

**RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
OCTOBER 28, 2024
MINUTES**

Roll Call:

Council present

Curtis Bergthold, Mayor
Douglas Knowlton, Mayor Pro Tem
Travis Malone, Place 2
Theresa Bledsoe, Place 3
G.W. Estep, Place 5
Roland Goveas, Place 6

Council absent

John Skier, Place 4

Staff present

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

CITY COUNCIL WORK SESSION – 6:31 PM

1. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.
2. **Discuss items listed on tonight's City Council agenda. No action will be taken and each item will be considered during the Regular Session.**
- 4B. ***Approved Ordinance 1515-24 amending the Code of Ordinances, City of Richland Hills, Texas, Appendix A, "Fee Schedule" Section 86-11, "Sewer Rates," and Section 86-248, "Water Meter Setting Charges," by revising the charges contained therein for residential and non-residential water and wastewater service***

City Manager Candice Edmondson introduced Willdan Local Government and Leadership Consultant Jason Gray who provided an overview of the recently completed water and wastewater rate study. Mr. Gray advised of several items including providing a background on rates and the reasons for rate adjustments, customer and volume information, current and forecasted cost of service, and the proposed rate plans for Council consideration.

Mayor Bergthold adjourned the work session at 7:01 p.m.

REGULAR SESSION – Mayor Bergthold Called to Order – Time 7:06 p.m.

INVOCATION AND PLEDGES OF ALLEGIANCE – Councilmember GW Estep

PRESENTATIONS

1A. Municipal Court Week Proclamation

Mayor Bergthold read a proclamation declaring November 4 – 8, 2024 as “Municipal Court Week” in Richland Hills and presented it to Municipal Court Manager Eliza Margenau and Court Clerk Abbie Moore.

1B. Citizen Appearances/Public Comments

None.

CONSENT AGENDA

2A. Approved minutes from the September 23, 2024 City Council Regular Meeting

2B. Approve purchase of a dump truck for the Public Works Department from Industrial Power Truck & Equipment in the amount of \$125,169

2C. Approve purchase of an excavator for the Public Works Department from HOLT CAT in the amount of \$50,825

2D. Approve FY 2025 water tank maintenance projects with Maguire Iron, Inc. in the amount of \$391,625

2E. Approve repairs to the water main at the London elevated water tower by EXCEL 4 Construction, LLC in the amount of 68,070

Motion: Motion was made by Councilmember Malone 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

3. None.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS**4A. Approved Ordinance 1514-24 amending Subdivision II “Industrial Waste,” of Division 3 “Sanitary Sewer System,” of Chapter 86 “Utilities,” of the Code of Ordinances, City of Richland Hills, Texas to provide a definition and regulations for PFAS**

Director of Public Works and Capital Projects Kip Dernovich presented the item to the City Council and advised that the Environmental Protection Agency (EPA) finalized its rules and standards for the amount of Per-and Poly-Fluoroalkyl Substances (PFAS) allowed in water systems. As a result, water providers are required to update their codes and regulations for PFAS. Ordinance 1514-24 provides the required definition and regulations for PFAS as reflected in the most recent EPA rules and satisfies contractual requirements between the City of Richland Hills and City of Fort Worth for the provision of potable water and sewer treatment services.

The adoption of this Ordinance will maintain the City’s full compliance with Federal and State regulations as well as contractual requirements from the City of Fort Worth.

Motion: Motion was made by Mayor Pro Tem Knowlton and seconded by Councilmember Goveas to approve Ordinance 1514-24 amending Subdivision II “Industrial Waste,” of Division 3 “Sanitary Sewer System,” of Chapter 86 “Utilities,” of the Code of Ordinances, City of Richland Hills, Texas to provide a definition and regulations for PFAS.

Motion carried by a vote of 6-0.

4B. Approved Ordinance 1515-24 amending the Code of Ordinances, City of Richland Hills, Texas, Appendix A, “Fee Schedule” Section 86-11, “Sewer Rates,” and Section 86-248, “Water Meter Setting Charges,” by revising the charges contained therein for residential and non-residential water and wastewater service

Item was discussed during the work session.

City Manager Candice Edmondson advised that in June 2024, the City of Richland Hills hired Willdan to complete a Utility Rate Study. The results of the study indicated that the City’s current water and wastewater rates are not keeping up with inflationary increases and annual rate adjustments imposed by water and wastewater treatment wholesale providers.

The last water and wastewater rate adjustment was done prior to 2018. Based on current utility operations and maintenance, the Utility Fund will require the use of unrestricted reserves to balance the fund. The Utility Fund also does not have the capacity to implement a capital improvement program to proactively replace aging infrastructure as opposed to only responding to system failures.

In order to balance the fund and properly address the aging utility infrastructure, the City needs to consider a new long-term rate plan. The proposed plan is a 5-year rate plan with adjustments made annually in January.

Discussion ensued regarding utilizing an incremental approach to increases, providing transparency for pass-through costs to consumers, and concern for senior residents.

Motion: Motion was made by Councilmember Estep and seconded by Councilmember Malone to approve Ordinance 1515-24 amending the Code of Ordinances, City of Richland Hills, Texas, Appendix A, "Fee Schedule" Section 86-11, "Sewer Rates," and Section 86-248, "Water Meter Setting Charges," by revising the charges contained therein for residential and non-residential water and wastewater service.

Motion carried by a vote of 6-0.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5A. Approved award of bid for FY 2025 street, curb and gutter repair unit price contract to Reliable Paving, Inc.

Director of Public Works and Capital Projects Kip Dernovich presented the item to the City Council and advised that the City of Richland Hills originally solicited bids for a street, curb and gutter repair unit price contract in November 2021. Reliable Paving, Inc. was awarded the bid on January 10, 2022, and contract renewals were subsequently approved on March 13, 2023, and March 11, 2024.

The unit price contract has helped the City expedite work such as localized street patching and repairs, curb and gutter replacement, asphalt repairs, etc., especially on extensive repairs or when staffing has been limited. The unit price contract also standardizes the costs for these projects versus quoting each individual project as it comes up. The City utilizes similar contracts from other government entities and, as the primary contract holder, would allow other agencies to utilize this contract as well.

In September 2024, the City decided to rebid the unit price contract to get updated costs on street, curb, and gutter repairs, and to ensure that the City was receiving the best possible pricing based on current economic trends. Reliable Paving, Inc. submitted a bid of \$735,935 for an annual contract which is approximately five percent higher than the previously approved Unit Price Contract. Funding for street, curb and gutter repairs is approved through the annual budget process and expenditures would be based on annual allocations.

Motion: Motion was made by Councilmember Goveas and seconded by Councilmember Estep to award the FY 2025 street, curb and gutter repair unit price contract to Reliable Paving, Inc.

Motion carried by a vote of 6-0.

5B. Approved award of bid for FY 2025 drainage, water and sanitary sewer repair unit price contract to EXCEL 4 Construction, LLC

Director of Public Works and Capital Projects Kip Dernovich presented the item to the City Council and advised that the City of Richland Hills originally solicited bids for a drainage, water and sanitary sewer unit price contract in November 2021. EXCEL 4 Construction, LLC was awarded the bid on April 11, 2022, and contract renewals were subsequently approved on January 23, 2023, and January 22, 2024.

The unit price contract has helped the City expedite work such as localized water main installation and repairs, valve repair, curb stops, sewer line spot repairs, manholes, etc. especially on extensive repairs or when staffing has been limited. The unit price contract also standardizes the costs for these projects versus quoting each individual project as it comes up. The City utilizes similar contracts from other government entities and, as the primary contract holder, would allow other agencies to utilize this contract as well.

In September 2024, the City decided to rebid the unit price contract to get updated costs on drainage, water, and sewer repairs, and to ensure that the City was receiving the best possible pricing based on current economic trends. EXCEL 4 Construction, LLC submitted a bid of \$7,159,099 for an annual contract which is approximately 12 percent higher than the previously approved Unit Price Contract. Funding for drainage, water and sewer repairs is approved through the annual budget process and expenditures would be based on annual allocations.

Motion: Motion was made by Councilmember Estep and seconded by Mayor Pro Tem Knowlton to award the FY 2025 drainage, water and sanitary sewer repair unit price contract to EXCEL 4 Construction, LLC.

Motion carried by a vote of 6-0.

OTHER ITEMS FOR CONSIDERATION

6A. Approved canceling the November 25, December 23, June 23, July 14 meetings

City Manager Candice Edmondson advised that due to upcoming holiday schedules, staff recommends canceling the November 25, 2024 and December 23, 2024 City Council meetings. In addition, some City Council members have inquired about implementing a summer meeting break as many surrounding cities have done.

Section 5.07 of the Richland Hills Home Rule Charter states that *“the City Council shall meet a minimum of one (1) time per month and more as needed.”* If the City Council canceled the June 23, 2025, and July 14, 2025 City Council meetings, this would give council members and city staff a month-long break while still adhering to the meeting requirement in the Charter.

Motion: Motion was made by Mayor Pro Tem Knowlton and seconded by Councilmember Goveas to cancel the November 25, December 23, June 23 and July 14 City Council meetings.

Motion carried by a vote of 6-0.

REPORTS & DISCUSSIONS

7A. Street Improvement Projects

Director of Public Works and Capital Projects Kip Dernovich presented the street improvement projects update and advised that hanging illuminated street signs have been installed and the contractor continues to work with TxDOT to install power for the signs. He provided additional updates regarding fencing installation and pothole repairs.

7B. 4th Quarter Investment Report

Director of Finance Erika McComis provided the 4th Quarter Investment Report for FY2024 and advised that the City is in a strong financial position.

7C. September Department Reports

Director of Finance Erika McComis provided the Finance Department update and praised the front office staff at City Hall for their skill in providing top notch service to residents.

Library Director Chantele Hancock presented the Library update and provided several stories about Lady the Library Dog and her impact on Library patrons.

Director of Public Works and Capital Projects Kip Dernovich presented the Public Works Department update and advised of accomplishments including all staff certified as Basic Water Operators, cost savings measures, and projects in process and completed.

COMMUNITY INTEREST ITEMS

8. Councilmember Estep advised of several upcoming events:

- Now through Friday, November 1, 2024, Veterans Wall of Honor, The Link;
- Friday, November 1, 2024, Teen Art Night, Public Library, 6:00 p.m.;
- Saturday, November 2, 2024, City-Wide Clean-Up and Green-Up, City Parks, 9:00 to 11:00 a.m.;

- Friday, November 8, 2024, Family Craft: 3D Mushroom, Public Library, 6:00 p.m.;
- Monday, November 11, 2024, Veterans Day Ceremony and Patriotic Picnic, The Link Plaza, 11:00 a.m. to 1:00 p.m.;
- Tuesday, November 12, 2024, Richland Hills Literary Club, Public Library, 6:30 p.m.;
- Thursday, November 14, 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.;
- Every Thursday, Coffee Talk, Public Library, 10:00 to 11:30 a.m.

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 551.071: Consultation with Attorney

- a. City Council Code of Ethics

Motion: Motion was made by Mayor Pro Tem Knowlton and seconded by Councilmember Estep to adjourn into Executive Session at 8:28 p.m.

Motion carried by a vote of 6-0.

Mayor Bergthold reconvened into open session at 9:04 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 9:55 p.m.

ATTEST:

APPROVED:

Lindsay Rawlinson, City Secretary

Curtis Bergthold, Mayor