

**RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
AUGUST 12, 2024
MINUTES**

Roll Call:

Council present

Curtis Bergthold, Mayor
Douglas Knowlton, Mayor Pro Tem
Travis Malone, Place 2
Theresa Bledsoe, Place 3
John Skier, Place 4
G.W. Estep, Place 5

Council absent

Roland Goveas, Place 6

Staff present

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

CITY COUNCIL WORK SESSION – 5:01 PM

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

None.

2. **Water and Wastewater Rate Study Presentation**

Jason Gray, Vice President & Managing Principal, Willdan Financial Services, presented an overview of the water and wastewater rate study Willdan recently completed. He advised that Richland Hills last made water and wastewater rate adjustments prior to 2018, and inflation continues to drive up utility operating and capital costs annually. Currently, the average residential monthly charge is \$82.99.

Mr. Gray advised of issues including water purchased from the City of Fort Worth, wastewater treated by the City of Fort Worth and the Trinity River Authority, capital improvement projects, and required revenue. He presented different options for Council consideration including a recalibrated base fee and a pass through rate plan.

3. FY 2025 Budget Overview: General Fund, Debt Service and Utility Fund

City Manager Candice Edmondson presented an overview of the General Fund FY 2025 proposed budget and stated that staff utilized the recent citizens survey and strategic planning sessions to focus budget priorities for FY 2025. She advised that the proposed budget is based on an ad valorem tax rate of \$0.518879, which is a 0.73 percent reduction from FY 2024, and includes a proposed three percent pay increase for civilian personnel and a market salary adjustment for public safety personnel. The General Fund is the largest and most flexible fund with an expected revenue of \$10,662,938 million in FY 2025 and funds the majority of city operations and services and comes from sales tax, ad valorem tax, franchise tax, service charges, licenses and permits, and miscellaneous other revenues.

Ms. Edmondson provided a breakdown of General Fund expenditures by department including increased spending on facility maintenance, project management services, partnership with Serving Our Seniors, and an increase in animal shelter operations. She advised that expected expenditures in the General Fund will be \$10,528,938 and the projected ending fund balance will be \$3,233,691.

Ms. Edmondson presented a breakdown of the Debt Service Fund, which is supported by ad valorem taxes, and advised that in FY 2025 revenues are expected to be \$1,515,340 and expenditures are expected to be \$1,476,505 with a projected ending fund balance of \$736,003. The City's total current debt service requirements are \$26.47 million.

Next, City Manager Edmondson presented the proposed Utility Fund FY 2025 budget. The Utility Fund is an Enterprise Fund broken out between the water/wastewater fund and the drainage fund. The water/wastewater fund is expected to see revenue of \$5,151,900 in FY 2025 and receives revenue from water and wastewater sales. The expected expenditures will be \$5,643,312 with a projected ending (unrestricted) net position of \$2,771,364. She advised that the drainage fund is expected to see revenue of \$913,700 and expenditures of \$902,121 with a projected ending (unrestricted) net position of \$723,108 in FY 2025.

Discussion ensued regarding a partnership with Serving Our Seniors and pass-through credit card processing fees.

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

None.

Mayor Bergthold adjourned the work session at 6:55 p.m.

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

INVOCATION AND PLEDGES OF ALLEGIANCE – Councilmember Malone

PRESENTATIONS

1A. Employee Service Award

City Manager Candice Edmondson announced the employee service award and expressed congratulations to the following employee on reaching an employment milestone with the City of Richland Hills:

15 Years of Service

Sergeant Mario Hernandez

1B. Field Child Delivery Award

Fire Chief Russell Shelley advised that on May 25, 2024, the Richland Hills Fire Department responded to a female patient who was experiencing the imminent delivery of her child. Personnel assisted the patient with the field delivery of a healthy baby boy. Both patients received continuing care during transport to the hospital until care was transferred to the hospital staff. Chief Shelley presented A Shift personnel with an award for safely delivering the healthy baby boy.

1C. Life Saving Award

Fire Chief Russell Shelley advised that on May 12, 2024, the Richland Hills Fire Department responded to an elderly female who experienced sudden cardiac arrest at her home. Personnel immediately began Advanced Cardiac Life Support treatment of the patient and initiated transport to the hospital. During transport, the patient experienced a Return of Spontaneous Circulation or ROSC. Personnel continued to provide supportive care until they arrived at the hospital. The patient received continuing care at the hospital and is currently continuing her recovery at a local skilled nursing facility.

Chief Shelley presented A Shift personnel with a lifesaving award.

1D. Citizen Appearances/Public Comments

None.

City Manager Candice Edmondson took a moment to introduce two new employees who recently began their tenure in Richland Hills – Director of Parks and Recreation Eric Valdez and Communications and Engagement Manager Landon McBride.

CONSENT AGENDA

- 2A. Approved minutes from the July 22, 2024 City Council Regular Meeting**
- 2B. Excused the absence of Councilmember Theresa Bledsoe from the July 22, 2024 regular City Council meeting**
- 2C. Approved Resolution 597-24 authorizing the creation of an Employee Benefits Trust pursuant to Chapter 222 of the Texas Insurance Code**
- 2D. Approved Interlocal Agreement with the Texas Municipal League Intergovernmental Risk Pool for Cyber Liability and Data Breach Response**

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

Motion carried by a vote of 6-0.

PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

- 3A. Approved Ordinance 1503-24 a Planned Development (2024-0183) to construct Townhomes or Single-family residences for the property described as Lot 1AR1, Slagle Commercial Addition, otherwise known as 7212 Baker Boulevard, Richland Hills, Texas 76118 PUBLIC HEARING**

Director of Planning and Development Services JP Ducay presented the item to the City Council and advised that this item and public hearing is a continuation from the July 8, 2024 City Council meeting. On March 11, 2024, an application was submitted by Nathan Parrott with Pape Dawson Engineers (applicant) on behalf of Megma LLC (owner) requesting to rezone the subject property to PD, Planned Development with a base zoning of MF-2. The subject 4.67-acre property addressed as 7212 Baker Boulevard is currently zoned LC, Light Commercial. The applicant is requesting to rezone the property to PD, Planned Development with a base zoning of SF-7 to allow for the construction of a high-density single-family housing product with approximately 53 reduced square-footage homes. The proposed name of the development is Richland Hills Square.

Additionally, the Planning and Zoning Commission recommended approval with two conditions by a vote of 5-0 at their June 25, 2024 meeting. The conditions were as follows:

1. Fiber-reinforced cementitious board shall be limited to 75 percent per building façade.
2. Screening along the western and southern boundaries shall be six feet in height and consist of masonry material in lieu of wood.

The Richland Hills Square proposal has gone through three review cycles with the City's Development Review Committee. Pursuing a Planned Development grants the applicant

flexibility to establish standards outside of Richland Hills development standards. However, all preliminary fire and safety related requirements have been addressed throughout this review process. Included in their planned development package is a chart showing the existing SF-7 standards alongside the proposed development standards.

Aaron Hunsaker, representing the applicant, provided a presentation with additional information such as proposed fencing and screening, overall highlights, parking, and tax benefits to the City.

Mayor Bergthold formally opened the public hearing at 7:37 p.m. as a continuation from July 8, 2024, and asked to hear from any proponents followed by opponents of the case.

Vicki Hamilton, 7905 Leslie Drive, Richland Hills, expressed concern regarding drainage and flooding issues.

Gordon Slagle, 7186 Baker Boulevard, Richland Hills, expressed concern regarding the drainage and inquired about the proposed fencing.

Mayor Bergthold closed the public hearing at 7:42 p.m.

Motion: Motion was made by Councilmember Malone and seconded by Councilmember Estep to approve Ordinance 1503-24 for a Planned Development (2024-0183) to construct Townhomes or Single-Family residences for the property described as Lot 1AR1, Slagle Commercial Addition, otherwise known as 7212 Baker Boulevard, Richland Hills, Texas 76118.

The vote was as follows:

For: Mayor Bergthold, Mayor Pro Tem Knowlton, and
Councilmembers Malone, Bledsoe, and Estep

Against: Councilmember Skier

Motion carried by a vote of 5-1.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

4. None.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5. None.

OTHER ITEMS FOR CONSIDERATION**6A. Consider approval of quote from Sunbelt Pools in the amount of \$62,650 for Link water feature repairs**

Fire Chief Russell Shelley introduced the item to the City Council and advised that staff has been working with multiple vendors to identify the inoperable components of the Link water feature and develop a plan for its repair and proper operation. Sunbelt Pools was contacted as a regional expert in fountain and water feature operation following an extremely high quote from another qualified vendor. After an in-depth analysis of the water feature and an extensive conversation with the manufacturer Crystal Fountains, Sunbelt Pools provided a quote in the amount of \$62,650 to replace the Crystal Fountain solenoids, solenoid cables and reseal with potting compound. Sunbelt Pools is a BuyBoard cooperative purchasing vendor (Contract #701-23) and funding for the repair of the Link water feature is available in the FY 2024 Strategic Initiative Fund.

Discussion ensued regarding the cost of repairs and previous expenditures made for the water feature.

Motion: Motion was made by Mayor Pro Tem Knowlton and seconded by Councilmember Skier to approve the quote from Sunbelt Pools in the amount of \$62,650 for Link water feature repairs with funding allocated from the FY 2024 Strategic Initiative Fund.

Motion carried by a vote of 6-0.

6B. Consider approval and adoption of the 2024 Certified Tax Roll (Fiscal Year 2025/Tax Year 2024)

City Manager Candice Edmondson presented the 2024 Certified Tax Roll to be levied October 1, 2024 (Fiscal Year 2025), in the amount of \$1,010,087,506. There are outstanding properties under protest with the Appraisal Review Board with an estimated minimum taxable value of \$17,408,312 and incomplete accounts with an estimated minimum taxable value of \$12,402,295 to be added to the certified total. These amounts equal a total of \$1,039,898,113 of projected assessed valuation and are the totals that are used to calculate the No-New-Revenue and Voter Approval tax rates. Included in the certified tax roll total is the TIF Zone (Baker Boulevard) incremental value of \$46,835,229.

A tax rate of \$0.518879 per \$100 valuation has been proposed by the governing body of the City of Richland Hills which represents a decrease of 0.73 percent over last fiscal year's tax rate and is the tax rate that will be used to budget ad valorem tax revenue projections.

PROPOSED TAX RATE	\$ 0.518879 per \$100
NO-NEW-REVENUE TAX RATE	\$ 0.514251 per \$100
VOTER-APPROVAL TAX RATE	\$ 0.518880 per \$100

The no-new-revenue tax rate is the tax rate for the 2024 tax year that will raise the same amount of property tax revenue for the City of Richland Hills from the same properties in both the 2023 tax year and the 2024 tax year.

Motion: Motion was made by Councilmember Estep and seconded by Councilmember Skier to approve and adopt the 2024 Certified Tax Roll (Fiscal Year 2025/Tax Year 2024).

Motion carried by a vote of 6-0.

6C. Set proposed tax rate for Fiscal Year 2025 and public hearing date for tax rate adoption

City Manager Candice Edmondson advised that the City of Richland Hills' proposed tax rate for Fiscal Year 2025 is \$0.518879/\$100 which is 0.73 percent lower than the current property tax rate of \$0.522689/\$100.

Tax Code 26.05(d), states: "The governing body of a taxing unit other than a school district may not adopt a tax rate that exceeds the lower of the Voter-Approval Tax Rate or the No-New-Revenue Tax Rate calculated as provided by this chapter until the governing body has held a public hearing on the proposed tax rate and has otherwise complied with Section 26.06 and Section 26.065."

PROPOSED TAX RATE	\$ 0.518879 per \$100
NO-NEW-REVENUE TAX RATE	\$ 0.514251 per \$100
VOTER-APPROVAL TAX RATE	\$ 0.518880 per \$100

The No-New-Revenue Rate is 0.89 percent lower than the proposed tax rate of \$0.518879.

The proposed tax rate public hearing is set to be held on September 9, 2024.

Motion: Motion was made by Councilmember Skier and seconded by Councilmember Malone to set the proposed Fiscal Year 2025 property tax rate at \$0.518879/\$100, which is effectively a 0.89% increase in the tax rate AND set the public hearing on the tax rate for September 9, 2024.

Motion carried by a vote of 6-0.

REPORTS & DISCUSSIONS

7. None.

COMMUNITY INTEREST ITEMS

8. Councilmember Estep advised of several upcoming events:

- Now – August 13, 2024, After School Program Registration, The Link;
- Friday, August 16, 2024, Japanese Kit Kat Taste Testing Public Library, 6:00 p.m.;
- Saturday, August 17 – Sunday, August 18, 2024, Clear the Shelter Event, Amon G. Carter Jr. Exhibits Hall, half priced animal adoptions;
- Friday, August 30, 2024, Color Your Own Book Bag, Public Library, 6:00 p.m.;
- Thursday, September 12, 2024,
 - Senior Lunch Bunch and Bingo, The Link, 12:00 to 2:00 p.m.;
 - Tarrant County Food Pantry, The Link parking lot, 5:30 to 7:00 p.m.; and
- Every Thursday, Coffee Talk, Public Library, 10:00 to 11:30 a.m.

Jen Clark, 6973 Hardisty Street, Richland Hills, advised that the newly renovated City Council chambers looks wonderful and encouraged everyone to attend the Clear the Shelter Event.

EXECUTIVE SESSION

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

1. Section 551.087: Deliberation regarding Economic Development Negotiations
 - a. 2721 Handley Ederville Road, Richland Hills, TX

Motion: Motion was made by Mayor Pro Tem Knowlton and seconded by Councilmember Skier to adjourn into Executive Session at 8:07 p.m.

Motion carried by a vote of 6-0.

Mayor Bergthold reconvened into open session at 8:27 p.m. with no action taken.

ADJOURNMENT

10. There being no further business to come before the City Council, Mayor Bergthold declared the meeting adjourned at 8:29 p.m.

ATTEST:

APPROVED:

Lindsay Rawlinson, City Secretary

Curtis Bergthold, Mayor