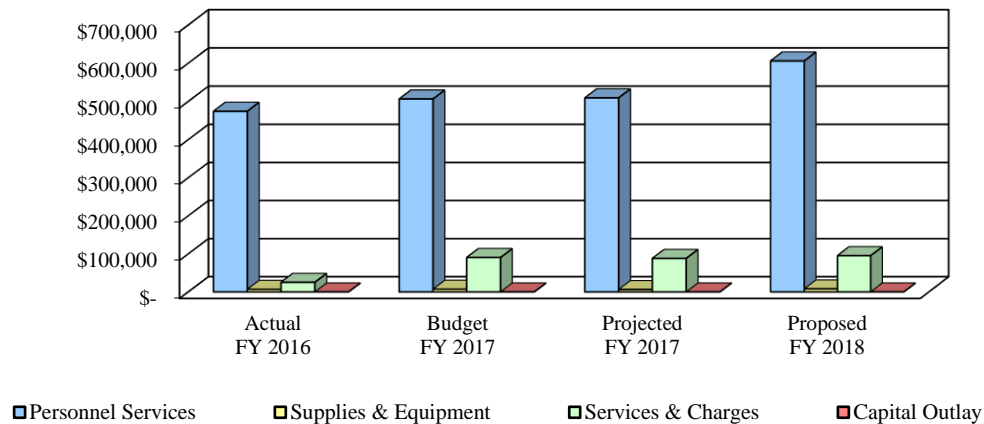
- Services & Charges includes an increase in the annual audit fee of \$2,000; additional \$1,000 for sales tax analysis and reporting; a decrease in accounting /consulting of (5,000); a 5% increase in annual maintenance charges for Tyler Technology software costing \$1,247 and a (\$4,750) decrease in travel and training.



Building Inspection Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 474,256	\$ 506,490	\$ 509,367	\$ 605,950	19.64%
Supplies & Equipment	6,749	7,040	6,360	7,910	12.36%
Services & Charges	25,217	90,460	88,035	95,250	5.30%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 506,222	\$ 603,990	\$ 603,762	\$ 709,110	17.40%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

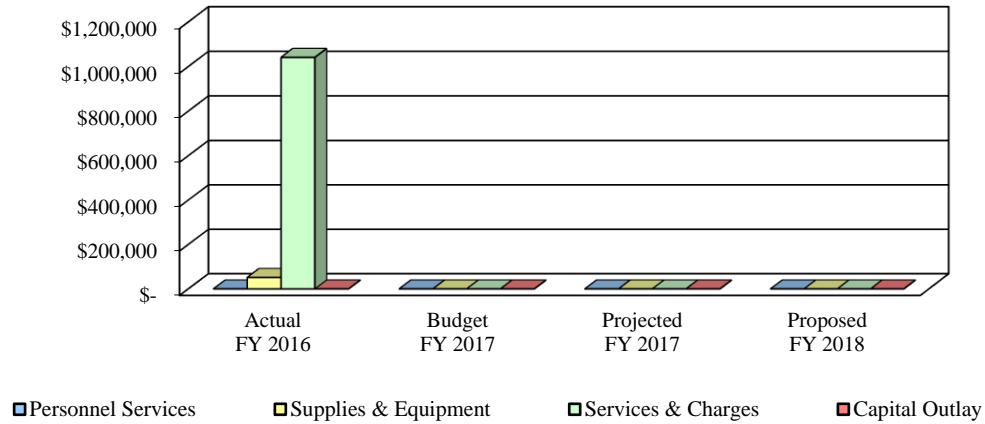
- 1 Services & Charges includes a \$1,025 increase in travel & training for certification exams and professional development; \$2,280 for code enforcement lot mowing and MyGov licenses.
- 2 New programs include adding a new plans examiner position and changing the scope of plan reviews to include all projects over \$100,000. Total costs of \$79,568 for this position would be offset by adding additional annual sub-contractor registration fees and increasing the scope of project reviews at \$250 per review for a net cost of \$18,044.



Sanitation Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	51,741	-	-	-	0.00%
Services & Charges	1,041,314	-	-	-	0.00%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 1,093,055	\$ -	\$ -	\$ -	0.00%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

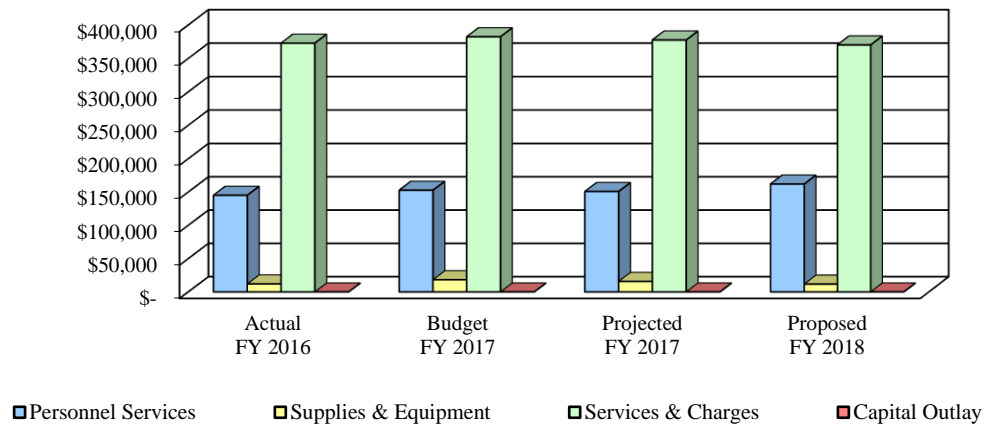
- Sanitation operations were moved to a separate enterprise fund in the FY 2016-17 Adopted Budget.



Information Technology Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 145,169	\$ 152,750	\$ 150,840	\$ 162,048	6.09%
Supplies & Equipment	11,971	18,250	15,785	11,750	-35.62%
Services & Charges	372,820	382,412	377,603	370,219	-3.19%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 529,960	\$ 553,412	\$ 544,228	\$ 544,017	-1.70%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

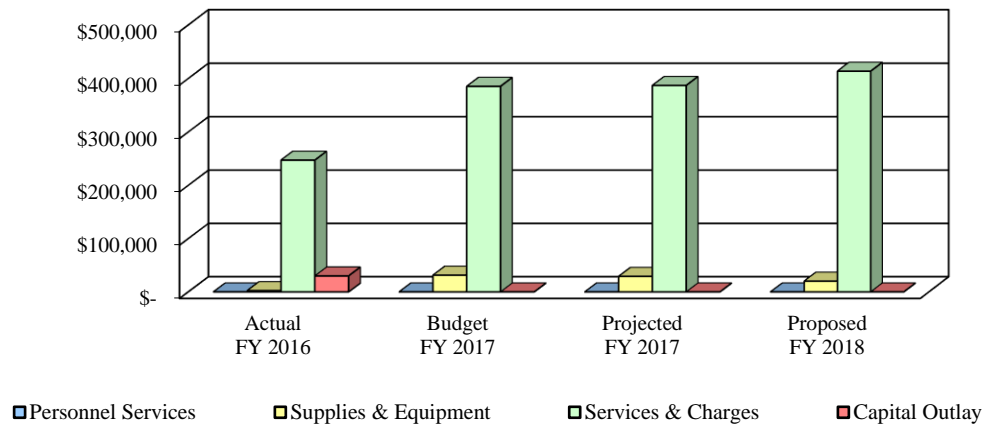
- 1 Supplies & Equipment includes moving (\$6,500) from IT budget to the Building Maintenance Improvement Fund (24) and is related to facility wiring and equipment.
- 2 Services & Charges includes moving (\$10,900) from the IT budget to the Building Maintenance Improvement Fund (24) and is related to contract labor involved in running facility wiring and equipment repair; \$700 increase in repair and maintenance costs; cloud disaster recovery for \$13,440 added to facilitate offsite storage backup and recovery and (\$15,420) in savings is anticipated from the upcoming contract renewal for phone /internet service.



Non- Departmental

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	0.00%
Supplies & Equipment	2,376	31,350	29,150	20,150	-35.73%
Services & Charges	247,357	385,340	386,995	413,640	7.34%
Capital Outlay	29,975	-	-	-	0.00%
Total Department	\$ 279,708	\$ 416,690	\$ 416,145	\$ 433,790	4.10%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

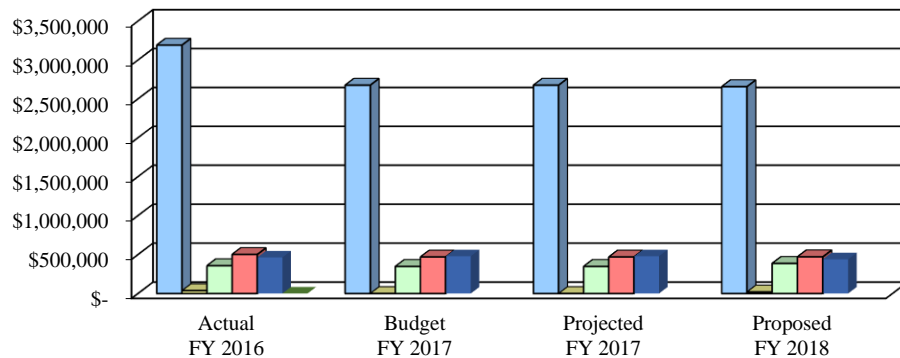
- 1 Included in Services & Charges is \$125,000.00 for retirement payout during the next fiscal year.
- 2 The Proposed Budget includes additional funding of \$1,800 for Town Council events, a \$1,500 increase in Dallas Central Appraisal Districts charges, and a (\$11,200) decrease in fuel contingency costs.
- 3 New programs include \$11,525 for employee health and wellness program administered through a local health system and \$13,475 for work related preventative health screenings.



Transfers to Other Funds

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Capital Projects Fund	\$ 3,191,380	\$ 2,675,890	\$2,675,890	\$ 2,657,228	-0.70%
Utility & Solid Waste Funds	36,743	-	-	20,000	0.00%
Equip. Replacement Fund	357,140	347,549	347,549	386,694	11.26%
Tech. Replacement Fund	501,400	469,043	469,043	471,212	0.46%
Bldg. Maintenance Fund	462,500	478,500	478,500	438,900	-8.28%
Total Department	\$ 4,549,163	\$ 3,970,982	\$3,970,982	\$ 3,974,034	0.08%



■ Capital Projects Fund ■ Utility & Solid Waste Funds ■ Equip. Replacement Fund ■ Tech. Replacement Fund ■ Bldg. Maintenance Fund

SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 Transfer to the Capital Projects Fund is sustained in large part due to property value growth.
- 2 Transfers to the Equipment Replacement Fund and Technology Replacement Fund are based on the annual depreciation of assets within those funds and anticipated depreciation of assets to be acquired during the next fiscal year. The transfer has been adjusted for inflation to maintain purchasing power.
- 3 The transfer to the Building Maintenance & Investment Fund is based on the overall budget of the Building Maintenance Fund and includes a maintenance component and a fund balance component. The General Fund's proportionate share is based on the number of employees that use the Town Hall and Service Center. The Utility Fund makes a similar transfer based on the number of employees in the Utility Fund that use the Town Hall and Service Center. The (\$39,600) decrease in transfers reflects the replacement cost of capital assets amortized over the life of the asset.

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UTILITY FUND

The Utility Fund is the financial structure used for the accounting of providing water, sanitary sewer, service to the residents of the Town and the billing and collection of charges to customers to pay for said services. The basis of accounting for the Utility Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures and depreciation and bad debt expenses are not included in budgeted expenditures.

UTILITY FUND
STATEMENT OF REVENUES & EXPENSES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 1,551,665	\$ 3,106,440	\$ 3,106,440	\$ 4,181,096
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
Charges for Services	9,542,262	9,992,747	9,907,227	10,003,991
Fines & Forfeits	74,806	72,400	71,400	74,000
Miscellaneous	563,344	369,150	519,899	521,556
Total Revenues	\$ 10,243,137	\$ 10,492,297	\$ 10,552,826	\$ 10,663,547
Other Sources:				
Transfers In	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
Total Other Sources	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
Total Revenues/Sources	\$ 10,689,732	\$ 10,961,597	\$ 11,022,126	\$ 11,122,347
EXPENSES - BY DEPARTMENT				
Utility Administration Department	\$ 289,878	\$ 313,622	\$ 296,953	\$ 396,787
Water Department	4,746,755	4,956,001	4,828,749	4,729,635
Sanitary Sewer Department	1,711,872	2,344,009	2,332,975	2,776,847
Engineering Department	741,849	795,315	743,860	763,228
Total Expenses	\$ 7,490,354	\$ 8,408,947	\$ 8,202,537	\$ 8,666,497
Other Uses:				
Transfers Out	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
Total Other Uses	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
Total Expenses/Uses	\$ 9,134,957	\$ 10,153,880	\$ 9,947,470	\$ 10,423,061
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 1,554,775	\$ 807,717	\$ 1,074,656	\$ 699,286
ENDING FUND BALANCE	\$ 3,106,440	\$ 3,914,157	\$ 4,181,096	\$ 4,880,382
Ideal Fund Balance	\$ 1,600,282	\$ 1,772,156	\$ 1,720,554	\$ 1,849,215
Fund Balance in Excess of Minimum	\$ 1,506,158	\$ 2,142,001	\$ 2,460,542	\$ 3,031,167

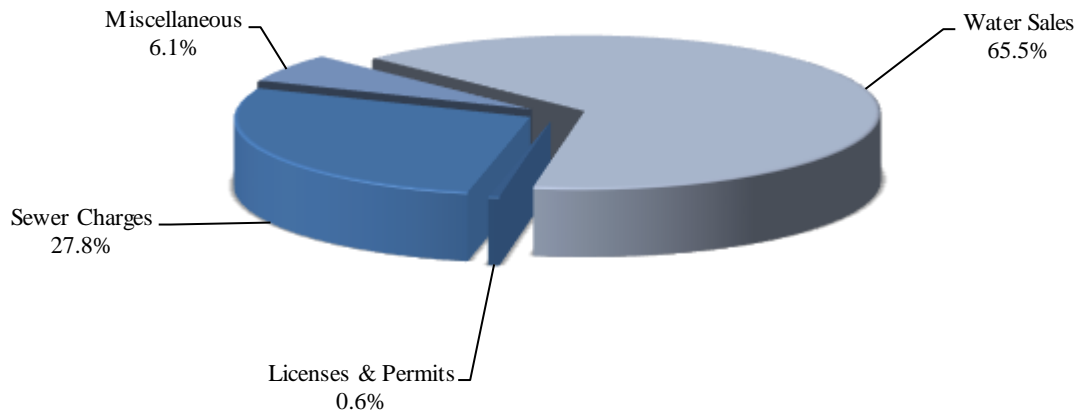
UTILITY FUND
STATEMENT OF REVENUES & EXPENSES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 1,551,665	\$ 3,106,440	\$ 3,106,440	\$ 4,181,096
REVENUES/SOURCES OF FUNDS				
Licenses & Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
Charges for Services	9,542,262	9,992,747	9,907,227	10,003,991
Fines & Forfeits	74,806	72,400	71,400	74,000
Miscellaneous	563,344	369,150	519,899	521,556
Total Revenues	\$ 10,243,137	\$ 10,492,297	\$ 10,552,826	\$ 10,663,547
Other Sources:				
Transfers In	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
Total Other Sources	\$ 446,595	\$ 469,300	\$ 469,300	\$ 458,800
Total Revenues/Sources	\$ 10,689,732	\$ 10,961,597	\$ 11,022,126	\$ 11,122,347
EXPENSES - BY TYPE				
Personnel Services				
Payroll	\$ 1,342,725	\$ 1,449,533	\$ 1,300,094	\$ 1,380,891
Payroll Taxes	90,885	105,936	88,527	103,013
Retirement	47,026	70,291	63,811	83,577
Insurance	166,022	196,891	165,856	223,074
Total Personnel	\$ 1,646,658	\$ 1,822,651	\$ 1,618,288	\$ 1,790,555
Supplies & Equipment	2,551,875	2,787,732	2,783,199	2,924,446
Services & Charges	1,034,280	1,232,564	1,235,050	1,418,496
Capital Outlay	2,257,541	2,566,000	2,566,000	2,533,000
Total Expenses	\$ 7,490,354	\$ 8,408,947	\$ 8,202,537	\$ 8,666,497
Other Uses:				
Transfers Out	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
Total Other Uses	\$ 1,644,603	\$ 1,744,933	\$ 1,744,933	\$ 1,756,564
Total Expenses/Uses	\$ 9,134,957	\$ 10,153,880	\$ 9,947,470	\$ 10,423,061
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 1,554,775	\$ 807,717	\$ 1,074,656	\$ 699,286
ENDING FUND BALANCE	\$ 3,106,440	\$ 3,914,157	\$ 4,181,096	\$ 4,880,382
Ideal Fund Balance	\$ 1,600,282	\$ 1,772,156	\$ 1,720,554	\$ 1,849,215
Fund Balance in Excess of Minimum	\$ 1,506,158	\$ 2,142,001	\$ 2,460,542	\$ 3,031,167

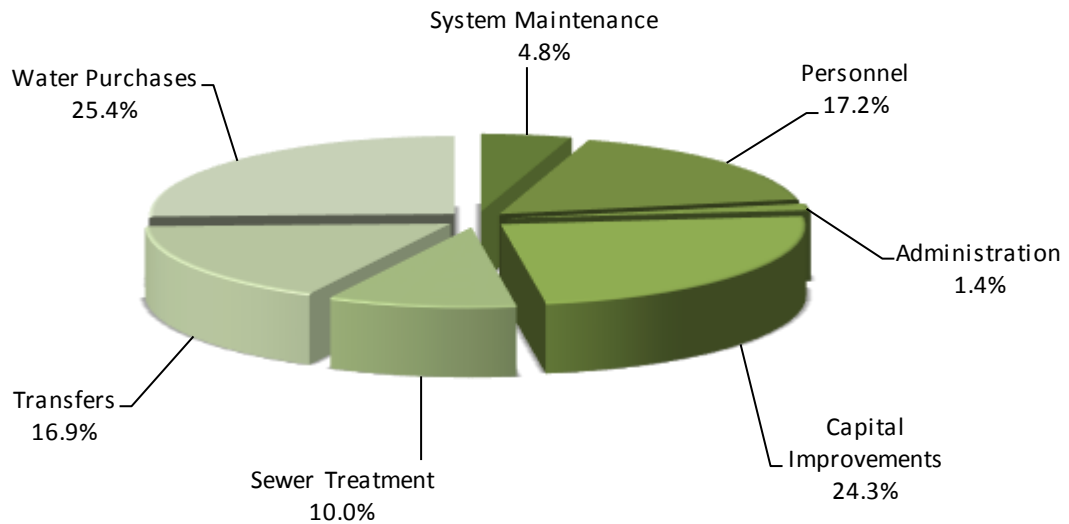
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UTILITY FUND

BUDGETED REVENUES & SOURCES BY TYPE



BUDGETED DISBURSEMENTS BY TYPE



**UTILITY FUND
STATEMENT OF REVENUES**

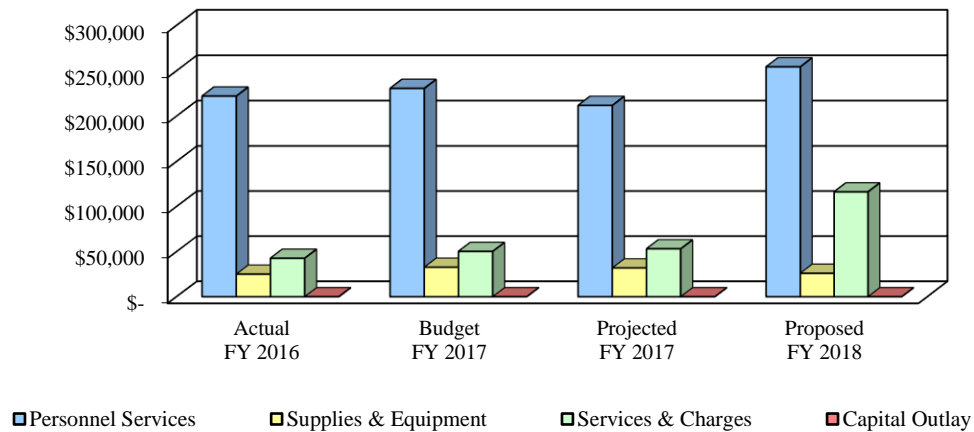
	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
Licenses & Permits				
Plumbing Permits	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
<i>Subtotal</i>	\$ 62,725	\$ 58,000	\$ 54,300	\$ 64,000
Charges For Services				
Water Sales	\$ 6,590,256	\$ 6,900,266	\$ 6,833,997	\$ 6,899,686
Inter-Dept Water Sales	109,080	85,556	99,197	86,136
Sewer Charges	2,788,561	2,999,275	2,937,393	2,964,169
Meter Installation	51,050	4,450	31,370	50,500
Other Charges	3,315	3,200	5,270	3,500
<i>Subtotal</i>	\$ 9,542,262	\$ 9,992,747	\$ 9,907,227	\$ 10,003,991
Fines & Forfeits				
Late Payment Penalties	\$ 74,806	\$ 72,400	\$ 71,400	\$ 74,000
<i>Subtotal</i>	\$ 74,806	\$ 72,400	\$ 71,400	\$ 74,000
Miscellaneous				
Interest	\$ 14,405	\$ 14,400	\$ 28,220	\$ 37,356
Sale of Assets	-	-	-	-
Contributions	545,244	352,000	485,105	482,000
Miscellaneous	3,695	2,750	6,574	2,200
<i>Subtotal</i>	\$ 563,344	\$ 369,150	\$ 519,899	\$ 521,556
Total Revenues	\$ 10,243,137	\$ 10,492,297	\$ 10,552,826	\$ 10,663,547



Administrative Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 222,150	\$ 230,636	\$ 211,903	\$ 254,439	10.32%
Supplies & Equipment	\$ 25,028	\$ 32,712	\$ 31,910	\$ 26,020	-20.46%
Services & Charges	\$ 42,700	\$ 50,274	\$ 53,140	\$ 116,328	131.39%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	-
Total Department	\$ 289,878	\$ 313,622	\$ 296,953	\$ 396,787	26.52%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

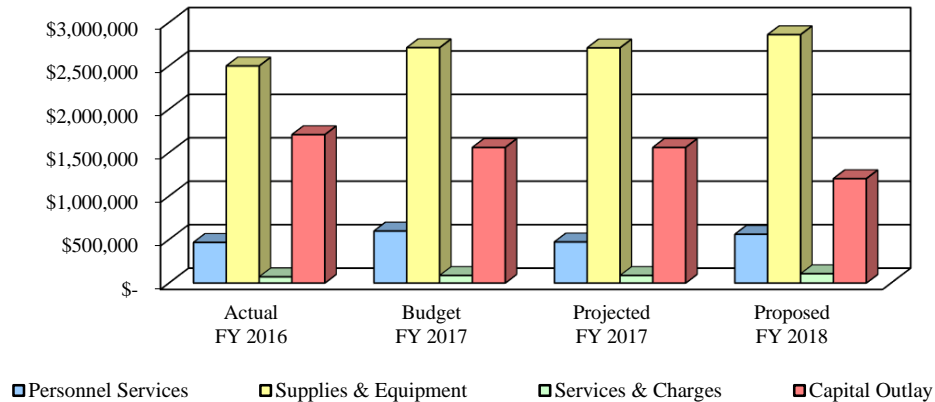
- 1 Supplies & Equipment decreased (\$6,692) with \$5,400 being non-capital office equipment purchased in FY 2017.
- 2 Services & Charges includes the \$12,450 addition of Itron analytics and customer portal software maintenance and a 5% increase in Tyler Technology software maintenance.
- 3 New programs include \$11,525 for an employee health and wellness program administered through a local health system and \$45,000 for Human Resources Consulting Services.



Water Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 467,743	\$ 598,159	\$ 472,824	\$ 561,087	-6.20%
Supplies & Equipment	2,499,672	2,710,034	2,708,117	2,859,940	5.53%
Services & Charges	72,036	87,808	87,808	107,608	22.55%
Capital Outlay	1,707,304	1,560,000	1,560,000	1,201,000	-23.01%
Total Department	\$ 4,746,755	\$ 4,956,001	\$4,828,749	\$ 4,729,635	-4.57%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

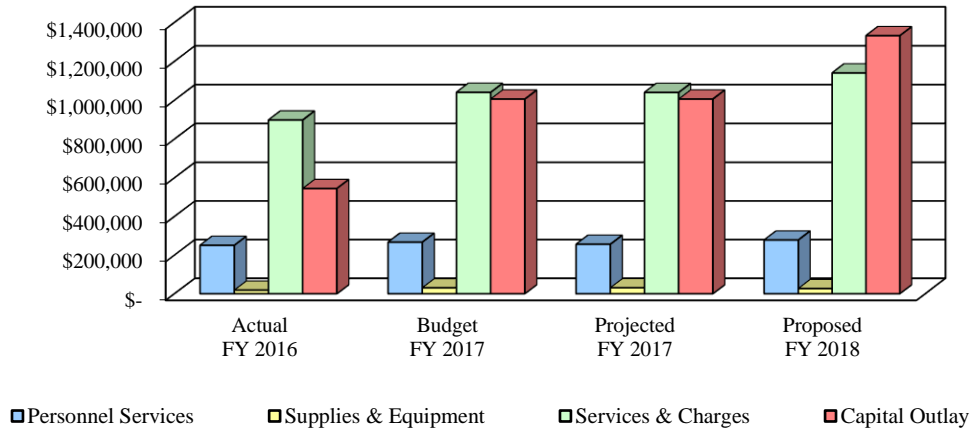
- Supplies & Equipment includes \$3,300 for Itron supplies. Water purchases cost is based on a projection of 1,070,998,000 gallons at a rate of \$2.48 per 1,000 gallons.
- Services & Charges includes \$18,000 for Itron annual equipment maintenance.
- Capital Outlay includes \$169,000 for the Smart Water Meter Project (meter body replacement); \$927,000 in other water infrastructure improvements; \$75,000 for a water vault, water lines and new meter at 4242 Lomo Alto; \$30,000 on the Gillon pump station and water line by Dallas County Park Cities Municipal Utility District.



Sanitary Sewer Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 250,649	\$ 266,883	\$ 256,123	\$ 277,999	4.17%
Supplies & Equipment	18,448	30,566	30,672	26,686	-12.69%
Services & Charges	898,084	1,040,560	1,040,180	1,140,162	9.57%
Capital Outlay	544,691	1,006,000	1,006,000	1,332,000	32.41%
Total Department	\$ 1,711,872	\$ 2,344,009	\$2,332,975	\$ 2,776,847	18.47%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

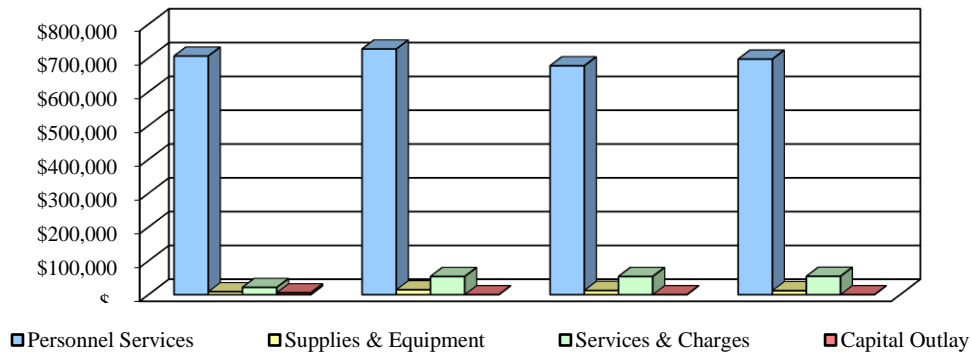
- 1 Supplies & Equipment includes \$3,980 decrease in vehicle maintenance after completion of the dent & ding work in FY 2017.
- 2 The wastewater treatment expense, \$1,038,890, is based on a projected 421,508,000 gallons to be treated and reflects an increase of \$99,602 resulting from a 11.1% rate increase by the City of Dallas.
- 3 Capital Outlay includes \$1,032,000 for the Town's Sanitary Sewer infrastructure rehabilitation program; \$100,000 for Turtle Creek 30" sewer interceptor project; \$1,000,000 study for Lakeside Drive rehab.



Engineering Department

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ 706,115	\$ 726,973	\$ 677,438	\$ 697,030	-4.12%
Supplies & Equipment	8,728	14,420	12,500	11,800	-18.17%
Services & Charges	21,460	53,922	53,922	54,398	0.88%
Capital Outlay	5,546	-	-	-	-
Total Department	\$ 741,849	\$ 795,315	\$ 743,860	\$ 763,228	-4.03%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

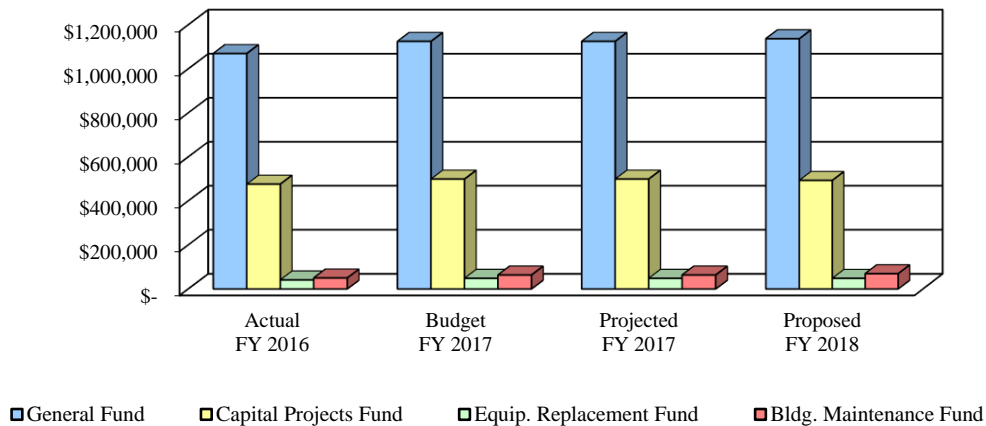
- Supplies & Equipment includes a cost reduction of (\$2,800) due to completion of engineering files being digitized and no longer needing file scanning services.



Transfers to Other Funds

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
General Fund	\$ 1,069,731	\$ 1,125,000	\$1,125,000	\$ 1,137,100	1.08%
Capital Projects Fund	476,289	499,255	499,255	493,200	-1.21%
Equip. Replacement Fund	41,080	48,503	48,503	48,227	-0.57%
Tech. Replacement Fund	7,500	8,775	8,775	8,637	-1.57%
Bldg. Maintenance Fund	50,003	63,400	63,400	69,400	9.46%
Total Department	\$ 1,644,603	\$ 1,744,933	\$1,744,933	\$ 1,756,564	0.67%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 The transfer to the General Fund represents a reimbursement for General & Administrative services.
- 2 The transfer to the Capital Projects Fund represents a right-of-way use fee based on 5% of water and sanitary sewer charges.
- 3 Transfers to the Equipment Replacement Fund and Technology Replacement Fund are based on the annual depreciation of assets within those funds and anticipated depreciation of assets to be acquired during the next fiscal year. The transfer has been adjusted for inflation to maintain purchasing power.
- 4 The transfer to the Building Maintenance & Investment Fund is based on the overall budget of the Building Maintenance Fund and includes a maintenance component and a fund balance component. The Utility Fund's proportionate share is based on the number of employees that use the Town Hall and Service Center.

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SOLID WASTE FUND

The Solid Waste Fund is the financial structure used for the accounting of providing sanitation collection service to the residents of the Town and the billing and collection of charges to customers to pay for said services. The basis of accounting for the Solid Waste Fund is the accrual basis with the budgetary basis being modified accrual. As part of the budgetary basis, capital purchases are reported as expenditures and depreciation and bad debt expenses are not included in budgeted expenditures.

**SOLID WASTE FUND
STATEMENT OF REVENUES & EXPENSES**

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ 9,489
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,235,509	1,234,320	1,236,358	1,403,970
Miscellaneous	-	-	683	1,068
Total Revenues	\$ 1,235,509	\$ 1,234,320	\$ 1,237,041	\$ 1,405,038
Other Sources:				
Transfers In	\$ -	\$ -	\$ -	\$ 20,000
Total Other Sources	\$ -	\$ -	\$ -	\$ 20,000
Total Revenues/Sources	\$ 1,235,509	\$ 1,234,320	\$ 1,237,041	\$ 1,425,038
EXPENSES - BY DEPARTMENT				
Sanitation Department	\$ 1,093,055	\$ 1,133,792	\$ 1,131,152	\$ 1,303,212
Total Expenses	\$ 1,093,055	\$ 1,133,792	\$ 1,131,152	\$ 1,303,212
Other Uses:				
Transfers Out	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
Total Other Uses	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
Total Expenses/Uses	\$ 1,191,573	\$ 1,230,192	\$ 1,227,552	\$ 1,417,512
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 43,936	\$ 4,128	\$ 9,489	\$ 7,526
ENDING FUND BALANCE	\$ -	\$ 4,128	\$ 9,489	\$ 17,015
Ideal Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance in Excess of Minimum	\$ -	\$ 4,128	\$ 9,489	\$ 17,015

*Prior year information presented for informational purposes only and is reflected in General Fund operations.

**SOLID WASTE FUND
STATEMENT OF REVENUES & EXPENSES**

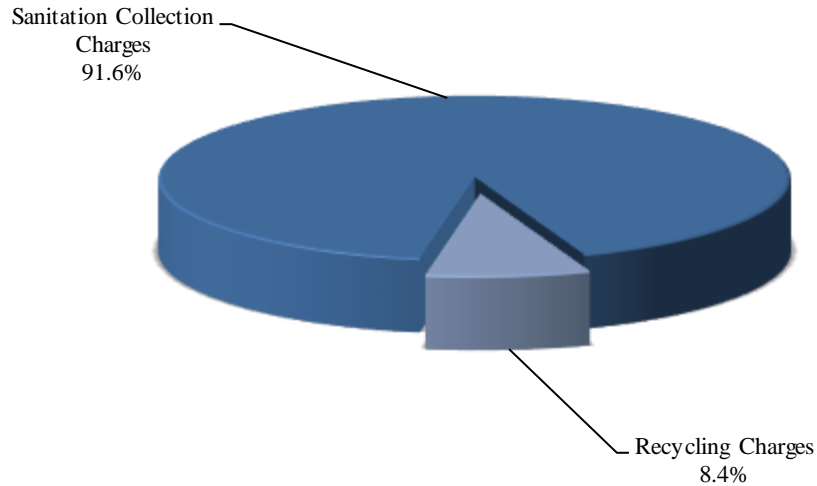
	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ 9,489
REVENUES/SOURCES OF FUNDS				
Charges for Services	1,235,509	1,234,320	1,236,358	1,403,970
Miscellaneous	-	-	683	1,068
Total Revenues	\$ 1,235,509	\$ 1,234,320	\$ 1,237,041	\$ 1,405,038
Other Sources:				
Transfers In	\$ -	\$ -	\$ -	\$ 20,000
Total Other Sources	\$ -	\$ -	\$ -	\$ 20,000
Total Revenues/Sources	\$ 1,235,509	\$ 1,234,320	\$ 1,237,041	\$ 1,425,038
EXPENSES - BY TYPE				
Personnel Services				
Payroll	\$ -	\$ -	\$ -	\$ -
Payroll Taxes	-	-	-	-
Retirement	-	-	-	-
Insurance	-	-	-	-
Total Personnel	\$ -	\$ -	\$ -	\$ -
Supplies & Equipment	51,741	45,500	45,500	45,500
Services & Charges	1,041,314	1,088,292	1,085,652	1,257,712
Capital Outlay	-	-	-	-
Total Expenses	\$ 1,093,055	\$ 1,133,792	\$ 1,131,152	\$ 1,303,212
Other Uses:				
Transfers Out	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
Total Other Uses	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300
Total Expenses/Uses	\$ 1,191,573	\$ 1,230,192	\$ 1,227,552	\$ 1,417,512
Excess (Deficiency) of Revenues/Sources over Expenses/Uses	\$ 43,936	\$ 4,128	\$ 9,489	\$ 7,526
ENDING FUND BALANCE	\$ -	\$ 4,128	\$ 9,489	\$ 17,015

***Prior year information presented for informational purposes only and is reflected in General Fund operations.**

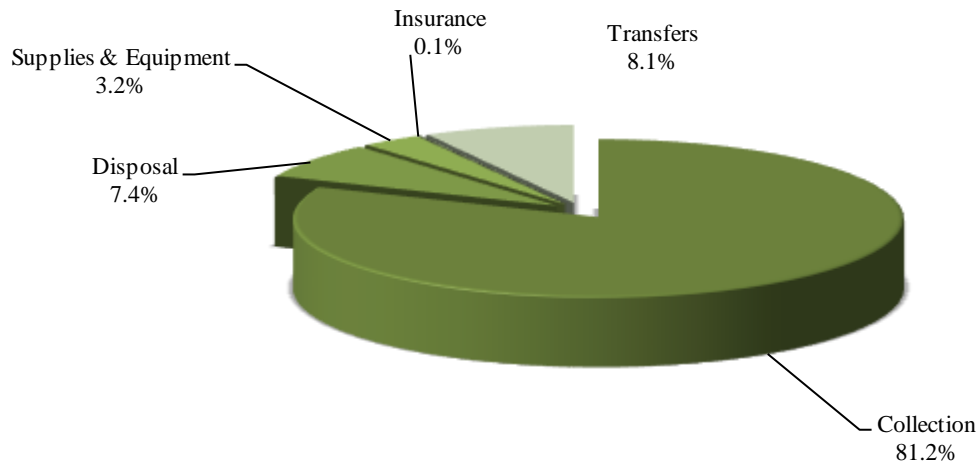
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SOLID WASTE FUND

BUDGETED REVENUES & SOURCES BY TYPE



BUDGETED DISBURSEMENTS BY TYPE



**SOLID WASTE FUND
STATEMENT OF REVENUES**

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
Charges For Services				
Sanitation Collection Charges	\$ 1,137,022	\$ 1,135,800	\$ 1,137,643	\$ 1,286,160
Recycling Charges	98,487	98,520	98,715	117,810
Other Charges	-	-	-	-
<i>Subtotal</i>	\$ 1,235,509	\$ 1,234,320	\$ 1,236,358	\$ 1,403,970
Miscellaneous				
Interest	\$ -	\$ -	\$ 677	\$ 1,068
Miscellaneous	-	-	6	-
<i>Subtotal</i>	\$ -	\$ -	\$ 683	\$ 1,068
Total Revenues	\$ 1,235,509	\$ 1,234,320	\$ 1,237,041	\$ 1,405,038

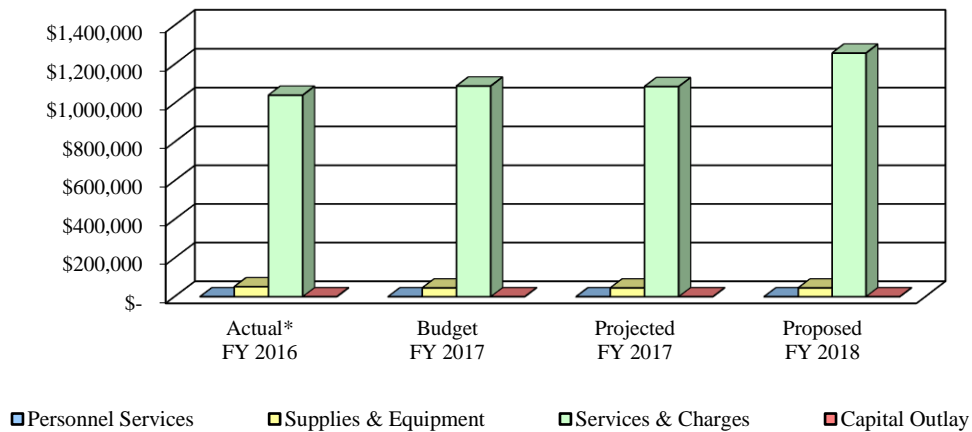
***Prior year information presented for informational purposes only and is reflected in General Fund operations.**



Sanitation Department

EXPENDITURE SUMMARY

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
Personnel Services	\$ -	\$ -	\$ -	\$ -	N/A
Supplies & Equipment	\$ 51,741	\$ 45,500	\$ 45,500	\$ 45,500	0.00%
Services & Charges	\$ 1,041,314	\$ 1,088,292	\$ 1,085,652	\$ 1,257,712	15.57%
Capital Outlay	\$ -	\$ -	\$ -	\$ -	N/A
Total Department	\$ 1,093,055	\$ 1,133,792	\$ 1,131,152	\$ 1,303,212	14.94%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 Sanitation operations were moved to a separate enterprise fund in the FY 2017 Budget.
- 2 Service & Charges includes a \$145,720 increase for solid waste collection, recycling, and disposal services. This is based on inflationary increases in collection and disposal effective October 1, 2017 and the new contract with Republic Services effective January 1, 2018. The House Hold Hazardous Waste Program costs also increased to provide direct service for Town Residents.

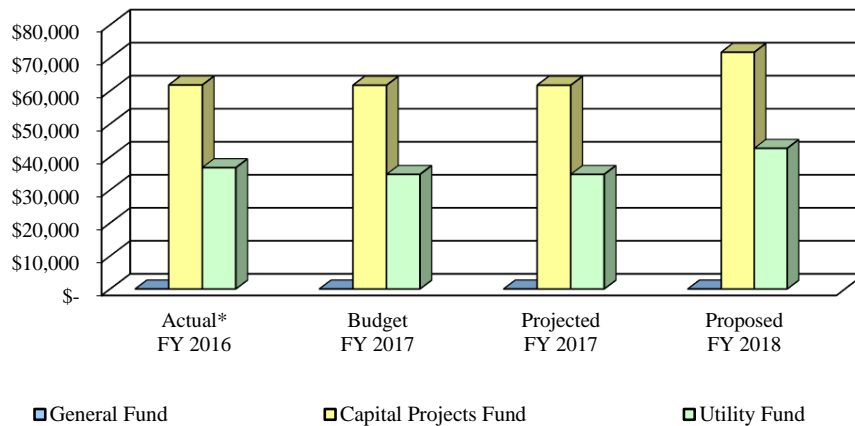
* Prior year information presented for informational purposes only and is reflected in General Fund.



Transfers to Other Funds

EXPENDITURE SUMMARY

	FY 2016 Actual*	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2017 to 2018
General Fund	\$ -	\$ -	\$ -	\$ -	N/A
Capital Projects Fund	61,775	61,700	61,700	71,700	16.21%
Utility Fund	36,743	34,700	34,700	42,600	22.77%
Total Department	\$ 98,518	\$ 96,400	\$ 96,400	\$ 114,300	18.57%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

- 1 The transfer to the Capital Projects Fund represents a 5% franchise fee based on solid waste and recycling collection revenue.
 - 2 The transfer to the Utility Fund represents administrative cost for billing and collection of solid waste services.
- * Prior year information presented for informational purposes only and is reflected in General Fund operations.

OTHER FUNDS

Storm Water Drainage – This special revenue fund accounts for the collection of fees to protect the public health and safety from loss of life and property caused by surface water overflows, surface water stagnation and pollution arising from non-point source runoff within the Town.

Equipment Replacement Fund – This internal service fund is used to account for the accumulation of resources for the future replacement of equipment owned and operated by the Town.

Technology Replacement Fund – The purpose of this internal service fund is to account for accumulated resources ultimately used for the future replacement of the Town's computer information systems hardware and software.

Building Maintenance & Investment Fund – As an internal service fund, this fund accounts for resources provided by other operational funds for the maintenance and future improvements to Town facilities.

Forfeited Property Fund – This special revenue fund accounts for the forfeited assets as a result of criminal activities and the funding of crime prevention programs and equipment.

Court Technology Fund – This special revenue fund accounts for the Municipal Court technology fee charged to defendants as specified by state law.

Court Security Fund – This special revenue fund accounts for the Municipal Court security fee charged to defendants as specified by state law.

Library Fund – Accounts for the receipt of royalty revenues restricted to the Library.

DPS Technology Fund – This fund accounts for the receipt and expenditure of resources allocated to technology acquisitions and upgrades for the Department of Public Safety.

Debt Service Fund – The purpose of a debt service fund is to account for and report resources that are restricted, committed, or assigned to expenditure for principal and interest (GASB Statement No. 54).

The Town of Highland Park, as of September 30, 2016, does not have any outstanding debt. The FY2017-18 Proposed Budget does not include any issuance of debt to fund short term or long range capital projects. The Town funds capital projects on a pay as you go basis and does not maintain a debt service fund.

Capital Projects Fund – The purpose of the Capital Projects Fund is to account for large dollar capital projects and infrastructure maintenance projects that have a governmental purpose (e.g., roads, bridges, sidewalks, parks, etc.).

**STORMWATER DRAINAGE UTILITY FUND
STATEMENT OF REVENUES & EXPENDITURES**

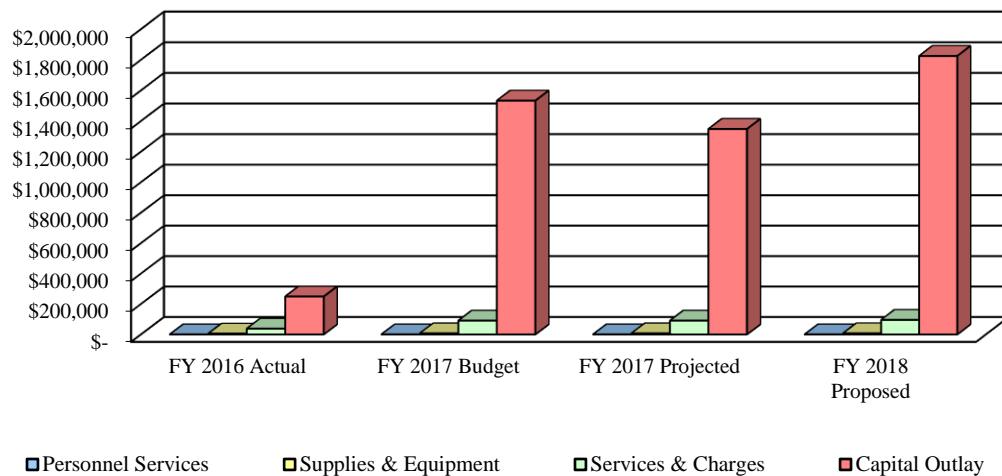
	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 559,843	\$ 897,138	\$ 897,138	\$ 1,081,538
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ 386,838	\$ 390,450	\$ 390,180	\$ 398,920
Interest	4,030	3,820	8,400	11,100
Miscellaneous	-	-	-	-
Total Revenues	\$ 390,868	\$ 394,270	\$ 398,580	\$ 410,020
Other Sources:				
Transfers In	\$ 350,000	\$ 1,350,000	\$ 1,350,000	\$ 1,100,000
Total Other Sources:	350,000	1,350,000	1,350,000	1,100,000
Total Revenues/Sources:	\$ 740,868	\$ 1,744,270	\$ 1,748,580	\$ 1,510,020
EXPENSES/USES OF FUNDS				
Supplies & Equipment	5,051	7,100	7,100	7,256
Services & Charges	37,513	90,580	90,580	95,271
Capital Outlay	249,231	1,533,000	1,348,000	1,825,000
Total Expenditures	\$ 291,795	\$ 1,630,680	\$ 1,445,680	\$ 1,927,527
Transfers	111,778	118,500	118,500	113,500
Total Expenditures/Uses of Funds	\$ 403,573	\$ 1,749,180	\$ 1,564,180	\$ 2,041,027
Excess of Revenues/Sources Over Expenses/Uses	\$ 337,295	\$ (4,910)	\$ 184,400	\$ (531,007)
ENDING FUND BALANCE	\$ 897,138	\$ 892,228	\$ 1,081,538	\$ 550,531



Stormwater Drainage Fund

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2016 to 2017
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	5,051	7,100	7,100	7,256	2.20%
Services & Charges	37,513	90,580	90,580	95,271	5.18%
Capital Outlay	249,231	1,533,000	1,348,000	1,825,000	19.05%
Total Department	\$ 291,795	\$ 1,630,680	\$1,445,680	\$ 1,927,527	18.20%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

- Capital Projects include the Master Plan & Improvements for Hackberry Creek for \$1,640,000 and Armstrong Bridges (2) rehabilitation at a cost of \$185,000 (project moved from FY 2017 to FY 2018).

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**EQUIPMENT REPLACEMENT FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 3,041,055	\$ 3,460,847	\$ 3,460,847	\$ 2,532,747
REVENUES/SOURCES OF FUNDS				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Interest	14,898	13,100	39,200	28,600
Sale of Assets	65,883	30,000	30,000	45,000
Contributions	-	-	-	-
Total Revenues	\$ 80,781	\$ 43,100	\$ 69,200	\$ 73,600
Transfers	621,707	396,052	396,052	434,921
Total Revenues/Sources	\$ 702,488	\$ 439,152	\$ 465,252	\$ 508,521
EXPENDITURES/USES OF FUNDS				
Vehicle Disposal	\$ 21,250	\$ 3,600	\$ 3,600	\$ 3,600
Rolling Stock Acquisition	261,446	1,357,427	1,357,427	471,389
Equipment Acquisition	-	32,325	32,325	41,000
Total Expenditures	\$ 282,696	\$ 1,393,352	\$ 1,393,352	\$ 515,989
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 282,696	\$ 1,393,352	\$ 1,393,352	\$ 515,989
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 419,792	\$ (954,200)	\$ (928,100)	\$ (7,468)
ENDING FUND BALANCE	\$ 3,460,847	\$ 2,506,647	\$ 2,532,747	\$ 2,525,279

EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Equipment Model	Year Purchased	Scheduled Replacement
PUBLIC SAFETY					
Administration/CID	6193	Chevrolet Tahoe	2015	2014	2019
Administration/CID	6569	Chevrolet Tahoe	2015	2014	2019
Administration/CID	4620	Chevrolet Tahoe	2015	2015	2020
Command Vehicle	7668	Chevrolet Tahoe	2010	2010	2018
Fire Apparatus	2082	Pierce	2011	2011	2032
Fire Apparatus	2259	Pierce Spartan	2000	2000	2021
Fire Apparatus	7230	Pierce Dash (T331)	2007	2007	2032
Ambulance	0650	International	1992	1992	Unscheduled
MICU	3067	Navistar	2006	2005	2021
MICU	6639	Frazier	2010	2010	2021
Pickup (Animal Control)	1769	Dodge	2013	2013	2018
Administration/CID	3154	Chevrolet Tahoe	2013	2013	2019
Police SUV	7995	Chevrolet Tahoe	2013	2013	2019
Police SUV	3154	Chevrolet Tahoe	2013	2013	2016
Police SUV	8210	Chevrolet Tahoe	2013	2013	2016
Police SUV	2677	Chevrolet Tahoe	2013	2013	2016
Police SUV	4941	Chevrolet Tahoe	2015	2015	2020
Police SUV	0055	Chevrolet Tahoe	2009	NA	NA
STREET					
Dump Truck	7754	Ford	2010	2011	2018
Pickup	6567	Chevrolet	2011	2011	2018
Asphalt Roller	NA	Bomag	2015	2015	2025
STREET LIGHTING					
Truck w/ Arial lift	8413	Ford	2009	2008	2018
Pickup	1837	Chevrolet	2012	2012	2019
PARKS					
Truck w/ Arial lift	8247	Chevrolet	2008	2008	2018
Pickup	9970	Chevrolet	2013	2013	2020
Van	3073	Chevrolet	2013	2013	2020
Truck w/ Dump body	6582	Chevrolet	2012	2012	2020
SERVICE CENTER					
Front-End Loader	NA	Case	2011	2011	2021
WATER					
Pickup	0678	Chevrolet	2013	2013	2020
Pickup	9155	Chevrolet	2013	2013	2020
Pickup	0129	Chevrolet	2011	2011	2018

EQUIPMENT INVENTORY AND REPLACEMENT SCHEDULE

Department/ Equipment Type	VIN (Last 4)	Equipment Make	Equipment Model	Year Purchased	Scheduled Replacement
SEWER					
Truck-4 ½ Ton w/ Flusher	1911	Ford	2011	2011	2018
Dump Truck	6311	Freightliner	2008	2008	2018
Loader/Backhoe	0257	John Deere	2012	2012	2020
Backhoe	5057	Ford	2004	2004	2014

**TECHNOLOGY REPLACEMENT FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 750,269	\$ 1,287,063	\$ 1,287,063	\$ 1,352,996
REVENUES/SOURCES OF FUNDS				
Interest	\$ 8,318	\$ 6,800	\$ 15,818	\$ 16,370
Sale of Assets	-	5,000	5,000	2,500
Contributions	-	-	-	-
Total Revenues	\$ 8,318	\$ 11,800	\$ 20,818	\$ 18,870
Transfers	619,189	477,818	477,818	479,849
Total Revenues/Sources	\$ 627,507	\$ 489,618	\$ 498,636	\$ 498,719
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ 41,000	\$ 41,000	\$ 5,000
Technology Equipment Acquisition	90,713	391,703	391,703	-
Total Expenditures	\$ 90,713	\$ 432,703	\$ 432,703	\$ 5,000
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 90,713	\$ 432,703	\$ 432,703	\$ 5,000
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 536,794	\$ 56,915	\$ 65,933	\$ 493,719
ENDING FUND BALANCE	\$ 1,287,063	\$ 1,343,978	\$ 1,352,996	\$ 1,846,715

**BUILDING MAINTENANCE & INVESTMENT FUND
STATEMENT OF REVENUES & EXPENDITURES**

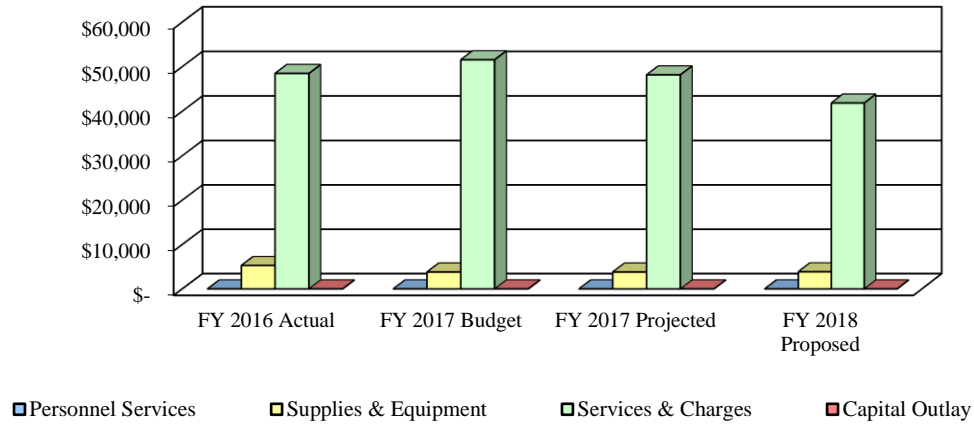
	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 347,732	\$ 535,657	\$ 535,657	\$ 651,528
REVENUES/SOURCES OF FUNDS				
Interest	\$ 1,631	\$ 1,600	\$ 4,600	\$ 5,100
Miscellaneous	17,215	16,000	16,443	16,000
Total Revenues	\$ 18,846	\$ 17,600	\$ 21,043	\$ 21,100
Transfers	513,128	541,900	541,900	508,300
Total Revenues/Sources	\$ 531,974	\$ 559,500	\$ 562,943	\$ 529,400
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 27,065	\$ 31,825	\$ 25,350	\$ 38,000
Services & Charges	316,984	425,123	421,722	389,527
Capital Outlay	-	-	-	94,800
Total Expenditures	\$ 344,049	\$ 456,948	\$ 447,072	\$ 522,327
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 344,049	\$ 456,948	\$ 447,072	\$ 522,327
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 187,925	\$ 102,552	\$ 115,871	\$ 7,073
ENDING FUND BALANCE	\$ 535,657	\$ 638,209	\$ 651,528	\$ 658,601



Service Center

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2016 to 2017
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	5,265	3,800	3,800	3,850	1.32%
Services & Charges	48,474	51,553	48,152	41,835	-18.85%
Capital Outlay	-	-	-	-	0.00%
Total Department	\$ 53,739	\$ 55,353	\$ 51,952	\$ 45,685	-17.47%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

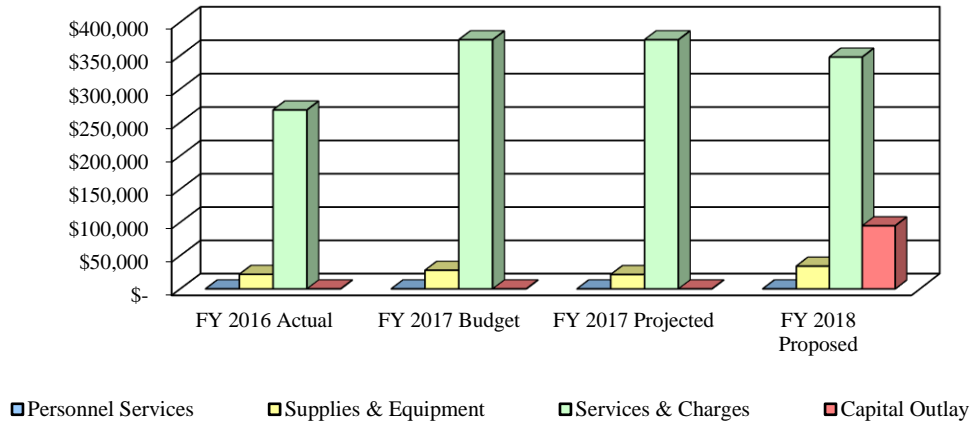
- 1 Services & Charges includes a (\$14,000) decrease related to completion of two projects in FY 2017 and the addition of a time clock \$2,500.



Municipal Buildings

EXPENDITURE SUMMARY

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed	% Change 2016 to 2017
Personnel Services	\$ -	\$ -	\$ -	\$ -	-
Supplies & Equipment	21,800	28,025	21,550	34,150	21.86%
Services & Charges	268,510	373,570	373,570	347,692	-6.93%
Capital Outlay	-	-	-	94,800	-
Total Department	\$ 290,310	\$ 401,595	\$ 395,120	\$ 476,642	18.69%



SIGNIFICANT BUDGETARY ITEMS/CHANGES

- Supplies & Equipment includes moving \$6,500 from the Information Technology Department in the General Fund to the Building Maintenance & Improvement Fund. These items relate to building maintenance and repair material such as low voltage cable, access control repair, and video repair.
- Services & Charges includes \$9,900 for labor costs on network cabling and access control repairs; \$50,000 to replace the roof above the Library/Town Hall ; \$5,000 for TREMCO roof repair; and (\$97,500) reduction in completed building repairs in FY 2017.
- Capital Outlay includes the scheduled equipment replacement of HVAC units located on the roof of Town Hall. This is part of the replacement program from the Camelot report.

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**FORFEITED PROPERTY FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 8,331	\$ 8,556	\$ 8,556	\$ 10,095
REVENUES/SOURCES OF FUNDS				
Forfeitures	\$ 2,560	\$ 3,000	\$ 2,500	\$ 2,500
Interest	34	42	39	42
Total Revenues	\$ 2,594	\$ 3,042	\$ 2,539	\$ 2,542
Transfers	-	-	-	-
Total Revenues/Sources	\$ 2,594	\$ 3,042	\$ 2,539	\$ 2,542
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Service & Charges	2,369	2,500	1,000	9,500
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ 2,369	\$ 2,500	\$ 1,000	\$ 9,500
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 225	\$ 542	\$ 1,539	\$ (6,958)
Fund Balance	\$ 8,556	\$ 9,098	\$ 10,095	\$ 3,137

**COURT TECHNOLOGY FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 52,295	\$ 66,794	\$ 66,794	\$ 77,361
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 29,275	\$ 34,860	\$ 32,783	\$ 36,480
Interest	227	220	683	700
Total Revenues	\$ 29,502	\$ 35,080	\$ 33,466	\$ 37,180
Transfers	-	-	-	-
Total Revenues/Sources	\$ 29,502	\$ 35,080	\$ 33,466	\$ 37,180
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ 3,881	\$ 3,860	\$ 4,099	\$ 4,072
Service & Charges	11,122	19,090	18,800	19,464
Capital Outlay	-	-	-	-
Total Expenditures/Uses	\$ 15,003	\$ 22,950	\$ 22,899	\$ 23,536
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 14,499	\$ 12,130	\$ 10,567	\$ 13,644
Fund Balance	\$ 66,794	\$ 78,924	\$ 77,361	\$ 91,005

**COURT SECURITY FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 5,649	\$ 4,428	\$ 4,428	\$ 5,156
REVENUES/SOURCES OF FUNDS				
Court Fees	\$ 21,956	\$ 27,890	\$ 24,587	\$ 29,186
Interest	23	25	41	53
Total Revenues	\$ 21,979	\$ 27,915	\$ 24,628	\$ 29,239
Transfers	-	-	-	-
Total Revenues/Sources	\$ 21,979	\$ 27,915	\$ 24,628	\$ 29,239
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ -	\$ -	\$ -	\$ -
Capital Outlay	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Transfers	23,200	23,900	23,900	24,600
Total Expenditures/Uses	\$ 23,200	\$ 23,900	\$ 23,900	\$ 24,600
Excess Revenues/Sources Over Expenditures/Uses	\$ (1,221)	\$ 4,015	\$ 728	\$ 4,639
ENDING FUND BALANCE	\$ 4,428	\$ 8,443	\$ 5,156	\$ 9,795

LIBRARY FUND
STATEMENT OF REVENUES & EXPENDITURES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 223,443	\$ 245,160	\$ 245,160	\$ 209,387
REVENUES/SOURCES OF FUNDS				
Interest	\$ 1,199	\$ 1,120	\$ 2,266	\$ 2,275
Library Donations	21,235	12,000	11,487	12,000
Total Revenues	\$ 22,434	\$ 13,120	\$ 13,753	\$ 14,275
Transfers	-	-	-	-
Total Revenues/Sources	\$ 22,434	\$ 13,120	\$ 13,753	\$ 14,275
EXPENDITURES/USES OF FUNDS				
Supplies & Equipment	\$ -	\$ -	\$ -	\$ -
Services & Charges	717	42,645	49,526	42,650
Total Expenditures	\$ 717	\$ 42,645	\$ 49,526	\$ 42,650
Transfers	-	-	-	-
Total Expenditures/Uses	\$ 717	\$ 42,645	\$ 49,526	\$ 42,650
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 21,717	\$ (29,525)	\$ (35,773)	\$ (28,375)
ENDING FUND BALANCE	\$ 245,160	\$ 215,635	\$ 209,387	\$ 181,012

**DPS TECHNOLOGY FUND
STATEMENT OF REVENUES & EXPENDITURES**

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 111,412	\$ 187,239	\$ 187,239	\$ 184,813
REVENUES/SOURCES OF FUNDS				
Interest	\$ 688	\$ 615	\$ 1,983	\$ 373
Alarm Monitoring Charges	192,596	230,000	184,649	-
Fiber line Lease Receipts	74,355	76,300	80,366	82,950
Total Revenues	\$ 267,639	\$ 306,915	\$ 266,998	\$ 83,323
Transfers	-	-	-	-
Total Revenues/Sources	\$ 267,639	\$ 306,915	\$ 266,998	\$ 83,323
EXPENDITURES/USES OF FUNDS				
Services & Charges	\$ 191,812	\$ 230,000	\$ 192,509	\$ -
Technology Equipment Acquisition	-	-	-	-
Total Expenditures	\$ 191,812	\$ 230,000	\$ 192,509	\$ -
Transfers	-	-	76,915	79,222
Total Expenditures/Uses	\$ 191,812	\$ 230,000	\$ 269,424	\$ 79,222
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 75,827	\$ 76,915	\$ (2,426)	\$ 4,101
ENDING FUND BALANCE	\$ 187,239	\$ 264,154	\$ 184,813	\$ 188,914

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Capital Projects Fund

The purpose of the Capital Projects Fund is to account for large dollar capital projects and infrastructure maintenance projects that have a governmental purpose (e.g., roads, bridges, sidewalks, parks, etc.).

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CAPITAL PROJECTS FUND
STATEMENT OF REVENUES & EXPENDITURES

	FY 2016 Actual	FY 2017 Budget	FY 2017 Projected	FY 2018 Proposed
BEGINNING FUND BALANCE	\$ 2,827,307	\$ 4,907,677	\$ 4,907,677	\$ 4,381,944
REVENUES/SOURCES OF FUNDS				
Interest	\$ 16,202	\$ 17,600	\$ 45,700	\$ 54,400
Contributions	892,239	659,760	402,065	759,760
Total Revenues	\$ 908,441	\$ 677,360	\$ 447,765	\$ 814,160
Transfers	3,667,044	3,236,845	3,313,760	3,301,350
Total Revenues/Sources	\$ 4,575,485	\$ 3,914,205	\$ 3,761,525	\$ 4,115,510
EXPENDITURES/USES OF FUNDS				
Capital Projects	\$ 1,847,041	\$ 4,350,678	\$ 2,621,158	\$ 4,351,439
Total Expenditures	\$ 1,847,041	\$ 4,350,678	\$ 2,621,158	\$ 4,351,439
Transfers	648,074	1,666,100	1,666,100	1,402,700
Total Expenditures/Uses	\$ 2,495,115	\$ 6,016,778	\$ 4,287,258	\$ 5,754,139
Excess (Deficiency) of Revenues/Sources Over Expenditures/Uses	\$ 2,080,370	\$ (2,102,573)	\$ (525,733)	\$ (1,638,629)
ENDING FUND BALANCE ¹	\$ 4,907,677	\$ 2,805,104	\$ 4,381,944	\$ 2,743,315

¹ The DPS Technology Fund Balance is not included in the Fund Balance on this schedule but has been incorporated into the Fund Balance detailed on the Capital Projects Fund Ten Year Forecast schedule

TOWN OF HIGHLAND PARK, TEXAS
CAPITAL PROJECTS FUND - PRELIMINARY DRAFT

FISCAL YEARS 2018-2027

Project/Funding Source	2016-17	2017-18	2018-19	2019-20
Beginning Balance	\$ 5,094,916	\$ 4,569,183	\$ 2,930,554	\$ 2,907,781
Annual Project Funding				
General Fund CIP Transfer	\$ 1,096,320	\$ 1,119,220	\$ 1,142,724	\$ 1,166,721
General Fund 5% Solid Waste Transfer	61,700	71,700	72,417	73,141
Utility Fund 5% W&S Transfer	499,255	493,200	498,132	503,113
Supplemental General Fund Transfer	171,290	129,728	231,731	179,459
Increased CIP Revenue from Growth in Property Values - 2014	342,651	342,651	342,651	342,651
Increased CIP Revenue from Growth in Property Values - 2015	705,188	705,188	705,188	705,188
Increased CIP Revenue from Growth in Property Values - 2016	360,441	360,441	360,441	360,441
Contributions	-	-	-	-
Contributions - DART	402,065			
Intergovernmental Revenue	-	759,760	337,000	-
Transfer from DPS Technology Fund	76,915	79,222	81,599	84,047
Interest Revenue	45,700	54,400	27,547	27,333
Total Annual Project Funding	\$ 3,761,525	\$ 4,115,510	\$ 3,799,430	\$ 3,442,094
Expenditures				
Project 25 Public Safety Radio System	\$ 200,000	\$ -	\$ 334,148	\$ 334,148
Fiber Connectivity to HPISD	100,000	-	-	-
Flippen Park Improvements	150,000	-	-	-
Tennis Court Reconstruction	300,000	200,000	200,000	-
Street Light Painting	25,500	25,000	25,000	25,000
Mockingbird Screening Wall	150,000	-	-	-
Toll Road Parkway Renovation	150,000	136,000	-	-
Preston Road Parkway Improvements	50,000	150,000	150,000	150,000
Heating of Swimming Pool	-	100,000	-	-
Armstrong Parkway - Landscape, Lighting, and Irrigation Impr.	-	-	-	250,000
Park Renovation/Rehabilitation Program	-	185,000	190,920	197,029
Service Center Study	-	-	-	-
Street Resurfacing & Miscellaneous Concrete	945,658	975,919	1,007,148	1,039,377
Livingston Avenue Rehabilitation	-	410,000	-	-
Preston Road Rehabilitation	-	1,319,520	474,000	-
Exall Lake Pedestrian Bridge	550,000	-	-	-
Armstrong Parkway Reconstruction/Rehabilitation	-	850,000	780,720	-
Hillcrest Avenue Rehabilitation	-	-	-	600,000
Douglas Avenue Rehabilitation	-	-	-	-
Wycliffe/Oak Lawn Signal Improvements	-	-	-	-
Herschel/Oak Lawn Signal Improvements	-	-	-	-
Westside Drive Reconstruction	-	-	-	-
Abbott Avenue Rehabilitation / Reconstruction	-	-	-	-
Mockingbird Lane Resurfacing	-	-	-	-
Lomo Alto Drive Rehabilitation	-	-	-	-
Total Expenditures	\$ 2,621,158	\$ 4,351,439	\$ 3,161,936	\$ 2,595,554
Transfers-Out				
Storm Water Fund	\$ 1,350,000	\$ 1,100,000	\$ 350,000	\$ 350,000
Project Personnel Costs	316,100	302,700	310,268	318,025
Total Transfers-Out	\$ 1,666,100	\$ 1,402,700	\$ 660,268	\$ 668,025
Total Expenditures & Transfers Out	\$ 4,287,258	\$ 5,754,139	\$ 3,822,204	\$ 3,263,579
Ending Balance*	\$ 4,569,183	\$ 2,930,554	\$ 2,907,781	\$ 3,086,295
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Over(Under) Contingency	\$ 2,569,183	\$ 930,554	\$ 907,781	\$ 1,086,295

* Includes DPS Technology Fund Balance

**Excludes FY 2016-17.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 3,086,295	\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 4,569,183
\$ 1,191,222	\$ 1,216,238	\$ 1,241,779	\$ 1,267,856	\$ 1,294,481	\$ 1,321,665	\$ 1,349,420	\$ 12,311,326
73,872	74,611	75,357	76,111	76,872	77,641	78,417	750,139
508,144	513,225	518,357	523,541	528,776	534,064	539,405	5,159,957
189,417	195,380	196,853	193,311	184,182	168,837	146,595	1,815,493
342,651	342,651	342,651	342,651	342,651	342,651	342,651	3,426,510
705,188	705,188	705,188	705,188	705,188	705,188	705,188	7,051,880
360,441	360,441	360,441	360,441	360,441	360,441	360,441	3,604,410
-	-	-	-	-	-	-	-
100,000	100,000	-	-	-	-	-	1,296,760
86,569	89,166	91,841	94,596	97,434	100,357	103,367	908,197
29,011	30,892	26,345	28,036	24,791	26,400	26,421	301,176
\$ 3,586,515	\$ 3,627,792	\$ 3,558,812	\$ 3,591,731	\$ 3,614,816	\$ 3,637,244	\$ 3,651,905	\$ 36,625,848
\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 334,148	\$ 3,007,332
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	400,000
25,000	25,000	25,000	25,000	25,000	25,000	25,000	250,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	136,000
-	-	-	-	-	-	-	450,000
-	-	-	-	-	-	-	100,000
-	-	-	-	-	-	-	250,000
203,334	209,841	216,556	223,486	230,637	238,018	245,634	2,140,456
150,000	-	-	-	-	-	-	150,000
1,072,637	1,106,961	1,142,384	1,178,940	1,216,666	1,255,599	1,295,778	11,291,409
-	-	-	-	-	-	-	410,000
-	-	-	-	-	-	-	1,793,520
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,630,720
-	-	-	-	-	-	-	600,000
500,280	601,440	-	-	-	-	-	1,101,720
250,000	-	-	-	-	-	-	250,000
175,000	-	-	-	-	-	-	175,000
-	1,150,000	-	-	-	-	-	1,150,000
-	-	968,418	894,326	-	-	-	1,862,744
-	-	-	580,000	-	-	-	580,000
-	-	-	-	927,372	1,063,401	-	1,990,773
\$ 2,710,399	\$ 3,427,390	\$ 2,686,506	\$ 3,235,900	\$ 2,733,823	\$ 2,916,166	\$ 1,900,560	\$ 29,719,674
\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 4,250,000
325,976	334,125	342,478	351,040	359,816	368,811	378,031	3,391,270
\$ 675,976	\$ 684,125	\$ 692,478	\$ 701,040	\$ 709,816	\$ 718,811	\$ 728,031	\$ 7,641,270
\$ 3,386,375	\$ 4,111,515	\$ 3,378,984	\$ 3,936,940	\$ 3,443,639	\$ 3,634,977	\$ 2,628,591	\$ 37,360,944
\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 3,834,087	\$ 3,834,087
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 1,286,434	\$ 802,711	\$ 982,538	\$ 637,329	\$ 808,506	\$ 810,773	\$ 1,834,087	\$ 1,834,087

TOWN OF HIGHLAND PARK, TEXAS
STORM WATER FUND - PRELIMINARY DRAFT

FISCAL YEARS 2018-2027

Project/Funding Source	2016-17	2017-18	2018-19	2019-20
<i>Beginning Balance</i>	\$ 897,138	\$ 1,081,538	\$ 550,531	\$ 547,850
<i>Revenues</i>				
Storm Water Charges	\$ 390,180	\$ 398,920	\$ 414,994	\$ 423,709
Interest Earnings	8,400	11,100	3,105	3,123
<i>Total Revenues</i>	\$ 398,580	\$ 410,020	\$ 418,099	\$ 426,832
Transfers - In	1,350,000	1,100,000	350,000	350,000
<i>Total Revenues & Transfers - In</i>	\$ 1,748,580	\$ 1,510,020	\$ 768,099	\$ 776,832
<i>Expenditures</i>				
Supplies & Equipment	\$ 7,100	\$ 7,256	\$ 7,416	\$ 7,579
Services & Charges	90,580	95,271	97,367	99,509
<i>Total Operating Expenditures</i>	\$ 97,680	\$ 102,527	\$ 104,783	\$ 107,088
Capital Outlay:				
Lexington Tunnel Internal Resurfacing	\$ 35,000	\$ -	\$ -	\$ -
Douglas Park Drainage Improvement	-	-	-	-
Exall Lake Dredging & Silt Removal	-	-	-	-
Connor Park Shoreline Stabilization & Silt Removal	858,000	-	-	-
Southern & Livingston Drainage Improvements	80,000	-	-	-
Master Plan & Improvements for Hackberry Creek	375,000	1,640,000	550,000	550,000
Drainage Study & Impr. - Watershed in Northeast Area of Town	-	-	-	-
Armstrong Bridges (2) Rehabilitation	-	185,000	-	-
Potential Projects	-	-	-	-
<i>Total Capital Outlay</i>	\$ 1,348,000	\$ 1,825,000	\$ 550,000	\$ 550,000
<i>Total Expenditures</i>	\$ 1,445,680	\$ 1,927,527	\$ 654,783	\$ 657,088
Transfers-Out	118,500	113,500	115,997	118,549
<i>Total Expenditures & Transfers-Out</i>	\$ 1,564,180	\$ 2,041,027	\$ 770,780	\$ 775,637
<i>Ending Balance</i>	\$ 1,081,538	\$ 550,531	\$ 547,850	\$ 549,045

* *Excludes FY 2016-17.

2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 549,045	\$ 554,210	\$ 563,444	\$ 576,844	\$ 594,511	\$ 591,431	\$ 668,060	\$ 1,081,538
\$ 432,607	\$ 441,692	\$ 450,968	\$ 460,438	\$ 470,107	\$ 479,979	\$ 490,059	\$ 4,463,473
3,159	3,215	3,290	3,386	3,385	3,757	4,152	41,672
\$ 435,766	\$ 444,907	\$ 454,258	\$ 463,824	\$ 473,492	\$ 483,736	\$ 494,211	\$ 4,505,145
350,000	350,000	350,000	350,000	350,000	350,000	350,000	\$ 4,250,000
\$ 785,766	\$ 794,907	\$ 804,258	\$ 813,824	\$ 823,492	\$ 833,736	\$ 844,211	\$ 8,755,145
\$ 7,746	\$ 7,916	\$ 8,090	\$ 8,268	\$ 8,450	\$ 8,636	\$ 8,826	\$ 80,183
101,698	103,935	106,222	108,559	110,947	113,388	115,883	1,052,779
\$ 109,444	\$ 111,851	\$ 114,312	\$ 116,827	\$ 119,397	\$ 122,024	\$ 124,709	\$ 1,132,962
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
550,000	550,000	550,000	550,000	500,000	-	-	5,440,000
-	-	-	-	75,000	500,000	500,000	1,075,000
-	-	-	-	-	-	-	185,000
-	-	-	-	-	-	-	-
\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 575,000	\$ 500,000	\$ 500,000	\$ 6,700,000
\$ 659,444	\$ 661,851	\$ 664,312	\$ 666,827	\$ 694,397	\$ 622,024	\$ 624,709	\$ 7,832,962
121,157	123,822	126,546	129,330	132,175	135,083	138,055	1,254,214
\$ 780,601	\$ 785,673	\$ 790,858	\$ 796,157	\$ 826,572.00	\$ 757,107.00	\$ 762,764.00	\$ 9,087,176
\$ 554,210	\$ 563,444	\$ 576,844	\$ 594,511	\$ 591,431	\$ 668,060	\$ 749,507	\$ 749,507

TOWN OF HIGHLAND PARK, TEXAS
UTILITY FUND - PRELIMINARY DRAFT

FISCAL YEARS 2018-2027

Project/Funding Source	*			
	2016-17	2017-18	2018-19	2019-20
Beginning Balance	\$ 3,106,440	\$ 4,181,096	\$ 4,880,382	\$ 3,083,055
Revenues				
Water Sales	\$ 6,933,194	\$ 6,985,822	\$ 7,317,649	\$ 7,317,649
Sanitary Sewer Charges	2,937,393	2,964,169	3,104,967	3,104,967
Permit Revenue	54,300	64,000	64,000	64,000
Interest Earnings	28,220	37,356	45,876	28,981
Intergovernmental Revenue	352,000	352,000	-	-
Other Revenues	247,719	260,200	107,000	107,000
Total Revenues	\$ 10,552,826	\$ 10,663,547	\$ 10,639,491	\$ 10,622,596
Transfers-In	469,300	458,800	468,894	479,210
Total Revenues & Transfers-In	\$ 11,022,126	\$ 11,122,347	\$ 11,108,385	\$ 11,101,806
Expenditures				
Personnel Services	\$ 1,618,288	\$ 1,790,555	\$ 1,938,498	\$ 2,025,730
Supplies & Equipment	2,783,199	2,924,446	3,026,802	3,132,740
Services & Charges	1,235,050	1,418,496	1,468,143	1,519,528
Operating Capital	31,000	-	-	-
Total Operating Expenditures	\$ 5,667,537	\$ 6,133,497	\$ 6,433,443	\$ 6,677,998
Capital Outlay:				
Smart Water Meter Program	\$ 535,000	\$ 169,000	\$ -	\$ -
Water & Sanitary Sewer Infrastructure Replace./Rehab.	2,000,000	2,064,000	2,130,048	2,198,210
Turtle Creek 30-Inch Sanitary Sewer Interceptor Design	-	100,000	-	-
Lakeside Drive Rehabilitation	-	200,000	2,500,000	-
Elevated Water Tank	-	-	-	800,000
In-line Booster Pump Study	-	-	20,000	-
New Pump Station & Discharge Line at Gillon Pump Station	-	-	-	-
Potential Projects	-	-	-	-
Turtle Creek 30-Inch Sanitary Sewer Interceptor Impr. (\$1,100,000)	-	-	-	-
Total Capital Expenditures	\$ 2,535,000	\$ 2,533,000	\$ 4,650,048	\$ 2,998,210
Total Expenditures	\$ 8,202,537	\$ 8,666,497	\$ 11,083,491	\$ 9,676,208
Transfers-Out	1,744,933	1,756,564	1,822,222	1,850,846
Total Expenditures & Transfer-Out	\$ 9,947,470	\$ 10,423,061	\$ 12,905,713	\$ 11,527,054
Operating Reserve	\$ 1,729,735	\$ 1,848,140	\$ 1,933,634	\$ 2,001,929
Rate Stabilization Reserve	2,451,361	3,032,242	1,149,421	655,878
Ending Balance	4,181,096	4,880,382	3,083,055	2,657,807
Ideal Fund Balance (25% of Operating Expenses)	\$ 1,729,735	\$ 1,848,140	\$ 1,933,634	\$ 2,001,929
Over(Under) Ideal Fund Balance	\$ 2,451,361	\$ 3,032,242	\$ 1,149,421	\$ 655,878

* Includes 4.75% rate adjustment for Water Sales and Sanitary Sewer Sales

* *Excludes FY 2016-17.

*		*		*		*	
2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	Total 10 Years**
\$ 2,657,807	\$ 3,155,843	\$ 3,303,054	\$ 3,575,877	\$ 3,469,420	\$ 3,482,267	\$ 3,085,042	\$ 4,181,096
\$ 7,665,237	\$ 7,665,237	\$ 8,029,336	\$ 8,029,336	\$ 8,410,729	\$ 8,410,729	\$ 8,810,239	\$ 78,641,961
3,252,453	3,252,453	3,406,944	3,406,944	3,568,774	3,568,774	3,738,291	33,368,738
64,000	64,000	64,000	64,000	64,000	64,000	64,000	640,000
24,983	29,665	31,049	33,613	32,613	32,733	28,999	325,868
-	-	-	-	-	-	-	352,000
107,000	107,000	107,000	107,000	107,000	107,000	107,000	1,223,200
\$ 11,113,673	\$ 11,118,355	\$ 11,638,329	\$ 11,640,893	\$ 12,183,116	\$ 12,183,237	\$ 12,748,529	\$ 114,551,766
489,753	500,528	511,540	522,794	534,295	546,049	558,062	5,069,925
\$ 11,603,426	\$ 11,618,883	\$ 12,149,869	\$ 12,163,687	\$ 12,717,411	\$ 12,729,286	\$ 13,306,591	\$ 119,621,691
\$ 2,116,888	\$ 2,212,148	\$ 2,311,695	\$ 2,415,721	\$ 2,524,428	\$ 2,638,027	\$ 2,756,738	\$ 22,730,428
3,242,386	3,355,870	3,473,325	3,594,891	3,720,712	3,850,937	3,985,720	34,307,829
1,572,711	1,627,756	1,684,727	1,743,692	1,804,721	1,867,886	1,933,262	16,640,922
-	-	-	-	-	-	-	-
\$ 6,931,985	\$ 7,195,774	\$ 7,469,747	\$ 7,754,304	\$ 8,049,861	\$ 8,356,850	\$ 8,675,720	\$ 73,679,179
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 169,000
2,268,553	2,341,147	2,416,064	2,493,378	2,573,166	2,655,507	2,735,172	23,875,245
-	-	-	-	-	-	-	100,000
-	-	-	-	-	-	-	2,700,000
-	-	-	-	-	-	-	800,000
-	-	-	-	-	-	-	20,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 2,268,553	\$ 2,341,147	\$ 2,416,064	\$ 2,493,378	\$ 2,573,166	\$ 2,655,507	\$ 2,735,172	\$ 27,664,245
\$ 9,200,538	\$ 9,536,921	\$ 9,885,811	\$ 10,247,682	\$ 10,623,027	\$ 11,012,357	\$ 11,410,892	\$ 101,343,424
1,904,853	1,934,750	1,991,235	2,022,462	2,081,537	2,114,154	2,175,939	19,654,562
\$ 11,105,391	\$ 11,471,671	\$ 11,877,046	\$ 12,270,144	\$ 12,704,564	\$ 13,126,511	\$ 13,586,831	\$ 120,997,986
\$ 2,072,738	\$ 2,146,161	\$ 2,222,292	\$ 2,301,238	\$ 2,383,106	\$ 2,468,008	\$ 2,556,058	\$ 2,556,058
1,083,105	1,156,893	1,353,585	1,168,182	1,099,161	617,034	248,743	248,743
3,155,843	3,303,054	3,575,877	3,469,420	3,482,267	3,085,042	2,804,801	2,804,801
\$ 2,072,738	\$ 2,146,161	\$ 2,222,292	\$ 2,301,238	\$ 2,383,106	\$ 2,468,008	\$ 2,556,058	\$ 2,556,058
\$ 1,083,105	\$ 1,156,893	\$ 1,353,585	\$ 1,168,182	\$ 1,099,161	\$ 617,034	\$ 248,743	\$ 248,743

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10-YEAR FINANCIAL FORECAST BASIC ASSUMPTIONS

General Fund

Revenues:

- Property tax revenue is based on estimated taxable assessed values (T.A.V.) and the tax rate projected for each fiscal year. The Town's taxable assessed value is projected to grow at a rate of 4.5% per year. For FY2017-18 the projection includes a 4.5% increase in T.A.V. based on preliminary values from DCAD. This amount may change as T.A.V. is finalized. The tax rate is assumed to remain constant at \$0.22 per \$100 taxable assessed value.
- Building and permits revenue is indexed at 3.5% per year.
- Sales tax is indexed at 4.0% and was lowered from prior year's index of 5.0%. This reflects a lower trend growth realized the last two years.
- Interest revenue is based on .94% of fund balance.
- Transfers-in is indexed at 2.2% per year.
- Other operational revenues are indexed based on five-year trends ranging from 2.57% to 3.38% based on the revenue category.

Expenditures:

- Payroll expense is indexed at 4.5% each year similar to the trend over the last five years.
- Payroll taxes (FICA), Retirement are projected at a factor of payroll expense based on the percentage of payroll budgeted for each category in the Proposed Budget. Health Insurance is projected to increase at a rate of 7.3% per year.
- While less than five-year trending, "Supplies & Equipment" and "Services and Charges" are projected to grow at 3.5% per year.
- Most capital/equipment is funded from the Capital Projects Fund, Equipment Replacement Fund and Technology Replacement Fund; however, \$50,000 per year has been allocated starting in fiscal year 2018-19 to address unanticipated capital needs in the General Fund.
- "Transfers to Other Funds" represents the General Fund's portion of funding for future replacement of equipment, technology and building maintenance. This expense is indexed at 2.2% per year.
- Transfers to the Capital Projects Fund is a function of the difference between operating revenues and expenses, while maintaining ideal fund balance (17% of operating expenses) within the General Fund.

Storm Water Fund

Revenues:

- Storm water revenues are indexed each year by 2.1%.
- A transfer from the Capital Improvement Fund of \$1,100,000 for FY2017-18 and \$350,000 per year for the remaining nine years is anticipated.

Expenditures:

- "Supplies & Equipment" and "Services & Charges" are indexed at 2.2% each year.
- Transfers-out is indexed at 2.2% per year.

Utility Fund

Since utility rates are typically set to meet a certain revenue requirement within the Utility Fund, which takes into account the cost of capital expenditures, the Utility Fund is a Pay-as-You-Go scenario. It should be noted that it is not uncommon for cities to use debt to fund relatively large capital improvements to utility systems. The project list presented for the Utility Fund is primarily made up of an annual rehabilitation and replacement program for the Town's water distribution and waste water collection system. The ten year financial model includes a water and waste water rate adjustment of 4.75% every two years starting in FY 2018-19.

TOWN OF HIGHLAND PARK, TEXAS
10- YEAR FINANCIAL MODEL - PAY AS YOU GO
GENERAL FUND & CAPITAL PROJECTS FUND

GENERAL FUND					
Estimated Tax Rate Per \$100 T.A.V.	22.00 Cents 2016-17	22.00 Cents 2017-18	22.00 Cents 2018-19	22.00 Cents 2019-20	22.00 Cents 2020-21
BEGINNING FUND BALANCE	\$ 3,517,765	\$ 3,543,393	\$ 3,543,526	\$ 3,629,951	\$ 3,788,692
REVENUES:					
Property Taxes	\$ 12,624,341	\$ 13,129,384	\$ 13,718,631	\$ 14,334,394	\$ 14,977,867
Sales Taxes	3,555,714	3,720,000	3,868,800	4,023,552	4,184,494
Sanitation/Recycling Charges	-	-	-	-	-
Franchise Fees	1,042,130	1,090,000	1,117,966	1,146,649	1,176,068
Building Inspection Fees/Permits	1,123,941	1,013,860	1,049,345	1,086,072	1,124,085
Municipal Court Fines/Fees	1,079,037	1,288,719	1,333,824	1,380,508	1,428,826
Interest Earnings	76,500	109,300	142,840	148,199	154,287
All Other	1,470,410	1,791,546	1,853,151	1,916,874	1,982,788
TOTAL REVENUES	\$ 20,972,073	\$ 22,142,809	\$ 23,084,557	\$ 24,036,248	\$ 25,028,415
Transfers from Other Funds	1,148,900	1,161,700	1,187,257	1,213,377	1,240,071
TOTAL REVENUES & TRANSFERS-IN	\$ 22,120,973	\$ 23,304,509	\$ 24,271,814	\$ 25,249,625	\$ 26,268,486
EXPENDITURES:					
Personnel Services:					
Payroll	\$ 11,302,568	\$ 11,928,274	\$ 12,465,046	\$ 13,025,973	\$ 13,612,142
Taxes	804,238	860,741	898,730	939,173	981,435
Retirement (TMRS)	548,300	706,847	593,336	620,036	647,938
Insurance	1,377,304	1,578,225	1,693,435	1,817,056	1,949,701
Total Personnel	\$ 14,032,410	\$ 15,074,087	\$ 15,650,547	\$ 16,402,238	\$ 17,191,217
Supplies & Equipment	\$ 950,161	\$ 942,276	\$ 975,256	\$ 1,009,390	\$ 1,044,719
Services & Charges	3,136,192	3,266,739	3,381,075	3,499,413	3,621,892
Capital Outlay:					
Sustaining					
Equipment	5,600	47,240	50,000	50,000	50,000
CIP	-	-	-	-	-
TOTAL EXPENDITURES	\$ 18,124,363	\$ 19,330,342	\$ 20,056,878	\$ 20,961,041	\$ 21,907,828
Transfers to Capital Projects Fund	2,675,890	2,657,228	2,782,735	2,754,460	2,788,919
Transfers to Other Funds	1,295,092	1,316,806	1,345,776	1,375,383	1,405,641
TOTAL EXPENDITURES & TRANSFERS-OUT	\$ 22,095,345	\$ 23,304,376	\$ 24,185,389	\$ 25,090,884	\$ 26,102,388
ENDING FUND BALANCE	\$ 3,543,393	\$ 3,543,526	\$ 3,629,951	\$ 3,788,692	\$ 3,954,790
FUND BALANCE MINIMUM	\$ 3,300,355	\$ 3,501,984	\$ 3,629,951	\$ 3,788,692	\$ 3,954,790
FUND BALANCE SURPLUS	\$ 243,038	\$ 41,542	\$ 0	\$ 0	\$ 0
CAPITAL PROJECTS FUND					
Beginning Balance	\$ 5,094,916	\$ 4,569,183	\$ 2,930,554	\$ 2,907,781	\$ 3,086,295
Total Annual Project Funding (1)	3,761,525	4,115,510	3,799,430	3,442,094	3,586,515
Total Expenditures	4,287,258	5,754,139	3,822,204	3,263,579	3,386,375
Ending Balance	\$ 4,569,183	\$ 2,930,554	\$ 2,907,781	\$ 3,086,295	\$ 3,286,434
Construction Contingency	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
Over(Under) Contingency	\$ 2,569,183	\$ 930,554	\$ 907,781	\$ 1,086,295	\$ 1,286,434
PROPERTY TAX ASSUMPTIONS					
Property Tax Revenue	\$ 12,624,341	\$ 13,129,384	\$ 13,718,631	\$ 14,334,394	\$ 14,977,867
Property Values (2)	\$ 5,765,524,023	\$ 6,012,113,607	\$ 6,282,658,719	\$ 6,565,378,362	\$ 6,860,820,388
Tax Rate	0.22	0.22	0.22	0.22	0.22

(1) Includes funding from other funds and external sources.

(2) Growth in taxable assessed value (T.A.V.) projected at 4.5% per year after FY2017-18. FY2017-18 includes a 4.5% increase in T.A.V.

<u>22.00 Cents</u> <u>2021-22</u>	<u>22.00 Cents</u> <u>2022-23</u>	<u>22.00 Cents</u> <u>2023-24</u>	<u>22.00 Cents</u> <u>2024-25</u>	<u>22.00 Cents</u> <u>2025-26</u>	<u>22.00 Cents</u> <u>2026-27</u>
\$ 3,954,790	\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004
\$ 15,650,296	\$ 16,352,984	\$ 17,087,293	\$ 17,854,647	\$ 18,656,531	\$ 19,494,500
4,351,874	4,525,949	4,706,987	4,895,266	5,091,077	5,294,720
-	-	-	-	-	-
1,206,242	1,237,190	1,268,932	1,301,489	1,334,881	1,369,130
1,163,428	1,204,148	1,246,293	1,289,913	1,335,060	1,381,787
1,478,835	1,530,594	1,584,165	1,639,611	1,696,997	1,756,392
160,637	167,258	174,163	181,363	188,872	196,704
2,050,969	2,121,494	2,194,444	2,269,903	2,347,957	2,428,695
-	-	-	-	-	-
\$ 26,062,281	\$ 27,139,617	\$ 28,262,277	\$ 29,432,192	\$ 30,651,375	\$ 31,921,928
1,267,353	1,295,235	1,323,730	1,352,852	1,382,615	1,413,033
\$ 27,329,634	\$ 28,434,852	\$ 29,586,007	\$ 30,785,044	\$ 32,033,990	\$ 33,334,961
\$ 14,224,688	\$ 14,864,799	\$ 15,533,715	\$ 16,232,732	\$ 16,963,205	\$ 17,726,549
1,025,600	1,071,752	1,119,981	1,170,380	1,223,047	1,278,084
677,095	707,564	739,405	772,678	807,449	843,784
2,092,030	2,244,748	2,408,614	2,584,443	2,773,107	2,975,544
\$ 18,019,413	\$ 18,888,863	\$ 19,801,715	\$ 20,760,233	\$ 21,766,808	\$ 22,823,961
\$ 1,081,284	\$ 1,119,129	\$ 1,158,299	\$ 1,198,839	\$ 1,240,798	\$ 1,284,226
3,748,658	3,879,861	4,015,656	4,156,204	4,301,671	4,452,229
-	-	-	-	-	-
-	-	-	-	-	-
50,000	50,000	50,000	50,000	50,000	50,000
-	-	-	-	-	-
\$ 22,899,355	\$ 23,937,853	\$ 25,025,670	\$ 26,165,276	\$ 27,359,277	\$ 28,610,416
2,819,898	2,846,912	2,869,447	2,886,943	2,898,782	2,904,295
1,436,565	1,468,170	1,500,469	1,533,480	1,567,216	1,601,695
\$ 27,155,818	\$ 28,252,935	\$ 29,395,586	\$ 30,585,699	\$ 31,825,275	\$ 33,116,406
\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004	\$ 5,127,559
\$ 4,128,606	\$ 4,310,524	\$ 4,500,944	\$ 4,700,289	\$ 4,909,004	\$ 5,127,559
\$ 0	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ 0
\$ 3,286,434	\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773
3,627,792	3,558,812	3,591,731	3,614,816	3,637,244	3,651,905
4,111,515	3,378,984	3,936,940	3,443,639	3,634,977	2,628,591
\$ 2,802,711	\$ 2,982,538	\$ 2,637,329	\$ 2,808,506	\$ 2,810,773	\$ 3,834,087
\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
\$ 802,711	\$ 982,538	\$ 637,329	\$ 808,506	\$ 810,773	\$ 1,834,087
\$ 15,650,296	\$ 16,352,984	\$ 17,087,293	\$ 17,854,647	\$ 18,656,531	\$ 19,494,500
\$ 7,169,557,305	\$ 7,492,187,384	\$ 7,829,335,816	\$ 8,181,655,928	\$ 8,549,830,445	\$ 8,934,572,815
0.22	0.22	0.22	0.22	0.22	0.22

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APPENDIX

Fiscal Year 2017-18 Proposed Budget Calendar

February 21	Review and discuss the FY 2017-18 Budget Calendar with the Town Council and any projects or items of concern
February 22	Submit FY 2017-18 Budget Calendar to the Finance and Audit Advisory Committee for review and comment
February 24	Meet and discuss the Town's 5 year Capital Improvement Plan with Department Directors
March 3	Budget kick-off memo to departments with assumptions
March 17	Departments submit initial projection of FY 2016-17 revenues and expenditures to the Finance Department
March 24	Town Council Retreat (12:00 p.m. to 4:00 p.m.) Departments submit base budget requests to the Finance Department. This includes any requests for non-capitalized and capitalized fixed assets Departments submit update on Capital Improvement Projects: completed, to be completed in current budget year, and projects that need to be moved
March 31	Departments submit any new programs, new fleet, and replacement fleet requests to the finance department Departments submit proposed updates, changes, or revisions to the Town's 5 year Capital Improvement Plan
April 3-7	Finance Department review of Departmental Budget Requests and updates, changes, or revisions to the Town's 5 year Capital Improvement Plan with Department Directors
April 4	Review and discuss the FY 2017-18 budget process with Town Council, specifically with regard to any item Council would like staff to consider, study, or incorporate into the FY 2017-18 budget
April 6	Deliver notice for the April 24th Public Hearing in the newspaper. The notice will run on April 13 th and again on April 20 st .

Fiscal Year 2017-18 Proposed Budget Calendar

April 17-21	Departmental meetings with Town Administrator on Budget Requests
April 18	Review and discuss the FY 2017-18 Budget and the Capital Improvement Plan with Town Council
April 24	Public Hearing for citizen comment on the development of the FY 2017-18 Budget. This is an opportunity to receive public input with regard to the development of the 2017-18 budget
May 5	Departments submit performance measurement forms to the Finance Department. These forms include departmental accomplishments during the 2016-17 fiscal year and objectives for the 2017-18 fiscal year
May 16	Review and discuss with the Town Council the progress of the FY 2017-18 budget process and Council's priorities and expectations of the FY 2017-18 Budget
May 18	Receive preliminary taxable assessed values from Dallas County Appraisal District (DCAD)
May 19	Departments submit revised projection of FY 2016-17 revenues and expenditures to the Finance Department
June 6	Review and discuss with the Town Council the progress of the FY 2017-18 budget process and any item Council would like staff to consider, study, or incorporate into the budget Review and discuss with the Town Council any proposed updates, changes, or revisions to the Town's 5 year Capital Improvement Plan
June 22	Review and discuss the draft FY 2017-18 Proposed Budget with the Finance & Audit Advisory Committee
July 14	Departments submit final projection of FY 2016-17 revenues and expenditures to the Finance Department

Fiscal Year 2017-18 Proposed Budget Calendar

July 20	Deliver notice of the August 14 th Public Hearing on the FY 2017-18 Proposed Budget to the newspaper
July 24	Council sets date to call Public Hearing on the FY 2017-18 Proposed Budget (Town Charter 9.05(A))
July 25	Receive Certified Appraisal Roll from DCAD
July 27	Publication of the notice for the August 14 th Public Hearing on the FY 2017-18 Proposed Budget in the newspaper
July 28	FY 2017-18 Proposed Budget delivered to the Town Council and the Town Secretary
August 8	Review and discuss a proposal to set a preliminary property tax rate for Fiscal Year 2017-18 and schedule two public hearings on the proposal Review and discuss the Proposed Budget and Capital Improvement Plan for Fiscal Year 2017-18
August 14	Public Hearing on FY 2017-18 Proposed Budget Town Council sets preliminary ad valorem tax rate <i>NOTE: If a tax rate is proposed that exceeds the Effective Tax Rate, take a record vote, publish the required notices, and schedule the required public meetings</i> Call Public Hearings on Tax Increase (if necessary) Deliver notice of Public Hearing on Tax Increase (if necessary) and Public Hearing on FY 2017-18 Proposed Budget to the newspaper Announce date and time of Public Hearing to adopt the tax rate
August 17	Publication of notice for the First and Second Public Hearings on Tax Increase (if necessary) and Public Hearing on FY 2017-18 Proposed Budget
August 28	Public Hearing on FY 2017-18 Proposed Budget First Public Hearing on Tax Increase (if necessary)

Fiscal Year 2017-18 Proposed Budget Calendar

September 5	Second Public Hearing on Tax Increase (if necessary)
September 11	Town Council considers approval of: <ul style="list-style-type: none">• FY 2017-18 Proposed Budget• Adoption of a tax rate (governing body adopts the tax rate no less than three days but no more than 14 days after the second public hearing)• Adoption of 2018-22 Capital Improvement Plan• Adoption of the Master Fee Schedule
September 12	Provide approved property tax ordinance and property tax rate to Dallas County Tax Office and the Dallas Central Appraisal District.

NOTE: Dates in bold indicate a Town Council meeting or a Town Council Study Session.

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CHARTER OF THE TOWN OF HIGHLAND PARK, TEXAS

Chapter 9 Financial Administration

9.01 Director of Finance; Appointment. There shall be a Department of Finance, the director of which shall be appointed by the Town Administrator. The Director of Finance can be ex-officio Town Treasurer. The Director of Finance shall provide a bond with such surety and in such amount as the Council may require and the premiums on such bond shall be paid by the Town.

9.02 Director of Finance; Qualifications. The Director of Finance shall have knowledge of municipal accounting and taxation and shall have experience in budgeting and financial control.

9.03 Jurisdiction. The Director of Finance shall have custody of all public monies, funds, notes and bonds and other securities belonging to the Town. The Director of Finance shall make payments out of Town funds upon orders signed by the Town officers as herein provided. The Director of Finance shall render a full and accurate statement to the Town Administrator and the Council of receipts and payments at such times as the Town Administrator or Council may require, such statements to be made in such form as the Town Administrator may prescribe. The Director of Finance shall perform such other acts and duties as the Council may prescribe.

9.04 Fiscal Year. The fiscal year of the Town shall begin on the first day of October and end on the following September 30th, but the fiscal year may be changed by the Council by ordinance provided that no change shall be effective until six (6) months after final passage of such ordinance.

9.05 Annual Budget.

A. Preparation of Budget: The Department Heads of the Town shall prepare annual departmental budget requests for the ensuing fiscal year as directed by the Town Administrator and submit said requests to the Town Administrator for review. It shall be the duty of the Town Administrator to submit an annual budget not later than thirty (30) days prior to the end of the current fiscal year to the Council for its review, consideration and revision if desired. The Council shall call a public hearing or hearings on the budget. The Council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than the total of estimated income plus funds available from prior years.

B. Adoption: The budget as adopted must set forth the appropriations for services, functions and activities of the various Town departments and agencies, and shall meet all fund requirements provided by law and required by bond covenants.

C. Failure to Adopt: If the Council fails to adopt the budget by the 15th day of September, the amounts appropriated for the current fiscal year shall be deemed adopted for the ensuing fiscal year on a month to month basis with all items in it prorated accordingly until such time as the Council adopts a budget for the ensuing fiscal year. The levy of property tax will be set to equal the total current fiscal year tax receipts, unless the ensuing fiscal year budget is approved by September 15th of the current fiscal year.

9.06 Public Record. Copies of the budget as adopted shall be public records and shall be made available to the public upon request.

9.07 Appropriations. During the fiscal year the Council shall have the power to transfer funds allocated by the budget to one activity, function or department, to another activity, function or department, and to re-estimate revenues and expenditures.

9.08 Emergency Appropriations. At any time in the fiscal year the Council may make emergency appropriations to meet a pressing need for public expenditures in order to protect the public health, safety or welfare.

9.09 Borrowing. The Council shall have the power, except as prohibited by law, to borrow money by whatever method it may deem to be in the public interest.

9.10 General Obligation Bonds and Other Evidence of Indebtednesses. The Town shall have the power to borrow money on the credit of the Town and to issue general obligation bonds and other evidence of indebtednesses for permanent public improvements or for any other public purpose not prohibited by the Constitution and laws of the State of Texas, and to issue refunding bonds to refund outstanding bonds and other evidences of indebtedness of the Town previously issued. All such bonds shall be issued in conformity with the laws of the State of Texas.

9.11 Revenue Bonds. The Town shall have the power to borrow money for the purpose of constructing, acquiring, improving, extending or repairing of public utilities, recreational facilities or any other self-liquidating municipal function not prohibited by the Constitution and laws of the State of Texas, and to issue revenue bonds to evidence the obligation created thereby. Such bonds shall be a charge upon and payable from the properties, or interest therein pledged, or the income therefrom, or both. The holders of the revenue bonds shall never have the right to demand payment thereof out of monies raised or to be raised by taxation. All such bonds shall be issued in conformity with the laws of the State of Texas.

9.12 Bonds Incontestable. All bonds and evidences of indebtedness of the Town having been issued and sold and having been delivered to the purchaser thereof or delivered to the claimant thereof shall thereafter be incontestable and all bonds issued to refund outstanding bonds or other evidence of indebtednesses previously issued shall and after said issuance be incontestable.

9.13 Lapse of Appropriations. Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if three years pass without any disbursement from or encumbrance of the appropriation.

9.14 Administration of Budget. Payments and Obligations Prohibited: No payment shall be made or obligation incurred against any allotment or appropriation except in accordance with appropriations duly made and unless the Town Administrator or the Town Administrator's designee first certifies that there is a sufficient unencumbered balance in such allotment or appropriations and that sufficient funds therefrom are or will be available to cover the claim or meet the obligation when it becomes due and payable.

9.15 Financial Reports. The Town Administrator shall submit to the Council each month the financial condition of the Town by budget item, budget estimate versus accruals for the preceding month and for the fiscal year to date. The financial records of the Town will be maintained on an accrual basis to support this type of financial management.

9.16 Independent Audit. At the close of each fiscal year, and at such times as it may be deemed necessary, the Council shall cause an independent audit to be made of all accounts of the Town by a certified public accountant. The certified public accountant so selected shall have no personal interest, directly or indirectly, in the financial affairs of the Town or any of its officers. Upon completion of the audit, the results thereof in a summary form shall be placed on file in the Town Secretary's office as a public record for the public's information.

9.17 Purchasing. All purchases made and contracts executed by the Town shall be made in accordance with the requirements of the Constitution and Statutes of the State of Texas.

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I. PURPOSE STATEMENT

The purpose of this Statement of Financial Management Policies is to provide guidelines, in accordance with the applicable Texas Statutes and the Town of Highland Park Charter, Ordinances and Resolutions, for the Director of Fiscal & Human Resources, hereinafter called Director, in planning and directing the Town of Highland Park, hereinafter called Town, in its day-to-day financial affairs and in developing recommendations to the Town Administrator and Town Council, hereinafter called Administrator and Council, respectively.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the Town in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the Town to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition. The watchwords of the management of the Town's financial affairs shall, at all times, include integrity, prudent stewardship, planning, accountability, and full disclosure.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. ACCOUNTING** - The Director shall be responsible for establishing and maintaining a chart of accounts and for the proper recording of financial transactions in accordance with GAAP. Additionally, the Town is solely responsible for its reporting of its financial affairs, both internally and externally.
- B. AUDITING** - The Town's Charter, in accordance with Chapter 103 of the Local Government Code of Texas, as amended, requires that its financial affairs be audited annually by outside independent accountants (auditors), selected and appointed by the Council under contract. The auditor selected shall be a CPA firm, registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the Town's audit in accordance with generally accepted auditing standards as required by Town Charter and applicable state and federal laws. The auditor's written report of the Town's financial affairs shall be completed by no later than January 15th following the Town's fiscal year-end. The auditor's report, together with its management letter shall be presented to the Administrator, the Director and Council within the aforesaid 120 day period. Thereafter, the Administrator, the Director and auditor shall jointly review the auditor's report and management letter with the Council's Administrative Committee within 30 calendar days after their receipt by the Town.

Within fifteen (15) days of this joint review, the Director shall respond in writing to the Administrator and Administrative Committee regarding the auditor's management letter, addressing the issues contained therein. The Council shall schedule its formal acceptance of the auditor's report upon the resolution of any issues resulting from the joint review.

- C. AUDITORS RESPONSIBLE TO THE COUNCIL** -Auditors for the Town shall be responsible to the Council and shall have access to direct communication with the Mayor and

Council at such times as the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

- D. SELECTION/AUDITOR ROTATION** - The Council shall select the auditors for the Town each fiscal year. The selection may be by means of approving an engagement proposal from the incumbent firm or the Council may direct the Administrator and Director to obtain proposals from qualified CPA firms. As a benchmark, the Council may award a three (3) year engagement to the selected firm with two (2) one (1) year extensions. The Council shall however retain authority to review audit performance annually and act accordingly in regards to replacement and extensions.
- E. EXTERNAL FINANCIAL REPORTING** - Upon the completion and acceptance of the annual audit by the Town's auditors, the Town shall prepare a written comprehensive annual financial report (CAFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The CAFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. If this time requirement cannot be met, the Director shall report to the Administrator and the Council of the delay and the reasons for same.
- F. INTERNAL FINANCIAL REPORTING** - The Director shall prepare monthly, a written summary of the Town's financial affairs and submit same to the Administrator and Council within thirty (30) calendar days following the end of each calendar month. Each such report shall accurately reflect the Town's current cash position, revenue and expenditure/expense performance as well as any additional information that reflects the Town's fiscal position.

III. OPERATING BUDGET

- A. PREPARATION** - Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The Town's annual operating budget, hereinafter called budget, is the Town's annual financial operating plan. It is comprised of governmental, capital projects, proprietary, internal service and special revenue funds. Budgets for the General Fund, Capital Projects Funds and Special Revenue Funds are prepared on the modified accrual basis of accounting. The budgets for the Utility (Proprietary) Fund and Internal Service Funds are prepared on a basis consistent with GAAP, except that capital purchases and depreciation are not considered until year-end when adjustments are made for financial reporting purposes.

- 1. **Proposed Budget** - A proposed budget shall be prepared by the Administrator and the Director with the participation of all of the Town's Department Directors/Heads, covering the operational and capital expenditures of the Town in accordance with the provisions of the Town Charter.

The budget shall include four (4) basic segments for review and evaluation. These segments are: 1) personnel costs, 2) operations and maintenance costs, 3) capital and (non-capital) project maintenance costs, and 4) revenues. Capital project costs shall reflect the approved Capital Improvement Plan ("CIP") which shall be updated and approved in conjunction with the adoption of the annual budget.

The budget review process shall include Council participation in the development of each

of the four (4) segments of the proposed budget and a called Public Hearing to allow for citizen participation in the budget preparation.

The budget process shall span sufficient time to allow for ample time to address policy and fiscal issues by the Council and shall include a designated time and place for soliciting citizen input.

A copy of the proposed budget shall be filed with the Town Secretary not less than thirty (30) days prior to the end of the fiscal year in accordance with the provisions of the Town Charter.

2. Adoption - Upon the presentation of both a proposed operating budget and a CIP acceptable to the Council, the Council shall call and publicize a public hearing and adopt, by Ordinance, said budget as the Town's Official Budget effective for the fiscal year beginning October 1st.
3. Amending the Official Budget - Amendments to the Official Budget shall be made at regularly scheduled Council meetings with a notice of the proposed amendment posted and publicized at least three (3) days prior to the meeting.

The Official Budget shall be submitted to the GFOA annually for evaluation and consideration for the Award for Distinguished Budget Presentation.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall bear the applicable personnel and operating costs of the Town's general administration, information technology services, non-departmental specific expenditures, municipal building office space and other related costs plus the Town's Service Center operation based upon annual reviews of actual staff time allocation and facility use.

In addition to the aforesaid, the service rates for the sale of water, sanitary sewer services, solid waste collection/disposal services and recycling services shall include an amount equal to 5% of revenues for each respective service as street rental fees. These collected funds shall be transferred to the Capital Projects Fund toward funding of the Town's annual street resurfacing program.

All other direct expenses associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department.

- B. BALANCED BUDGET** - It is desirable that the budget provide sufficient current revenues to fund that year's budgeted non-capital expenditures/expenses. Regardless of this objective, the budget shall be balanced with sources of working capital (revenues, cash surplus) equal to or greater than uses of working capital (expenditures/ expenses, capital outlays).
- C. BUDGET MANAGEMENT & PERFORMANCE** - The Director shall prepare and distribute monthly financial reports to enable the Department Directors to best manage their department budgets and to enable the Director to monitor and control the budget as authorized by the Administrator. Written summaries of the monthly financial reports shall be presented to the Council in accordance with Section II, Paragraph F, of this policy statement. Such reports shall be in a form which will enable the Council to be fully informed of the overall budget performance

of the Town.

- D. END OF YEAR APPROPRIATIONS** – For all Town funds for which a budget is required and/or prepared, excluding the Capital Projects Fund, unencumbered appropriations expire at the close of each fiscal year. Budgets for operating funds are prepared on a fiscal year basis. Capital projects, on the other hand, may span two or more years. Accordingly, individual projects are budgeted in the Capital Projects Fund and appropriations expire at project closure.
- E. PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** Where appropriate, performance measures and productivity indicators shall be included in the annual budget. This information shall also be reported by the Administrator to the Council on a quarterly basis.

IV. REVENUE MANAGEMENT

- A. SIMPLICITY** - The Town, where possible and without sacrificing accuracy, shall strive to keep the Town's revenue system uncomplicated so as to reduce compliance costs for the taxpayer or service recipient and a corresponding decrease in the Town's costs of collection.

The criteria shall always be that the benefits of a revenue collected exceed the cost of producing that revenue.

- B. CERTAINTY** – An understanding of the revenue source increases the reliability of the Town's revenue system. The Director shall make every effort to determine its revenue sources and enact consistent collection policies in order that the revenues will occur to support the budget.
- C. EQUITY** - The Town shall make every effort to maintain equity in its revenue system structure; i.e., the Town shall endeavor, wherever possible, to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and the Town's customers.
- D. REVENUE ADEQUACY** - The Town shall require that there be a balance in the its revenue system; i.e., the revenue base shall be fair as it applies to cost of service and ability to pay.
- E. DIVERSIFICATION AND STABILITY** - Wherever possible, the Town shall make every effort to maintain a diversified revenue system which provides a stable source of income to the Town which will protect it against fluctuations in the economy and variations in weather (related to the sale of treated water and sanitary sewer services).
- F. NON-RECURRING REVENUES** - It is desirable that non- recurring revenues not be used to finance the Town's current operations. Non-recurring Town revenues should be used only for one-time Town expenditures such as long-lived capital needs and not for budget balancing purposes.
- G. PROPERTY TAX REVENUES** - All real and business personal property located within the Town shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the Town by the Dallas Central Appraisal District. A 99% collection rate shall serve each year as a goal for tax collections. The Town Council shall determine whether the Town collects its levied property taxes or contract with another governmental agency for same. The Town Council shall further decide upon a property tax attorney or firm for the collection of

delinquent property taxes in accordance with the Texas Property Tax Code, as amended.

- H. USER-BASED FEE** - As a part of the Town's budget process, the Council shall review and adopt, where possible, service fees sufficient to offset the cost of services rendered by the Town. User charges shall be classified by the Council as "Full Cost Recovery" and "Partial Cost Recovery".
- I. UTILITY RATES** - As a part of the Town's budget process, the Council shall review and adopt utility service rates annually that, where possible, will generate revenues to fully cover the Town's operating expenses and to provide the Town with an adequate level of working capital.
- J. INTEREST INCOME** - The Director shall ensure, at all times, that the interest earned from the investment of Town money shall be distributed to the appropriate fund in accordance to the equity balance of the particular fund from which the money was provided for investment.
- K. REVENUE MONITORING** - All revenues actually received by the Town shall be regularly compared to budgeted revenues by the Director and where variances exist, these shall be audited by the Director. The results of such audits shall be summarized by the Director in the monthly financial report provided to the Council.

V. EXPENDITURE/EXPENSE CONTROL

- A. APPROPRIATIONS** - The Town's budget shall be a line- item budget. Overall budgetary control shall be the responsibility of the Administrator with each respective Department Director being responsible for the administration of his or her departmental budget.
- B. AMENDMENTS TO THE BUDGET** - In accordance with Town Charter, all budget amendments shall be approved by the Council.
- C. CENTRAL CONTROL** - No recognized salary or capital budgetary savings in any Department shall be spent by the Department Director without the prior authorization of the Administrator.
- D. PURCHASING** - All Town purchases and contracts over \$3,000 shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services subject to the competitive bid process and purchases of goods or services by contract shall be submitted to the Council by the Administrator for Council approval. The adoption of the annual budget gives the Administrator the authority to approve all other purchases for goods or services in accordance with each department's approved budget.

The purchase of goods or services at a total cost of \$1,000 or more must be made through the Town's purchase order system. Written purchase orders shall also be used for vendors requiring formal Town authorization regardless of the dollar amount.

Any payment for the purchase of goods or services by the Town at a total cost of less than \$1,000 may be made via a written Accounts Payable Voucher, signed and submitted by the applicable Department Director to the Town's Finance Department.

All documentation for the disbursement of funds by the Town's Finance Department shall require the signature of the Director in addition to the respective Department Director prior

to processing.

- E. PROMPT PAYMENT** - All invoices approved for payment by the proper Town authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

The Director shall establish and maintain proper procedures which will enable the Town to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the amount of cash available for investing.

- F. EQUIPMENT FINANCING** - The applicable Town Department Director, the Administrator and the Director, when possible, shall evaluate the Town's option of equipment leasing in instances of Town equipment acquisitions of \$10,000 or more or in instances when the equipment has a useful life of five (5) or more years as an alternative for Council consideration in the acquisition of assets.

VI. ASSET MANAGEMENT

- A. INVESTMENTS** - The Director shall promptly invest all Town funds in accordance with the Town's Statement of Investment Policies as adopted by the Town Council.

- B. CASH MANAGEMENT** - The Town's cash flow shall be managed by the Director to maximize the cash available for investment. The Finance Department shall, as authorized by Council, affix, via mechanical or electronic means, a facsimile, bearing the joint signatures of the Town's Administrator and the Director, for the disbursement of Town issued checks for:

1. Payroll;
2. Federal income tax and social security tax transfers;
3. Texas Municipal Retirement System deposits;
4. Unemployment compensation claim reimbursements;
5. Payments of money held in trust where the Town acts as a collecting agent;
6. Utility services;
7. Employee benefits programs;
8. Installment payments approved by Council on contracts or projects;
9. Payments for expenditures/expenses for which the Council has specifically authorized payment;
10. Disbursements less than \$1,000

All other Town issued checks not meeting the above criteria shall be signed, in original, by two (2) authorized signatories. Payment authorization shall be in accordance with the pay authorization criteria as defined in the current Bank Depository Agreement, approved by Council, stipulating the conditions and control procedures on such activity.

The Director may transfer funds, via electronic transfer, through verbal instructions to the Town's Depository only for payment of any obligation of the Town under the conditions applicable to the use of the facsimile machine under Paragraph B, this Section.

- C. FIXED ASSETS ACCOUNTING AND INVENTORY** - The Town's fixed assets shall be reasonably safeguarded and properly accounted for and sufficiently insured. Responsibility for the safeguarding of the Town's fixed assets lies with the Department Director in whose department the

fixed asset is assigned. The Finance Department shall supervise the marking of fixed assets with numbered Town property tags and shall maintain the permanent records of the Town's fixed assets including description, cost, department of responsibility, date of acquisition, depreciation, and expected useful life.

The recording of the cost or value of capitalized fixed assets into the Town's financial records and fixed asset database shall be consistent with the definition of capitalized fixed assets with two (2) exceptions: 1) accessioned Library materials shall be capitalized annually on a lump-sum basis rather than on a per-item basis and 2) an asset accounted for in the Town's Equipment Replacement Fund (Internal Service Fund) shall be recorded regardless of cost or value and marked with numbered Town property tags to allow for inventory tracking.

Non-capitalized fixed assets shall be recorded in the Town's fixed asset data base at a financial reporting cost or value of \$0.

The Finance Department shall also perform an annual inventory of assets using random sampling at the department level. Such inventory shall be performed by the Director or his or her designated agent in the presence of designated department personnel from the department of responsibility.

D. COMPUTER SYSTEM/DATA SECURITY - The Town shall provide security of its computer system and data files through:

Physical security - computer systems infrastructure shall be in a location inaccessible to unauthorized personnel. Only authorized external access to the system via telephone, microwave or radio frequency shall be installed.

Password security - All users of the Town's financial management system shall be assigned his/her personal password for access into the system. Each user shall be given access permissions to only those data files and functions necessary to perform assigned duties. The Town Administrator shall designate the Information Technology Manager as the Master Security Officer on the Town's computer networks. The Master Security Officer may appoint other Town employees to serve as Security Officers. The Town shall take all precautions necessary to protect the integrity and safety of its information technology.

VII. FINANCIAL CONDITION

A. NO OPERATING DEFICITS - It is desirable that the Town's current expenditures/expenses be paid with current revenues of the Town. Deferrals, short-term loans or use of one-time sources should be avoided as budget balancing techniques. The Town's cash reserves should be used only for emergencies or for the payment of non-recurring expenditures as approved by the Council, except when balances can be reduced due to their levels exceeding guideline minimums as stated in Section VII, Paragraph B., hereof.

B. FUND BALANCE - GOVERNMENTAL FUNDS

1. *Committed Fund Balance* - The Town Council is the Town's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Council action. The Council action must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the

commitment is made. The amount subject to the constraint may be determined in the subsequent period. The Council action may take the form of the Annual Budget or a separate ordinance or resolution. Examples of Committed Fund Balance include the Storm Water Drainage Utility Fund and the Employees' Christmas Fund (contributions committed for employee distribution).

The Town shall maintain a committed fund balance in the Capital Projects Fund of \$2,000,000.00 as conditions warrant. The Town Council shall have sole authority for the use of any portion, or all of, the committed fund balance in the Capital Projects Funds. Such decision to use the Capital Projects Fund's committed fund balance should include a plan for replenishing the committed fund balance of the Capital Projects Fund to its desired level.

2. *Assigned Fund Balance* - The Town Council has authorized the Town's Director of Fiscal and Human Resources to assign fund balance to a specific purpose in accordance to Generally Accepted Accounting Principles and in the normal conduct of business. An example is resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.

3. *Minimum Unassigned Fund Balance*

The Town shall maintain an unassigned fund balance in the General Fund equal to 17% of non-capital expenditures as approved by the Town Council in current Annual Budget.

If Unassigned Fund Balance exceeds the target set by policy, the Town may use surpluses for onetime expenditures. If unassigned fund balance falls below the target, the Town will reduce recurring expenditures to eliminate any structural deficit for such period as necessary until the unassigned fund balance meets the minimum balance as required by this policy.

4. *Order of Expenditure of Funds*

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council, and Unassigned Fund Balance), the Town will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

At the close of each fiscal year, any operating surplus (revenues less expenditures less encumbrances) shall be transferred, by Council action, from the General Fund to the Capital Projects Fund.

C. NET WORKING CAPITAL - UTILITY FUND - The Town shall maintain Net Working Capital at an amount equal to not less than twenty-five percent (25%) of non-capital expenditures as approved by the Town Council in the Annual Budget.

D. RISK MANAGEMENT - The Town shall provide, where possible, for the safety of the public and the Town's employees in order to minimize the Town's risk of loss of resources through liability claims.

E. RISK FINANCING - All reasonable options shall be investigated by the Director to finance risks.

Such options may include risk transfer, insurance and risk retention.

VIII. INTERNAL CONTROLS

- A. WRITTEN PROCEDURES** - Wherever possible, written procedures shall be established and maintained by the Director for all activities involving cash handling and/or accounting throughout the Town. These procedures shall embrace the general concepts of fiscal responsibility outlined in this statement.
- B. DEPARTMENT DIRECTORS RESPONSIBLE** - Each Department Director shall be responsible to ensure that good internal controls are followed at all times throughout his or her department, that all approved, written Finance Department directives on internal controls are implemented and that all independent auditor internal control recommendations, as embraced by the Council and furnished by the Finance Department, are met.

IX. DEBT MANAGEMENT

- A. LONG-TERM DEBT** - Long-term debt shall not be used for operating purposes and the life of any Town issued debt shall not exceed the useful life of the asset or project financed with same.
- B. FINANCING ALTERNATIVES** - The Director shall be responsible for the evaluation, from time to time, of all financing alternatives permitted by State law in addition to long-term debt including leasing, current revenues and available reserves.
- C. RATINGS** - The Director shall make full disclosure of the Town's operations to both nationally recognized rating agencies, Standard & Poors and Moody's.

X. ANNUAL REVIEW OF POLICIES

The Town's Financial Management Policies shall be reviewed by the Director and Administrator at least annually and any proposed revisions shall be presented to the Council for approval.

XI. FINANCIAL GLOSSARY

The following definitions form a part of this policy statement in order to clarify certain terminology used.

Appropriation - a legal authorization granted by the Council to make or incur expenditures/expenses for specific purposes.

Bank Depository Agreement - the Council approved current contract, pursuant to the provisions of Section 105 of the Local Government Code of Texas providing for banking

Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates).

Capital/Major Project Expenditure/Expense - an expenditure/expense which results in the acquisition or addition of a fixed asset or the improvement to an existing fixed asset.

Capital Projects Fund - a fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capitalized Fixed Asset – a fixed asset acquired prior to October 1, 2000, having an acquisition cost or value of \$1,000 or more or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of \$5,000 or more.

Chart of Accounts - a chart detailing the system of numbering or otherwise designating general ledger accounts.

Combined Budget – the combination and presentation of the Operating Budget and the Capital Projects Fund budget.

Competitive Bidding Process - the process following State law requiring that on purchases of \$50,000 and more, the Town must advertise, solicit, and publicly open sealed bids from prospective vendors. After a review period the Council then awards the bid to the successful bidder.

Current Assets - assets of the Town consisting of cash, investments and other assets that can or will be converted to cash within a twelve (12) month period.

Current Expense - an obligation of the Town as a result of an incurred expenditure/expense that is due for payment within a twelve (12) month period.

Current Liabilities - obligations of the Town that will require satisfaction within a twelve (12) month period.

Current Revenue - Town revenues or resources convertible to cash within a twelve (12) months.

Director of Fiscal & Human Resources - that person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

Electronic signature – electronically imprinted signature facsimiles generated through the Town's computer equipment upon Town issued checks, rendering them as negotiable instruments.

Emergency - an unexpected occurrence, i.e. damaging weather conditions, that requires the unplanned use of Town funds.

Encumbrance - see Appropriation

Equity - see Fund Balance and Retained Earnings

Expenditure/Expense - decreases in net financial resources for the purpose of acquiring goods or services. The General Fund recognizes expenditures and the Utility (Proprietary) Fund recognizes expenses.

Facsimile Signature Machine - a mechanical device used to imprint signature facsimiles upon

Town vouchers rendering them as negotiable instruments.

Fiscal Year (FY) - the period of October 1st through the following September 30th. (e.g. – FY 2013 refers to the fiscal year from October 1, 2012 through September 30, 2013)

Fixed Assets - Purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than one (1) year.

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance – an accounting distinction is made between the portions of fund equity that spendable and non-spendable. These are broken up into five categories:

1. **Non-spendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are resources in the form of inventory or permanent funds.
2. **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include resources from grants and child safety fees.
3. **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally.
4. **Assigned fund balance** – comprises amounts *intended* to be used by the Town for specific purposes. Intent can be expressed by Town Council or by an official or body to which the Town Council has delegated the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Examples include resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to “balance” the budget.
5. **Unassigned fund balance** – is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Fund Equity - the excess of fund assets over liabilities in a governmental fund.

GAAP - see Generally Accepted Accounting Principles

General Administrative Costs - costs associated with the administration of Town services; costs incurred by the Town that relate to the Town's general operations rather than to the providing of specific services.

General Fund - the Town fund used to account for all financial resources and expenditures of the Town except those required to be accounted for in another fund.

General Ledger - the collection of accounts reflecting the financial position and results of operations for the Town.

Generally Accepted Accounting Principles (GAAP) - uniform minimum standards of and guidelines to financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

GFOA - Government Finance Officers Association of the United States and Canada

Governmental Accounting Standards Board - the authoritative accounting and financial reporting standard-setting body for government agencies.

Governmental Funds – funds generally used to account for tax-supported activities. The Town utilizes three different types of governmental funds: the General Fund, Capital Projects Fund, and Special Revenue Funds.

Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other department on a cost reimbursement basis.

Investments - securities held for the production of revenues in the form of interest.

Line-Item Budget - the presentation of the Town's adopted Budget in a format presenting each Department's approved expenditure/expense by specific account.

Long-Term Debt - obligations of the Town with a maturity of more than one (1) year.

Management Letter - a written report from the independent auditors to the Council reflecting observations and suggestions as a result of the audit process.

Net Working Capital - current assets less current liabilities.

Non-Capitalized Fixed Asset – a fixed asset acquired prior to October 1, 2000, having an acquisition cost or value of \$1,000 or less or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of \$1,000 or more but less than \$5,000.

Non-Recurring Revenues - resources recognized by the Town that are unique and occur one time.

Official Budget - the budget as adopted by the Council.

One-Time Revenues - see Non-Recurring Revenues.

Operating Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates) for all funds excluding the Capital Projects Fund.

Proprietary Fund - see Utility Fund

Purchase Order System - the Town's system of using documents authorizing the delivery of specified merchandise or services and making a charge for them.

Retained Earnings - the equity account reflecting the accumulated earnings of the Utility Fund.

Revenues (Resources) - the term designating an increase to the Town's assets which:

- does not increase a liability (i.e. proceeds from a loan);
- does not represent a repayment of an expenditure/expense already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in capital.

Risk - the liability, either realized or potential, related to the Town's daily operations.

Special Revenue Funds - funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples include Court Technology Fund, Forfeited Property Fund, and Court Security Fund.

Street Rental Fees – An annual amount equal to 5% of combined water, sanitary sewer, solid waste collection/disposal and recycling charges billed to the Town's utility customers to pay for the use/access of Town right-of-way.

Tax Levy - the total amount of taxes imposed by the Town on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

Town Council - the current elected officials of the Town as set forth in the Town's Charter.

Town Administrator - that individual appointed by the Town Council who is responsible for the administration of the affairs of the Town.

User Based Fee/Charge - a monetary fee or charge placed upon the user of services by the Town.

Utility Fund - the fund used to account for operations of the Town's water and sanitary sewer activities.

Utility Sales - sales of treated water and sanitary sewer service.

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GLOSSARY

Accrual Basis of Accounting The basis of accounting whereby revenue projections are developed recognizing revenues expected to be earned in the period, and expenditure estimates are developed for all expenses anticipated to be incurred during the last fiscal year.

Appropriation A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in the amount and as to the time when it may be expended.

Assessed Valuation A valuation set upon real estate and certain personal property by the appraisal district as a basis for levying property taxes.

Assets Resources owned or held by a government which has monetary value.

Automated Service Request (ASR) The electronic capturing of requests for service, both externally and internally generated, as a means of quantifying department/employee activity and response to service requests.

Balanced Budget A budget that is resources (revenues, fund balance) that equals, or is greater than, uses (expenditures/expenses, capital outlay).

Basis of Accounting The timing method used in the recognition of revenues and expenditures for financial reporting purposes.

Bond A written promise to pay a specified sum of money at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Bonded Debt The amount of debt of a government, represented by outstanding bonds.

Budget Document The official written statement prepared by the Town's staff and approved by the Town Council to serve as a financial and operation guide for the fiscal year end in which it was adopted.

Budget Message A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief executive and budget officer (if not the chief executive)

Budgetary Control The control or management of government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

Capital Assets Resources having a value of \$1,000 or more and a useful life of more than one year. Capital assets are also called fixed assets.

Capital/Major Project Program A schedule of current and future capital replacement and major project expenditures identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

Capital Outlays Expenditures which result in the acquisition of or addition of fixed assets.

CIP Capital Improvement Plan

Capital Projects Funds Funds created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Cash Includes currency on hand and demand deposits with banks or other financial institutions.

Cash Basis of Accounting The method of accounting under which revenues are recorded when received and expenditures are recorded when paid.

Capital Program Plan (CIP) A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital need arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CPI The Consumer Price Index published by the Bureau of Labor Statistics for the Dallas/Ft. Worth metropolitan area.

Current Assets Cash and other assets or reserves which are reasonably expected to be realized in cash or consumed within one (1) year.

Current Liabilities Liabilities that must be paid within one (1) year.

Debt Service Payment of interest and repayment of principle to holders of a government's debt instruments.

Debt Service Fund A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Town has no debt; therefore, no debt service fund budget is presented.

Demand Deposit Accounts with financial institutions or cash management pools where cash may be deposited or withdrawn at any time without prior notice or penalty.

Encumbrances Commitments related to unperformed (executory) contracts for goods and services.

Fixed Assets Resources of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Fund An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance (Equity) The difference between fund assets and fund liabilities reported in the Town's governmental funds. For Budget presentation purposes, Fund Balance shall be defined as Unassigned Fund Balance for governmental funds and as Net Working Capital for proprietary funds.

G&A An abbreviation used to describe costs for general governmental operations.

General Fund General Operating Fund of the Town, accounting for the resources and expenditures related to the generally recognized governmental services provided.

General Obligation Bonds Account grouping for the payment of which the full faith and credit of the issuing government are pledged.

General Obligation Bonds Debt and Interest Account Group Account grouping for general obligation bonds issued by the Town and outstanding.

Generally Accepted Accounting Principles (GAAP) Uniform standards and guidelines for financial accounting and reporting. GAAP provide a standard by which to measure financial presentations.

Governmental Funds Funds generally used to account for tax-supported activities. There are five (5) types of governmental funds; the general fund, special revenue funds, debt services funds, capital projects funds and permanent funds.

Infrastructure Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

Inter-fund Transfer See **Transfer**

Internal Service Fund A fund used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The Town's Equipment Replacement, Technology Replacement and Building Maintenance & Investment Funds are internal service funds.

Liabilities Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

Long-Term Debt Any unmatured debt that is not a fund liability.

Major Fund The General, Utility and Capital Projects Funds.

Modified Accrual Basis of Accounting Under the basis of accounting, revenues are estimated for the fiscal year if they are susceptible to accrual, e.g. amounts can be determined and will be collected within the current period.

Net Assets The difference between fund assets and fund liabilities reported in the Town's proprietary funds.

Net Working Capital The excess of current assets over current liabilities.

Operational Capital Capital outlays of less than \$100,000 included in the operating budget.

Operational Surplus The excess of revenues over expenditures, less encumbered funds (encumbrances).

Operating Budget A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

Ordinance A formal legislative enactment by the governing body of municipality.

Pay for Performance A component of the Town's pay plan that recognizes and financially rewards employees in the performance of assigned job duties and departmental goals and objectives.

Performance Indicator Departmental units of measurement in performance, measurable functions, i.e. worker days, number of call answered, flower planted, etc.

Proprietary Fund See Utility Fund and Internal Service Fund.

Retained Earnings An equity account reflecting the accumulated earnings of the Town's Utility Fund (proprietary).

Revenues The term designates an increase to a fund's assets which:
DOES NOT increase a liability (e.g. proceeds from a loan);
DOES NOT represent a repayment of an expenditure already made;
DOES NOT represent a cancellation of certain liabilities; and
DOES NOT represent an increase in contributed capital.

Special Assessment A compulsory levy made against certain properties to defray part of all the cost of a specific improvement of service deemed to primarily benefit those properties.

Special Revenue Fund A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specific purposes. GAAP only require the use of special revenue funds when legally mandated. These include the Court Technology and Court Security Funds.

Street Revenue Fund A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. GAAP only require the use of special revenue funds when legally mandated.

Street Rental Fees A fee paid to the General Fund by the Utility Fund equal to 4% of gross sales (water sales, sanitary sewer services, garbage collection services and recycling charges) for use and access to Town rights-of-way.

Surplus When used in this document refers to the Net Working Capital of any Fund.

Tax Levy The total amount of taxes imposed by the Town of taxable property within its boundaries.

Tax Rate The dollar rate for taxes levied for each \$100 of assessed valuation.

TMRS The Texas Municipal Retirement System

Transfer The movement of monies from one fund, activity, department, or account to another. This includes budgetary funds and/or movement of assets.

Undesignated Unreserved Fund Balance Available expendable financial resources in the Town's governmental funds.

Unrestricted Net Assets That portion of net assets that is neither restricted nor invested in capital assets as recorded in the Town's proprietary funds.

Utility Fund The fund used to account for operations of the Town's water, sanitary sewer and solid waste collection and disposal activities and recycling collection.

Worker Days A unit of measure of work for evaluating performance/activity. Equal to one (1) employee times eight (8) hours per day.

Working Capital See Net Working Capital

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MINUTES OF A STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF
HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON
TUESDAY, JUNE 6, 2017, AT 8:00 A.M.

Present at the meeting were Mayor Williams and Town Council Members Bob Carter, David Dowler, Eric Gambrell, Margo Goodwin, and John McKnight.

UPCOMING AGENDA DISCUSSION

Action

“Review and discuss conducting a public hearing to receive the recommendation of the Zoning Commission regarding a request to amend the planned development ordinance to allow modifications to the McCulloch Intermediate School/Highland Park Middle School campus at 3520 Normandy Avenue (3555 Grenada Avenue in University Park.).” Kirk Smith, Development Services Manager, explained that the Zoning Commission reviewed this request at its meeting on April 27, 2017, and recommended approval. He stated that the proposed underground parking garage/storm shelter was reviewed by the City of University Park’s Fire Department and by the Town’s Fire Marshal. The parking garage will accommodate 200 vehicles and be accessed from High School Avenue. Mr. Smith verified that the parking garage will provide enough capacity to serve as a shelter for the students and faculty during storm events.

Consent

“Review and discuss a resolution supporting Dallas County’s renewal of the Community Development Block Grant and HOME Program.” Gayle Kirby, Town Secretary, explained that the Town has supported the County in these programs since 2005. The Town allows the County to include its population number toward the County’s aggregate population number to qualify for federal grant funds. The Town does not seek grant funds from this Dallas County program.

“Review and discuss a contract for consulting services for the Library Master Plan project.” Kortney Nelson, Town Librarian, explained that the Ivy Group was selected as the most qualified consultant following an extensive Request for Qualifications process. In response to a question from Council Member McKnight, she explained that the consultant will study our community to determine areas in which it is not currently being served by the Library, in addition to its staffing, policies and procedures, streamlining cost efficiency, as well as how to make the Library more inviting and maintain its patronage by the residents. The Ivy Group will conduct a benchmark study of five public libraries with similar demographics, focusing on the services offered by other libraries. Additionally, the consultant will study market segmentation, conduct focus groups, interview stakeholders in the community who are leaders of organizations as well as the School District (“Executive Interviews”), and investigate potential future partnerships with other groups. In response to questions from Council Member Gambrell, Kortney Nelson explained that in the past, the Library developed Long Range Plans, but has never engaged a consultant. Bill Lindley, Town Administrator, added that the Library submits a Long Range Plan to the State of Texas at least every five years. Mrs. Nelson stated that the consultant may also develop an online survey and conduct brainstorming sessions. In response to questions from Council Member Goodwin, Kortney Nelson stated that the consultant will advise if the Library should solicit funds from foundations and State of Texas grants in addition to the special funding received from the Quality

of Life Foundation. In response to Council Member Gambrell's questions, Mrs. Nelson explained the goals of the Library Master Plan project are to: (i) ultimately achieve more use; (ii) issue more library cards; and (iii) reach out to segments of the population who currently do not utilize the Library and its services. Steven Alexander, Director of Administrative Services and Chief Financial Officer, added the goal of maintaining relevancy in today's world. He verified that the Library's Budget is \$771,626. In response to questions from Council Member Goodwin, Kortney Nelson stated that the Library currently has issued 2,631 valid cards. Council Member McKnight estimated the number to be approximately 25% of the Town's population. Mayor Williams expressed his excitement for the Master Plan project and its potential to increase the Library's visibility, membership, and utilization. Council Member Goodwin added that the consultant's fees seemed to be a bargain; Council Member Dowler concurred.

"Review and discuss a bid to provide landscaping services for the Mockingbird Lane Improvements Project." Kathleen Stewart, Assistant Director of Town Services, explained that last year, the City of University Park advised the Town of its plans to repair and paint its side of the wall along a portion of Mockingbird Lane. The proposed bid includes updating the landscaping with more water efficient plant materials and a more efficient irrigation system, in addition to the repair and repainting of the south side of the wall. Southern Botanical submitted the low bid in the amount of \$120,054.97, which was under the budgeted amount of \$150,000. In response to questions from Mayor Pro Tem Carter, Kathleen Stewart explained that John Armstrong was engaged to design the landscape improvements and the irrigation system. Ronnie Brown, Director of Town Services, added that Mr. Armstrong provided a "not-to-exceed" cost for the design. In response to a question from Council Member McKnight, Mrs. Stewart confirmed that the wall is located on the boundary between the Town of Highland Park and the City of University Park.

"Review and discuss the award of a professional services contract in the amount of \$94,200.00 to Wiss, Janney, Elstner Associates, Inc. for engineering services related to repairs of the Exall Dam pedestrian bridge." Ronnie Brown explained that Wiss, Janney, Elstner Associates, Inc. ("WJE") completed a structural assessment of the Exall Dam last year, and identified necessary repairs. WJE proposes to reassess the condition of the bridge, develop a structural analysis using a computer model, develop conceptual designs, prepare construction documents, assist the Town in the bid process, prepare the construction documents, and administer and provide observations during construction. The Town's engineering team can do civil inspections such as roads, but an additional consultant for such a specialized project is needed. Their proposed fee of \$94,200 is 16.8% of the total amount budgeted for the project; however, their preparation of detailed specifications will likely prevent a build-in of contingencies by contractors. Ronnie Brown assured Council Member Goodwin that the bridge is safe, and explained the purpose of each step of the process: repairs to select truss members and connections; removal and replacement of the existing steel coating, repair/replacement of the wood decking and wood railings, as well as limited concrete repairs to the abutments. In response to questions from Mayor Williams, Mr. Brown stated that in 1986, minimal welding was performed on the beams in the center section, I-beams were patched and repainted. Bill Lindley added that the dam is in good condition overall. Mayor Williams commented that the project cost seems high, but by preparing detailed plans now, additions during the project will be prevented. Bill Lindley stated that the structural component requires expertise, considering the walkway is thirty feet (30') above the structure. Alan Upchurch, P.E., Interim Engineering Director, explained the reason this is a very specialized project is because the structure is very old, there are no existing plans, and detailed repairs are needed for each point inspected. He added that he was very impressed with WJE's presentation, and the end result will

be the receipt of a better bid. In response to questioning by Council Member Goodwin, Ronnie Brown explained that removing the span to clean and repair, then replacing it is much more efficient than doing the work in place and employing containment measures to prevent scrap material from getting into the waterway.

“Review and discuss rejecting the bid received for the Tennis Courts Renovation Project.” Ronnie Brown explained that the Town received only one bid for this project, which was almost three times the amount budgeted. As such, he asked that the Council reject the bid. The contractors who work on tennis courts are repairing school tennis courts before the new school year begins, and he believed the bid was high because the contractors are busy completing those jobs. Ronnie Brown stated that the project will be re-bid after the school year begins, and those bids will be brought to the Council, possibly in September.

FUTURE AGENDAS DISCUSSION

No items assigned to this category.

REPORTS

“Review and discuss an update for the planned acquisition of a Project 25 compliant radio system and the retention of a telecommunications consultant.” Rick Pyle, Director of Public Safety, explained that after September 11, 2001, the Federal Emergency Management Agency (“FEMA”) and the Department of Homeland Security issued a mandate for public safety agencies to acquire Project 25 (“P25”) Compliant Radio Systems (the “System” or “Systems”) over a period of years. In 2008, the Town met with representatives from the City of Dallas, and determined that its System was four to five years away. In 2017, Dallas is still four to five years away from compliance. The Town acquired a non-P25 compliant system in 2010, which is nearing its end of life. At the time, the cost to achieve a P25 compliant system was approximately \$7 million. Director Pyle and his staff recommend engaging a consultant to evaluate the Town’s options in joining other agencies such as the City of University Park (“UP”), and/or exploring available P25 compliant systems. A consultant could expertly address issues such as coverage and penetration, as well as other difficult technical aspects in joining with another agency, rather than staff relying on the recommendations of vendors. If the Town and UP jointly engage a consultant, each Council would be asked to consider approval of an Interlocal Agreement and a Memorandum of Understanding. Bill Lindley added that Motorola’s system as a “stand alone” system, would cost the Town approximately \$7 million. If shared with the City, the Town’s share would be half that cost for the “Core” System that would provide interoperability to both municipalities. Additionally, if each entity purchases its system separately, it would need to add one tower for separate coverage; the Town has one tower, but would need two; UP has two towers, but would need three. The need for redundant equipment is not necessary if the Town and UP purchase the Systems jointly. Once a System is selected, the purchase would be made through the Houston-Galveston Area Consortium, which satisfies the State requirements for competitive bidding. A consultant would prevent the purchase of any unnecessary additional components. Two Systems are available. The Harris system is a military-grade system, and Motorola’s is a municipality-oriented system. Motorola offers maintenance and a “never-out” option to update as new technology becomes available. The process to begin looking, develop the specifications, and buy the system with UP is time sensitive, as the early cost projections Town received have doubled. If the Town and UP purchase their

Systems separately, the current cost is approximately \$14 million; if purchased jointly with UP, the current cost is approximately \$7 million, or \$3.5 million each. The fee for the combined study between the Town and UP is approximately \$85,000, of which the Town's cost would be approximately \$42,500. In response to a question from Council Member Gambrell, Rick Pyle explained that the consultant would evaluate the Town's current system and determine what is needed to serve Highland Park. Bill Lindley added that UP has indicated that its staff can perform an evaluation for its needs in-house. Rick Pyle further explained that UP has a 25-year relationship with Motorola, and in response to a question from Mayor Pro Tem Carter, he stated that the City of Dallas is not currently involved with either the Town or UP. The Town purchased sixteen new radios with interoperability to communicate with Dallas County, the North Texas Tollway Authority, and the City of Dallas by switching channels. Council Member Dowler stated that he questioned why the Town and UP would split contract costs 50/50 when UP has a greater area and larger population. Mayor Williams expressed his opinion that it is wise to spend the money to get a consultant's independent verification on a purchase of \$3 million to \$7 million. Bill Lindley added that by investing in a consultant, the Town will recoup more than the 2% of the overall cost of the System.

"Review and discuss the Fiscal Year 2017-18 Combined Operating and Capital Budget preparation process." Mayor Williams advised the Council Members that this item provides another opportunity to offer comments and ask questions. Steven Alexander stated that the Financial and Audit Advisory Committee will meet on June 29, 2017, to review the preliminary numbers. Bill Lindley added that the Governor of Texas may call a special session of the Legislature to enact legislation regarding property taxes. Steven Alexander stated that in anticipation of a special session, he is basing the Budget on an increase in property tax revenue of five percent.

There being no further business to come before the Council, the meeting was adjourned at 9:10 a.m.

APPROVED on this the 26th day of June, 2017.

By:

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary

MINUTES OF A MEETING OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, ON MONDAY, JUNE 12, 2017, AT 8:00 A.M.

Present at the meeting were Mayor Joel T. Williams, III, Mayor Pro Tem Bob Carter, and Town Council Members David Dowler, Eric Gambrell, Margo Goodwin, and John McKnight.

Mayor Williams called the meeting to order and asked the Town Council if they wished to discuss any item(s) on the Regular Agenda, to which there was no response.

Council Member Dowler gave the Invocation.

Mayor Williams asked if anyone in the audience wished to speak on any subject not on the agenda, to which there was no response.

Mayor Williams recessed the Council meeting at 8:04 a.m. and convened a public hearing to receive the recommendation of the Zoning Commission and citizen comments regarding a request from the Highland Park Independent School District to amend the planned development ordinance to the McCulloch Intermediate School/Highland Park Middle School campus at 3520 Normandy Avenue (3555 Granada Avenue in University Park), by allowing modifications. Kirk Smith Development Services Manager, explained that the request includes: (i) a three-story addition to the south side of the existing building; (ii) an underground parking garage that will accommodate 200 vehicles and will serve as a storm shelter for students, faculty, and staff; and (iii) relocating the three non-illuminated tennis courts to the north side of the play field. He stated that the Zoning Commission reviewed the request at its meeting on April 27, 2017, and recommended approval. Council Member Gambrell asked if the Town received any citizen comments since the Town Council study session held on June 6, 2017, to which Kirk Smith replied in the negative. Mayor Williams asked if the Town received any letters or other correspondence in favor of, or in opposition to the request, to which Mr. Smith replied in the negative. Mayor Williams asked if anyone in the audience wished to speak in favor of, or in opposition to the request. Hearing none, Mayor Williams asked if any Town Council Member wished to offer comments or ask questions. Hearing none, Mayor Williams closed the public hearing at 8:05 a.m. and reconvened the Town Council meeting.

On a motion by Council Member Dowler, seconded by Mayor Pro Tem Carter, the Council voted unanimously to approve Items A. through G. on the Consent Agenda. Prior to the vote, Mayor Williams stated that the Council reviewed the items at its study session on June 6, 2017, and explained that with a consent agenda, several items are voted upon in one motion; any Council Member could request that any item(s) be removed for discussion and voted upon separately. Mayor Williams asked if any Council Member had such a request, to which there was no response.

- A. Consider approval of the minutes of the Town Council study session held on March 21, 2017.*
- B. Consider approval of the minutes of the Town Council meeting held on March 27, 2017.*
- C. Consider approval of Resolution No. 004-17 supporting Dallas County's renewal of the Community Development Block Grant and HOME Program.*

RESOLUTION NO. 004-17

*A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS ("TOWN"),
AUTHORIZING THE MAYOR TO EXECUTE A COOPERATIVE
AGREEMENT SUPPORTING DALLAS COUNTY'S RENEWAL OF THE
COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM.*

- D. Consider approval of a contract with The Ivy Group, Ltd. for consulting services for the Library Master Plan project.*
- E. Consider approval of a bid submitted by Southern Botanical in the amount of \$120,054.97 to provide landscaping services for the Mockingbird Lane Improvements Project.*
- F. Consider approval of a professional services contract in the amount of \$94,200.00 with Wiss, Janney, Elstner Associates, Inc. for engineering services related to repairs of the Exall Dam pedestrian bridge.*
- G. Consider rejecting the bid received for the Tennis Courts Renovation Project.*

On a motion by Council Member McKnight, seconded by Council Member Goodwin, the Council voted unanimously to approve Ordinance No. 2021 amending the planned development ordinance for McCulloch Intermediate School/Highland Park Middle School to allow: (i) construction of a three-story addition to the south end of the school building; (ii) construction of an underground parking garage; and (iii) relocation of the non-illuminated tennis courts to the north side of the paly field at 3520 Normandy Avenue (3555 Granada Avenue in University Park. Council Member Gambrell asked if the zoning process for this request in the City of University Park was as quiet. Jim Hitzelberger, President of the Highland Park Independent School District's Board of Trustees, stated that some citizen comments were offered. Council Member Goodwin asked if the tennis courts being relocated to the interior of the campus are not illuminated. Brett Holzle, representing Stantec, the District's architectural firm, explained that the tennis courts have historically been non-illuminated, the District has no requirement for illuminated tennis courts.

ORDINANCE NO. 2021

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS AMENDING THE TOWN OF HIGHLAND PARK CODE OF ORDINANCES, **CHAPTER 14 "ZONING," SECTION 26 "LIST OF SPECIFIC USE PERMITS, PLANNED DEVELOPMENTS AND COMBINED BUILDING SITES," 26-100 PD ORDINANCE NO. 1257, "NEW MIDDLE SCHOOL AT BLOCK 209, HIGHLAND PARK ADDITION, SECTION 2, AS AMENDED, WHICH CREATED A PLANNED DEVELOPMENT DISTRICT FOR MCCULLOCH INTERMEDIATE SCHOOL/HIGHLAND PARK MIDDLE SCHOOL, TO ALLOW: (I) CONSTRUCTION OF A THREE-STORY ADDITION TO THE SOUTH SIDE OF THE SCHOOL PROPER; (II) CONSTRUCTION OF AN UNDERGROUND PARKING STRUCTURE FOR TWO HUNDRED PARKING SPACES BELOW THE PLAY FIELD ON THE SOUTH SIDE OF THE SCHOOL; AND (III) RELOCATION OF THE THREE NON-ILLUMINATED TENNIS COURTS TO THE NORTH SIDE OF THE PLAY FIELD; PROVIDING A VALIDITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR INCORPORATION INTO THE TOWN OF HIGHLAND PARK CODE OF ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.**

Mayor Williams recessed the Council meeting at 8:10 a.m. and convened a closed session under Section 551.074 and Section 551.072 of the Texas Government Code to discuss and deliberate agenda items VII. A. and B. No final action, decision, or vote was taken during the closed session. Mayor Williams closed the closed session at 8:25 a.m. and reconvened the Council meeting in open session.

On a motion by Council Member Goodwin, seconded by Mayor Pro Tem Carter, the Council voted unanimously to approve Resolution No. 005-17 endorsing the appointment of James Cornelius to the Board of Directors of the Dallas County Park Cities Municipal Utility District to fill the unexpired term vacated by the resignation of Michael R. Lacy.

RESOLUTION NO. 005-17

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS ("TOWN"), ENDORSING THE APPOINTMENT OF JAMES CORNELIUS TO REPRESENT THE TOWN ON THE DALLAS COUNTY PARK CITIES MUNICIPAL UTILITY DISTRICT'S BOARD OF DIRECTORS, TO FILL THE UNEXPIRED TERM VACATED BY THE RESIGNATION OF MICHAEL R. LACY; AND PROVIDING AN EFFECTIVE DATE.

On a motion by Council Member McKnight, seconded by Council Member Dowler, the Council voted four to zero (4 – 0) to approve a Water Tower License Agreement with New Cingular Wireless PCS, LLC for utilizing space at the Town's water tower, conditioned upon such changes as the Town's staff may recommend. Council Member Gambrell recused himself from the vote due to a possible conflict of interest related to his employer.

There being no further business to come before the Council, the meeting was adjourned at 8:27 a.m.

APPROVED on this the 28th day of August, 2017.

By:

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Town Services

Director: Ronnie Brown

TITLE

Consider approval of a bid for contract labor services in the Town Services Department, Parks Division.

BACKGROUND

This contract was first introduced as a one-year contract to examine how contract labor services would work for the department. The Fiscal Year 2017 budget included \$26,000 for landscaping and \$3,600 for irrigation contract labor. At the Town Council Study Session on November 8, 2016, staff presented a request to consider increasing landscaping and irrigation contract labor services by \$42,000 and reducing staff by one fulltime position. The Town Council approved this item on November 14, 2016. Following the success of this year's contract, staff would like to extend the contract for landscaping and irrigation.

This bid is for a three-year contract with two one-year renewal options. A request for bids was published in *The Park Cities News* on June 15, and June 22, 2017. A pre-bid meeting was held on June 29, and the bids were opened on July 10, 2017. Four bids were received.

Bids are based on three workers, three times a week, eight hours per work day.

Land Care :	\$2,520
A&A Landscape:	\$1,800
Complete Landsculpture	\$2,520
Lawns of Dallas	\$2,430

The contract term begins on October 1, 2017, and ends on December 31, 2020; the Town has the option to renew the agreement for two one-year terms.

RECOMMENDATION

The staff recommends approval of the lowest and best bid submitted by A & A Landscape. The Town Council reviewed this item at its study session on August 22, 2017.

FINANCIAL IMPACT

The Fiscal Year 2018 budget includes an increase of \$77,274 for repair and maintenance services. This increase results from saving \$49,274 from an unfilled parks position used to contract third-party landscape care, which began in mid-FY 2017, eliminating a Parks Worker I position in FY 2017-18, and using \$28,000 of the salary savings for additional contract labor in repair and maintenance.

ATTACHMENTS:

File Name

HP_bid-_contract_labor.pdf

A_A_bid_tabulation.pdf

Description

Bld Document

Bid Tabulation



GENERAL INFORMATION
TOWN OF
HIGHLAND PARK, TEXAS

BEST VALUE BID NO. 2017-01-008-43125
CONTRACT LABOR, TOWN SERVICES - PARKS

.....
DOCUMENTS ARE DUE TO THE OFFICE OF THE PURCHASING AGENT
PRIOR TO:

JULY 10, 2017 9:30AM CST
NO LATE BIDS WILL BE ACCEPTED

ORIGINAL ON A FLASH DRIVE AND
ONE HARD COPY REQUIRED
.....

DOCUMENTS MAY BE
DELIVERED OR MAILED
TO:

TOWN OF HIGHLAND PARK
OFFICE OF THE
PURCHASING AGENT
4700 DREXEL DRIVE
HIGHLAND PARK, TX 75205

Deadline for Submittal of
Questions

JULY 6, 2017
9:30am CST
Send to

kstewart@hptx.org

FOR ADDITIONAL INFORMATION CONCERNING THIS BID PLEASE CONTACT:

Kathleen Stewart
Assistant Director of Town Services
ksstewart@hptx.org
214-559-9353



TOWN OF HIGHLAND PARK

BEST VALUE BID NUMBER 2017-01-008-43125

BIDDER MUST SUBMIT ORIGINAL BID ON A FLASH DRIVE PLUS ONE HARD COPY TO FACILITATE EVALUATION. IF ONE HARD COPY IS NOT SUBMITTED WITH THE ORIGINAL BID, THE BID MAY BE CONSIDERED AS "NON-RESPONSIVE TO SPECIFICATIONS" AND MAY NOT BE CONSIDERED FOR FURTHER EVALUATION.

THE TOWN OF HIGHLAND PARK (THE "TOWN") IS ACCEPTING BEST VALUE BIDS FOR SERVICES AND COSTS FOR LANDSCAPING AND IRRIGATION LABOR.

BIDS MUST BE RECEIVED JULY 10, 2017, ON OR BEFORE 9:30 AM CENTRAL STANDARD TIME (CST) TO THE OFFICE OF THE PURCHASING AGENT. NO BID WILL BE ACCEPTED AFTER THAT DATE AND TIME. ALL BIDS RECEIVED AFTER THIS DATE AND TIME WILL BE CONSIDERED NONRESPONSIVE.

THE TOWN'S SELECTION OF THE BEST VALUE BID WILL BE MADE WITHIN 14-DAYS. AN ACCEPTED/SIGNED PROPOSAL WILL BE AWARDED TO THE AWARDED VENDOR WITHIN 7 DAYS FOLLOWING THE AWARD OF BID.

Write the competitive bid number: 2017-01-008-43125, name of bid: CONTRACT LABOR, TOWN SERVICES - PARKS, and the name of your organization on the outer envelope.

Bids are to be submitted in accordance with the attached Town specifications and the "General Conditions of Bidding" attached hereto. Each bidder is required to fill in every blank; failure to do so may be used as a basis for rejection of a bid. The Town reserves the right to reject any or all bids, to waive formalities, or to proceed otherwise when in the best interest of the Town.

A PRE-BID CONFERENCE WILL BE HELD AT THE TOWN OF HIGHLAND PARK, 4700 DREXEL DRIVE, HIGHLAND PARK, TEXAS 75205, ON THURSDAY, JUNE 29, AT 9:30 A.M.

TOWN OF HIGHLAND PARK
BEST VALUE BID NUMBER 2017-01-008-43125

TABLE OF CONTENTS

CONTRACT LABOR, TOWN SERVICES - PARKS

I.	Section I - General Conditions.....	4
II.	Section II – Conflict of Interest	16
III.	Section III – Bid Specifications	17
IV.	Section IV – References	24

SECTION I - GENERAL CONDITIONS OF BIDDING

1. INSTRUCTIONS: These instructions apply to all bids and become a part of the terms and conditions of any bid submitted and any agreement entered into subsequent thereto, unless exception is taken in writing by bidder when submitting bid.

BIDDING

2. FORM: Bidders must submit original on a flash drive and ONE (1) hard copy of the bid/written quote/proposal to the Office of the Purchasing Agent prior to response due date/time. Failure to submit all of the requested copies (1-digital & 1-printed) may result in the bid being declared nonresponsive to specification and may not be further evaluated.
3. PRICING: Price(s) quoted must be held firm for a minimum of ninety (90) days from the date of bid closing. In the case of estimated requirement contract bid, the prices must remain firm for the period as specified in the bid. "Discount from list" bids are not acceptable unless specifically requested in the bid.
4. QUANTITIES: In the case of estimated requirements contract bid, quantities appearing are estimated as realistically as possible. However, the Town reserves the right to increase, decrease or delete any item or items of material to be furnished while continuing to pay the price quoted on this bid regardless of quantity. The successful bidder shall have no claim against the Town for anticipated profits for the quantities called for, diminished, or deleted.
5. ERROR-QUANTITY: Bids must be submitted on units of quantity specified, extended, and show total. In the event of discrepancies in extension, the unit prices shall govern.
6. F.O.B./DAMAGE: Quotations shall be bid F.O.B. delivered to the designated Municipal Facility, Highland Park, Texas and shall include all delivery and packaging costs. The Town assumes no liability for goods delivered (EXCEPT FOR GOODS ORDERED DIRECTLY BY THE TOWN AND SUPPLIED TO THE VENDOR) in damaged or unacceptable condition. The successful bidder shall handle all claims with carriers, and in case of damaged goods, shall ship replacement goods immediately upon notification by the Town.
7. DELIVERY PROMISE-PENALTIES: Bids MUST show the number of calendar days required to place the material in the possession of the Town. Do not quote shipping dates. When delivery delay can be foreseen, the bidder shall give prior written notice to the Town, who shall have the right, in its sole discretion, to extend the delivery date if reasons for delay appear acceptable. Default in promised delivery, without acceptable reasons, or failure to meet specifications, authorizes the Town to purchase the goods elsewhere, and charge any increase in cost and handling to the defaulting bidder.
8. BIDDER SHALL PROVIDE: With this bid response, the bidder shall provide all documentation required. Failure to provide this information may result in rejection of bid.
9. ALTERING/WITHDRAWAL OF BIDS: Bids cannot be altered or amended after submission deadline. The signer of the bid, guaranteeing authenticity, must initial any interlineations alteration, or erasure made before opening time. No bid may be withdrawn after opening time without first submitting a written reason to the Assistant Director of Town Services and obtaining the Assistant Director of Town Services approval.
10. PRESENTATION OF BIDS: No oral, telegraphic, telephonic, e-mailed, or facsimile bids will be considered at this time. All bids must be submitted in a sealed envelope.

11. **CORRESPONDENCE:** This bid number must appear on ALL correspondence, inquiries, bid submittal documents, etc. pertaining to this Invitation for Bid.
12. **ADDENDA:** Any interpretations, corrections or changes to this Invitation for Bid and specifications will be made by addenda. Sole issuing authority of addenda shall be vested in the Town of Highland Park. An attempt will be made to mail, fax, or e-mail any addenda to all who are known to have received a copy of this Invitation for Bid. Bidders shall acknowledge receipt of all addenda in the designated area on the bid document. It is the responsibility of the bidder to ensure receipt of all addenda and to include the changes in this bid document.
13. **LATE BIDS:** Bids received by the Town after submission deadline shall be returned unopened and will be considered void and unacceptable. The Town is not responsible for lateness of mail, carrier, etc.
14. **BID OPENINGS:** All bids submitted will be reviewed privately by the Town Services Department.

The Town will make a determination as to the responsiveness of bids submitted based upon compliance with all applicable laws, Town of Highland Park Purchasing Guidelines, and project documents, including but not limited to the project specifications and contract documents. The Town will notify the successful bidder upon award of the contract and according to state law; all bids received will be available for inspection at that time, unless otherwise provided by law.
15. **BID TABULATION:** Bidders desiring a copy of the bid tabulation may request it by enclosing a self-addressed stamped envelope with bid. **BID RESULTS WILL NOT BE GIVEN BY TELEPHONE.** If you have any questions, please contact Kathleen Stewart, Assistant Director of Town Services, Town of Highland Park, 214-559-9353 or kstewart@hptx.org.
16. **PROTESTS:** All protests regarding the bid solicitation process must be submitted in writing to the Town within five (5) working days following the opening of bids. This includes all protests relating to advertising of bid notices, deadlines, bid opening, and all other related procedures under the Local Government Code, as well as any protests relating to alleged improprieties or ambiguities in the specifications.

This limitation does not include protests relating to staff recommendations as to award of this bid. Protests relating to staff recommendations may be directed to the Director of Town Services within five (5) days of the staff recommendation memo. Unless otherwise provided by law, all staff recommendations will be made available for public review.
17. **BID AWARD:** The Town reserves the right to award a separate contract to separate bidders for each item/group or to award one contract for the entire bid. Unless stipulated in the attached bid specifications, the contract will be awarded to the lowest responsible bidder or to the bidder who provides the goods or services specified herein at the best value for the Town in compliance with Texas Local Government Code, Section 252.043.
18. **CHANGE ORDERS:** No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. All change orders to the contract will be made in writing by the Town.

PERFORMANCE

19. **MINIMUM STANDARDS FOR RESPONSIBLE PROSPECTIVE BIDDERS:** A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder must meet the following requirements:
 - A. Have adequate financial resources or the ability to obtain such resources as required;

- B. Be able to comply with the required or proposed delivery schedule;
- C. Have a satisfactory record of performance;
- D. Have a satisfactory record of integrity and ethics; and
- E. Be otherwise qualified and eligible, as determined by the Town, to receive an award.

The Town may request representation and other information sufficient to determine bidder's ability to meet these minimum standards listed above.

- 20. ASSIGNMENT: The successful bidder shall not sell, assign, transfer or convey the contract in whole or in part, without the prior written consent of the Town.
- 21. SPECIFICATION-SAMPLES: Any catalog, brand name, or manufacturer's reference used is considered to be descriptive, not restrictive, and is indicative of the type and quality the Town desires to purchase. Bids on brands of like nature and quality may be considered unless specifically excluded. If bidding on other than reference, bid must certify article offered is equivalent to specifications and it is subject to approval by the using department. Samples, if required, shall be furnished free of expense to the Town. SAMPLES SHOULD NOT BE ENCLOSED WITH BID UNLESS REQUESTED.
- 22. TESTING: An agent so designated, by the Town, without expense to the Town, may perform testing at the request of the Town or any participating entity.
- 23. PACKAGING: Unless otherwise indicated, items will be new, unused, and in first class condition in containers suitable for damage-free shipment and storage.
- 24. DELIVERY: Deliveries will be acceptable only during normal working hours at the designated Town Municipal Facility(s). The place of delivery shall be set forth in the purchase order. The terms of this agreement are "no arrival, no sale".
- 25. TITLE AND RISK OF LOSS: The title and risk of loss of goods shall not pass to the Town until the Town actually receives and takes possession of the goods at the point(s) of delivery.
- 26. **PATENT RIGHTS: In consideration for the Town's receipt and processing of the bid, the Bidder agrees to indemnify and hold the Town harmless from any claim involving patent right infringement or copyrights on goods supplied.**

PURCHASE ORDERS AND PAYMENT

27. PURCHASE ORDERS: A purchase order(s) shall be generated by the Town's CFO & Director of Administrative Services to the successful bidder. The purchase order number must appear on all itemized invoices and packing slips. The Town will not be held responsible for any work orders placed and/or performed, outside of this agreement, without a valid current purchase order number. Payment will be made for all services rendered and accepted by the contract administrator for which a valid invoice has been received.
28. BID SECURITY/BOND REQUIREMENTS: If required, bid security shall be submitted with bids. Any bid submitted without bid bond, or cashiers/certified check, shall be considered non-responsive and will not be considered for award. Performance and/or payment bonds, when required, shall be submitted to the Town, prior to commencement of any work pursuant to the agreement provisions.
29. FUNDING: The Town is a home-rule municipal corporation operated and funded on an October 1 to September 30 basis, accordingly, the Town reserves the right to terminate, without liability to the Town, any contract for which funding is not available.
30. TAXES: The Town is exempt from Federal Manufacturer's Excise, and State sales taxes. TAX MUST NOT BE INCLUDED IN BID PRICING. Tax exemption certificates will be executed by the Town and furnished upon request by the Finance Department.
31. PAYMENT TERMS: Payment terms are Net 30 unless otherwise specified by the Town in this document. Prompt payment discounts may be used by the Town in determining the lowest responsible bidder.
32. INVOICES: Invoices must be submitted by the successful bidder to: accountspayable@hptx.org.

CONTRACT

33. CONTRACT PERIOD/RENEWAL OPTIONS: In the case of an annual contract bid, the contract shall be for a predetermined period as specified in the Invitation for Bids. If a clause for option to renew for additional period(s) is (are) included, renewal(s) will be based solely upon the option and written agreement between both the Town and the Contractor. Either party dissenting will terminate the contract in accordance with its initial specified term.
34. AUDIT: The Town reserves the right to audit the records and performance of successful bidder during the term of the contract and for three (3) years thereafter.
36. **SUCCESSFUL BIDDER SHALL: In consideration for the award of the bid, the successful bidder shall defend, indemnify and save harmless the Town and all its officers, Managers and employees and all entities, their officers, Managers and employees who are participating in the contract from all suits, actions or other claims of any character, name and description brought for or on account of any injuries, including death, or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful bidder, or of any Manager, officer, director, representative, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from bid award. Successful bidder shall pay any judgment with cost which may be obtained against the Town and participating entities growing out of such injury or damages.**
37. TERMINATION FOR DEFAULT: The Town reserves the right to enforce the performance of the contract in any manner prescribed by law or deemed to be in the best interest of the Town in the event of breach or default of the contract. The Town reserves the right to terminate the contract

immediately in the event the successful bidder fails to: (1) meet delivery schedules; or (2) otherwise performs in accordance with these specifications. Breach of contract or default authorizes the Town to, among other things, award to another bidder, purchase elsewhere and charge the full increase in cost and handling to the defaulting successful bidder.

38. **ACCEPTABILITY:** All articles enumerated in the bid shall be subject to inspection by a Town officer or employee designated for the purpose. If found inferior to the quality called for, or not equal in value to the specifications, deficient in workmanship or otherwise, this fact shall be certified to the Assistant Director of Town Services who shall have the right to reject the whole or any part of the same. Work determined to be contrary to specifications must be replaced by the bidder and at its expense. All disputes concerning quality of supplies utilized in the performance of this bid will be determined solely by the Assistant Director of Town Services or designated representative.
39. **REMEDIES:** The successful bidder and the Town agree that each party has all rights, duties, and remedies available as stated in the Uniform Commercial Code and any other available remedy, whether in law or equity.
40. **VENUE:** The contract will be governed and construed according to the laws of the State of Texas. The contract is performable in Dallas County, Texas.
41. **SILENCE OF SPECIFICATION:** The apparent silence of these specifications as to any detail or to the apparent omission from it of a detailed description concerning any point shall be regarded as meaning that only the best commercial practices are to prevail. All interpretations of these specifications shall be made on the basis of this statement.
42. **NO PROHIBITED INTEREST:** The bidder acknowledges and represents they are aware of the laws of the State regarding conflicts of interest. No officer, whether elected or appointed, or any employee, whether full or part time, of the Town shall have a substantial financial interest, direct or indirect, in any contract, other than employment contracts, with the Town; or have a substantial financial interest, direct or indirect in the sale to the Town of any land, materials, supplies or services."
43. **FORCE MAJEURE:** If, by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under the contract, then such party shall give notice and full particulars of such Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders of any kind of government of the United States or the State of Texas or any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, or canals, or other causes not reasonable within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty.
44. **DISCLOSURE OF CERTAIN RELATIONSHIPS:** Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ, the vendor or person's affiliation

or business relationship that might cause a conflict of interest with a local government entity. By law, this questionnaire must be filed with the records administrator of the Town of Highland Park not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code. A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

By submitting a response to this request, vendor represents that it is in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

TOWN OF HIGHLAND PARK CONTRACTOR INSURANCE REQUIREMENTS

Contractors providing good, materials and services for the Town of Highland Park shall, during the term of the contract with the Town or any renewal or extension thereof, provide and maintain the types and amounts of insurance set forth herein. All insurance and certificate(s) of insurance shall contain the following provisions:

1. Name the Town, its officers, agents, representatives, and employees as additional insureds as to all applicable coverage with the exception of workers compensation insurance.
2. Provide for at least thirty (30) days prior written notice to the Town for cancellation, non-renewal, or material change or modification of any policies, evidenced by return receipt or United States Mail. The words "endeavor to" and "but failure" (to end of sentence) are to be eliminated from the Notice of Cancellation provision on standard ACORD certificates.
3. Provide for a waiver of subrogation against the Town for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance.
4. Endorsement applicable to each policy provided.

Insurance Company Qualification: All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by A.M. Best's Key Rating Guide, or other equivalent rating service(s).

Certificate of insurance: A certificate of insurance evidencing the required insurance shall be submitted with the contractor's bid or response to proposal. If the contract is renewed or extended by the Town, a certificate of insurance shall also be provided to the Town prior to the date the contract is renewed or extended.

Type of Contract

Type and amount of Insurance

Special Events

General Liability insurance for personal injury (including death) and property damage with a minimum of \$1 Million Dollars per occurrence and \$2 Million Dollars aggregate, including coverage for advertising injury and products coverage

Statutory Workers compensation insurance as required by state law

(If the contractor serves alcoholic beverages) Liquor Liability with a minimum of \$1 Million Dollars per Occurrence and \$2 Million Aggregate.

(If high risk or dangerous activities) Umbrella Coverage or Liability Excess Coverage of \$ 2 Million Dollars

(If automobile or limousine service is involved even if volunteers)

Automobile Liability with a minimum of \$1 Million Dollars combined single limit.

Public Works and Construction

General Liability insurance for personal injury (including death) and property damage with a minimum of \$1 Million Dollars per occurrence and \$2 Million Dollars aggregate, including advertising injury, products

coverage and (XCU) Explosion, collapse and underground (If high risk or dangerous activities) Umbrella Coverage or Excess Liability Coverage of \$2 Million Dollars

Statutory Workers compensation insurance as required by state law

Professional Services

Professional Liability Insurance with a minimum of \$1 Million Dollars per occurrence and \$2 Million Dollars aggregate.

(If size or scope of project warrant)
Umbrella Coverage or Excess Liability Coverage of \$2 Million Dollars

Statutory Workers compensation insurance as required by state law

SAMPLE ON FOLLOWING PAGE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

04/01/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER ABC Insurance Brokerage 1234 Frisco Square Blvd. Frisco, Texas 75034	CONTACT NAME: John Smith PHONE (A/C No. Ex): 972-555-5555 FAX (A/C No.): 972-555-5556 E-MAIL ADDRESS: johnsmith@abcinsurance.com
INSURED Your Company Name Here Address of Insured Address of Insured	INSURER(S) AFFORDING COVERAGE INSURER A: Insurance Company Name NAIC #: 12345 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTR	TYPE OF INSURANCE	ADDL	SUBR	POLICY	POLICY	POLICY	LIMITS
LTB		INSTR	INSTR	NO.	EFF	EXP	
	GENERAL LIABILITY						EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$
	<input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR						MED EXP (Any one person) \$
		X		987654	03/05/2013	03/05/2014	PERSONAL & ADV INJURY \$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMPOP AGG \$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident) \$
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS			123456	03/05/2013	03/05/2014	BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						
	<input type="checkbox"/> NON-OWNED AUTOS						
	UMBRELLA LIAB						EACH OCCURRENCE \$
	<input type="checkbox"/> EXCESS LIAB						AGGREGATE \$
	<input type="checkbox"/> OCCUR						
	<input type="checkbox"/> CLAIMS-MADE						
	DED RETENTION \$						
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						WC STATUTORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A	X	123456	03/05/2013	03/05/2014
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT \$ 100,000
							E.L. DISEASE - EA EMPLOYEE \$ 100,000
							E.L. DISEASE - POLICY LIMIT \$ 100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The City of Frisco, its officers, agents, representatives, and employees as additional insured as to all applicable coverage with the exception of workers' compensation. Provide a waiver of subrogation against the City for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance.

CERTIFICATE HOLDER Town of Highland Park 4700 Drexel Drive Highland Park, TX 75205	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE SIGNATURE HERE
---	---

ACORD 25 (2010/05)

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SUPPLEMENTAL INFORMATION

☐ Check here if “N/A” not applicable.

Texas Government Code Section 2252.002 Non-resident Bidders

A governmental entity may not award a governmental contract to a nonresident bidder unless the nonresident underbids the lowest bid submitted by a responsible resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located.

In order to make this determination, please answer the following questions:

1. Address and phone number of your principal place of business:

2. Name and address of principal place of business, and phone number of your company's majority owner:

3. Name and address of principal place of business, and phone number of your company's ultimate parent company:

MINORITY/WOMAN-OWNED BUSINESS PARTICIPATION

☐ Check here if “N/A” not applicable.

It is the policy of the Town of Highland Park to involve small businesses and qualified minority/women-owned businesses to the greatest extent possible in the procurement of goods, equipment, services and construction projects. To assist us in our record keeping, please list below the names of the minority or woman-owned firms you would be utilizing in this bid, and note the monetary involvement:

NAME OF FIRM	TELEPHONE #	\$ INVOLVEMENT

SUPPLEMENTAL INFORMATION
REQUIRED

Please provide the following information for contract development.

Is your firm?

- | | | | | |
|------------------------|--------------------------|-----|--------------------------|----|
| 1. Sole Proprietorship | <input type="checkbox"/> | YES | <input type="checkbox"/> | NO |
| 2. Partnership | <input type="checkbox"/> | YES | <input type="checkbox"/> | NO |
| 3. Corporation | <input type="checkbox"/> | YES | <input type="checkbox"/> | NO |

If company is a sole proprietorship, list the owner's full legal name:

If company is a partnership, list the partner's full legal name(s):

If company is a corporation, list the full legal name as listed on the corporate charter:

Is this firm a minority, or woman-owned business enterprise?

☐ NO ☐ YES If yes, specify (☐) MBE (☐) WBE

Has this firm been certified as a minority/woman-owned business enterprise by any governmental agency? ☐ NO ☐ YES

If yes, specify governmental agency: _____

Date of certification: _____

AFFIDAVIT OF NO PROHIBITED INTEREST

(Supplemental Information)

☐ Check here if "N/A" not applicable.

THE STATE OF _____ §

THE COUNTY OF _____ §

I, _____, a member of the Contractor team, make this affidavit and hereby under oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision on the Project (Check all that apply):

_____ Ownership of ten percent (10%) or more of the voting shares of the business entity.

_____ Ownership of Twenty Five Thousand and 00/100 Dollars (\$25,000) or more of the fair market value of the business entity.

_____ Funds received from the business entity exceed ten percent (10%) of my income for the previous year.

_____ Real property is involved, and I have an equitable or legal ownership with a fair market value of at least Twenty Five Thousand and 00/100 Dollars (\$25,000).

_____ A relative of mine has a substantial interest in the business entity or property that would be affected by my business decision of the public body which I am a member.

_____ Other: _____.

_____ None of the Above.

Upon filing this affidavit with the Town of Highland Park, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573, TEX. GOV'T CODE, as amended, is a member of a public body which took action on the agreement.

Signed this ____ day of _____, 2017.

Signature of Official/Title

BEFORE ME, the undersigned authority, this day personally appeared _____, and on oath stated that the facts hereinabove stated are true to the best of his/her knowledge or belief.

Sworn to and subscribed before me on this ____ day of _____, 2017.

Notary Public in and for the State of _____
My commission expires: _____

SECTION II – CONFLICT OF INTEREST

CIQ Form-To be completed by the Bidder and Submitted with Bid

CONFLICT OF INTEREST QUESTIONNAIRE		FORM CIQ
For vendor or other person doing business with local governmental entity		
<p>This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>	<div style="text-align: center; border: 1px solid black; padding: 2px;">OFFICE USE ONLY</div> <div style="border: 1px solid black; padding: 5px; min-height: 150px;"> Date Received </div>	
<div style="border: 1px solid black; padding: 2px;"> 1 Name of person who has a business relationship with local governmental entity. </div>		
<div style="border: 1px solid black; padding: 2px;"> <div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 20px; height: 20px; margin-right: 10px;"></div> <div> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.) </div> </div> </div>		
<div style="border: 1px solid black; padding: 2px;"> 3 Name of local government officer with whom filer has employment or business relationship. </div> <div style="text-align: center; margin-top: 10px;"> <div style="border-bottom: 1px solid black; width: 200px; margin: 0 auto;"></div> Name of Officer </div> <p style="margin-top: 10px;">This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?</p> <div style="display: flex; justify-content: center; gap: 50px; margin-top: 5px;"> <div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> </div> <p>B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <div style="display: flex; justify-content: center; gap: 50px; margin-top: 5px;"> <div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> </div> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?</p> <div style="display: flex; justify-content: center; gap: 50px; margin-top: 5px;"> <div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div> </div> <p>D. Describe each employment or business relationship with the local government officer named in this section.</p>		
<div style="border: 1px solid black; padding: 2px;"> 4 </div> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 45%; text-align: center;"> <div style="border-bottom: 1px solid black; width: 100%; margin: 0 auto;"></div> Signature of person doing business with the governmental entity </div> <div style="width: 45%; text-align: center;"> <div style="border-bottom: 1px solid black; width: 100%; margin: 0 auto;"></div> Date </div> </div>		

SECTION III – BID SPECIFICATIONS

I. INTENT

This project shall consist of contract labor at specified Town Parks/ locations commencing on October 1, 2017, and ending on September 29, 2020. With the Town reserving the option to renew this service agreement for a two (2) year option. The Parks most likely to be serviced include: Prather Park, Town Hall, Bartholow Square, Flippen Park, Centennial Garden at Lakeside Park and Connor Park.

RATES:

Respondents shall provide an hourly rate that is inclusive of labor, equipment, tools, transportation, supervision and insurance for each of the following tasks:

- a. Lump sum Weekly Rate \$_____/Twice a week with a crew of three (3) Lump Sum Weekly Rate \$_____/ Three times a week with a crew of three (3)

Respondents shall provide an hourly rate that is inclusive of labor, equipment, tools, transportation, supervision and insurance for each of the following tasks:

Alternate #1 – Daily Labor Rates

- a. Irrigation Repair \$_____/ per man hour
- b. General Landscape Maintenance \$ ____/ per man hour
- c. Tree Care Maintenance \$ ____/ per man hour

Note: all landscape materials including mulch and plant material shall be provided by the Town of Highland Park.

II. SCOPE OF WORK:

The contract will encompass all project related services, including at a minimum the following activities:

- Repair of irrigation systems in various parks and parkways throughout the Town.
- Trimming, clean-up, plant & bed care, weeding, replacement plant materials, mulching, pruning and leaf removal.
- Plant & Bed Care: landscaped beds shall be edged in spring prior to mulching. Excess soil/turf shall be removed from the property and not allowed back into the bed.
- Weeding: weeding in mulched beds shall be performed every week or as needed to maintain a neat appearance. Physical weeding shall be the preferred method of unwanted plants in mulched beds (care taken to remove the root of these plants). Weeds in seams and cracks of sidewalks and curbs shall be sprayed with a broad-spectrum herbicide, as needed.
- Placement Plant Materials: plant materials that need replacing will be on an as needed basis.
- Mulching: As often and as needed.
- Pruning: trees / shrubs / plants shall be pruned to maintain a natural appearance of the species with removal of non-variegated stems, stray shoots, suckers, and dead/damaged/diseased wood in the spring after flowering or late summer (depending on

specific species requirement).

III. CONTRACT DOCUMENTS:

The Contract Documents shall consist of the Notice to Bidders, Base Bid Proposal, Alternate Bid Proposal, Service Agreement, Certification of Insurance, General Conditions of Agreement, Special Conditions, Minimum Wage Rates, Construction Specifications, Construction Plans, Maps, Exhibits, Addenda, and all modifications thereof incorporated in any of the documents before the execution of the agreement.

The Contract Documents are complementary, and what is called for by any one shall be as binding as if called by all. In case of conflict between any of the Contract Documents, priority of interpretation shall be in the following order: Signed Agreement, Performance and Payment Bonds, Special Bonds (if any), Proposal, Special Conditions, Notice to Bidders, Construction Plans, Special Specifications, Standard Specifications, and General Conditions of Agreement.

IV. RIGHT-OF-WAY:

The work herein contracted to be done shall be performed only on Town owned property or in easements dedicated to the Town. The Contractor, its successors or assigns, shall be solely responsible and liable for any and all operations inside and outside of the public domain of the Town of Highland Park, Texas.

IV. BARRICADES, LIGHTS AND WATCHMEN:

The Contractor shall furnish and erect such barricades, fences, lights and danger signals; shall provide such watchmen; and shall take such precautionary measures for the protection of persons or property and of the work as are necessary. A sufficient number of barricades and lights shall be erected to keep vehicles from being driven under, or into, any work in progress. Orange traffic cones shall be placed behind work vehicles on the shoulder of the road to collect tree debris as pruned.

V. WORK ORDER:

The Town will notify the Contractor in writing that the required contract documents have been received, execution of the contract documents have been completed, and establish a date for commencing work on the project. Work may occur between the hours of 7:00 a.m. and 7:00 p.m. Monday through Friday.

VI. CLEAN-UP:

After pruning is completed, the various project sites, including stockpile sites, equipment storage sites, and other areas used by the Contractor shall be cleaned by the Contractor of all equipment and material foreign to the site. The clean-up of all sites shall be to the satisfaction of the Town.

VI. PUBLIC UTILITIES:

The maintenance of existing service through sewers, gas mains, water mains, overhead and underground power, cable and telephone lines, owned either by the Town or by public utility companies, shall be the responsibility of the Contractor and agreement on construction methods to provide for such maintenance shall be negotiated by the Contractor with the Town and/or with the various utility companies.

VII. TERM OF CONTRACT AND OPTION TO EXTEND

This contract is valid upon date of award to September 30th of 2020. The Town anticipates that contract shall be renewed pursuant to the availability of funds and at the discretion of the Town. The following clauses shall be included in the contract:

- A. Option Clause: It is agreed that Town will have the option to extend the contract for up to two (2) additional years, in one-year intervals. To exercise this option, the Town shall serve notice 30 days prior to contract termination or to the end of any one-year extension. The Option to Extend will not be considered if funding is unavailable or if the contractor's past performance is not within the industry standard.
- B. Escalation Clause: Should market conditions prevail which dictate an increase, the successful contractor may submit documentation requesting permission to increase pricing no later than 30 days after receiving notice from the Town of its intent to extend the agreement. Escalation may only occur at the time of renewal and only upon securing the approval of the Town in writing. Requests for price adjustments must be solely for the purpose of accommodating an increase in the contractor's cost, not profits.

Vendors shall show in this quote their anticipated percent of escalation if/when the option to extend is exercised. The percent quoted will be a maximum. In addition, the percentage proposed will be a factor in determining the best value to the Town. It is the average price over the period of the contract that will be the price factor considered in the evaluation of this quote. Quotes in which negative or no escalation is shown will be considered as 0% escalation.

- C. Price Increases Upon Extension: If approved by the Town, the Contractor shall modify the rates charged by the Contractor to reflect any changes shown in the comparative statement delivered to the Town. The maximum increase allowed under this provision shall be three percent (3%) per year. The Town shall have authority, in its reasonable discretion, to determine the validity of any change in Contractor's rates. Town cannot exercise the Option to Extend with any price increases unless the Vendor completes the section of the Quote requesting anticipated percentage of annual escalation.

FIRST ADDITIONAL YEAR (FY 2020-2021) ESCALATION.....____%

SECOND ADDITIONAL YEAR (FY 2021-2022) ESCALATION.....____%

SECTION IV - REFERENCES

Vendors should submit the following information, at a minimum, in their response to this request for best value bids.

Section 1: Company Background/References

Vendors must provide, at a minimum, a list of three (3) clients in the past 3 years. Bids received without client references may be deemed non-responsive. Local Government agency references in the DFW Metroplex are preferred.

Reference #1:

Client / Company Name:	
Contact Name:	Contact Title:
Phone:	Email:
Date and Scope of Work Provided:	

Reference #2:

Client / Company Name:	
Contact Name:	Contact Title:
Phone:	Email:
Date and Scope of Work Provided:	

Reference #3:

Client / Company Name:	
Contact Name:	Contact Title:
Phone:	Email:
Date and Scope of Work Provided:	

Vendors must provide a contact listing with this bid. Bids received without a Contact Worksheet may be deemed as non-responsive. The contact listing should provide information on who the Town should contact regarding this bid, as well as who the Town would contact for warranty calls. If there are different means available for scheduling warranty calls, provide that information here.

Subcontractors are not permitted to provide services unless referenced within this Section.

Section 2: Pricing

Please provide a complete “turn-key” proposal with this bid on your company proposal form.

Section 3: Sample Invoices/Sample Reports

Please provide sample invoicing that the Town should expect if partial billing is selected. Please note the Town’s invoicing requirements listed in this bid.

Questions Concerning this bid are due in writing via e-mail to kstewart@hptx.org before the deadline for submitting questions stated above.

Date: July 10, 2017

Title: CONTRACT LABOR -Town Services -Parks												
Date: July 10, 2017												
Item	Quantity	Unit	Description	Unit Price	Extended Price	Land Care		A + H Landscape		Complete Landscape		Lawns & Valleys
						Lump sum	1,680					
						WK-2 W/C						1,680.
						3 X W/C	2,520					
						A/H Irii	35.00 hr					2,430
						Gr Landscape	35.00 hr					95.00 hr
						Tree Care	40 hr					30.00 hr
												N/A
						Escalator / 15 hr	3%					3%
						2nd yr	3%					3%
				TOTAL BID								
Guaranteed												
Tempest Bismar												
Hector Delora												
Kad												



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Engineering

Director: Lori Chapin, P.E.

TITLE

Consider approval of an ordinance establishing regulations for grease and grit traps in food establishments in the Town and the hauling of liquid waste.

BACKGROUND

Restaurant grease traps, when inadequately cleaned, can result in sewer backup issues as grease enters into the Town's sanitary sewer system. The Town's Public Works staff routinely cleans all sanitary sewer mains, but in the areas that are susceptible to grease accumulation, additional cleanings are necessary to avoid sanitary sewer overflows.

To offset the Town's expense incurred for the additional inspections of its sanitary sewer system, staff recommends the adoption of an ordinance establishing regulations for grease and grit traps in food establishments, and the associated hauling of liquid waste. The proposed ordinance provides for the assessment of an annual fee of \$150.00 for each entity that obtains an annual health permit in the Town. The proposed fee will cover a minimum of two grease trap inspections per year by Town staff. Food establishments are required to maintain a manifest to show quarterly grease trap cleanings, which is verified by the Dallas County Health Inspector. While the manifest is checked, there is no physical inspection of the grease trap.

The proposed ordinance provides a fine of up to \$2,000 per day until the entity has corrected a deficiency. Additionally, if the Town's sanitary sewer system requires repair or replacement due to grease accumulation, the Town may charge the offending entity for such repairs or replacement.

RECOMMENDATION

Staff recommends approval of the ordinance. The Town Council reviewed this item at its study session on August 22, 2017.

FINANCIAL IMPACT

The proposed annual fee of \$150.00 per restaurant will offset the expense of the staff inspection.

ATTACHMENTS:

File Name	Description
Regulating_Grease_Traps_in_Food_Establishments_2017-final.docx	Proposed Ordinance

ORDINANCE NO.

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS AMENDING **CHAPTER 13 UTILITIES, SECTION 13.03 SEWER USE SECTIONS 13.03.001 GENERAL PROVISIONS, AND SECTION 13.03.002 DISCHARGE STANDARDS; AND ARTICLE 13.05 SOLID WASTE, SECTION 13.05.018 COLLECTION, TRANSPORTATION, AND DISPOSAL OF COMMERCIAL SOLID WASTE AND RECYCLABLE MATERIALS**, OF THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK BY ESTABLISHING REGULATIONS FOR GREASE AND GRIT TRAPS AND FOR THE HAULING OF LIQUID WASTE; PROVIDING A REPEALER; PROVIDING A VALIDITY CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Highland Park (the “Town”) is a Home Rule municipality having full powers of self-government and may enact ordinances relative to its citizens’ health, safety, and welfare that are not inconsistent with the Constitution and laws of the State of Texas; and

WHEREAS, the Town Council determines it necessary and beneficial to establish regulations regarding the handling of liquid waste; and

WHEREAS, all constitutional, statutory, and legal prerequisites for the passage of this ordinance have been met, including but not limited to the Open Meetings Act; and

WHEREAS, the Town Council finds and determines that the adoption of this ordinance is in the best interests of and necessary to protect the health, safety, and welfare of the public;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS:

SECTION 1: That, all of the findings contained hereinabove are found to be true and correct and are incorporated into this ordinance by reference as if copied herein.

SECTION 2: That, the Code of Ordinances of the Town of Highland Park, Article 13.03, Section 13.03.001(d) is hereby amended with the addition of the following defined terms:

Activated Sludge. The sludge produced in a wastewater treatment plant that is withdrawn from the treatment plant for disposal.

BOD. The value of the five-day test for biochemical oxygen demand, as described in the latest edition of “Standard Methods for the Examination of Water & Wastewater.”

Fats, Oils, and Grease (FOG). The organic polar compounds derived from animal and/or plant sources that contain multiple carbon chain triglyceride molecules. These substances are detectable and measurable using analytical test procedures established in 40 CFR 136, as may be amended from time to time. All are sometimes referred to herein as “grease” or “greases.”

Generator. A person who causes, creates, generates, stores, or otherwise produces liquid waste, excluding a person storing liquid waste in a mobile tank or fixed storage tank for temporary storage.

Grease Trap. A receptacle, structure, or mechanical device used by a generator to intercept, collect, separate, and restrict the passage of fat, oil, grease, organic, inorganic, liquid, semi-liquid, semi-solid, or solid waste from wastewater prior to discharge to the Publicly Owned Treatment Works (“POTW”).

Grease Trap Waste. Fats, oils, grease organic, inorganic, liquid, semi-liquid, semi-solid, or solid waste collected by and removed from a grease trap.

Grit Trap. A receptacle, structure, or mechanical device used by a generator to intercept, collect, separate, and restrict the passage of petroleum-based oil and grease waste, and inorganic or other solids or semi-solids from wastewater prior to discharge to the POTW.

Grit Trap Waste. Petroleum-based oil and grease waste, and inorganic or other solids and semi-solids collected by and removed from a grit trap.

Liquid Waste. Water-borne solids, semi-solids, semi-liquids, and liquids that contain dissolved or suspended waste materials including:

- (A) septic tank waste;
- (B) activated sludge;
- (C) chemical toilet waste;
- (D) grease trap waste;
- (E) grit trap waste;
- (F) wastewater that is collected on a vehicle or transported on a vehicle; and
- (G) other liquid waste collected on a vehicle or transported on a vehicle.

Liquid Waste Hauler. A person who stores, transports, transfers, or hauls liquid waste.

Transporter. A person who is registered with and authorized by the TCEQ to transport sewage sludge, water treatment sludge, domestic septage, chemical toilet waste, grit trap waste, or grease trap waste in accordance with V.T.C.A., tit. 30 Texas Administrative Code § 312.142.

TSS. The value of the test for total suspended solids, as described in the latest edition of “Standard Methods for the Examination of Water & Wastewater.”

SECTION 3: That, the Code of Ordinances of the Town of Highland Park, Chapter 3, Article 13.03, Section 13.03.002 is hereby amended in its entirety and replaced with the following:

Sec. 13.03.002 Discharge standards

(a) Prohibited discharges.

(1) General prohibitions. No user shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes pass-through or interference. These general prohibitions apply to all users of the POTW whether or not they are subject to categorical pretreatment standards or any other National, State, or local pretreatment standards or requirements.

(2) Specific prohibitions. No user shall introduce or cause to be introduced into the POTW the following pollutants, substances, or wastewater:

(A) Pollutants which create a fire or explosive hazard in the POTW, including, but not limited to, waste streams with a closed-cup flashpoint of less than 140°F (60°C) using the test methods specified in 40 CFR 261.21;

(B) Wastewater having a pH less than 5.5 or more than 10.5;

(C) Solid or viscous substances in amounts which will cause obstruction of the flow in the POTW resulting in interference;

(D) Pollutants, including oxygen-demanding pollutants (BOD, etc.), released in a discharge at a flow rate and/or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with the POTW;

(E) Wastewater having a temperature greater than 150°F (65°C), or which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104°F (40°C);

(F) Used motor oil;

(G) Pollutants which result in the presence of toxic gases, vapors, or fumes within the POTW in a quantity that may cause acute worker health and safety problems;

(H) Trucked or hauled pollutants, except at discharge points designated by the Director and/or Control Authority in accordance with Section 13.03.003(c) of this article;

(I) Noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance or a hazard to life, or to prevent entry into the sewers for maintenance or repair;

(J) Wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the treatment plant's effluent, thereby violating the applicable National Pollutant Discharge Elimination System ("NPDES") permit;

(K) Wastewater containing any radioactive wastes or isotopes in a manner that will permit a transient concentration higher than one hundred (100) microcuries per liter, except in compliance with applicable State or Federal regulations;

(L) Stormwater, surface water, groundwater, artesian well water, roof runoff, and subsurface drainage, unless specifically authorized by the Director and/or the Control Authority;

(M) Sludges, screenings, or other residues from the pretreatment of industrial wastes;

(N) Wastewater causing, alone or in conjunction with other sources, the treatment plant's effluent to fail a toxicity test;

(O) Detergents, surface-active agents, or other substances which may cause excessive foaming in the POTW;

(P) Except where the Director and/or the Control Authority have determined that different limits under an industrial waste permit are appropriate, a person may not discharge fat, oil, grease, or similar material to the POTW in excess of one hundred (100) mg per liter. If necessary to protect the POTW or sanitary sewer, the director may issue a permit, order, or rule that assigns the limits on discharge of fat, oil, grease, or similar substance as:

- (1) Instantaneous maximum allowable limits;
- (2) Daily average limits;
- (3) Daily maximum limits;
- (4) Monthly average limits; or
- (5) Limits of other sampling duration or averaging period.

The following is a list of oils, fats, and grease types not permitted:

- (i) Floatable grease of any origin;
- (ii) Free or emulsified grease of petroleum or mineral origin, or both, including but not limited to:
 - a. Cooling or quenching oil;
 - b. Lubricating oil;

c. Non-biodegradable cutting oil; and

d. Non-saponifiable oil;

(Q) A discharge of water, normal domestic wastewater, or industrial waste that in quantity of flow exceeds, for a duration of longer than fifteen (15) minutes, more than four (4) times the average twenty-four-hour flow during normal operation;

(R) Insecticides and herbicides in concentrations that are not amenable to treatment;

(S) Polychlorinated biphenyls;

(T) Garbage that is not properly shredded to such an extent that all particles will be carried freely under the flow conditions normally prevailing in wastewater mains, with no particle having greater than a one-half-inch cross-sectional dimension;

(U) Wastewater or industrial waste generated or produced outside the Town, unless approval in writing from the Director and the Control Authority has been given to the person discharging the waste; or

(V) Without the approval of the Director and/or Control Authority, a substance or pollutant other than industrial waste, normal domestic wastewater, septic tank waste or chemical toilet waste that is of a toxic or hazardous nature, regardless of whether or not it is amenable to treatment, including but not limited to bulk or packaged chemical products.

Pollutants, substances, or wastewater prohibited by this section shall not be stored in such a manner that they could be discharged to the POTW.

(b) National categorical pretreatment standards. The categorical pretreatment standards found at 40 CFR chapter I, subchapter N, parts 405–71 are hereby incorporated.

(1) Where a categorical pretreatment standard is expressed only in terms of either the mass or the concentration of a pollutant in wastewater, the Director and/or the Control Authority may impose equivalent concentration or mass limits in accordance with 40 CFR 403.6(c).

(2) When wastewater subject to a categorical pretreatment standard is mixed with wastewater not regulated by the same standard, the Director and/or the Control Authority shall impose an alternate limit using the combined waste stream formula in 40 CFR 403.6(e).

- (3) A user may obtain a variance from a categorical pretreatment standard if the user can prove, pursuant to the procedural and substantive provisions in 40 CFR 403.13, that factors relating to its discharge are fundamentally different from the factors considered by the EPA when developing the categorical pretreatment standard.
- (4) A user may obtain a net gross adjustment to a categorical standard in accordance with 40 CFR 403.15.
- (c) Local limits. The following pollutant limits are established to protect against pass-through and interference. No person shall discharge, or cause or permit to be discharged, wastewater containing in excess of the following instantaneous maximum allowable discharge limits:

- (1) Metals in the form of compounds or elements in solution or suspension in concentrations exceeding the following:

0.5 mg/l arsenic

1.0 mg/l cadmium

5.0 mg/l chromium

4.0 mg/l copper

1.6 mg/l lead

0.01 mg/l mercury

9.0 mg/l nickel

0.2 mg/l selenium

4.0 mg/l silver

5.0 mg/l zinc

- (2) Organic chemical substances in concentrations exceeding the following:

21,000.0 mg/l acetone

1.0 mg/l benzene

1.6 mg/l ethyl benzene

26,250.0 mg/l isopropyl alcohol

20,000.0 mg/l methyl alcohol

249.0 mg/l methyl ethyl ketone

21.0 mg/l methylene chloride

149.0 mg/l total phenols

3.0 mg/l toluene

2.0 mg/l xylene

- (3) 1.6 mg/l cyanide or cyanogen compounds.
- (4) 100.0 mg/l oil and grease.
- (5) 10.0 mg/l sulfides.
- (6) 10,000 mg/l BOD₅.
- (7) 10,000 mg/l total suspended solids.

The above limits apply at the point where the wastewater is discharged to the POTW. All concentrations for metallic substances are for “total” metal unless indicated otherwise.

(d) Right of revision. The Town reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW.

(e) Dilution of discharge. No user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation, unless expressly authorized by an applicable pretreatment standard or requirement. The Director may impose mass limitations on users who are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.

(3) Restrictions on Discharge of Liquid Waste

(A) Except as otherwise provided in this article, a person shall dispose of liquid waste only by discharge or deposit at an approved receiving station.

(4) Offenses

(A) A person commits an offense under this article if the person:

- (1) discharges or disposes of liquid waste at a location other than an approved receiving station;
- (2) discharges waste from grease traps, grit traps, or hold haul tanks that has been commingled with sewage, septic tank waste, activated sludge, or chemical toilet waste to an approved receiving station;

- (3) discharges hazardous waste or liquid waste containing pollutants in violation of Federal, State, or local law;
- (4) possesses or presents a false manifest, chemical analysis, list of industrial contributors, or other document to obtain approval for discharge or disposal of liquid waste;
- (5) discharges to the POTW or sanitary sewer liquid waste not documented by a manifest as required by local and state health officials;
- (6) discharges wastes from a grit trap, grease trap, or hold haul tank to:
 - (a) the POTW;
 - (b) the Town's sanitary sewer system; or
 - (c) the POTW's wholesale wastewater customers
- (7) discharges liquid waste collected from one or more generators into a service line, cleanout, sampling port, manhole, or other device that discharges into the POTW and is owned or operated by a third party;
- (8) discharges grease trap waste, grit trap waste, or other liquid waste removed from a grease trap or grit trap into the device from which it was removed or any other device; or
- (9) discharges grease trap waste, grit trap waste, or other liquid waste that has been physically or chemically treated, separated, commingled with other liquid waste, or otherwise altered, into a grease trap, grit trap, or other device while or after the device is being serviced.

(5) Fees and Charges

- (A) A Liquid Waste Hauler seeking a permit must complete and file an application for a permit with the Director on the form provided by the Director and pay the annual application and permit fee.
- (B) A Liquid Waste Hauler shall remit to the Town an amount equal to five percent (5%) of all gross revenues from all operations of the Liquid Waste Hauler within the Town. Said amounts shall be remitted no later than the thirtieth (30th) day after such revenue is earned. The Liquid Waste Hauler shall submit a monthly report to the Town accounting for its gross revenues under the permit for any month in which revenue is earned pursuant to the permit. As applied in this section, the term gross revenue shall exclude the amount of any municipal, county, State, or Federal sales or excise tax on sales, which is both added to the selling price and paid to the taxing authority by the Liquid Waste Hauler; and the amount of any city, county, State, or Federal admission tax or use tax or similar governmental charge which is paid to the relevant taxing authority by the Liquid Waste Hauler. The Town Council reserves the right to increase the Liquid Waste Hauler fee at its sole

discretion by amending this ordinance.

(6) Record Keeping Requirements

A person discharging or proposing to discharge liquid waste shall maintain written reports, information, or other documentation showing:

- (1) The nature and concentration of pollutants in the liquid state; and
- (2) The origin of the waste including:
 - (a) The name, address, and telephone number of the generator;
 - (b) The nature of operations conducted by the generator; and
 - (c) Other information the director determines necessary to identify the liquid waste discharged and to implement the provisions of this chapter.

(7) Grease Trap Design Requirements

(A) Grease trap design is as specified in the Town's plumbing code with the approval of the Building Official.

(B) All existing facilities that are not compliant with grease trap maintenance standards will be given a compliance deadline not to exceed six (6) months from the date of notification to have approved and installed grease-handling equipment in compliance with this Policy. Failure to do so will be considered a violation of the Town's ordinance and may subject the facility to enforcement action.

(8) Requirements for Cleaning Grease Traps.

(A) A person who discharges wastewater from a grease trap to the POTW shall:

- (1) completely remove all fat, oils, or grease waste, other liquid waste, semi-solid or solid and residue from the grease trap when the grease trap is cleaned;
- (2) re-imbursement for the cost to remove all fat, oils, or grease waste from the POTW; and
- (3) receive a maximum fine per (Code of Ordinance) per day, every day, until the subject grease trap has been returned to Town Ordinance requirements and inspected by Town Staff;
- (4) clean the grease trap the earlier of:
 - (a) a minimum of every ninety (90) days, or
 - (b) when fifty (50) percent or more of the wetted height of the grease trap, as measured from the bottom of the grease trap to the invert of the outlet pipe, contains grease and solids. Failure to clean the grease trap on a timely basis will be considered a violation of the Town's ordinance and may subject the facility to enforcement action.

(B) The director may reduce the cleaning frequency requirement in writing if the director determines, based on written documentation submitted by the generator, that the reduced cleaning frequency does not contribute to or cause a violation of this chapter.

(C) A person cleaning a grease trap shall dispose of the waste removed from a grease trap in accordance with federal, state and local regulations.

(D) The director may establish other cleaning requirements for grease traps as necessary to protect the POTW or a portion of the sanitary sewer.

(9) Requirements for Cleaning Grit Traps

(A) A person who discharges wastewater from a grit trap to the POTW shall completely remove all oil and grease waste, other liquid waste, semi-solid, or solid and residue from the grit trap when the grit trap is cleaned.

(B) A person cleaning a grit trap shall dispose of the waste removed from a grit trap in accordance with federal, state, and local restrictions.

(C) The director may establish other cleaning requirements for grit traps as necessary to protect the POTW or a portion of the sanitary sewer system.

(10) Permit and Application Requirements for Grease/Grit Traps

(A) A person seeking a permit must complete and file an application for a permit with the director on the form provided by the director and pay the application and permit fees established by ordinance.

(B) An application for a permit under this chapter must include:

(1) name, title, address, and telephone number of the authorized representative for the applicant;

(2) description or address of the location;

(3) description of the activity and process conducted at the location;

(4) description of the facility at the location;

(5) nature and characteristics of the proposed discharge;

(6) a list of the raw materials and chemicals used or stored at the location that may be discharged to the POTW, intentionally or accidentally;

(7) type, amount, process, and rate of product produced;

(8) type and amount of raw materials processed, including daily average and daily maximum;

(9) a copy of the site, floor, mechanical, and plumbing plans that show sewers, floor drains, and pretreatment facilities by size, location, elevation and points of origin; and

(10) time and duration of discharge.

(C) The director may require additional application information as necessary to determine compliance by the premises and proposed discharge.

(D) An annual permit fee as established by Town Council Resolution not less than 30 days of expiration. The permit fee will cover up to three inspections of the operational grease trap by Town Staff.

E) The authorized representative of the applicant must sign the application and make the following certification: I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violation.

(11) Transfer of Existing Grease Trap Permit

(A) A person assuming ownership, occupancy, or management of a premises covered by an existing permit shall apply for a transfer of the existing permit no later than the 30th day before the proposed transfer.

(B) The director may transfer an existing permit if:

(1) the new owner, occupant, or manager:

(a) complies with the application requirements of this section; and

(b) pays the permit transfer fee; and

(2) the discharge from the permitted premises complies with the requirements of this chapter at the time of the transfer.

(C) A person assuming ownership, occupancy, or management of a currently permitted premises shall file an application for a transfer of the permit with the director on the form provided by the director and pay a permit transfer fee.

(D) An application for transfer of an existing permit must include:

(1) name, title, address, and telephone number of the authorized representative for the applicant;

- (2) description or address of the location;
- (3) description of the activity and the process conducted at the location;
- (4) description of the facility at the location;
- (5) nature and characteristics of the proposed discharge;
- (6) a list of raw materials and chemicals used or stored at the location that may be discharged to the POTW, intentionally or accidentally;
- (7) type, amount, process, and rate of product produced;
- (8) type and amount of raw materials processed, including the daily average and daily maximum;
- (9) a copy of the site, floor, mechanical, and plumbing plans that show sewers, floor drains, and pretreatment facilities by size, location, elevation, and points of origin; and
- (10) time and duration of discharge.

(E) A person assuming ownership, occupancy or management of a premises covered by an existing permit shall certify that there has been no material change in:

- (1) the equipment, facility or process used on the permitted premises; or
- (2) the character, quantity, rate of flow, or other characteristics of the discharge.

(F) The director may waive the permit application requirement for the transfer of a permit issued to a user that is not a significant industrial user.

(12) Grease Trap Permit Renewal

(A) A person holding a permit shall apply for a renewal no later than the 60th day before the expiration of an existing permit.

(B) The director may renew an existing permit if the person holding the permit complies with the application requirements of this section and timely pays the invoice for the permit renewal fee.

(C) A significant industrial user shall apply for renewal of a permit renewal by filing a complete permit application form.

(D) The director may waive the permit renewal application requirement for a user that is not a significant industrial user.

(E) The director may issue a permit renewal notice to a user that is not a significant industrial user with an attached invoice for payment of the permit renewal fee.

(13) Grease Trap Permit Renewal Fee

A person who receives a permit renewal notice shall pay the invoiced permit renewal fee on or before its due date.

(14) Grease Trap Permit for Multiple User Facility

(A) The director may issue a permit for a multiple user facility that discharges prohibited waste to the POTW.

(B) The owner, occupant, or manager of, or person who has contracted for water and wastewater service for a multiple user facility shall file an application for a permit with the director on the form provided by the director and pay a permit application fee.

SECTION 4: That, the Code of Ordinances of the Town of Highland Park, Section 13.05.018 is hereby amended in its entirety to read as follows:

Sec. 13.05.018 Collection, transportation, and disposal of commercial solid waste, recyclable materials and liquid waste

(a) Commercial solid waste. No person other than a solid waste services provider, as described in section 13.05.019(a), shall engage in the business of collecting, transporting, and disposing of solid waste materials for commercial customers located within the Town, and no person shall use the public streets, alleys, or thoroughfares within the corporate limits of the Town for the purpose of engaging in such business, other than a person who has executed said permit with the Town.

(b) Commercial recyclable materials. No person other than the owner, his authorized agent, an employee of the Sanitation Department, or a permitted recycling services provider, as described in section 13.05.019(a), may collect or transport recyclable materials from the property of a commercial customer located in the Town. Each violation of this provision shall constitute a separate and distinct offense punishable as provided in section 13.05.003 "Penalty," of this article.

(c) Liquid waste. No person other than the owner, his authorized agent, an employee of the Sanitation Department, or a permitted liquid waste hauler may collect or transport liquid waste from the property of a commercial customer located in the Town. Each violation of this provision shall constitute a separate and distinct offense punishable as provided in section 13.05.003 "Penalty," of this article.

SECTION 5. Validity. That, all ordinances of the Town of Highland Park in conflict with the provisions of this ordinance be, and the same are hereby superseded and all other provisions of the ordinances of the Town of Highland Park not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 6: Severability. That, should any paragraph, sentence, clause, phrase, or word of this ordinance be declared unconstitutional or invalid for any reason, the remainder of this ordinance shall not be affected.

SECTION 7: Penalty. That, any person, firm or corporation violating any of the provisions or terms of this ordinance shall be subject to the penalty provision of Section 1.01.009 of the Code of Ordinances of the Town of Highland Park, as amended. A separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

SECTION 8: Effective Date. That, this ordinance shall take effect immediately following its passage, approval, and publication as provided by law, and it is accordingly so ordained.

PASSED AND APPROVED on this 28th day of August, 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C. G. Boyle
Town Attorney

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Engineering

Director: Lori Chapin, P.E.

TITLE

Consider approval of an ordinance adopting Right-of-Way Management and Design Manual for the: (i) maintenance; (ii) siting; and (iii) criteria for the installation of wireless facilities.

BACKGROUND

Senate Bill 1004, passed in the 85th Regular Session of the Texas Legislature, pre-empts municipal authority over the rights-of-way in regard to network nodes, which are also referenced as "small cell," "distributed antenna systems," or "DAS"). The new legislation takes effect on September 1, 2017, and requires municipal authorities to allow network nodes to be located within their rights-of-way. In addition, and for the first time, this legislation requires that municipal authorities allow locations on city facilities, such as poles, street lights, traffic signals, and other vertical facilities. The legislation does not extend beyond location in the right-of-way.

The legislation allows the Town to retain right-of-way management authority. If the Town chooses to exercise that authority, the proposed ordinance must be in place on or before September 1, 2017, the effective date of the legislation; the legislation expressly forbids a moratorium.

RECOMMENDATION

Staff recommends approval of the ordinance. The Town Council reviewed this item at its study session on August 22, 2017.

FINANCIAL IMPACT

The ordinance provides an option for the municipality to charge a permit fee. Additional staff time is needed for the review and issuance of these permits.

ATTACHMENTS:

File Name	Description
Adopting_Right-of-Way_Management_and_Design_Manual.docx	Proposed Ordinance

ORDINANCE NO.

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS **AMENDING CHAPTER 3, “BUILDING REGULATIONS” BY DELETING SECTIONS 3.13.081 THROUGH 3.13.127; ADOPTING CHAPTER 12A “RIGHT-OF-WAY MANAGEMENT”** TO THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK; PROVIDING DEFINITIONS; PROVIDING FOR UNAUTHORIZED USE OF THE RIGHT-OF-WAY; PROVIDING FOR AUTHORIZATION, REGISTRATION, COMPENSATION AND FEES; AND CONSTRUCTION PERMITS; PROVIDING FOR CONSTRUCTION AND MAINTENANCE STANDARDS; PROVIDING FOR PLANS OF RECORD; PROVIDING FOR CONFORMANCE WITH PUBLIC IMPROVEMENTS; PROVIDING FOR IMPROPERLY INSTALLED FACILITIES; PROVIDING FOR RESTORATION OF PROPERTY; PROVIDING FOR REVOCATION OR DENIAL OF PERMIT; PROVIDING FOR APPEAL FROM RESPORATION OR DENIAL OF PERMIT; PROVIDING FOR INSPECTIONS; PROVIDING FOR ABANDONED FACILITIES; PROVIDING THAT UNDERGROUND INSTALLATION IS PREFERRED; PROVIDING FOR AS-BUILT MAPS AND RECORDS; PROVIDING FOR COURTESY AND PROPER PERFORMANCE; PROVIDING A DRUG POLICY; PROVIDING FOR TREE MAINTENANCE; PROVIDING FOR SIGNAGE; PROVIDING FOR GRAFFITI ABATEMENT; PROVIDING FOR ALTERNATE MEANS OR METHOD; WAIVER; PROVIDING FOR ORDERLY USE OF THE RIGHT-OF-WAY BY MULTIPLE USERS; PROVIDING FOR A DESIGN MANUAL; PROVIDING FOR PROHIBITED OR RESTRICTED AREAS FOR WIRELESS FACILITIES IN THE RIGHTS-OF-WAY; PROVIDING FOR PREFERRED LOCATIONS; PROVIDING FOR ORDER OF PREFERENCE REGARDING ATTACHMENT TO EXISTING FACILITIES; PROVIDING PLACEMENT REQUIREMENTS; PROVIDING FOR CAMOUFLAGE REQUIRED WHEN POSSIBLE; PROVIDING GENERAL REQUIREMENTS; PROVIDING FOR ELECTRICAL SUPPLY; PROVIDING FOR INSTALLATION AND INSPECTIONS; PROVIDING REQUIREMENTS IN REGARDING REMOVAL, REPLACEMENT, MAINTENANCE AND REPAIR; PROVIDING FOR REQUIREMENTS UPON ABANDONMENT; PROVIDING GENERAL PROVISIONS; PROVIDING FOR INSURANCE, INDEMNITY, BONDING AND SECURITY DEPOSITS; PROVIDING FOR DESIGN MANUAL UPDATES; PROVIDING FOR RIGHT-OF-WAY CONSTRUCTION FOR UTILITY CONNECTIONS INCLUDING PURPOSE; PERMIT REQUIRED; TRAFFIC CONTROL PLAN; EXCAVATIONS; RESTORATION OF PROPERTY; PROTECTION OF ADJOINING PROPERTY; CONSTRUCTION REQUIREMENTS; FINAL CLEANUP; TOWN’S RIGHT TO RESTORE SURFACE; APPLICABILITY TO WORK BY TOWN OR AGENTS OF THE TOWN; UNLAWFULLY DAMAGING UTILITY LINES; EMERGENCY WORK; PROVIDING FOR ADMINISTRATIVE HEARING – REQUEST FOR EXEMPTION; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Highland Park finds that the right-of-way, including but not limited to the streets, sidewalks, and utilities located therein are vital to the everyday life of its citizens, visitors and businesses; and

WHEREAS, the Town of Highland Park finds that there is limited available space in the rights-of-way for the many competing uses of said space; and

WHEREAS, the Town is charged with conserving the limited physical capacity of the public rights-of-way which are held in public trust by the Town for the benefit of its citizens, visitors, and businesses; and

WHEREAS, the following regulations are necessary to assist in the management of facilities placed in, or over the public rights-of-way and in order to minimize the congestion, inconvenience, visual impact and other adverse effects that can occur during construction in the rights-of-way, and to manage costs to the citizens resulting from the placement of facilities within the public rights-of-way; and to govern the use and occupancy of the public rights-of-way; and

WHEREAS, the following regulations are necessary to preserve the physical integrity of the streets and highways; and to control the orderly flow of vehicles and pedestrians; and to keep track of the different entities using the rights-of-way to prevent interference between them; and to assist in scheduling common trenching and street cuts; and to protect the safety, security, appearance, and condition of the public rights-of-way; and

WHEREAS, orderly use and management of the rights-of-way is required for economic development; and

WHEREAS, the following regulations are necessary to preserve and protect the health, safety and welfare of the Town of Highland Park, Texas and its citizens, visitors, travelers, and businesses.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS:

SECTION 1. That all matters stated hereinabove are found to be true and correct and are incorporated herein by reference as if copied in their entirety.

SECTION 2. That sections 3.13.081 through 3.13.127 are hereby deleted from Chapter 3 of the Code of Ordinances of the Town of Highland Park, Texas

SECTION 3. That a new Chapter 12A “Right-of-Way Management” is hereby adopted to read as follows:

Chapter 12A - RIGHT-OF-WAY MANAGEMENT

ARTICLE I. - GENERAL PROVISIONS

Sec. 12A.1.1. – Title; policy and purpose.

This chapter may be known and cited as the Right-of-Way Management Ordinance for the Town of Highland Park, Texas.

The Town of Highland Park enacts these regulations to manage the public right-of-way, to ensure public health, safety and welfare and to promote the most efficient use of the right-of-way first and foremost for the traveling public, and also for water and sewer uses and for utility uses designed to benefit the citizens of the Town of Highland Park, including such uses as have been recognized in statutory and common law in the State of Texas.

Sec. 12A.1.2. - Construction; governing law; venue.

This chapter shall be construed under and in accordance with the laws of the State of Texas and the Town Charter and Town Code to the extent that such Charter and Codes are not in conflict with or in violation of the Constitution and laws of the United States or the State of Texas. All obligations of the parties hereunder are performable in Dallas County, Texas.

All provisions of this Chapter shall apply to all persons involved with the Right-of-Way, all work performed therein, any facilities maintained therein or any other matter as applicable.

Sec. 12A.1.3. - Scope.

This chapter shall be effective within the geographical limits of the Town, including any areas subsequently annexed by the Town.

Sec. 12A.1.4. - Definitions.

The definitions in this section apply to all of Chapter 12A.

Abandon and its derivatives means the facilities installed in the right-of-way (including by way of example but not limited to: poles, wires, conduit, manholes, handholes, cuts, network nodes and node support poles, or portion thereof) that have been left by Provider in an unused or non-functioning condition for more than 120 consecutive calendar days unless, after notice to Provider, Provider has established to the reasonable satisfaction of the Town that the applicable facilities, or portion thereof, is still in active use.

Access line means(A) unless the commission adopts a different definition under Section 283.003, a unit of measurement representing: (i) each switched transmission path of the transmission media that is physically within a public right-of-way extended to the end-use customer's premises within the municipality, that allows the delivery of local exchange

telephone services within a municipality, and that is provided by means of owned facilities, unbundled network elements or leased facilities, or resale; (ii) each termination point or points of a nonswitched telephone or other circuit consisting of transmission media located within a public right-of-way connecting specific locations identified by, and provided to, the end-use customer for delivery of nonswitched telecommunications services within the municipality; or (iii) each switched transmission path within a public right-of-way used to provide central office-based PBX-type services for systems of any number of stations within the municipality, and in that instance, one path shall be counted for every 10 stations served; and (B) may not be construed to include interoffice transport or other transmission media that do not terminate at an end-use customer's premises or to permit duplicate or multiple assessment of access line rates on the provision of a single service.

Ancillary means secondary, supporting, or subordinate.

Antenna means communications equipment that transmits or receives electromagnetic radio frequency signals used in the provision of wireless services.

Applicable codes means: (A) uniform building, fire, electrical, plumbing, or mechanical codes adopted by a recognized national code organization; and (B) local amendments to those codes to the extent not inconsistent with this chapter.

Applicant means a person submitting an application or proposal to the Town for a license, franchise, permit or notice to install facilities or equipment or work in the Right-of-Way.

Application or *proposal* are synonymous for the purposes of this chapter. An "application" or "proposal" means the process by which the applicant submits a request and indicates a desire to be granted a license, permit or franchise for all, or a part, of the Town. An "application" or "proposal" includes all written documentation, and official statements and representations, in whatever form, made by an applicant to the Town.

Assignment of an authorization or *transfer of an authorization* means any transaction or action which effectively or actually transfers the authorization or franchise or changes operational or managerial control from one (1) person or entity to another.

Authorization or *Agreement to use the Right-of-Way* means a negotiated privilege pursuant to an agreement between the Town in its discretion and a person, allowing a person to occupy any portion of a street, right-of-way, or easement owned or controlled by the Town, and may be for a limited period of time or for a specific purpose.

Certificated telecommunications provider means a person who has been issued a certificate of convenience and necessity, certificate of operating authority, or service provider certificate of operating authority by the Commission to offer local exchange telephone service or a person who provides voice service.

Collocate and *collocation* mean the installation, mounting, maintenance, modification, operation, or replacement of network nodes in a public right-of-way on or adjacent to a pole.

Commission means the Public Utility Commission of Texas.

Communications network means a component or facility that is, wholly or partly, physically located within a public right-of-way and that is used to provide video programming, cable, voice, or data services.

Consumer price index means the annual revised consumer price index for all urban consumers for Texas, as published by the Federal Bureau of Labor Statistics.

Concealment or *Camouflaged* means any Wireless Facility or Pole that is covered, painted, disguised, or blended into its environment or otherwise hidden or kept from sight such that the Wireless Facility blends into the surrounding environment and is visually unobtrusive. A Concealed or Camouflaged Wireless Facility or Pole also includes any Wireless Facility or Pole conforming to the surrounding area in which the Wireless Facility or Pole is located and may include, but is not limited to hidden beneath a façade, blended with surrounding area design, painted to match the supporting area, or disguised with artificial tree branches.

DAS or Distributed Antenna System shall be included as a type of Network Node and have the same meaning as "Network Node."

Decorative Pole or *Decorative Streetlight* means a streetlight pole specially designed and placed for aesthetic purposes and on which no appurtenances or attachments, other than specially designed informational or directional signage or temporary holiday or special event attachments, have been placed or are permitted to be placed according to nondiscriminatory municipal codes.

Design District means an area that is zoned, or otherwise designated by municipal code, and for which the Town maintains and enforces unique design and aesthetic standards on a uniform and nondiscriminatory basis.

Disaster emergency or *disaster* or *emergency* means an imminent, impending, or actual natural or humanly induced situation wherein the health, safety, or welfare of the residents of the Town is threatened, and includes, but is not limited to any declaration of emergency by Town, state or federal governmental authorities.

Easement means, refers to or shall include any public easement or other compatible use, whether created by dedication or by any other means, for uses which include public utility purposes or any other purpose whatsoever. "Easement" may include a private easement used for the provision of utilities, depending upon usage.

FCC or Federal Communications Commission means the Federal Administrative Agency, or lawful successor, authorized to oversee cable television and other multi-channel regulation on a national level.

Fiber able or *Fiber Optic Cable* means a form of communication transmission that uses light to send data, high quality video and sound.

Franchise or Franchise Agreement means the initial authorization, or subsequent renewal granted by the Town in order for a person to construct, operate, and maintain a system in all, or part, of the Town right-of-way.

Franchise expiration means the date of expiration, or the end of the term of a franchise.

Franchise fee means the user fee or charge that the Town requires as payment for using the streets, rights-of-way, public ways, and easements of the Town.

Gross receipts means any and all compensation which is derived from the operation of the system, and which is attributable to the systems operations within the Town as allowed by law.

Highway right-of-way means right-of-way adjacent to a state or federal highway.

Historic district means an area that is zoned or otherwise designated as a historic district under municipal, state, or federal law.

Law means common law or a federal, state, or local law, statute, code, rule, regulation, order, or ordinance.

Local means within the geographical boundaries of the Town of Highland Park, Texas.

Local exchange telephone service has the meaning assigned by Section 51.002, Utilities Code.

Mayor means the Mayor for the Town of Highland Park, Texas.

Macro Tower means a guyed or self-supported pole or monopole greater than the height parameters prescribed by Section 284.103 and that supports or is capable of supporting antennas.

Micro Network Node means a network node that is not larger in dimension than 24 inches in length, 15 inches in width, and 12 inches in height, and that has an exterior antenna, if any, not longer than 11 inches.

Municipally Owned Utility Pole means a utility pole owned or operated by a municipally owned utility, as defined by Section 11.003, Utilities Code, and located in a public right-of-way.

Municipal Park means an area that is zoned or otherwise designated by municipal code as a public park for the purpose of recreational activity, and includes the various properties used for such purpose under the direction, control and supervision of the Town.

MUTCD means Manual of Uniform Traffic Control Devices

Network Node means equipment at a fixed location that enables wireless communications between user equipment and a communications network. The term: (A) includes: (i) equipment associated with wireless communications; (ii) a radio transceiver, an antenna, a

battery-only backup power supply, and comparable equipment, regardless of technological configuration; and (iii) coaxial or fiber-optic cable that is immediately adjacent to and directly associated with a particular collocation; and (B) does not include: (i) an electric generator; (ii) a pole; or (iii) a macro tower.

Network Provider means: (A) a wireless service provider; or (B) a person that does not provide wireless services and that is not an electric utility but builds or installs on behalf of a wireless service provider: (i) network nodes; or (ii) node support poles or any other structure that supports or is capable of supporting a network node.

Node Support Pole means a pole as defined by Chapter 284 of the Texas Local Government Code.

Park has the same meaning as “Municipal Park.”

Permit means a document issued by the Town authorizing installation, removal, modification and other work for equipment or facilities in accordance with the approved plans and specifications.

Pole means a service pole, municipally owned pole, node support pole, or other utility pole, and shall include network node support pole.

Person means any individual, corporation, business, trust, estate, trust, partnership, association of two (2) or more persons having a joint common interest, governmental agency, or other legal entity. From context within sections of this Chapter, it refers to persons using, applying or seeking to use the right-of-way

Provider has the same meaning as “Network Provider.”

Public Right-of-Way Management Ordinance means this chapter 12A of the Town of Highland Park Ordinances and includes all other Highland Park ordinances that comply with Chapter 284 of the Local Government Code.

Right-of-Way, Public Way or Public Right-of-Way or Public Rights-of-Way or Rights-of-Way or Right-of-Way means the surface of, and the space above and below a public street, road, highway, freeway, land, path, public way or place, alley, court, boulevard, parkway, drive, or other easement now or hereafter held by the Town (including any street, as defined, which is acquired by eminent domain) for the purpose of public travel and shall include other easements or rights-of-way now or hereafter held by the Town (including any easements or rights-of-way acquired by eminent domain) which shall, with their proper use and meaning, entitle the Town or utility provider, with proper authorization, to use thereof for the purpose of installing or transmitting utilities over poles, wires, cable, conductors, ducts, conduits, viaducts, manholes, amplifiers, appliances, attachments, and other property as may ordinarily be necessary.

The term does not include a private easement or the airwaves above a public right-of-way with regard to wireless telecommunications.

Service Pole means a pole, other than a Municipally Owned Utility Pole, owned or operated by a municipality and located in a Public Right-of-Way, including: (A) a pole that supports traffic control functions; (B) a structure for signage; (C) a pole that supports lighting, other than a Decorative Pole; and (D) a pole or similar structure owned or operated by a municipality and supporting only Network Nodes.

Small Cell shall be included as a type of Network Node and have the same meaning as “Network Node.”

State means the State of Texas.

Street means only the portion of the right-of-way with a specially prepared surface used for vehicular travel, which surface may be concrete, asphalt, or other material commonly used to prepare a surface for vehicular travel, and is limited to the area between the inside of the curb (when there is a curb) to the inside of the opposite curb, and does not include the curb area or the area between the two parallel edges of the surface used for vehicular travel where there is no curb. A Street is generally part of, but less than, or smaller in width than, the size or width of the right-of-way. Right-of-Way includes the sidewalks and utility easements and Street does not include a sidewalk or utility easement. A Street does not include the curb, sidewalk, ditch, if any or present either at time of permitting or if added later.

SWPPP shall mean Storm Water Pollution Prevention Plan.

TAS means Texas Accessibility Standards.

Thoroughfare shall have the same meaning as “Street.”

Town means the Town of Highland Park, Texas or its lawful successor, and includes the Highland Park Town Council.

Town Council or *Council/Franchising Authority* means the Town council for the Town of Highland Park, Texas or its lawful successor, which is the governing body for the Town.

Town Administrator shall mean the Highland Park Town Administrator or designee.

Traffic Signal means any device, whether manually, electrically, or mechanically operated by which traffic is alternately directed to stop and to proceed.

Transport Facility means each transmission path physically within Right-of-Way, extending with a physical line from a Network Node directly to the network, for the purpose of providing backhaul for Network Nodes.

U.S.C. means United States Code.

Underground District or *Underground Requirement Area* or *Underground Area* means an area where poles, overhead wires, and associated overhead or above ground structures have been removed and buried or have been approved for burial underground pursuant to municipal

ordinances, zoning regulations, state law, private deed restrictions, or other public or private restrictions, that prohibit installing aboveground structures in a Public Right-of-Way.

User means a person or organization that owns, places or uses facilities occupying the whole or a part of a public street or right-of-way, depending on the context.

Utility Pole means a pole that provides: (A) electric distribution with a voltage rating of not more than 34.5 kilovolts; or (B) services of a telecommunications provider, as defined by section 51.002 of the Utilities Code.

Voice service means voice communications services provided through wireline facilities located at least in part in the public right-of-way, without regard to the delivery technology, including Internet protocol technology. The term does not include voice service provided by a commercial mobile service provider as defined by 47 U.S.C. Section 332(d).

Wireless Service means any service, using licensed or unlicensed wireless spectrum, including the use of Wi-Fi, whether at a fixed location or mobile, provided to the public using a Network Node.

Wireless Service Provider means a person that provides Wireless Service to the public.

Wireless facilities means “Micro Network Nodes,” “Network Nodes,” and “Node Support Poles” as defined in Texas Local Government Code chapter 284.

Sec. 12A.1.5. Unauthorized use of public rights-of-way.

The Town may institute all appropriate legal action to prohibit any person from knowingly using the public rights-of-way unless the person has complied with the terms of this article.

This chapter shall not be construed as imposing upon the Town or any official or employee any liability or responsibility for damages to any person injured by the performance of any work for which a permit is issued hereunder, nor shall the Town or any official or employee thereof be deemed to have assumed any such liability or responsibility by reason of inspections authorized hereunder, the issuance of any permit or the approval of any work.

ARTICLE II RIGHT-OF-WAY MANAGEMENT

Sec. 12A.2.1. - Right-of-way construction.

No person shall commence or continue with the construction, installation or operation of facilities within the right-of-way in the Town except as provided by the ordinances of the Town and the directives of the Town Administrator. All construction activity in Town right-of-way will be in accordance with this chapter.

Sec. 12A.2.2. – Authorization; Registration; Compensation and Fees.

A. Registration

(1) In order to protect the public health, safety and welfare, all users of the right-of-way will register with the Town of Highland Park.

(2) Registration and permits will be issued in the name of the person who will own the facilities.

(3) Registration and permits are not authorizations to install facilities in the rights-of-way, such authorization must be through municipal franchise or license or municipal agreement, except when otherwise required by state law.

(4) Registration must be renewed every five (5) years. For utilities with a current franchise or license, the franchise or license will be evidence of renewal. If a registration is not renewed and subject to sixty-day notification to the owner, the facilities of the user will be deemed to have been abandoned.

(5) When any information provided for the registration changes, the user will inform the Town of Highland Park of the change no more than thirty (30) days after the date the change is made.

(6) Registration shall include:

(a) The name of the user of the right-of-way;

(b) The name, address and telephone number of people who will be contact person(s) for the user;

(c) The name, address and telephone number of any contractor or subcontractor, if known, who will be working in the right-of-way on behalf of the user;

(d) The name(s) and telephone number of an emergency contact who shall be available twenty-four (24) hours a day and said emergency contact shall be employed by and have binding and decision-making authority for the owner of the facilities;

(e) Insurance

(1) Prior to construction in the right-of-way, an applicant must provide, and users must maintain, acceptable proof of liability insurance in the total amount of six million dollars (\$6,000,000); one million dollars (\$1,000,000) primary plus five million dollars (\$5,000,000) umbrella if requested by the owner of the facilities, or other provisions as acceptable to the Town Administrator. The Town reserves the right to review the insurance requirements and to reasonably adjust insurance coverage and limits when the Town Administrator determines

that changes in statutory law, court decisions, or the claims history of the industry or the applicant or user require adjustment of the coverage.

(2) The coverage must be on an "occurrence" basis and must include coverage for personal injury, contractual liability, premises liability, medical damages, underground, explosion and collapse hazards.

(3) Each policy must include a cancellation provision in which the insurance company is required to notify the Town in writing not fewer than thirty (30) days before canceling, failing to renew, or reducing policy limits.

(4) The applicant shall file the required original certificate of insurance prior to any commencement of work. The certificate shall state the policy number; name of the insurance company; name and address of the agent or authorized representative of the insurance company; name, address and telephone number of insured; policy expiration date; and specific coverage amounts. The Town may accept a certificate of insurance or the Town may require another form of legally binding proof of insurance.

(5) An insurer has no right of recovery against the Town. The required insurance policies shall protect the person and the Town. The insurance shall be primary coverage for losses covered by the policies.

(6) The policy clause "other insurance" shall not apply to the Town if the Town is an insured under the policy.

(f) Bonds

(i) Applicant or Applicant's contractor, at Town's option, shall file an annual surety bond which will be valid each year construction will occur through one (1) full year after the completion of the construction from a surety company authorized to do business in the State of Texas in the amount of the estimated amount of the cost to restore the right-of-way for the work anticipated to be done in that year, in the event the applicant leaves a job site in the right-of-way unfinished, incomplete or unsafe or other provisions as acceptable to the Town Administrator.

(ii) The above requirements may be met by utilities with a current franchise or license if their current franchise or license adequately provides for insurance or bonds or provides an indemnity in favor of the Town.

(g) Indemnity

(i) to the extent allowed by state law, each person placing facilities in the public rights-of-way shall agree to promptly defend, indemnify and hold the Town harmless from and against all damages, costs, losses or expenses (i) for the repair, replacement, or restoration of Town's property, equipment, materials, structures and facilities which are damaged, destroyed or found to be defective as a result of the person's acts or omissions, (ii) from and against any and all claims, demands, suits, causes of action, and judgments for (a) damage to or loss of the property of any person (including, but not limited to the person, its agents, officers, employees and subcontractors, Town's agents, officers and employees, and third parties); and/or (b) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person (including, but not

limited to the agents, officers and employees of the person, person's subcontractors and Town, and third parties), arising out of, incident to, concerning or resulting from the negligent or willful act or omissions of the person, its agents, employees, and/or subcontractors, in the performance of activities pursuant to this article.

(ii) This indemnity provision shall not apply to any liability resulting from the negligence of the Town, its officers, employees, agents, contractors, or subcontractors.

(iii) The provisions of this indemnity are solely for the benefit of the Town and are not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

- (7) The above requirements may be met by utilities with a current franchise or license if their current franchise or license adequately provides for insurance or bonds or provides an indemnity in favor of the Town.
- (8) Failure to maintain registration requirements. In addition to all other legal penalties, including criminal penalties; failure to register or to maintain and update registration information may result in denial of a permit application or removal of facilities.

B. Authorization

(1) Municipal Authorization or Agreement shall be required, except when clearly preempted by state law. Nothing in this ordinance shall be considered to grant authorization to any user. When any state law authorizing right-of-way use is struck down, pre-empted, declared to be invalid or void, in whole or in part, the user relying upon said law for authorization shall seek separate authorization or shall cease using the right-of-way.

(2) When Municipal Authorization or Agreement is required, permit for construction work may not be submitted until said Authorization or Agreement is obtained.

(3) Municipal authorization does not extend to the use of any property or facilities other than the right-of-way.

(4) Municipal authorization does not address or allow the use of third party facilities in the right-of-way and is limited as described in the Authorization.

(5) This Chapter does not constitute or create authority to place, reconstruct, or alter facilities in, on, or over the public rights-of-way, and said authority must be obtained by separate instrument in accordance with this section or by operation of other laws.

C. Compensation and fees

(1) Municipal right-of-way use shall be compensated as required by the state constitution, state law, franchise, license or other agreement.

(2) The Town may structure due dates on payments in such a manner so as to be administratively efficient.

(3) Application fees, as allowed by state law, for work or installations in the right-of-way shall be the fees set by the Town Council. Such fees may be set by ordinance, resolution, in the budget or by any other lawful means.

Failure to pay application fees, or failure of any payment to properly process shall result in the denial or withdraw of a permit.

Sec. 12A.2.3 Construction in the right-of-way.

A. No person shall perform any construction or installation of facilities in the right-of-way without first obtaining a construction permit, except as provided herein. The permit will be in the name of the person who will own the facilities to be constructed. The permit must be completed and signed by a representative of the owner of the facilities to be constructed.

(1) Emergency responses related to existing facilities may be undertaken without first obtaining a permit; however the Town should be notified in writing within two (2) business days of any construction related to an emergency response; including a reasonably detailed description of the work performed in the right-of-way and an updated map of any facilities that were relocated, if applicable.

(2) The phrase "construction or installation of facilities" does not include the installation of facilities necessary to initiate service to a customer's property, or repair or maintenance of existing facilities unless such repair or maintenance requires the breaking of pavement; the closure of a nonresidential traffic lane; excavation or boring.

B The permit shall state to whom it is issued, location of work, location of facilities, dates and times work is to take place and any other conditions set out by the Town Administrator or designee.

C The person requesting a permit will provide the Town Administrator or designee with documentation in the format specified by the Town Administrator describing:

(1) The proposed, approximate location and route of all facilities to be constructed or installed and the applicant's plan for right-of-way construction should be shown on a set of scaled dimensioned construction plans, plan/profile sheet, a street view and an aerial map. Said plans should indicate the current right-of-way lines and any existing Town facilities. Said plans shall show any proposed underground conduit, type of casing pipe required, if applicable, overhead lines, network nodes, ancillary equipment, or any other facilities to be installed. The drawings shall show a cross sectional profile, identify all existing utilities and any existing or potential utility conflicts.

(2) For installation of any proposed pole applicant shall provide sectional detail showing depth of anchor, scaled dimensional drawings of the proposed pole, as well as any other proposed equipment associated with the proposed installation, and shall indicate spacing from existing curb, driveways, sidewalk, light poles, and any other poles or appurtenances.

(3) All applications shall include a before and after street view image. The after-image needs to include any proposed poles and all proposed attachments, and any associated or ancillary equipment, whether attached or stand alone.

(4) If the project is within the State right-of-way, the applicant must provide evidence of a permit or permission from the State.

(5) If a Town pole or poles or light structure or structures will be used or will be in the area of the proposed construction, the pole or poles or light structure or structures will be identified. No electric meter shall be mounted on a Town pole or light structure.

(6) Provider / Applicant shall use 240 voltage when connecting to any Town infrastructure and provide key to meter upon installation.

- (7) All plans shall reflect that no facilities to be installed will obstruct an existing or planned sidewalk, walkway, bicycle lane or lane of vehicular traffic.
- (8) Engineering plans which will be on a scale of one (1) inch equals fifty (50) feet unless otherwise approved by Town Administrator.
- (9) Detail of the location of all right-of-way and utility easements which applicant plans to use.
- (10) Detail of all existing Town utilities in relationship to applicant's proposed route.
- (11) Detail of what applicant proposes to install, such as network nodes, poles, pipes, size, number of innerducts, valves, or other facilities.
- (12) Detail of plans to remove and replace asphalt or concrete in streets (include Town of Highland Park standard construction details).
- (13) Drawings of any bores, trenches, handholes, manholes, switch gear, transformers, pedestals, network nodes, micro-network nodes, or other facilities, including depth located in public right-of-way.
- (14) Handhole and/or manhole typicals of type of manholes and/or handholes applicant plans to use or access.
- (15) Complete legend of drawings submitted by applicant.
- (16) If paper copies are required, five (5) sets of engineering plans must be submitted with permit application.
- (17) The name, address and phone numbers of the contractor or subcontractor who will perform the actual construction, including the name and telephone number of an individual with the contractor who will be available at all times during construction. Such information shall be required prior to the commencement of any work.
- (18) The construction and installation methods to be employed for the protection of existing structures, fixtures, and facilities within or adjacent to the right-of-way, and the dates and times work will occur, all of which (methods, dates, times, and other applicable information) are subject to approval of the Town Administrator or designee.
- (19) A statement that the requirements of subsection 12A.2.2- "Authorization; Registration; Compensation and Fees" are met.
- (20) A traffic control plan approved by the Town Administrator, which shall specify the traffic control measures to be provided, SWPPP, and trench safety plan may also be required based on the proposed scope of work. An approved traffic control plan shall be required any time work will require traffic lane closures or sidewalk closures, regardless of whether a permit is required.
- (21) No projecting attachments shall be less than eight (8) feet above the ground, if not projecting toward the street. If an attachment is projecting toward the street, the attachment shall be installed no less than sixteen (16) feet above the ground.
- (22) Any proposed work that involves the installation of facilities that will utilize radio frequencies shall not cause any interference with Town public safety radio system, traffic signal light system or other Town communications systems or components, regardless of whether or not a permit is required. The right-of-way user shall provide evidence in a form acceptable to the Town that the proposed installation will be compatible with said Town systems and will not cause any interference with the Town public safety radio system, traffic signal light system or other Town communications

systems or components. No installation shall be allowed to be installed or to remain in the right-of-way that causes any such interference.

(23) The plans shall demonstrate that all federal and state laws and Town ordinances will be obeyed, and that all sections of this Chapter, including Article II “Design Manual” will be complied with as applicable. Construction in right-of-way adjacent to a school shall be required to follow all state law requirements, including the requirements in the Educational Code regarding work on school grounds, including but not limited to chapters 21 and 22, as applicable.

D. All construction and installation in the right-of-way shall be in accordance with the permit for the facilities. The Town Administrator or designee shall be provided access to the work and to such further information as he or she may reasonable require to ensure compliance with the permit.

E. A copy of the construction permit and approved engineering plans shall be maintained at the construction site and made available for inspection by the Town Administrator or designee at all times when construction or installation work is occurring.

F. All construction or installation work authorized by permit must be completed in the time specified in the construction permit. If the work cannot be completed in the specified time periods, the permittee may request an extension from the Town Administrator or designee. The Town Administrator or designee will use best efforts to approve or disapprove a request for permit as soon as possible.

G. A copy of any permit or approval issued by federal or state authorities for work in federal or state right-of-way located in the Town of Highland Park, if requested by the Town Administrator and a copy of written permission for work in railroad right-of-way from the applicable railroad if requested by the Town Administrator;

H. A request for a permit must be submitted at least ten (10) working days before the proposed commencement of work in the request, unless waived by the Town Administrator or designee.

I. Requests for permits will be approved or disapproved by the Town Administrator or designee within a reasonable time or receiving all the necessary information. The Town Administrator or designee will use best efforts to approve or disapprove a request for permit as soon as possible.

J. The Town Administrator or the applicant can request a pre-construction meeting with the permittee and their construction contractor.

K. Permit applications are required for construction on new, replacement or upgrading of the company's facilities in the right-of-way either aerial or underground.

L. The failure of a person to request and obtain a permit from the Town prior to per forming any of the above listed activities in, or over any right-of-way, except in an emergency, will subject the person to a stop-work order from the Town and enforcement action pursuant to the Town’s Code of Ordinances.

M. If the person receiving the permit fails to act upon the permit within one hundred eighty (180) calendar days of issuance, the permit shall become invalid, and the person will be required to obtain another permit.

N. If State or Federal law provides that a permit is not required for certain work to be done, then a person proposing to do such work shall be required to provide notice two (2)

working days prior to performing such work. The following requirements must be met, even if no permit is required pursuant to State or Federal law:

O. Certification of a State registered professional engineer that the drawings, plans and specifications submitted with the application comply with applicable technical codes, rules, regulations, and publicly disclosed design specifications establishes in the Town's Right-of-Way Management requirements, including the Design Manual are required.

P. Work shall follow all other requirements and directives from the Town Administrator, including but not limited to the Excavation ordinance, Alley Excavation Drawing requirements, specifications for utility excavation, requirements for Approach- Curb – Walk, public walk detail, requirements for Curb – Gutter, Circular Driveway specifications, requirements in regard to basement driveway designs, requirements regarding sewer taps, and the use of Town forms, including concrete and excavation bond forms, excavation permit application (water/sewer tap) and the forms required under this Chapter.

Sec. 12A.2.4. - Construction and Maintenance standards.

A. The following shall be required when facilities are constructed in the Right-of-Way, regardless of whether a permit is required, and, to the extent applicable, for as long as the facilities remain in the Right-of-Way.

(1) The Town must be notified twenty-four (24) hours in advance that construction is ready to proceed by the right-of-way user, their contractor or representative. The right-of-way user or contractor must previously called for any needed locations for right-of-way facilities. At the time of notification, the right-of-way user will inform the Town Administrator of the number (or other information) assigned from the one-call system. The provider must have previously contracted the Town and obtained all needed locational information for Town utilities.

(2) All construction shall be in conformance with all Town codes and applicable local, state and federal laws and must be done in a good and workmanlike manner and in accordance with all applicable sections of this chapter.

(3) Three by three (3 × 3) feet information signs stating the identity of the person doing the work, telephone number and permittee's identity and telephone number shall be placed at the location where construction is to occur forty-eight (48) hours prior to the beginning of work in the right-of-way and shall continue to be posted at the location during the entire time the work is occurring. An informational sign will be posted on public right-of-way one hundred (100) feet before the construction location commences and each one hundred (100) feet thereafter, unless other posting arrangements are approved or required by the Town Administrator.

(4) Erosion control measures (e.g. silt fence) and advance warning signs, markers, cones and barricades must be in place before work begins.

(5) Lane closures on major thoroughfares will be limited after 8:30 a.m. and before 4:00 p.m. unless the Town Administrator grants prior approval. Arrow boards will be required on lane closures, with all barricades, advanced warning signs and thirty-six (36) inch reflector cones placed according to the specifications of the Town Administrator and must be in accordance with the filed lane closure plan approved by the Town Administrator.

(6) Permittees are responsible for the workmanship and any damages by a contractors or subcontractors. A responsible representative of the permittee will be available to Town staff at all times during construction.

- (7) Permittee shall be responsible for storm water management erosion control that complies with Town, state and federal guidelines. Requirements shall include, but not be limited to, silt fencing around any excavation that will be left overnight, silt fencing in erosion areas until reasonable vegetation is established, barricade fencing around open holes, and high erosion areas will require wire backed silt fencing. Upon request permittee may be required to furnish documentation submitted or received from federal or state government.
- (8) Permittee or contractor or subcontractor will notify the Town Administrator immediately of any damage to other utilities, either Town or privately owned.
- (9) It is the Town's policy not to cut streets or sidewalks; however, when a street or sidewalk cut is required, prior approval must be obtained by the Town Administrator and all requirements of the Town Administrator shall be followed. Repair of all street and sidewalk removals must be made promptly to avoid safety hazards to vehicle and pedestrian traffic.
- (10) Installation of facilities must not interfere with Town utilities, in particular gravity dependent facilities.
- (11) New facilities must be installed to a depth approved by the Town Administrator.
- (12) All directional boring shall have locator place bore marks and depths while bore is in progress. The boring method and bore pit locations shall be identified. Locator shall place mark at each stem with paint dot and depth at least every other stem.
- (13) The working hours in the rights-of-way are 9:00 a.m. to 4:00 p.m., Monday through Friday. Work that needs to be performed after 4:00 p.m. Monday through Friday must be approved in advance. Any work performed on Saturday must be approved twenty-four (24) hours in advance by the Town Administrator. Directional boring is permitted only Monday through Friday 9:00 a.m. to 4:00 p.m., unless other hours are approved in advance. No work will be done on Sundays or Town holidays, except for emergencies.
- (14) People working in the right-of-way are responsible for obtaining line locates from all affected utilities or others with facilities in the right-of-way prior to any excavation. Use of the Geographic Information System or the plans of records does not satisfy this requirement.
- (15) Permittee will be responsible for verifying the location, both horizontal and vertical, of all facilities. When required by the Town Administrator, permittee shall verify locations by pot holing, hand digging or other method approved by the Town Administrator prior to any excavation or boring with the exception of work involving lane closures, as discussed above.
- (16) Placement of all manholes and/or hand holes must be approved in advance by Town Administrator. Handholes or manholes will not be located in sidewalks, unless approved by the Town Administrator.
- (17) Locate flags shall not be removed from a location while facilities are being constructed.
- (18) Construction which requires pumping of water or mud shall be contained in accordance with Town of Highland Park ordinances and federal and state law and the directives of the Town Administrator.
- (19) All facilities installed in the right-of-way shall be in earth tone colors or in colors that blend with the surroundings, or if on a Service Pole or Municipally Owned Pole shall match the color and finish of the pole, or must be approved by the Town.
- (20) All facilities installed in the right-of-way shall be capable of being identified through a GIS shape file or other means as acceptable to the Town Administrator or designee. Said

identification shall be provided at the time of application and shall be visible on the facilities when installed.

(21) Above ground wires shall be located on only one side of the right-of-way.

(22) The right-of-way user or contractor must obtain any needed permits for electrical work and provide sealed engineered drawings for conduit size, circuit size, calculations for Amperage, or any other required information. Provider shall be responsible for obtaining any required electrical power service to any installation. Any such electrical supply must be separately metered and must match Town infrastructure voltage.

(23) Right-of-way users shall complete construction as expeditiously as possible and lane closures or work that inconveniences the traveling public shall be minimized. Lane closures shall not last longer than four (4) hours, unless a different period of time is shown on the permit.

(24) Right-of-way work shall be completed in the amount of time shown on the permit; but if no completion time is shown on the permit the work shall be complete in not more than one (1) year.

(25) All right-of-way work and facilities installed shall be done in a good workman like manner; shall meet all applicable codes; shall be maintained and kept in good repair and shall be aesthetically pleasing.

(26) All efforts shall be made to avoid or minimize negative visual impact to the surrounding area and to enhance the safety requirement for vehicles and pedestrians, particularly in areas where small children or other vulnerable members of the population may be located.

(27) Installations which require ancillary ground equipment with a footprint of twenty-five (25) square feet or more shall be spaced at least 300 feet apart.

(28) The name, address and phone numbers of the contractor or subcontractor who will perform the actual construction, including the name and telephone number of an individual with the contractor who will be available at all times during construction. Such information shall be required prior to the commencement of any work.

(29) A statement that the requirements of subsection 12A.2.2 “Authorization; Registration; Compensation and Fees” are met.

(30) A traffic control plan, which shall specify the traffic control measures to be provided, SWPPP, and trench safety plan may also be required based on the proposed scope of work. An approved traffic control plan shall be required any time work will require traffic lane closures or sidewalk closures, regardless of whether a permit is required.

(31) A traffic control plan approved by the Town Administrator, which shall specify the traffic control measures to be provided, SWPPP, and trench safety plan may also be required based on the proposed scope of work. An approved traffic control plan shall be required any time work will require traffic lane closures or sidewalk closures, regardless of whether a permit is required.

(32) Any proposed work that involves the installation of facilities that will utilize radio frequencies shall not cause any interference with Town public safety radio system, traffic signal light system or other Town communications systems or components, regardless of whether or not a permit is required. The right-of-way user shall provide evidence in a form acceptable to the Town that the proposed installation will be compatible with said Town systems and will not cause any interference with the Town public safety radio system, traffic signal light system or other Town communications systems or components. No installation

shall be allowed to be installed or to remain in the right-of-way that causes any such interference.

B. To the extent applicable, the above requirements shall continue during the entire time that the installed facilities remain in the Right-of-Way.

Sec. 12A.2.5. - Plans of record.

(a) Right-of-way users will provide the Town Administrator or designee with plans of record showing installed and final location of facilities within ninety (90) days of completion of facilities in the right-of-way. Users which have facilities in the right-of-way existing as of the date of this ordinance who have not provided "plans of record" plans shall provide one (1) quarter of the information concerning facilities in Town right-of-way within one (1) year after the passage of the ordinance and one (1) quarter each six (6) months thereafter. The plans shall be provided to the Town with as much detail and accuracy as required by the Town Administrator. All the requirements specified for the plans submitted for the initial permit, as set forth in 2.3, shall be submitted and updated in the plans of record. The detail and accuracy will concern issues such as location, size of facilities, materials used, and any other health, safety and welfare concerns. The detail will not include matters such as capacity of lines, customers, or competitively sensitive details. Submittal of "plans of record" shall be in digital format.

(b) This requirement, or portions of this requirement, may be waived by the Town Administrator for good cause.

(c) If the release of the location of any utilities, including water and sewer, or of plans of record submitted under this section would jeopardize public safety, the information shall be considered confidential. In addition, if plans of record submitted under this section include information expressly designated by the right-of-way user as a trade secret or other confidential information protected from disclosure by state law, the Town may not disclose that information to the public without the consent of the right-of-way user, unless otherwise compelled by an opinion of the attorney general pursuant to the Texas Public Information Act, as amended, or by a court having jurisdiction of the matter pursuant to applicable law. This subsection may not be construed to authorize a right-of-way user to designate all matters in its plans of record as confidential or as trade secrets.

(d) User shall maintain accurate maps and other appropriate records of its facilities and equipment as they are actually constructed in the Rights-of-Way, including, upon request, the use of Auto CAD/GIS digital format. User will provide additional maps to the Town upon request.

Sec. 12A.2.6. - Conformance with public improvements.

Whenever by reasons of widening or straightening of streets, water or sewer line projects, or any other public works or Town projects, (e.g. install or improve storm drains, water lines, sewer lines, or any other public works or Town project.) it shall be deemed necessary by the governing body of the Town to remove, alter, change, adapt, or conform the underground or overhead facilities of a right-of-way user to another part of the right-of-way, such alterations shall be made by the owner of the facilities at their expense (unless provided otherwise by state

law or a franchise in effect on August 26, 1999, until that franchise expires or is otherwise terminated or is amended or the tariff is changed) within the time limits set by the Town Administrator working in conjunction with the owner of the facilities, or if no time frame can be agreed upon, within ninety (90) days from the day the notice was sent to make the alterations, unless a different schedule has been approved by the Town Administrator or designee. Facilities not moved after ninety (90) days or the time set forth in the notice shall be deemed abandoned and may be removed in accordance with Section 12A.2.12 "Abandoned Facilities."

Sec. 12A.2.7. - Improperly installed facilities.

(a) Any person doing work in the Town right-of-way shall properly install, repair, upgrade and maintain facilities.

(b) Facilities shall be considered to be improperly installed, repaired, upgraded or maintained if:

- (1) The installation, repairs, upgrade or maintenance endangers people;
- (2) The facilities do not meet the applicable Town codes;
- (3) The facilities are not capable of being located using standard practices;
- (4) Underground facilities that are installed less than twenty-four (24) inches in depth;
- (5) Facilities or construction in regard to placement of said facilities that remains incomplete or hazardous after construction work is finished or time for completion has passed, including but not limited to holes in paved areas or ground, handholes or manholes that are improperly sealed, and broken equipment or any other incomplete or hazardous condition.

(6) The facilities are not located in the proper place at the time of construction in accordance with the directions provided by the Town Administrator.

(c) Facilities will be considered improperly installed if said facilities utilize radio frequencies and cause any interference with Town public safety radio system, traffic signal light system or other communications components.

Sec. 12A.2.8. - Restoration of property.

(a) Users of the right-of-way shall restore property affected by construction of facilities to a condition that is equal to or better than the condition of the property prior to the performance of the work. Restoration must be approved by the Town Administrator.

(b) Restoration must be to the reasonable satisfaction of the Town Administrator and the property owner. The restoration shall include, but not be limited to:

- (1) Replacing all ground cover with the type of ground cover damaged during work or better either by sodding or seeding, as directed by the Town Administrator;
- (2) Installation of all manholes and handholes, as required;
- (3) Backfilling all bore pits, potholes, trenches or any other holes shall be filled in daily, unless other safety requirements are approved by the Town Administrator;

- (4) Leveling of all trenches and backhoe lines;
 - (5) Restoration of excavation site to Town specifications; and
 - (6) Restoration of all landscaping, ground cover, and sprinkler systems.
- (c) All locate flags shall be removed during the clean-up progress by the permittee or contractor at the completion of the work.
- (d) Restoration must be made in a timely manner as specified by approved Town schedules and to the satisfaction of Town Administrator or designee. If restoration is not satisfactory and performed in a timely manner all work in progress, except that related to the problem, including all work previously permitted but not complete may be halted and a hold may be placed on any permits not approved until all restoration is complete.
- (e) If a person fails to restore property as set out in this section, the Town shall give five (5) days written notice to the person at the address shown on the permit. If the person does not initiate repairs during the five day period, or fails to complete the repairs within thirty (30) days thereafter the Town may elect to repair such portion of the right-of-way as may have been disturbed by the person, its contractors, or agents at the cost of the person performing the right-of-way work. These time periods may be shorten or waived in cases of a threat to public health, safety or welfare. Upon receipt of an invoice from the Town, the person will reimburse the Town for the costs so incurred no later than thirty (30) calendar days from the date of the Town invoice.
- (f) Should the Town reasonably determine, within two (2) years from the date of the completion of the repair work, that any of the said restoration work failed to meet the existing standards of the Town, the person shall perform such additional restoration work to the satisfaction of the Town, subject to all Town remedies.
- (g) Notwithstanding any of the above sections, if the Town determines that the failure of the person to properly repair or restore the right-of-way constitutes a threat to the public health, safety or welfare, the Town may undertake emergency repairs and restoration efforts. The Town may attempt to provide emergency notice to the person responsible, but is not obligated to do so. The right-of-way user shall promptly reimburse the Town for all costs incurred by the Town within thirty (30) calendar days from the date of the Town invoice.

Sec. 12A.2.9. - Revocation or denial of permit.

If any of the provisions of this article are not followed, a permit may be revoked by the Town Administrator or designee. If a person has not followed the terms and conditions of this article in work done pursuant to a prior permit, new permits may be denied or additional terms required.

If a permit is denied upon initial submission for incompleteness or for an issue which is capable of correction, the applicant may complete or correct the application and resubmit the application. Applications not resubmitted within thirty-one (31) calendar days shall be considered withdrawn.

Sec. 12A.2.10. - Appeal from denial or revocation of permit.

An Applicant may appeal from denial or revocation of permit to the Town Administrator. Appeal shall be filed with the Town secretary within five (5) calendar days from the date of the decision being appealed.

A denial or revocation will be upheld unless a person can show that there is an error and that the person was following all of the requirements of this Article and all right-of-way engineering requirements.

Sec. 12A.2.11 Inspections

The Town may perform inspections of any right-of-way work, including installations, maintenance, modifications or any other right-of-way work, whether such work is subject to permit requirements or allowed to be done without a permit. The Town may perform visual inspections of any right-of-way work located in the right-of-way as the Town deems appropriate without notice. If the inspection requires physical contact with right-of-way work, the Town may provide the right-of-way user with notice prior to said inspection. Right-of-way user may have a representative present during such inspection. In the event of an emergency situation, the Town may, but is not required to, notify the right-of-way user prior to the inspection. The Town may take any needed action to remediate an emergency. The Town shall notify the right-of-way user as soon as practical after said remediation.

Sec. 12A.2.12 Abandoned Facilities

A. Duty to Remove.

A person that has placed facilities in the right-of-way shall remove said facilities and related equipment when such facilities are Abandoned regardless of whether or not it receives notice from the Town.

B. Time for Removal

(1) The Town may notify the person that said facilities must be removed immediately when necessary to ensure public health, safety, and welfare.

(2) If immediate removal is not required, the removal must be completed within the time set forth in the written Notice to Remove from the Town and if no time is set out, then within ninety (90) days for the facilities and related equipment being Abandoned.

(3) If the facilities are not removed after the 90 day notice to remove, the Town may remove the facilities thirty (30) days after notice of a final finding of abandonment.

(4) When a person removes, or Abandons permanent structures in the Right-of-Way, the person shall notify the Town Administrator in writing of such removal or Abandonment and shall file with the Town Administrator the location and description of each facility and ground equipment removed or Abandoned.

(5) The Town Administrator may require the person to complete additional remedial measures necessary for public safety and the integrity of the Right-of-Way.

C. Deemed Abandoned

Facilities may be deemed abandoned as set out in this Chapter. Additionally, facilities may be deemed abandoned if:

(1) A person does not relocate facilities as set out in 12A.2.6-12 “Conformance with Public Improvements.”

(2) A person does not correct or abate improperly installed facilities as set out in 12A.2.7 “Improperly Installed Facilities.”

(3) A person fails to maintain the registration requirements set forth in Section 12A.2.2 “Authorization; Registration; Compensation and Fees”

(4) A person utilizing the right-of-way cannot be found or contacted.

(5) A person utilizing the right-of-way fails to pay the required compensation.

(6) A person utilizing the right-of-way fails to comply with the requirements of this Chapter after being given due notice of any deficiencies. The notice requirement shall only apply to persons who have maintained the required Registration as set out in 12A.2.2 “Authorization; Registration; Compensation and Fees” and are capable of being contacted.

Sec. 12A.2.13 Underground installation preferred

1. The underground placement of Facilities is encouraged.
2. Facilities shall be installed underground where existing utilities are already underground.
3. Underground conduits and ducts shall be installed in the Public Rights-Of-Way between the adjacent property line and curb line unless otherwise directed by the Town.
4. Conduits and ducts shall be installed parallel with the curb line and cross the Public Rights-Of-Way perpendicular to the Public Rights-Of-Way centerline unless otherwise directed by the Town.
5. Ducts and conduits shall be installed by trenchless excavation or directional boring whenever commercially economical and practical. Trenchless excavation shall be used to place Facilities under paved Public Rights-Of-Way centerline unless otherwise directed by the Town.

Sec. 12A.2.14 As Built Maps and Records.

User shall maintain accurate maps and other appropriate records of its facilities and equipment as they are actually constructed in the Rights-of-Way, including, upon request, the use of Auto CAD/GIS digital format. User will provide additional maps to the Town upon request.

Sec. 12A.2.15 Courtesy and Proper Performance.

User shall make citizen satisfaction a priority in using the Right-of-Way. User shall train its employees to be customer service-oriented and to positively and politely interact with citizens when dealing with issues pertaining to its facilities and related ground equipment in the Right-of-Way. User’s employees shall be clean, courteous, efficient, and neat in appearance and committed to offering the highest quality of interaction with the public. If, in the opinion of the Town Administrator or designee, User is not interacting in a positive and polite manner with citizens, the Town Administrator may request User to take all remedial steps to conform to these standards.

Sec. 12A.2.16 Drug Policy.

It is the policy of the Town to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by User's employees, contractors, subcontractors, sub-Network Provider's, or vendors while on Town Premises is prohibited.

Sec. 12A.2.17 Tree Maintenance.

User, its contractors, and agents shall provide written notice to the Town Administrator before trimming trees hanging in the Right-of-Way. The Town shall not be liable for any damages, injuries, or claims arising from User's actions under this section.

Sec. 12A.2.18 Signage.

User shall post and maintain legible identification showing its name, location identifying information, and emergency telephone number in an area on a cabinet of a facility that is visible to the public. Signage required under this section shall not exceed 4" x 6", unless otherwise required by law (e.g. RF ground notification signs) or the Town Administrator.

Except as required by Law or by the Utility Pole owner, User shall not post any other signage or advertising on the facilities or equipment.

Sec. 12A.2.19 Graffiti Abatement.

As soon as practical, but not later than fourteen (14) calendar days from the date User receives notice thereof, User shall remove all graffiti on any of its facilities and related ground equipment located in the Right-of-Way and shall restore to the previous condition or better. The foregoing shall not relieve the User from complying with any Town graffiti or visual blight ordinance or regulation.

Section 12A.2.20 Alternate means or method; waiver

(a) A person may file a request with the Town Administrator to use alternate means or methods in right-of-way construction or maintenance. In determining whether any requirement under this section may be waived or if an alternate method or means may be used, the Town Administrator may consider all reasonable factors, including but not limited to:

(1) whether the requirement or the alternate means or method or waiving the requirement would subject the person or persons or public to an unreasonable increase in risk;

(2) whether the requirement or the alternate means or method or waiving the requirement would subject the person or persons or public to an unreasonable increase of service interruption;

(3) whether the requirement or the alternate means or method or waiving the requirement would subject the person or persons or public to an unreasonable increase in potential for liability for accidents;

(4) whether the requirement or the alternate means or method or waiving the requirement would subject the person or persons or public to an unreasonable delay in construction;

(5) whether the requirement or the alternate means or method or waiving the requirement would subject the person or persons or public to an unreasonable delay in availability of services; or

(6) to any other unreasonable technical or economic burden.

(b) There shall be no right to receive permission to use an alternative means or method and denial by the Town Administrator shall be final.

Sec. 12A.2.21 Orderly use of the Right-of-Way by Multiple Users

(A) In the exercise of governmental functions, the Town has first priority over all other uses of the rights-of-way. Traffic uses shall be considered as the primary use and the Town reserves the right to lay sewer, water, gas and other pipe lines or cables and or cables and conduits, and to do underground and overhead work, including attachments, restructuring or changes in aerial or underground facilities in, across, along, over, or under a public street, alley or right-of-way and to change the curb, sidewalks of the grade of streets. Uses should be designed so as to cause the least interference with traffic, including signalization.

(B) The Town shall assign the location in or over the rights-of-way among competing users of the rights-of-way with due consideration to the public health, safety and welfare considerations of each user type, and to the extent the Town can demonstrate that there is limited space available for additional users, may limit new users or require removal of abandoned or obsolete facilities, as allowed under state or federal law.

(C) If the Town authorizes abutting landowners to occupy space under the surface of any street, alley or rights-of-way, the grant to an abutting landowner shall be subject to the rights of the previously authorized users of the public rights-of-way. If the Town closes or abandons a public right-of-way that contains a portion of a person's facilities, the Town may close or abandon such right-of-way subject to the right of the person, provided said facilities have not been abandoned and provided the person is a registered user of the right-of-way.

ARTICLE III. – DESIGN MANUAL

12A.3.1 Purpose

This Design Manual is for the: (i) maintenance; (ii) siting; and (iii) criteria for the installation of Wireless Facilities, including Micro Network Nodes, Network Nodes, Node Support Poles and related ground equipment and applies to any and all maintenance, siting, installations, collocations, or other placement of, in, over or under the Public Rights-of-Way of Network Nodes, Node Support Poles, Micro Network Nodes, Distributed Antenna System(s), microwave communications or other Wireless Facilities, by whatever nomenclature, whether they are installed pursuant to Chapter 284 of the Local Government Code or installed pursuant to an Agreement to use the Right-of-Way or Authorization or installed as may otherwise be allowed by state law.

The Town enacts these design requirements and guidelines in order to meet its fiduciary duty to its citizens, and to give assistance and guidance to Network Providers in the safe, aesthetically pleasing, efficient, and timely installation of facilities.

Section 12A.3.2. Prohibited or Restricted Areas for Wireless Facilities in the Right-of-Way

A. Prohibited: Municipal Parks and Residential Areas.

A Network Provider may not install a new Node Support Pole in the following locations:

(1) in a Municipal Park; or

(1) in a Municipal Park; or

(2) in right-of-way that is adjacent to a Street that is:

(a) not more than fifty (50) feet wide at average width, measuring vehicular traveled portion only as set out in the definition of “Street” and the measurement does not include intersection and refers only to the main traveled portion measured at mid-block or mid-point between intersections; and

(b) adjacent to developed or undeveloped single-family residential lots, other multifamily residential area or land that is designated for residential use by zoning or deed restrictions.

(3) Construction in right-of-way adjacent to a school is prohibited, unless all contractors, sub-contractors, or other workers follow all statutory requirements in the Educational Code regarding work on school grounds, including but not limited to chapters 21 and 22.

B. Prohibited: Undergrounding District.

(1) Above ground structures shall not be installed in an Underground District or Underground Requirement Area, except as provided herein.

(2) A Network Provider shall comply with nondiscriminatory undergrounding requirements, including municipal ordinances, zoning regulations, state law, private deed restrictions, and other public or private restrictions, that prohibit installing aboveground structures in a public right-of-way without first obtaining the appropriate zoning, land use approval or other required approval.

(3) In addition to areas designated in this ordinance, future areas may be designated from time to time by the Town as Underground Required Areas by any means, including but not limited to means such as ordinances, resolutions, or filed plats. If an area is converted from an area that allows overhead lines to one that prohibits overhead lines, all subsequent installations shall meet the requirements for an Underground District.

(4) If a location is designated by the Town to be Underground Required Area, then a Network Provider’s permit for the location of the Micro Network Node, Network Node, Node Support Pole, and related ground equipment at such location will be automatically revoked, with removal of said the Micro Network Node, Network Node, Node Support Pole, and related ground equipment at such location within 90 days of such designation, or as otherwise allowed for the transition of other overhead facilities.

C. Restricted: Historic District and Design Districts.

(1) A Network Provider must obtain advance written approval from the Town before collocating Network Nodes or installing Node Support Poles in a Design District with Decorative Poles or in an area of the Town zoned or otherwise designated as a Design District or Historic District.

(2) Concealment Required

(a) As a condition for approval of Network Nodes or Node Support Poles in Design Districts with Decorative Poles or in a Historic District, Concealment measures are required for Network Nodes or Node Support Poles or related ground equipment or any portion of the Nodes, poles, or equipment.

(b) Said Concealment measures shall minimize the impact to the aesthetics in a Historic District or Design District.

(3) Network Provider shall comply with and observe all applicable Town, State, and federal laws and requirements, including historic preservation laws and requirements.

D. Collocation will not be allowed on decorative poles in any area of the Town.

E. Historic Landmarks.

Network Provider is discouraged from installing a Network Node or Node Support Pole within 300 feet of a historic site or structure or Historic Landmark recognized by the Town, State or Federal government (*see, for example, and not limited to* §442.001(3) of the Texas Government Code, and 16 U.S.C. §470), as of the date of the submission of the permit.

F. Designated Areas

(1) The Council may designate an area as a Historic District, Design District or Underground District at any time.

(2) Underground District

Any area that meets the definition of Underground District or Underground Requirement Area may be designated as such an area. An area does not need to be designated by this Ordinance to be considered to be within an Underground District. Such designation does not require a zoning case. Any area declared to be an Underground District by Town Council or any area that meets the definition of Underground District or Underground Requirement Area shall be subject to all requirements and protections for an Underground District.

(3) Design District

The Town Council may designate an area as a Design District at any time. An area does not need to be designated in this Ordinance to be considered to be within a Design District. Such a designation does not require a zoning case. Any area designated by Town Council as a Design District or any area that meets the definition of a Design District shall be subject to all requirements and protections for a Design District.

(4) Historic District

The Town Council may designate an area as a Historic District at any time. An area does not need to be designated by this Ordinance to be considered to be within a Historic District. Such designation does not require a zoning case. Any area declared to be a Historic

District by Town Council or any area that meets the definition of Historic District shall be subject to all requirements and protections for a Historic District.

G. Defense

It shall be a defense to the above requirements prohibiting or restricting location of facilities in a Park, Residential area, Historic District, Design District, Underground District or collocating on a decorative pole that the Network Provider obtained advance written approval or waiver of restrictions from the Town before collocating new Network Nodes or installing new Node Support Poles or ground equipment in a prohibited or restricted location. In any prosecution herein for such prohibition or violation of any restrictions, it shall be an affirmative defense to have an Agreement with the Town that approved such location or waived the applicable restriction.

If an Agreement is granted to locate in a prohibited location, the Network Provider shall be required, as a condition for approval of new Network Nodes or new Node Support Poles in a prohibited location, to install reasonable design or concealment measures for the new Network Nodes or new Node Support Poles. Therefore, any request for installations in a prohibited location, must be accompanied with concealment measures in the permit applications.

The Town requests that a Network Provider explore the feasibility of using certain camouflage measures to improve the aesthetics of the Network Nodes, Node Support Poles, or related ground equipment, or any portion of the nodes, poles, or equipment, to minimize the impact to the aesthetics in all locations of the Town.

H. Private Deed Restrictions and Property Owners Association Rules.

A Network Provider installing a Network Node or Node Support Pole in a public right-of-way described above shall comply with private deed restrictions and other private restrictions in the area that apply to those facilities.

I. Ground equipment

- (1) Ground Equipment shall be minimal and the least intrusive at all sites.
- (2) In order to maximize line of sight at street corners and intersections and minimize hazards at those locations, ground equipment may not be installed within 250 feet of a street corner or street intersection.
- (3) Ground equipment may not be installed at street corners or intersections within a visibility triangle.
- (4) Ground equipment shall not be installed near a driveway.

J. Each Permit Application shall designate if the requested area for installation is within one a Residential area, a Municipal Park, an Underground District or Underground Requirement Area or a Historic District or a Design District.

Sec. 12A.3.3 Preferred Location

A. The following locations, in the order listed, are the preferred locations for installation of poles or wireless facilities:

- (1) Industrial areas.

(2) Areas designated by the Town as a Highway Rights-of-Way Area, provided that such areas are not adjacent to a Municipal Park, Residential Area, Historic District, Design District or any prohibited area set out above.

(3) Retail and Commercial areas, provided such areas are not in a prohibited location, such as an Underground District, Design District or Historic District.

B. In the absence of state law or an Agreement or Municipal Authorization providing otherwise, Network Nodes shall be restricted to Preferred Locations set out in this section.

12A.3.4 Order of Preference regarding attachment to existing facilities.

A. The following shall be the order of preference for the attachment of Network Nodes to existing facilities, beginning with most preferred location and ending with least preferred location. In addition to the preference set out by the Town, existing facilities may be owned by third parties and may not be available for attachment of facilities or may require authorization from other parties.

B. Order of preference from most preferable to least preferable.

(1) Most preferable - Existing telephone or electrical lines between existing utility poles. Micro Network Nodes shall only be lashed on existing telephone or electrical lines between existing utility poles (electric poles or telephones poles), with notice to the pole owner as required by the Federal Pole Attachment Act, and not placed on Utility Poles, Node Support Poles or Service Poles.

(2) Preferable - Existing Utility Poles (electric poles or telephones poles), shall be the preferred support facility for Network Nodes and related ground equipment.

(3) Least preferable - Municipal Service Poles, which shall require an agreement with the Town. Municipal Service Poles includes (in order of preference):

(a) Non-decorative street lights.

(b) Traffic signal structures – Network Nodes may only be attached to traffic signal structures when such installation will not interfere with the integrity of the facility and will not interfere with the safety of the public. Any installation of Network Node facilities on any traffic signal structures shall:

(i) Be encased in a separate conduit than the traffic light electronics;

(ii) Have a separate electric power connection than the traffic signal structure;

(iii) Shall not puncture or drill into the structure; and

(iv) Have a separate access point than the traffic signal structure.

(c) Other municipal service pole use is discouraged.

(4) New Node Support Poles shall also be least preferred. Collocation shall generally be preferred over new poles. New poles shall not be installed in prohibited areas and shall only be allowed in restricted areas to the extent all requirements are followed or a waiver is granted. Any new poles shall be camouflaged to the extent allowed by law as set out in this Chapter.

C. Ground equipment should be minimal and the least intrusive.

D. In the absence of state law or an Agreement or Municipal Authorization providing otherwise, Network Nodes, if allowed, shall be restricted to Most Preferable Locations set out in this section and shall be prohibited in the Least Preferable.

Sec. 12A.3.5. Placement Requirements.

A. A Network Provider shall construct and maintain Network Nodes and Node Support Poles in a manner that does not:

- (1) obstruct, impede, or hinder the usual travel or public safety on a public right-of-way;
- (2) obstruct the legal use of a public right-of-way by other utility providers;
- (3) violate nondiscriminatory applicable codes;
- (4) violate or conflict with the municipality's publicly disclosed public right-of-way management ordinance or this Design Manual.
- (5) violate the federal Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et seq.).

B. Network Node facilities shall be installed in accordance with section 12A-10 and all other applicable requirements of this Chapter.

C. Right-of-Way.

- (1) Network Nodes installation shall follow all applicable requirements of this chapter, including section 12A.2.4-10.
- (2) Network Node facilities, Node Support Poles and related ground equipment shall be placed, as much as possible, within two (2) feet of the outer edge of the Right-of-Way line.
- (3) Node Support Poles and related ground equipment shall not impede pedestrian or vehicular traffic in the Right-of-Way.
- (4) No protrusion from the outer circumference of the existing structure or pole shall be more than two (2) feet.

D. Parks. For the safety of park patrons, particularly small children, and to allow full line of sights near park property, the Network Provider shall not install Ground Equipment in a Right-of-Way that is within a Park or within 250 feet of the boundary line of a Park. The Network Provider may request a waiver of the requirement that such equipment not be within 250 feet of a park from the Board of Adjustment.

E. There shall be no more than one (1) Network Node on any one Pole.

Sec. 12A.3.6. Camouflage Required When Possible

(1) Camouflage is required by the Town when Wireless facilities are allowed, as set forth above, in Design Districts with Decorative Poles or in Historic Districts.

(2) It is the Town's preference that all new node support poles be camouflaged, except those located in an area zoned or predominantly industrial or in a designated Highway District area.

- (3) Companies shall submit their proposal for camouflage with the permit application.

Sec. 12A.3.7. General Requirements

A. Confirmation of non-interference with Town Safety Communication Networks.

(1) The Network Provider shall provide analysis that the proposed network node shall not cause any interference with Town public safety radio system, traffic signal light system, or other Town safety communications components.

(2) It shall be the ongoing responsibility of the Network Provider to evaluate, prior to making application for permit and while Network Nodes remain in the Right-of-Way, the compatibility between the existing Town infrastructure and Provider's proposed Network Node. A Network Node shall not be installed in a location that causes any interference and any Network Node that causes destructive interference post-installation shall correct such interference or be removed and shall follow all federal regulations regarding interference.

- (3) Network Nodes shall not be allowed on Town's public safety radio infrastructure.

B. Size Limits.

(1) Network Providers shall provide detailed drawings, with calculations to show strict conformity to the size limitations as set forth in this Chapter.

(2) To the extent authorization is provided by franchise or license, the franchise or license controls.

(3) To the extent authorization is provided by state law which sets out size limits, the size limits in the state law control.

(4) If authorization is provided through a state law with no size limits, or other authorization with no size limits, the size limits of this section shall control.

(5) Unless otherwise provided by state law or Municipal Authorization, License, Franchise or Agreement, the following maximum size limits are applicable (required):

(i) Micro Network Node dimensions – Maximum Length: 24 inches; Maximum Width 15 inches; Maximum Height 12 inches.

(ii) Network Node shall not exceed the size limits set out in Chapter 284 of the Local Government Code, without specific Town authorization, regardless of whether or not the Provider claims authority under Chapter 284 or a different state statute.

(iii) Pole Height Not higher than ten feet in height above the tallest existing utility pole within 500 linear feet of a new pole or fifty-five (55) feet, whichever is least.

(iv) Ground equipment, separate from the pole, may not be higher than three feet six inches (3'6") from grade, wider than three feet six inches (3'6").

(v) When not otherwise set out in this ordinance or in a Municipal Authorization, the size limits shall be less than or equal to the size limits set forth for structures or equipment in Chapter 284 of the Local Government Code, where applicable.

(vi) Size limits may be reduced when necessary for public health, safety or welfare.

C. Size limits provided by state law are only applicable for so long as required by state law. If said state law is found to be repealed, struck down, pre-empted or invalid, in whole or in part, the standards required by the Town, either in the Municipal Authorization or an amendment to the Municipal Authorization or the directives of the Town or this Chapter, shall be required and such standards shall be subject to individualized review.

D. Concealment.

The Network Node facilities shall be concealed or enclosed as much as possible in an equipment box, cabinet, or other unit that may include ventilation openings. External cables and wires hanging off a pole shall be sheathed or enclosed in a conduit, so that wires are protected and not visible or visually minimized to the extent possible.

E. New Node Support Pole Spacing.

1. New node support poles shall be at a minimum 300 feet from a utility pole or another Node Support Pole to minimize the hazard of poles adjacent to road ways and to minimize effect on property values and aesthetics on the area, unless a lesser distance is approved by the Town Administrator.
2. New poles shall be placed a minimum of 5 feet from a street curb or travel lane and 18 inches from a sidewalk to minimize the potential of being struck by a motor vehicle or bicycle.
3. New poles shall be placed on breakaway anchor bolt supports or bases to minimize the impact severity to motor vehicles that strike the pole.

F. Minimize Ground Equipment Concentration.

In order to minimize negative visual impact to the surrounding area, the Town's designee may deny a request for a proposed Location if the Network Provider installs Network Node ground equipment where existing ground equipment already occupies a footprint of 25 sq. ft. or more.

G. Allowed Colors.

Colors shall meet the requirements set out in Section 12A-10(s).

H. If any Network Node facilities, Node Support Poles or ground equipment is installed in a location that is not in accordance with the plans approved by the Town Administrator and impedes pedestrian or vehicular traffic or does not comply or otherwise renders the Right-of-Way non-compliant with applicable Laws, including the American Disabilities Act, then Network Provider shall remove the Network Node facilities, Node Support Poles or ground equipment.

I. Ground Equipment.

1. Ground equipment should be minimal and the least intrusive. To minimize any obstruction, impediment, or hindrance to the usual travel or public safety on a public right-of-way the maximum line of sight required to add to safe travel of vehicular and pedestrian traffic and in order to maximize that line of sight at street corners and intersections and to minimize hazards at those locations, ground equipment may not be installed within 250 feet of a street corner or a street intersection.

2. Ground Equipment near Municipal Parks. For the safety of Municipal park patrons, particularly children, and to allow full line of sights near Municipal park property, the Network Provider shall not install Ground Equipment in a Right-of-Way that is within a Park or within 250 feet of the boundary line of a Park, unless approved by the Town Administrator in writing.

3. To enhance the safety requirements of line of sight of pedestrians, particularly small children, the Town's designee may deny a request for a proposed Location if the Network Provider installs Network Node ground equipment where existing ground equipment within 300 feet already occupies a footprint of twenty-five (25) square feet or more.

4. Ground equipment shall not be installed in such a manner as to interfere with a sight visibility triangle.

J. Municipal Service Poles:

1. An Agreement shall be required for all installations on Municipal Service Poles and all such installations shall be in accordance with the Agreement.

2. Installations on all Service Poles shall have an industry standard pole load analysis completed and submitted to the municipality with each permit application indicating that the Service Pole to which the Network Node is to be attached will safely support the load.

3. Height of attachments:

(a) All attachments on all Service Poles shall be at least 8 feet above grade; and

(b) If a Network Node attachment is projecting toward the street, for the safety and protection of the public and vehicular traffic, the attachment shall be installed no less than sixteen (16) feet above the ground;

(c) And meet all applicable requirements of State law and this Chapter.

4. Installations on all Traffic signal structures must not interfere with the integrity of the facility in any way that may compromise the safety of the public and must be in accordance with the agreement with the Town. Installation of Network Node facilities on any traffic signal structures shall:

- i. Be encased in a separate conduit than the traffic light electronics;
- ii. Have a separate electric power connection than the traffic signal structure; and
- iii. Have a separate access point than the traffic signal structure;
- iv. Shall not puncture or drill into the structure;
- v. Shall not be installed on the mast arm; and
- vi. Meet all other requirements of State law and this Chapter.

5. Installations on Street signage: Installations on all street signage structures must not interfere with the integrity of the facility in any way that may compromise the safety of the public and must be in accordance with the Agreement with the Town. Installation of Network Node facilities on any street signage structures that has electrics shall:

- i. Be encased in a separate conduit than any Town signage electronics;

- ii. Have a separate electric power connection than the signage structure;
- iii. Have a separate access point than the signage structure;
- iv. Meet all other requirements of State law and this Chapter.

Sec. 12A.3.8. Electrical Supply

Network Provider shall be responsible for obtaining any required electrical power service to the Micro Network Node, Network Node facilities, Node Support Poles and ground equipment. The Town shall not be liable to the Network Provider for any stoppages or shortages of electrical power furnished to the Micro Network Node, Network Node facilities, Node Support Poles or ground equipment, including without limitation, stoppages or shortages caused by any act, omission, or requirement of the public utility serving the structure or the act or omission of any other tenant or Network Provider of the structure, or for any other cause beyond the control of the Town.

Network Provider shall not allow or install generators or back-up generators in the Right-of-Way.

Sec. 12A.3.9. Installation and Inspections

A. Installation

(1) Network Provider shall, at its own cost and expense, install the Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment in a good and workmanlike manner and in accordance with the requirements promulgated by the Town Administrator, as such may be amended from time to time. Network Provider's work shall be subject to the regulation, control and direction of the Town Administrator.

(2) All work done in connection with the installation, operation, maintenance, repair, modification, and/or replacement of the Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment shall be in compliance with any Agreement with the Town as applicable and all applicable laws, ordinances, codes, rules and regulations of the Town, County, State, and the United States ("Laws").

B. Standard Pole Load Analysis on Attachments to a Service Pole

All applications for permits to collocate and or attach to any Service Pole must have included in its permit application a completed industry standard individual pole load analysis performed and sealed by an engineer licensed by the State of Texas that indicates that the Service Pole to which the network node is to be attached will safely support the load. Such analysis shall also address safety of pole and attachments in regard to wind loads, collision with motor vehicle,

C. Inspections

The Town Administrator may perform visual inspections of any Micro Network Node, Network Node, Node Support Pole or related ground equipment located in the Right-of-Way as the Town Administrator deems appropriate without notice. If the inspection requires physical contact with the Micro Network Node, Network Node, Node Support Poles or related ground equipment, the Town Administrator shall provide written notice to the Network Provider within five (5) business

days of the planned inspection. Network Provider may have a representative present during such inspection.

D. No installations shall be placed on the mast arm of a traffic control signal.

Sec. 12A.3.10. Requirements in Regard to Removal, Replacement, Maintenance and Repair

A. Removal or Relocation by Network Provider

(1) If the Network Provider removes or relocates a Micro Network Node, Network Node facilities, Node Support Pole or related ground equipment at its own discretion, it shall notify the Town Administrator in writing not less than ten (10) business days prior to removal or relocation. Network Provider shall obtain all Permits required for relocation or removal of its Micro Network Node, Network Node facilities, Node Support Poles and related ground equipment prior to relocation or removal.

(2) The Town shall not issue any refunds for any amounts paid by Network Provider for Micro Network Node, Network Node facilities, Node Support Poles or related ground equipment that have been removed.

(3) Any abandoned or obsolete Micro Network Node, Network Node, Node Support Pole or other related equipment shall be removed in strict accordance with this Chapter and all other applicable ordinances and state law.

(4) Network Provider shall remove Micro Network Node, Network Node facilities, Node Support Pole or related ground equipment when such facilities are Abandoned regardless of whether or not notice is received from the Town. Such removal must occur within ninety (90) days from the date of Abandonment, unless additional time is allowed by the Town. The Network Provider shall provide advance written notice of such removal which must be received by the Town at least two (2) working days prior to the removal, except in case of emergency. Such notice shall specify the location and description of each Micro Network Node, Network Node facilities, Node Support Pole or related ground equipment to be removed.

(5) The Town Administrator may require the Network Provider to complete additional remedial measures necessary for public safety and the integrity of any Town facilities and the Right-of-Way.

B. Removal or Relocation Required for Town Project

A Network Provider shall relocate or adjust Micro Network Node, Network Node, Node Support Pole and related ground equipment in a public right-of-way in a timely manner in accordance with 12A.2.6 and without cost to the municipality managing the public right-of-way

Pursuant to state law and as a condition for occupancy of the right-of-way, the Network Provider may be required by the Town to remove or relocate any of its facilities, including but not limited to, its Micro Network Node, Network Node, Node Support Pole and related ground equipment, or any portion thereof from the Right-of-Way, and Network Provider shall, at the Town Administrator's direction, remove or relocate the same at Network Provider's sole cost and expense, whenever the Town Administrator reasonably determines that the relocation or removal is needed as set out in section 12A.2.6.

If Network Provider fails to remove or relocate the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof as requested by the Town Administrator within 90 days of Network Provider's receipt of the request, then the Town shall be entitled to remove the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof at Network Provider's sole cost and expense, without further notice to Network Provider, and Network Provider shall, within 30 days following issuance of invoice for the same, reimburse the Town for its reasonable expenses incurred in the removal (including, without limitation, overhead and storage expenses) of the Micro Network Node, Network Node, Node Support Pole or related ground equipment, or portion thereof.

C. Removal Required by Town for Safety or Due to Imminent Danger; or for Improper Permitting or Licensing

Network Provider shall, at its sole cost and expense, promptly disconnect, remove, or relocate the applicable Micro Network Node, Network Node, Node Support Pole and related ground equipment within the time frame and in the manner required by the Town Administrator if the Town Administrator reasonably determines that the disconnection, removal, or relocation of any part of a Micro Network Node, Network Node, Node Support Pole and related ground equipment (a) is necessary to protect the public health, safety, welfare, or Town property, (b) the Micro Network Node, Network Node, Node Support Pole and related ground equipment, or portion thereof, is adversely affecting proper operation of streetlights or Town property, or (c) Network Provider fails to obtain all applicable licenses, Permits, and certifications required by Law for its Micro Network Node, Network Node, Node Support Pole and related ground equipment, or use of any Location under applicable law. If the Town Administrator reasonably determines that there is imminent danger to the public, then the Town may immediately disconnect, remove, or relocate the applicable Micro Network Node, Network Node, Node Support Pole and related ground equipment at the Network Provider's sole cost and expense.

The Town Administrator shall provide 90 days written notice to the Network Provider before removing a Micro Network Node, Network Node, Node Support Pole and related ground equipment under this Section, unless there is imminent danger to the public health, safety, and welfare.

Network Provider shall reimburse Town for the Town's actual cost of removal of Micro Network Node, Network Node, Node Support Pole and related ground equipment within 30 days of receiving the invoice from the Town.

D. Restoration

Network Provider shall repair any damage to the Right-of-Way, or any facilities located within the Right-of-Way, and the property of any third party resulting from Network Provider's removal or relocation activities (or any other of Network Provider's activities hereunder) within 10 calendar days following the date of such removal or relocation, at Network Provider's sole cost and expense, including restoration of the Right-of-Way and such property to substantially the same condition as it was immediately before the date Network Provider was granted a Permit for the applicable Location or did the work at such Location (even if Network Provider did not first obtain a Permit),

including restoration or replacement of any damaged trees, shrubs or other vegetation. Such repair, restoration and replacement shall be subject to the sole, reasonable approval of the Town Administrator.

E. Network Provider Responsible

Network Provider shall be responsible and liable for the acts and omissions of Network Provider's employees, temporary employees, officers, directors, consultants, agents, Affiliates, subsidiaries, sub-Network Provider's and subcontractors in connection with the installations of any Micro Network Node, Network Node, Node Support Pole and related ground equipment, as if such acts or omissions were Network Provider's acts or omissions.

Sec. 12A.3.11. Requirements Upon Abandonment

Upon Abandonment or upon being deemed abandoned, Network Provider has a duty to promptly remove its facilities from the right-of-way. Notice from the Town is not a prerequisite to the requirement for removal.

If the Network Provider does not promptly remove its facilities removal procedures as set out in section 12A.2.12 may be followed.

Sec. 12A.3.12. General Provisions.

1. All requirements of this Chapter, including Article II, shall be met as applicable.

2. No Town Allocation of Funds for Removal and Storage

All costs of any removal or storage of Micro Network Node, Network Node, Node Support Pole and related ground equipment, as authorized under this Article, shall be the responsibility of the Network Provider and the Town is not required to expend no funds to meet the requirements of the Network Providers. Any funds expended by the Town due to an emergency or failure of a Person to abide by these requirements shall be reimbursed to the Town.

3. Ownership.

No part of a Micro Network Node, Network Node, Node Support Pole and related ground equipment erected or placed on the Right-of-Way by Network Provider will become, or be considered by the Town as being affixed to or a part of, the Right-of-Way. All portions of the Micro Network Node, Network Node, Node Support Pole and related ground equipment constructed, modified, erected, or placed by Network Provider on the Right-of-Way will be and remain the property of Network Provider and may be removed by Network Provider at any time, provided the Network Provider shall notify the Town Administrator prior to any work in the Right-of-Way.

4. Size Limits.

Network Providers shall provide detailed drawings, with calculations to show strict conformity to the size limitations as set forth in this chapter or state law with each application, notice of work to be performed or request for a permit for each location; provided, however, where possible Providers are encouraged to reduce the size of installed facilities.

The size limits in this Chapter are only applicable for so long as required by state law. If Chapter 284 of the Local Government Code is found to be repealed, struck down, pre-empted or invalid, in whole or in part, the standards required by the Town, either in the Municipal Authorization or an amendment to the Municipal Authorization or the directives of the Town or this Article then such standards shall be subject to individualized review.

Sec. 12A.3.13. Insurance, Indemnity, Bonding and Security Deposits.

Insurance, indemnity, bonding and security deposits shall be in strict accordance with the Town's rights-of-way management ordinance, and other applicable ordinances, except to the extent not consistent with state law.

Sec.12A.3.14. Design Manual - Updates

Placement or Modification of Micro Network Node, Network Node, Node Support Pole and related ground equipment shall comply with the Town's Design Manual at the time the Permit for Installation or Modification, and as said Design Manual may be approved or amended from time to time.

ARTICLE IV – RIGHT-OF-WAY CONSTRUCTION FOR UTILITY CONNECTIONS

Sec. 12A.4.1 Purpose

This Article is enacted in order to provide clear guidance to abutting landowners, residents, or businesses and their contractors in regard to individual utility connections, driveway constructions and related right-of-way construction that presents a lesser burden on the right-of-way than utility construction.

Sec. 12A.4.2 Permit required; Compliance

A. Permit Required

It shall be unlawful for any person or any of their agents, contractor, servants or employees to cut, remove, alter, construct, reconstruct or repair any street, alley, sidewalk, curb, gutter or driveway approach in the Town without having first obtained a permit from the Town as herein required or without complying with the provisions of this article.

B. Compliance with additional sections of right-of-way management ordinance

If it is determined by the Town that the proposed scope of work does not fit within the provisions of this Article or that it is necessary for the contractor or person performing the work to follow the requirements of other sections of this Chapter, the person performing the work will comply with all such requirements.

C. Application; permittee's assumption of responsibility for work

- (1) By accepting an excavation permit, the permittee assumes complete responsibility for all phases of the excavation and thereby accepts responsibility for removal and replacement of unsatisfactory work.
- (2) Any application for a permit shall be made at the Town on forms furnished by the Town. The application for the permit must be made at least twenty-four (24) hours prior to beginning any work pursuant thereto, except in the case of an emergency as described in Section 12A.4.12 of this article, and the applicant shall furnish prior to issuance the following:
 - (a) Surety bond as described in this section;
 - (b) Certificate of insurance as described in this section;
 - (c) Certificate of worker's compensation as required by State law;
 - (d) Evidence that a paving bond has been issued by the Town to the contractor responsible for replacing the pavement removed during the course of excavation;
 - (e) A plan of the proposed work. When requested, the application shall be accompanied by plans showing the extent of the proposed excavation work, the dimensions and elevations of both the existing ground prior to said excavation and of the proposed excavated surfaces, the location of the excavation work, and such other information as may be prescribed by the Town.

D Surety bond

- (1) Before an excavation permit is issued by the Town, the applicant shall deposit with the Town a surety bond in the amount of ten thousand dollars (\$10,000.00) payable to the Town and executed on the forms provided by the Town.
- (2) The required surety bond must be:
 - (a) With a good and sufficient surety;
 - (b) By a surety company authorized to transact business in the State;
 - (c) Conditioned upon the permittee's compliance with this article and to secure and hold the Town and officials harmless against any and all claims, judgments or other costs arising from the excavation or any work covered by the excavation permit or for which the Town, the Town Council or any other Town officer may be made liable by reason of any accident or injury to persons or property through the fault of the permittee, either in not properly guarding the excavation or for any other injury resulting from negligence of the permittee; further, that the permittee assures the Town that the excavation shall be filled, restored and placed in a good and safe condition, as near as possible to its original condition and to the satisfaction of the Town, and to maintain the property where excavation is made in as good condition for a period of two (2) years after said excavation work shall

have been completed and accepted by the Town, usual wear and tear excepted.

- (2) Recovery on such bond for any injury or accident shall not exhaust the bond, but it shall in its entirety cover any and all future accidents or injuries during the term for which it is given. In the event of any suit or claim against the Town by reason of negligence or default of the permittee, upon the Town's giving written notice to the permittee and surety of such suit or claim, any final judgment against the Town requiring it to pay for such damage, including its legal fees and court costs, shall be conclusive upon the permittee and his surety.

E Insurance

The permittee, prior to the issuance of the excavation permit, shall furnish to the Town satisfactory evidence in writing that the permittee has in force and will maintain in force during the performance of the excavation work and the period of the excavation permit public liability insurance of not less than one hundred thousand dollars (\$100,000.00) for any one (1) person and three hundred thousand dollars (\$300,000.00) for any one (1) accident and property damage insurance of not less than fifty thousand dollars (\$50,000.00), duly issued by an insurance company authorized to do business in the State. However, if the Building Inspector determines that the cost of the excavation to be performed by the permittee exceeds fifty thousand dollars (\$50,000.00), then the Town, at its discretion, may require the permittee to maintain in force during the performance of the excavation work and the period of the excavation permit public insurance not less than one hundred thousand dollars (\$100,000.00) for any one (1) person and three hundred thousand dollars (\$300,000.00) for any one (1) accident and property damage insurance not less than five hundred thousand dollars (\$500,000.00), duly executed by an insurance company authorized to do business in the State.

F Fee

The fee for the permit described in this section shall be the amount shown on the Town's current Master Fee Resolution for each pavement cut, excavation, bore or embankment. Public utility companies which have a franchise with the Town to utilize streets, alleys and easements of the Town shall be exempt from the requirement to pay a fee.

G. Revocation

- (1) In addition to the penalty provisions of 1.01.009 of the Town Code, the Town, in its discretion, may revoke the permit issued hereunder upon the following grounds:
 - (a) Failure of the permittee to diligently do work permitted after beginning the excavation;
 - (b) Violation of any terms or provisions of this article;
 - (c) Giving false information upon the application;

(d) Changing of persons responsible for the paving repair without first notifying the Town Administrator and obtaining the necessary approval.

- (3) Whenever the permittee has failed to comply with provisions of this article, the permittee shall be notified in writing of such violations. In the event such violations are not corrected upon written notice to the permittee and surety, the Town Administrator may revoke the excavation permit without further notice.

H Expiration

A permit shall expire for work not started within thirty (30) days or completed within sixty (60) days after issuance, and a new permit shall be required before beginning or completing the work. The request for an extension of a permit shall be made in writing to the Town Administrator.

Sec. 12A.4.3 Traffic control plan; excavations; restoration of property

All work requiring pavement excavations, closure of a traffic lane, or routing of traffic shall follow all requirements of Article III in regard to such work.

Sec. 12A.4.4 Protection of utilities

(a) Prior to beginning excavation, the permittee shall notify all affected utility companies and have all underground utilities located. The permittee shall not interfere with any existing utility without the written consent of the utility company or the person owning the utility. If it becomes necessary to remove an existing utility, this shall be done by its owner. No utility owned by the Town shall be moved to accommodate the permittee unless the cost of such work be borne by the permittee. The cost of moving privately owned utilities shall be similarly borne by the permittee unless other arrangements are made with the utility company.

(b) The permittee shall support and protect all water mains and lines, sewer mains and connections, gas mains and services, electric conduit or other utilities which may be in any way affected by the excavation work and do everything necessary to support, sustain and protect them during said work. Should any of said water mains and lines, sewer mains and connections, gas mains and services, electric conduit or other utilities be damaged, they shall be repaired by the agency or person owning them, and the expense of such repairs shall be charged to the permittee, and his or its bond shall be liable therefor. The permittee shall inform itself as to the existence and location of all underground utilities and protect the same against damage.

Sec. 12A.4.5 Protection of adjoining property

(a) The permittee shall at all times and at permittee's own expense, preserve and protect from injury any adjoining property by providing proper foundations and taking other measures suitable for the purpose. The permittee shall, at permittee's own expense, shore up and protect all buildings, walls, fences or other property likely to be damaged during the progress of the excavation work and shall be responsible for all

damage to public or private property resulting from its failure to properly protect and carry out said work.

(b) The permittee shall not remove, even temporarily, any trees or shrubs which exist on public property without having first notified and obtained the consent of the Town Administrator. Whenever it may be necessary for the permittee to trench through any park area, the sod shall be carefully cut and rolled and replaced with live sod after ditches have been backfilled as required in this article.

Sec. 12A.4.6 Prompt completion of work

(a) The permittee shall prosecute with diligence and expedition all excavation and paving replacement as is consistent with high-quality workmanship and materials. Use of water pumps, high-strength concrete and similar techniques is permitted, insofar as possible without sacrifice to the quality of the work. Completion of the job, including replacement of the pavement and cleanup, shall be accomplished within five (5) working days after the right-of-way becomes impassable.

(b) Permittee may only work on Saturday if specifically permitted to do so. For every Saturday on which the contractor chooses to work, one (1) day will be charged to the time permitted by this article. Nothing in this article shall be construed as prohibiting the contractor from working on Saturdays if he so desires. Extensions of time to complete shall only be with the approval of the Town.

Sec. 12A.4.7 Construction requirements

The permittee shall protect the street, alley surface or easement, drainage facilities, adjacent property and all existing improvements from excavated materials, equipment operations and other construction operations. Adequate provisions must be made to minimize inconvenience for traffic and to adjacent property owners. The following construction requirements shall be met by the permittee:

(1) Limits of work. Property and easement lines shall be indicated on the plan of excavation submitted to the Town with the application for the excavation permit, and it shall be the permittee's responsibility to confine excavation work within these limits and, if necessary, secure written authorization from adjacent property owners to utilize their property.

(2) Protection of watercourses. The permittee shall provide for the flow of all watercourses, sewers or drains intercepted during the excavation work and shall replace the same in as good condition as it found them or shall make such provisions for them as the Town may direct. The permittee shall not obstruct the gutter of any street but shall use all proper measures to provide for the free passage of surface water. The permittee shall make provision to remove all surplus water, muck, silt, slickings or other runoff pumped from excavations or resulting from sluicing or other operations and shall be responsible for any damage resulting from its failure to so provide.

(3) Inspection of work. All work shall be subject to inspection by the Town. The Town shall be notified by the permittee before starting work, before starting backfill,

prior to pouring concrete and upon completion of work. The permittee shall not proceed with any further work in each instance without authorization by the Town Administrator.

(4) Noise, dust and debris. The permittee shall conduct and carry out the excavation work in such a manner as to avoid unnecessary inconvenience and annoyance to the Town and occupants of neighboring property. The permittee shall take appropriate measures to reduce, to the fullest extent practicable in the performance of the excavation work, noise, dust and unsightly debris. During the hours between 10:00 p.m. and 7:00 a.m., and all day on Sundays and holidays, the permittee shall not use, except with the express written permission of the Town or in case of an emergency as defined in section 12A.4.12 any tool, appliance or equipment producing noise of sufficient volume to disturb the sleep or repose of occupants of the neighboring property.

(5) Preservation of monuments. The permittee shall not disturb any surface monuments or hubs found on the line of excavation work until approved to do so by the Town.

(6) Maintenance of drawings of underground structures. Users of all subsurface street, alley and easement space in the Town shall maintain accurate drawings and plans showing the location and character of all underground structures. Copies of such plans shall be furnished to the Town as each revision is made.

(7) Breaking through pavement. Steel reinforcement bars shall be preserved. Existing concrete base shall be removed and replaced a minimum of one (1) foot beyond the trench width. The removal and replacement of portions of existing concrete pavement shall require breakout grooves to be sawed by the use of an appropriate power-driven concrete saw, subject to the approval of the Town. Where designated locations of breakout fall within (3) feet of tool joints, construction joints or expansion joints, breakout shall be to the existing joint. The grooves shall be cut perpendicular to the surface and shall be sawed to a minimum depth of one and one-half (1-1/2) inches. The concrete shall be sawn down to and around the existing reinforcing bars; the bars shall be bent clear of the excavation but not removed from the concrete.

(8) Jacking, boring or tunneling. Where encasement or carrier pipe is required to be installed under public property by jacking, boring or tunneling methods, the applicant must submit detailed plans for prior approval by the Town. Except for public utilities, the plans must be designed by and display the seal of a professional engineer registered in the State.

(9) Minimum size of cut. On concrete pavement, no horizontal dimension of any cut made for the purpose of installing water or sewer services shall be less than three (3) feet.

(10) Cleanup. As the work progresses, all streets and alleys shall be thoroughly cleaned of all rubbish, excess dirt, mud and other debris. If necessary, the Town may require cleanup to be done by the permittee on a daily basis. All cleanup operations shall be at the expense of the permittee.

(11) Care of excavated material. All material excavated or other materials stored next to trenches and piled adjacent to the trench or in any street shall be piled and maintained in such a manner as not to endanger those working in the trench, pedestrians or users of the streets, and so that as little inconvenience as possible is caused to those using streets, alleys, easements and adjoining property. Where the confines of the area being excavated are too narrow to permit the piling of excavated material beside the trench, or other circumstances should deem it necessary, the Town Administrator shall have the authority to require that the permittee haul the excavated material to a storage site and then rehaul it to the trench site at the time of backfilling. It shall be the permittee's responsibility to secure the necessary permission and make all necessary arrangements for all required storage and disposal sites within the Town.

(12) Utility connections. When the excavation is made by the permittee for the purpose of connecting private sewer or water lines to the Town mains, it shall be the responsibility of the permittee to prepare the trench and expose the main to the satisfaction of the Town. The request for an inspection shall be made for a time that the permittee or his authorized agent will be on the jobsite. Upon approval by the Town, the Town will normally make the connection within twenty-four (24) hours, excluding weekends, holidays and emergency repairs. Backfilling and concrete replacement shall be the responsibility of the permittee.

(13) Repairs. Repairs are to be made as rapidly as is consistent with high-quality workmanship and materials. Use of high-strength concrete and similar techniques is encouraged, insofar as possible without sacrifice of the quality of repair. All concrete replacement procedures, including, but not limited to, backfilling, compaction, reinforcement, inspections and concrete placement, are the responsibility of the bonded concrete contractor.

(14) Trench safety. Any excavation which will exceed a depth of five (5) feet shall meet all current OSHA safety standards and any applicable Town ordinances.

(15) Backfilling.

Backfill will be in accordance with the permit requirements and Town standards.

(16) Replacement of pavement. The existing pavement shall be sawed in accordance with subsection (7) herein and removed to a line at least twelve (12) inches back from the firm banks of the trench. The backfill shall be brought up to the elevation of the existing subgrade and satisfactorily densified in accordance with subsection (15) herein. Reinforcement shall be no. 3 steel bars on twelve-inch centers, both directions. New reinforcement shall be tied to existing steel exposed during removal or shall be dowelled eight (8) inches into the existing concrete base. Reinforcing bars shall be lapped eighteen (18) inches on splices. The concrete pavement shall be replaced with 3500 psi concrete of not less than five (5) sacks of cement per cubic yard and match the finish and thickness of the existing pavement but not less than six (6) inches thick. Concrete shall be brush finished. The Town shall have the right to require testing to determine concrete strength, and such testing shall be at the expense of the bonded concrete contractor.

(17) Concrete base. The existing pavement shall be removed and compacted in accordance with the above specifications, and the concrete base shall be replaced in accordance with above specifications to a line one and one-half (1-1/2) inches below the asphaltic concrete surface of the street. Concrete shall cure for a minimum of four (4) days before placing asphalt.

(18) Asphalt. Surface pavement shall consist of type D hot-mix asphaltic concrete unless otherwise specified by the Town. Asphalt shall be placed at a minimum temperature of two hundred fifty (250) degrees and shall be immediately compacted and rolled to obtain maximum density. The roller shall be a self-propelled, flat-wheel roller and shall produce a uniform surface with no deviation in excess of one quarter (1/4) inch per foot, as measured with a straight edge.

Sec. 12A.4.8 Final cleanup

Immediately upon completion of the work authorized, the permittee shall remove from the work area all unused material, dirt, rock, debris and loose concrete. The entire work area shall be thoroughly washed down, broom cleaned and usable. Upon failure to do so within twenty-four (24) hours after having been notified by the Town, said work may be done by the Town and the cost thereof charged to the permittee, and the permittee shall also be liable for the cost thereof under the surety bond provided hereunder. Excavations in easements will be graded to provide for drainage.

Sec. 12A.4.9 Town's right to restore surface

If the permittee fails to restore all surfaces to their original and proper condition upon the expiration of the time fixed by such permit or shall otherwise have failed to complete the excavation work covered by such permit, the Town reserves the right to do all work necessary to restore surfaces and to complete the excavation work. The permittee shall be liable for the actual cost thereof plus fifteen (15) percent of such cost for general overhead and administrative expenses. The Town shall have a cause of action against the permittee for all fees, expenses and amounts paid out and due it for such work. The Town shall also enforce its rights under the permittee's surety bond provided pursuant to this article.

Sec. 12A.4.10 Applicability to work by Town, Town contractors and utility companies
The provisions of this article shall not be applicable to excavation work performed by the Town and its employees. Any contractor of the Town, performing work for or in behalf of the Town necessitating openings or excavations on public property, shall comply with this article unless the Town, in writing, waives compliance with the requirements of this article upon terms and conditions it deem necessary.

Sec. 12A.4.11 Unlawfully damaging utility lines

It shall be unlawful for any person to injure, deface, or destroy unlawfully, willfully or maliciously any pipes, cables or lines belonging to the Town or public utilities, including, but not limited to, water, sewer, gas, electric, telephone and cable television.

Sec. 12A.4.12 Emergency work

Nothing in this article shall be construed to prevent emergency excavation on public property when the same is necessary for the preservation of life or property. However, no emergency repair shall be done without immediately notifying the Town Administrator. If such emergency occurs at night, or on weekends or holidays, such notification shall be directed to the Town Department of Public Safety before work is done. Thereafter, it shall be necessary to obtain a permit from the Town Administrator on the earliest working day immediately following such emergency.

ARTICLE V – EXEMPTION PROCESS

Sec. 12A.5.1. Administrative Hearing – Request for Exemption

(A) Should any person utilizing or proposing to utilize the right-of-way desire to request an exemption from a specific standard set forth in this Chapter, and section 12A-26 is not applicable, the person may request an Administrative Hearing before a Board of Appeals. The Zoning Board of Adjustment shall act as the Board of Appeals for a Request for Exemption under this Chapter.

(B) Any person requesting an exemption from any of the requirements shall file such a request with the Town Administrator within fifteen (15) calendar days from the time that need for an exemption arose. If an exemption is requested prior to construction, the request should be submitted prior to filing for a permit.

(C) An exemption shall only be granted if:

- (1) Such exemption is not contrary to the public interest;
- (2) Such exemption will not increase the burden on the right-of-way or other right-of-way users;
- (3) Such exemption shall not increase the right-of-way management or administrative duties for Town staff;
- (4) The exemption shall fit within the spirit of this Article; and
- (5) The application of the ordinance in the particular circumstances would create an unnecessary hardship.

(D) It shall take an affirmative vote of four (4) members of the Board to grant the exemption.

SECTION 4: That, nothing in this ordinance shall be construed to affect any prosecution currently pending, or any suit or proceeding currently proceeding in any Court, or any rights acquired or any liability incurred, or any cause or causes of action acquired or existing, under any act or prior ordinance, nor shall any legal right or remedy of any character be lost, impaired or affected by this ordinance.

SECTION 5. That, the Code of Ordinances of the Town of Highland Park, Texas, shall remain in full force and effect, except as amended here.

SECTION 6: That, any person violating any provision of this Chapter may be issued a citation and upon conviction thereof, the person shall be deemed guilty of a misdemeanor and punished as provided in subsection 1.01.009 of the Code of Ordinance of the Town of Highland Park. Each 24-hour period of violation, and each separate act or condition in violation of this Chapter, shall constitute a separate offense.

SECTION 7: That, it is hereby declared to be the intention of the Town Council of the Town of Highland Park, Texas, that sections, paragraphs, clauses and phrases of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared legally invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such legal invalidity or 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 Town Council of the Town of Highland Park without the incorporation in this Ordinance of any such legally invalid or unconstitutional, phrase, sentence, paragraph or section.

SECTION 8: That, this ordinance shall take effect immediately from and after its passage as the law in such case provides.

PASSED AND APPROVED ON THIS 28th DAY OF AUGUST 2017.

APPROVED AS TO FORM:

APPROVED:

Matthew C.G. Boyle
Town Attorney

Joel T. Williams, III
Mayor

ATTEST:

Gayle Kirby
Town Secretary



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Department of Public Safety

Director: Rick Pyle

TITLE

Consider approval of interlocal agreements with the City of University Park for the Drug Abuse Resistance Education and the School Resource Officer programs.

BACKGROUND

The City of University Park has sponsored the Drug Abuse Resistance Education ("DARE") program in the Highland Park Middle School since 1994. In 2004, the Town entered into interlocal agreements to pay 25% of the cost for a DARE officer at the Highland Park Middle School, and 25% of the cost for a School Resource Officer ("SRO") at the Highland Park High School. These agreements have been renewed annually since that time. Approximately 25% of the students in the Highland Park Independent School District ("HPISD") are residents of Highland Park, which is the basis for the 25% cost sharing, even though both of the schools that host these programs are located entirely in the City of University Park.

The Department of Public Safety has endorsed, and the Town Council has supported, both the DARE and SRO programs since 2004. The City of University Park has again requested that the Town continue to support 25% of the cost for these programs.

RECOMMENDATION

The Department of Public Safety supports having police officers in the Middle School and the High School, whether the officer serves the function of a DARE officer or an SRO. They are a vital school/community/law enforcement link for public safety education, communication, intelligence, enforcement, and critical first response in case of school violence. The Department of Public Safety recommends approval of these interlocal agreements. The Town Council reviewed this item at its study session on August 22, 2017.

FINANCIAL IMPACT

The Town's 25% share for the DARE program in the 2017-18 school year is \$22,868.88. The Town's 25% share for the SRO program in the 2017-18 school year is \$22,344.15. Both of these costs are fully funded in the Fiscal Year 2017-18 Combined Budget.

ATTACHMENTS:

File Name	Description
2017-18_DARE_Agreement.pdf	2017-18 Dare Agreement
2017-18_SRO_Agreement.pdf	2017-18 SRO Agreement

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

**INTERLOCAL COOPERATION AGREEMENT
FOR JOINT PROVISION OF POLICE SERVICES**

THIS INTERLOCAL COOPERATION AGREEMENT is made and entered into on this 20th day of June 2017, by and between the City of University Park, Texas (hereinafter referred to as "CITY"), acting by and through its Mayor or his designee, and the Town of Highland Park, Texas (hereinafter referred to as "TOWN"), and acting by and through its Mayor or his designee.

WITNESSETH:

WHEREAS, the Texas State Legislature has authorized the use of interlocal cooperation agreements between and among governmental entities for the provision of governmental services and functions; and

WHEREAS, this Interlocal Cooperation Agreement is made under the authority granted by and pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and as otherwise provided herein, relative to the joint authorization by CITY and TOWN to provide certain police services.

WHEREAS, the governing bodies find that the performance of this agreement is in the common public interest of both parties, and that the services provided pursuant hereto benefit the citizens of the CITY and the TOWN; and

WHEREAS, the parties, in expending funds in the performance of the governmental functions or in performing such governmental functions under this Agreement, shall make payments therefor only from current revenues legally available to such party;

NOW THEREFORE, FOR AND IN CONSIDERATION of the mutual agreements contained herein, the parties hereto do hereby agree as follows:

I

AGREEMENT

A. The CITY and TOWN agree, under the terms and conditions provided herein, and with consent of the Highland Park Independent School District, to share the cost of provision of the police personnel, salary and benefits, equipment and supplies, necessary for presentation of the Drug Abuse Resistance Education (D.A.R.E.) program at the Highland Park Intermediate School/McCulloch Middle School for the 2017-2018 school year.

B. The CITY will employ and furnish an appropriately trained and experienced police officer of its Department to conduct the D.A.R.E. program during the term hereof. The total estimated cost for provision of the program during the term of the 2017-2018 school year is \$91,475.50, plus incidental expenses such as travel expenses, promotional items, and materials. The parties agree that the CITY will pay 75% of the total cost for provision of the program and the TOWN will pay 25% of such cost for the term hereof. The CITY will advance and pay all such cost as it accrues and the TOWN will reimburse the CITY for its 25% share upon receipt of a statement from the CITY therefor, which statement will be rendered on or before June 30, 2018 and be payable in full on or before August 15, 2018.

II

GENERAL REQUIREMENTS APPLICABLE TO TOWN AND CITY

The following subparagraphs shall apply to this Agreement:

A. (1) IMMUNITY: Nothing in this Agreement shall be construed to affect, alter, or modify the sovereign immunity of either party under the Texas Civil Practice and Remedies Code §§101.001 et seq. It is expressly understood and agreed that in the execution of this Agreement, neither CITY nor TOWN waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to each against claims arising in the exercise of its governmental powers and functions.

(2) INSURANCE: During the term of this Agreement, and any extensions thereof, CITY agrees to obtain and maintain, as part of the cost of providing the services described herein, general liability insurance naming TOWN as an additional insured to protect against potential claims arising out of the CITY's provision of the service. The CITY shall furnish TOWN with a certificate of insurance in accordance with this paragraph within sixty (60) days from the date of execution of this Agreement. Nothing contained herein shall be construed to grant any third party rights or waive the governmental and/or public purpose of the provision of the police service described in this Agreement. TOWN may also have its own insurance, at its own expense, for any liability for such services, if it so chooses.

B. THIRD PARTIES: This Agreement does not create any third-party beneficiaries. Nothing in this Agreement shall be construed to create, expand or form a basis for liability to any third party under any theory of law against either the CITY or TOWN unless such a basis exists independent of this Agreement under State or federal law.

C. NOTICE: Each notice or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally during the normal business hours of the party to whom such communication is directed, or upon receipt when sent by United States registered or certified mail, return receipt requested, postage prepaid, to the appropriate one of the following addresses as may be designated by the appropriate party; however, each party

has a right to designate a different address by giving the other party fifteen (15) days prior written notice of such designation:

If to TOWN:

Mayor
Town of Highland Park
4700 Drexel Drive
Highland Park, Texas 75205

If to CITY:

Mayor
City of University Park
3800 University Blvd.
University Park, Texas 75205

D. MANAGEMENT AUTHORITY During the term of this Agreement, and any extensions thereof, CITY agrees to provide adequate supervision and training of the police officer assigned to provide the D.A.R.E. program. The CITY shall perform and exercise all rights, duties and functions and services in compliance with all applicable Federal, State and local laws and regulations.

E. ACCOUNTABILITY: CITY agrees to furnish upon the request of TOWN copies of reports of daily activity submitted by the police officer assigned as the D.A.R.E. officer. CITY also agrees to furnish upon the request of TOWN any and all aggregate or statistical information created by CITY to document, track, or report activities of the police officer assigned as the D.A.R.E. officer.

F. CLAIMS AGAINST PARTIES: Each party shall be responsible for defending and/or disposing of all causes arising against the respective party as a result of this program. It is expressly understood and agreed that in the execution of this contract, neither CITY nor TOWN waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to each against claims arising in the exercise of governmental powers and functions.

G. TERM: The term of this Agreement shall be for the 2017-2018 school year commencing on the first day of the Fall school term, 2017.

H. ENTIRE AGREEMENT: This Agreement contains the entire agreement of the parties hereto, and no other oral or written commitments shall have any force or effect if not contained herein.

I. SEVERABILITY: In case any one (1) or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and

this Agreement shall be construed as if such invalidity, illegality or unenforceable provision had never been contain herein.

J. AUTHORITY: The undersigned officers and/or agents are authorized to execute this contract on behalf of the parties hereto, and each party hereto certifies to the other that any necessary resolutions extending such authority have been duly passed and are now in full force and effect.

III

TERMINATION

Either party, or the Highland Park Independent School District, may terminate this Agreement with or without cause, by giving prior written notice of the date of termination to the other party, as provided herein.

IV

REMEDIES

No right or remedy granted or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Agreement may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.

V

APPLICABLE LAW

This Agreement is governed by the laws of the State of Texas and venue of any action brought to enforce the terms hereof shall lie exclusively in Dallas County, Texas.

VI

RECITALS

The recitals to this Agreement are incorporated herein for all purposes.

VII


EXECUTION

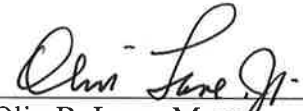
This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

Duplicate originals executed by the parties to be effective on the date first written above.


ATTEST:

CITY OF UNIVERSITY PARK, TEXAS

By: 
City Secretary

by: 
Olin B. Lane, Mayor

APPROVED AS TO FORM:


City Attorney

ATTEST:

TOWN OF HIGHLAND PARK, TEXAS

By: _____
Town Secretary

by: _____
Joel T. Williams III, Town Mayor



APPROVED AS TO FORM:

Town Attorney

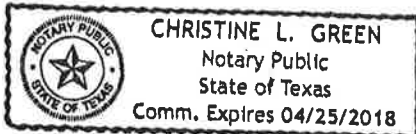
ACKNOWLEDGEMENTS

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

City Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Olin B. Lane known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the City of University Park, a municipal corporation of Dallas County, Texas, and as the Mayor thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20th day of June 2017.



My Commission Expires:

Christine L. Green

Notary Public, State of Texas

Christine L. Green

Notary's Printed Name

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Town Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Joel T. Williams III known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the Town of Highland Park, a municipal corporation of Dallas County, Texas, and as the Mayor thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____ 2017.

My Commission Expires:

Notary Public, State of Texas

Notary's Printed Name

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

**INTERLOCAL COOPERATION AGREEMENT
FOR JOINT PROVISION OF POLICE SERVICES**

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WITNESSETH:

WHEREAS, the Texas State Legislature has authorized the use of interlocal cooperation agreements between and among governmental entities for the provision of governmental services and functions; and

WHEREAS, this Interlocal Cooperation Agreement is made under the authority granted by and pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and as otherwise provided herein, relative to the joint authorization by CITY and TOWN to provide certain police services.

WHEREAS, the governing bodies find that the performance of this agreement is in the common public interest of both parties, and that the services provided pursuant hereto benefit the citizens of the CITY and the TOWN; and

WHEREAS, the parties, in expending funds in the performance of the governmental functions or in performing such governmental functions under this Agreement, shall make payments therefor only from current revenues legally available to such party;

NOW THEREFORE, FOR AND IN CONSIDERATION of the mutual agreements contained herein, the parties hereto do hereby agree as follows:

I

AGREEMENT

- A. The CITY and TOWN agree, under the terms and conditions provided herein, and with consent of the Highland Park Independent School District, to share the cost of provision of the police personnel, salary and benefits, equipment and supplies, necessary for implementation of the School Resource Officer (SRO) program at the Highland Park High School for the 2017-2018 school year.
- B. The CITY will employ and furnish an appropriately trained and experienced police officer of its Department for the SRO position during the term hereof. The total estimated cost for

provision of the program during the current term of this Agreement is \$89,376.59, plus incidental expenses such as travel expenses, promotional items, and materials. The parties agree that the CITY will pay 75% of the cost of provision of the program, and the TOWN will pay 25% of such cost for the term hereof. The CITY will advance and pay all such costs as they accrue and the TOWN will reimburse the CITY for its 25% share upon receipt of a statement from the CITY therefor, which statement will be rendered on or before June 30, 2018 and be payable in full on or before August 15, 2018.

II

GENERAL REQUIREMENTS APPLICABLE TO TOWN AND CITY

The following subparagraphs shall apply to this Agreement:

- A. (1) IMMUNITY: Nothing in this Agreement shall be construed to affect, alter, or modify the sovereign immunity of either party under the Texas Civil Practice and Remedies Code §§101.001 et seq. It is expressly understood and agreed that in the execution of this Agreement, neither CITY nor TOWN waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to each against claims arising in the exercise of its governmental powers and functions.
- (2) INSURANCE: During the term of this Agreement, and any extensions thereof, CITY agrees to obtain and maintain, as part of the cost of providing the services described herein, general liability insurance naming TOWN as an additional insured to protect against potential claims arising out of the CITY's provision of the service. The CITY shall furnish TOWN with a certificate of insurance in accordance with this paragraph within sixty (60) days from the date of execution of this Agreement. Nothing contained herein shall be construed to grant any third party rights or waive the governmental and/or public purpose of the provision of the police service described in this Agreement. TOWN may also have its own insurance, at its own expense, for any liability for such services, if it so chooses.
- B. THIRD PARTIES: This Agreement does not create any third-party beneficiaries. Nothing in this Agreement shall be construed to create, expand or form a basis for liability to any third party under any theory of law against either the CITY or TOWN unless such a basis exists independent of this Agreement under State or federal law.
- C. NOTICE: Each notice or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally during the normal business hours of the party to whom such communication is directed, or upon receipt when sent by United States registered or certified mail, return receipt requested, postage prepaid, to the appropriate one of the following addresses as may be designated by the appropriate party; however, each party has a right to designate a different address by giving the other party fifteen (15) days prior written notice of such designation:

If to TOWN:

Mayor
Town of Highland Park
4700 Drexel Drive
Highland Park, Texas 75205

If to CITY:

Mayor
City of University Park
3800 University Blvd.
University Park, Texas 75205

- C. MANAGEMENT AUTHORITY: During the term of this Agreement, and any extensions thereof, CITY agrees to provide adequate supervision and training of the police officer assigned to be the SRO. The CITY shall perform and exercise all rights, duties and functions and services in compliance with all applicable Federal, State and local laws and regulations.
- E. CLAIMS AGAINST PARTIES: Each party shall be responsible for defending and/or disposing of all causes arising against the respective party as a result of this program. It is expressly understood and agreed that in the execution of this contract, neither CITY nor TOWN waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to each against claims arising in the exercise of governmental powers and functions.
- F. TERM: The term of this Agreement shall be for the school year commencing on the first day of the Fall school term, 2017.
- G. ENTIRE AGREEMENT: This Agreement contains the entire agreement of the parties hereto, and no other oral or written commitments shall have any force or effect if not contained herein.
- H. SEVERABILITY: In case any one (1) or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalidity, illegality or unenforceable provision had never been contained herein.
- I. AUTHORITY: The undersigned officers and/or agents are authorized to execute this contract on behalf of the parties hereto, and each party hereto certifies to the other that any necessary resolutions extending such authority have been duly passed and are now in full force and effect.

III

TERMINATION

Either party, or the Highland Park Independent School District, may terminate this Agreement with or without cause, by giving prior written notice of the date of termination to the other party, as provided herein.

IV

REMEDIES

No right or remedy granted or reserved to the parties is exclusive of any other right or remedy herein by law or equity provided or permitted; but each shall be cumulative of every other right or remedy given hereunder. No covenant or condition of this Agreement may be waived without written consent of the parties. Forbearance or indulgence by either party shall not constitute a waiver of any covenant or condition to be performed pursuant to this Agreement.

V

APPLICABLE LAW

This Agreement is governed by the laws of the State of Texas and venue of any action brought to enforce the terms hereof shall lie exclusively in Dallas County, Texas.

VI

RECITALS

The recitals to this Agreement are incorporated herein for all purposes.

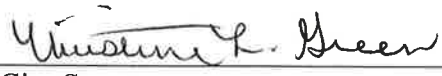
VII

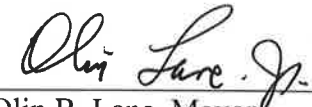
EXECUTION

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument, to be effective on the date first written above.

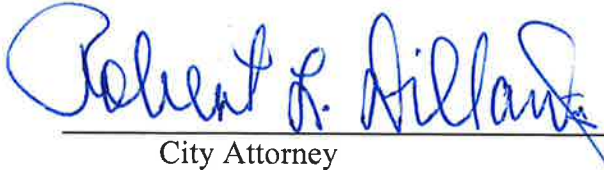
ATTEST:

CITY OF UNIVERSITY PARK, TEXAS

By: 
City Secretary

by: 
Olin B. Lane, Mayor


APPROVED AS TO FORM:


City Attorney

ATTEST:

TOWN OF HIGHLAND PARK, TEXAS

By: _____
Town Secretary

by: 
Joel T. Williams III, Mayor

APPROVED AS TO FORM:

Town Attorney

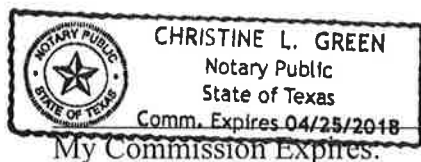
ACKNOWLEDGEMENTS

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

City Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Olin B. Lane known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the City of University Park, a municipal corporation of Dallas County, Texas, and as the Mayor thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 20th day of June 2017.



Christine L. Green
Notary Public, State of Texas

Christine L. Green
Notary's Printed Name

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

Town Acknowledgment

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Joel T. Williams III, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the Town of Highland, a municipal corporation of Dallas County, Texas, and as the Mayor thereof, and for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the _____ day of _____ 2017.

My Commission Expires:

Notary Public, State of Texas

Notary's Printed Name



TOWN OF HIGHLAND PARK

Agenda Briefing

Council Meeting: August 28, 2017

Department: Fiscal & Human Resources

Director: Steven J. Alexander

TITLE

Consider awarding the Town's employee health insurance plan to Cigna and the dental insurance plan to United Health Care.

BACKGROUND

Over the last few months, the staff has worked with IPS Advisors to seek proposals for wellness benefits offered to the Town's employees.

The employees have been generally pleased with Blue Cross Blue Shield ("BCBS"), which has completed its third year as the Town's health care provider. The Request for Proposals ("RFP") process resulted in BCBS proposing an aggregate increase of 24.9% for all plans offered; Cigna proposed an aggregate increase of 18.9%. Following further discussions, Cigna was able to present a narrow network plan option, known as Local Plus, for the Town to offer its employees, resulting in an overall increase of 16.6%.

Working with IPS Advisors and Cigna, staff proposes to provide four plan options to employees for the next fiscal year. One of the proposed plans is a Preferred Provider Organization ("PPO"), which the Town currently offers. This plan will be offered only for the next year, and only to those employees currently utilizing this plan. The employees will be informed that this plan will be available for Fiscal Year 2017-18 only, and that they will need to prepare to transition to one of the available Health Savings Account ("HSA") plans in the following fiscal year.

The other three plans being proposed are HSA plans. Employees will have the option to choose to continue their current HSA plan through Cigna, with an average increase in monthly premiums of 50.16% for those employees choosing to carry dependents on their plan. Cigna refers to this plan as an Open Access Plan ("OAP"), which offers a broader network of providers. Alternatively, employees will have the option to choose an HSA plan that offers lower monthly premiums, but more out-of-pocket expenses, and a 90/10 coinsurance arrangement. This plan is also an OAP, much like the current plan; however, the average increase is 29.26%. Finally, employees will have the option to choose Cigna's Local Plus option, which is also an HSA plan, but provides access to a narrow healthcare network. All benefits are provided "in network," but the level of coverage (deductibles, coinsurance, out-of-pocket maximums) remains the same as the current BCBS HSA plan, and the increase in the monthly insurance premiums is limited to 13.62%.

United Health Care, the Town's current dental insurance carrier, presented a 3.8% aggregate increase over current rates, due to the loss ratio exceeding 100%. Overall, this is an increase of \$3,250. There are no plan design changes proposed for the employee dental insurance plans. It should be noted that the Town employees fund the bulk of the dental premiums.

RECOMMENDATION

The staff recommends awarding the Town's employee health insurance plan to Cigna and the employee dental insurance plan to United Health Care. The Town Council reviewed this item at its study session on August 22, 2017.

FINANCIAL IMPACT

The Local Plus HSA Plan will be the base plan offered to employees, and the contributions made by the Town will be based on this plan. As a result, the Town will incur an increase of approximately 13% in costs related to employee health insurance.

The Town's cost to provide the proposed employee health and dental benefits for Fiscal Year 2017-2018 is anticipated to be \$1,665,409, and will be incorporated into the Proposed Budget.

ATTACHMENTS:

File Name	Description
IPS_Health_Insurance_Recommendation.doc	IPS Advisors Recommendation

TOWN OF HIGHLAND PARK RFP & Renewal Recap

Fully Insured Medical

Changing vendors from Blue Cross Blue Shield to Cigna is recommended for the 2017-2018 plan year with a +14% increase to total rates.

IPS Advisors released a medical request for proposal (RFP) this year due to Blue Cross Blue Shield (BCBS) presenting a +24% increase to rates. The increase was attributed to high volatility in claims spend over the last 12 months. Due to unfavorable claims spend BCBS was not able to provide a competitive quote this year. Other vendors such as Texas Municipal League and United Healthcare were not competitive due to pricing and plan design changes.

Cigna presented a four plan option that is +14% above current total rates. It is recommended that the Town offer the current plan options in place today (PPO & HSA), but also offer two additional HSA options which are more cost efficient.

One new HSA option will offer the current HSA plan of benefits; however employees will not have access to out of network providers. Employees will be driven to in-network facilities to control spend with high proficient providers. If an employee chooses to go out of network, they would be responsible for 100% of the cost. The other new HSA option will include a higher out of pocket maximum than what's in currently in place today. This plan is considered an IPS "benchmark" plan in the municipal market.

IPS Advisors is recommending the Town to fund 100% of the employee only plan for the most cost effective HSA option (Local Plus). In addition, it is recommended to continue the \$2,500 per employee contribution to the HSA account for employee only.

2017-2018 Total Rates:

HSA Renewal	HSA Renewal	% Difference from current
Employee	\$646.10	23%
EE + Spouse	\$1,356.82	23%
EE + Child(ren)	\$1,277.60	23%
EE + Family	\$2,002.92	23%

HSA Local Plus Option	HSA Local Plus Option	% Difference from current HSA
Employee	\$595.88	14%
EE + Spouse	\$1,251.36	14%
EE + Child(ren)	\$1,132.18	14%
EE + Family	\$1,847.24	14%

HSA Low Option	HSA Low Option	% Difference from current HSA
Employee	\$617.38	18%
EE + Spouse	\$1,296.51	18%
EE + Child(ren)	\$1,173.03	18%
EE + Family	\$1,913.88	18%

PPO Renewal	PPO Renewal	% Difference current
Employee	\$828.03	5%
EE + Spouse	\$1,738.86	5%
EE + Child(ren)	\$1,573.26	5%
EE + Family	\$2,566.90	5%

Fully Insured Dental – United Health Care

It is recommended for the Town of Highland Park to renew with United Healthcare with a +4% increase for the 2017-2018 plan year with a 1 year rate guarantee. Because the dental plan is running above a 100% loss ratio (claims/premium), competing carriers were not able to provide competitive quotes this year. This will be the second straight year the Town has contracted with UHC for dental services.

Flexible Spending Account / COBRA – Flores & Associates

The Town currently administers Flexible Spending Accounts (FSA) and COBRA in house today. Due to liability concerns it is recommended that the Town contracts with Flores & Associates to administer these two programs externally.

Flores & Associates have guaranteed rates for 5 years.

Life/Disability – Dearborn National

The Life and Disability insurance is currently in a rate guarantee until 10/1/18. No changes are recommended at this time.

Vision – Davis Vision

The Vision insurance is currently in a rate guarantee until 10/1/18. No changes are recommended at this time.