



**MINUTES**  
**CITY COUNCIL FINANCE AND GOVERNMENT COMMITTEE**  
**June 1, 2021**

The City of Grand Prairie Finance and Government Committee convened at 2:35 p.m. on Tuesday, June 1, 2021, in the City Council Briefing Room, 300 West Main Street, Grand Prairie, Texas. The following persons were in attendance:

**COMMITTEE MEMBERS PRESENT**

Greg Giessner, Chairman  
Jorja Clemson, Mayor Pro Tem

**COMMITTEE MEMBERS NOT PRESENT**

Mike Del Bosque, Deputy Mayor Pro Tem

No Guests were recognized as being in attendance.

**STAFF PRESENTATIONS**

**1. F&G Review of Ongoing EpicCentral Construction Progress + Update Regarding Additional Bid Process and Construction Cost Pricing.**

Andy Henning, Engineering (Public Works), presented information regarding the EpicCentral Construction Progress and updates involving the additional bid process and construction cost pricing. Mr. Henning stated that an update will be provided to City Council on June 15, 2021, regarding the amended construction values and financing information.

Mr. Henning noted that Park Central was relocated and is now a new road that goes directly into The Summit property. Parking has been constructed for Chicken N Pickle, which included landscaping along the frontage road, removal of Esplanade in that area, with Epic Central as the main entrance road, and relocation of all utilities. Work in this area is approximately 80% complete. Crews are currently working on irrigation and landscaping. We are trending toward savings of approximately \$800,000 with will roll over into the next phase. Chicken N Pickle construction should be complete by November 1, and they plan to open December 1.

Mr. Henning stated that in the next phase, all other development in the area will be addressed, with the exception of the hotels and conference center: The above-ground parking garage, the below-ground parking garage, the surface lot above the below ground parking garage, and the four water-front restaurants. The development will be an additional \$36,000,000 to \$37,000,000. Mr. Henning noted that the Phase I construction number was about \$7,000,000. With the next

phase, we will have an amended contract value of approximately \$44,000,000 and a budget contingency \$3,000,000. This information will be presented to City Council on June 15.

*Chairman Greg Giessner asked if the rendering of the parking garage was the final concept. Mr. Henning stated that it was, with the exception being a large marquee that will be in front, so the advertisement and marketing for Epic Central will likely move from the face of the garage to the marquee. Mayor Pro Tem Jorja Clemson asked for clarification on the different levels of parking. Mr. Henning stated that there will be surface-level parking above the underground parking. Additionally, there will be an above-ground parking garage.*

Mr. Henning noted the four waterfront restaurants: Loop 9 BBQ, Stirr, Vidorra, and Serious Pizza. He also stated that included in the construction was enhancement to the boardwalk, the water and light show, and utilities, the latter being a critical and significant unseen cost.

Mr. Henning stated that he, Parks, and Deputy City Manager Cheryl De Leon had received a number of quality submissions for the water and light show, and they narrowed down the choice to OTL (Outside the Lines, Inc.). They will design a water and light show with projection, along with public interaction. He stated that a placeholder of \$3,600,000 is in place for this project, and OTL has assured the interview team that the result will have 'all the bells and whistles.' Mr. Henning noted that this \$3,600,000 is a designed build contract, and not included in the other construction contract. This item will also be on the June 15 City Council Agenda.

Mr. Henning stated that construction contract with Concord Hospitality has reached the point of a development contract, as it has with a third-party operator for the facilities. He also noted that underground garage project will be brought to City Council in July, and if approved, The City can begin construction in October 2021. Mr. Henning additionally stated that they are moving on this phase early in order to 'lock in' prices, which are rising quickly. The project is not saving money by doing so, but it should remain on budget.

*Chairman Greg Giessner and Mr. Henning had a brief discussion about various aspects of the rising cost of construction materials.*

Mr. Henning stated that the last piece of the future construction phase is referred to as a 'found parcel.' When Park Central was relocated, and after determining the volume Chicken N Pickle needed in terms of parking, enough property was left to accommodate two 5,000 square-foot restaurants. The project was approved by City Council on April 4. There will be a change order requested for the Hill and Wilkinson contract, with a project cost of \$4,750,000.

Mr. Henning presented additional information about the marquee sign. It will be large scale, and similar to the marquee sign in front of the Texas Trust Credit Union Theater. There will be a video board, with placeholders for the hotels, restaurants, and blank space for future advertising. Mr. Henning stated there is a separate funding

source for the marquee, and noted this sign will be approximately \$900,000, with additional signage around the property totaling \$300,000, totaling \$1,200,000. This item will be presented to City Council in July.

Mr. Henning stated that an amended contractual construction value of \$44,000,000 will be presented in July, which includes the original value of \$7,000,000 and the additional \$37,000,000. Future construction will be approximately \$4,750,000 for the parking structures and restaurant shells, and \$1,200,000 for the new signage, which brings the total to approximately \$50,000,000. In addition, there will be a \$3,000,000 contingency, and \$3,600,000 contract with OTL for the water show. The hotel and convention center construction is in-progress, with the goal to get costs back within budget.

*Chairman Greg Giessner and Mr. Henning discussed that the hotel and conference center would be an additional \$40,000,000 to \$42,000,000. He also noted that the costs referenced are for construction. Mayor Pro Tem Jorja Clemson asked about potential delays with Bolder One due to the construction. Mr. Henning clarified there are no conflicts.*

## **2. Presentation of Plan of Finance**

Chief Financial Officer, Becky Brooks, presented an overview of the financial plan for the construction. Ms. Brooks stated that at the June 15, 2021, City Council meeting, ordinances for Certificates of Obligation and for General Obligation bonds will be presented. She also stated that due to timing, the sale of the bonds needed to be done on June 15 rather than June 1. This item is currently on the June 1 City Council agenda, but will be tabled until the June 15, 2021, meeting. Ms. Brooks noted that part of the project was previously funded through Certificates of Obligation. The bulk of the project has not yet been financed, predominantly the construction connected with the hotel.

Treasury and Debt Manager, Brady Olsen, presented information regarding financing the remainder of the project. Mr. Olsen stated that there will be two forms of funding, Certificate of Obligation and General Obligation. He noted that in 2019, Certificate of Obligation in the amount of \$34,000,000 was approved for the public portion of the Epic project. The funds were used primarily for parks, parking, and infrastructure. At that same time, a \$7,000,000 tax note was issued for the conference center. The project has since grown in scope, and more funds are needed to finish the project, with no plan for any of the funding to come from the tax rate. If approved at the June 15, 2021, City Council meeting, the first means of funding will be a 15-year, \$17,000,000 taxable Certificate of Obligation, which will finish the public purpose portions of the project. Existing funds will be used to fund some of the first-year principle. With both issuances, the first two years will be interest only. S&P is the rating company selected.

Mr. Olsen stated the other financing source for the remaining \$67,000,000 will be the General Obligation bond issuance. The May bond election allows \$75,000,000 for economic development projects. \$67,000,000 of the bond will be used now, with \$50,000,000 for the hotel, \$15,000,000 for the restaurant, and \$2,000,000 for land purchases around the downtown area. The bonds should remain a AAA rating, and the same underwriters will be used as was done for

the 2019 project. An additional underwriter has been added, Estrada Hinojosa & Company, Inc., for added value. At this time, the interest rate is projected at 2.8%, but it may be lower.

*Chairman Greg Giessner and Mr. Olsen had a brief discussion about interest rates.*

Mr. Olsen stated that both the Certificate of Obligation and the General Obligation bonds will be on the June 15, 2021, City Council meeting agenda. If approved, the funds should be available July 7. Chief Financial Officer, Becky Brooks, stated that the bonds will be taxable, so the rate may be slightly higher.

*Chairman Greg Giessner, Ms. Brooks, and Mr. Olsen had a brief discussion about paying the note in full early.*

*Chairman Greg Giessner recognized Ms. Brooks for her expertise, performance, and leadership as Chief Financial Officer. Ms. Brooks is retiring, and this meeting is the last one she will be attending.*

### **3. Insurance Plan Monthly Review**

Human Resources Director, Lisa Norris, presented the monthly review of the insurance plan. Through April, the insurance plan continues to do well. One notable item is \$343,000 from Blue Cross Blue Shield that BCBS receives as pharmacy rebates. Rebates are estimated monthly. Ms. Norris negotiated a 'true up' with Blue Cross Blue Shield for calendar year 2020, resulting in the \$343,000 rebate.

Ms. Norris stated that in Expenses, claims reduced. Active claims declined from \$1,700,000 to \$1,000,000 through the end of April. Retiree claims increased, but the pool is very small.

Ms. Norris noted that while Retiree claims are over budget, they will be more than offset by the reduced number of Active claims. The year-end is projected to be 84% of budget, with a positive balance of \$8,400,000. She also stated we should not need to use funds from the Risk Fund.

*Chairman Giessner and Ms. Norris briefly discussed the stop-loss fund. Ms. Norris stated that the maximum for an individual claim is \$400,000, with any claims in excess of that amount classified as eligible for reimbursement from the stop-loss fund. Ms. Norris advised not using those funds at this time.*

Ms. Norris stated that in response to Deputy Mayor Pro Tem Mike Del Bosque's previous inquiries regarding retirees, the average retirement age for City of Grand Prairie employees is 59 years or older. She noted that she looked back as far as 2018, excepting 2020, and the average age was previously 56 to 57 years. Additionally, Ms. Norris stated that the average number of years of service is now 30, which has increased from 25 to 26 years. She commented that this average is surprising because the retirement eligibility was reduced from 25 years to 20 years. The pandemic may have had an effect on employees' decisions to retire. Ms. Norris stated that enrollment in wellness programs has been strong.

*Chairman Greg Giessner inquired about the reason for the increase in claims, and Ms. Norris stated that both she and Blue Cross Blue Shield did not identify any trends, and the high claims do not appear to be retirees.*

### **CONSENT AGENDA**

Chairman Greg Giessner presented the Consent Agenda, Items 4-11, for consideration. Chairman Giessner noted that Audit Services Director, Cathy Patrick, had been named as the contact for TexPool and TexSTAR.

4. Minutes of the May 4, 2021 Finance and Government Committee meeting
5. Ordinance amending the FY 2020/2021 Capital Improvements Projects Budget; Purchase of radar speed feedback signs to reduce speeding and radar traffic count equipment from Traffic Logix Corporation in the amount of \$72,652 through a national interlocal with NCPA
6. Ordinance adopting the Housing Administration (Fund 3001) and Housing Choice Voucher (Fund 3002) operating budgets for calendar year 2021 and fiscal year 2020-2021.
7. Ordinance Amending the FY 2020/2021 Capital Improvements Projects Budget; Option Contract for \$50,000 for a three-month option to purchase 16.067 acres at 899 Belt Line Rd., CP Richard Wilson Abstracts 1545, and 1548 PG 255 for a purchase price of \$6,000,000, with the option to extend contract for an additional three months for \$50,000; authorize City Manager to execute contract and extension (if needed)
8. Resolution amending the Authorized Representatives for TexPool
9. Resolution amending the Authorized Representatives for TexSTAR
10. Resolution approving the proposed and amended budgets for FY 20/21 of the Grand Prairie Local Government Corporation
11. Public Hearing and ordinance adoption the Program Year 2021 CDBG and HOME budgets, allocating, approving, and authorizing the expenditure of \$48,055 of CDBG Administrative Reserve Fund for the purchase of (2) two replacement vehicles

Mayor Pro Tem Jorja Clemson moved to approve Consent Agenda Items 4-11 as presented. Chairman Greg Giessner seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

### **ITEMS FOR INDIVIDUAL CONSIDERATION**

12. Professional Services contract with Halff Associates, Inc., in the amount of \$96,000 for surveying and engineering services for overall Central Park addition re-plat, Epic Central III

lease agreement legal descriptions, and Bolder Adventure Park lease agreement legal description and instruments easements.

Andy Henning, Engineering (Public Works), presented information for Item 12. In reviewing the Epic Central and Bolder One projects, it was discovered that surveying and engineering services for Epic and Epic Waters were never addressed. Half of the funds requested are for complete replatting of Epic Central, Bolder One, easements for Oncor and all other aspects connected with project. The other half of the funds are for platting of Epic Central and Bolder One.

Chairman Greg Giessner moved to approve Item 12 as presented. Mayor Pro Tem Jorja Clemson seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

13. Price agreement for a School Crossing Guard program with All City Management Services, Inc., in the amount of \$800,879.40. This agreement will be for one year, with the option to renew for four additional one-year periods. The price for the second year will be \$800,879.40. The price for the third and fourth years will be \$841,995.00 annually. The price for the fifth year will be \$869,113.80. The total value of the agreement will be \$4,154,862.60 if all renewals are exercised. Authorize the City Manager to execute the renewal options with aggregate price fluctuations of the lesser of up to \$50,000, or 25% of the original maximum price so long as sufficient funding is appropriated by the City Council to satisfy the City's obligation during the renewal terms

Mr. Ryan Simpson, Police (Special Operations Bureau) presented information for Item 13. A market study was done regarding school crossing guard wages, and it was determined that the City of Grand Prairie was well below market, which had resulted in recruiting and retention issues. The cost to implement the recommendation was determined to be approximately \$145,000 per year. Another result of the market study was that a number of cities outsourced the school crossing guard positions. After reviewing the bids received, All City Management Services was selected. Benefits for the current employees include wages being adjusted to the appropriate level, and all current school crossing guards will have the opportunity to work for the new company. He noted that current school crossing guards making below \$11.00 per hour will be raised to that rate. Other making more than \$11.00 per hour will receive a \$0.50 hourly increase. Benefits for the City of Grand Prairie include alleviating the City from worker compensation claims (for school crossing guards), and cost savings. Mr. Simpson stated that approximately \$801,000 would be saved in the first two years, with an additional savings of \$65,000 annually in administrative staff time.

*Chairman Greg Giessner and Mr. Simpson discussed, and it was clarified that the school crossing guards will be employees of All City Management Services, not contract employees. Chairman Giessner and Mayor Pro Tem Jorja Clemson asked how the transition would be communicated to the school crossing guards. Mr. Simpson stated that after City Council approval was received, meetings would be scheduled, including later in the summer once the contract was finalized.*

*Chairman Giessner asked about possible cost-sharing with the school districts. Mr. Simpson stated that all three school districts are approached every year regarding cost sharing, and all three have declined each year. Mayor Pro Tem Jorja Clemson inquired about the school crossing guards schedule, and Mr. Simpson clarified that they work 1.5 hours before and after school. She also asked who the Police Department contact will be for the school crossing guards. Mr. Simpson stated that Sergeant Justin Ross will be their contact. Chairman Giessner inquired about ensuring all locations were staffed. Mr. Simpson stated that issue is addressed. He also noted that All City Management is a large company in the Dallas-Fort Worth area, and they have a larger pool of substitutes than the City.*

Mayor Pro Tem Jorja Clemson moved to approve Item 13 as presented. Chairman Greg Giessner seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

14. Ordinance amending the FY 2020/2021 Capital Improvements Projects Budget; Project Specific Agreement Amendment No. 2 with Dallas County for the widening of Camp Wisdom Road MCIP 40811 from approximately 1,700 linear feet west of Carrier Parkway to FM 1382 and commit the City to \$128,804 in additional funding for a total City share commitment of \$5,478,804

Director of Transportation Services, Walter Shumac, and Manager of Engineering (Public Works), Romin Khavari, presented information for Item 14. Mr. Shumac and Mr. Khavari stated that the entire change order is approximately \$3,500,000. However, this is a joint project between the City of Grand Prairie, the City of Dallas, and Dallas County. Dallas County is paying for the largest portion. The City of Grand Prairie's portion of the change order is \$128,804. City of Dallas will be contributing a similar amount. It was also noted that only the City's portion is listed in the Ordinance.

*Chairman Greg Giessner, Mr. Shumac, and Mr. Khavari discussed aspects of the project. Mr. Shumac and Mr. Khavari clarified that Camp Wisdom Road will be four full lanes, one continuous roadway. The project includes approximately 1,700 linear square feet west of Carrier Parkway, and connects to walking trails near Robinson Road, and it will connect to the trails at 1382/Beltline Road. The project should be concluded some time next summer 2022. Mr. Giessner asked about the removal of traffic lights and the stop signs that replaced them at Carrier Parkway and Camp Wisdom Road. Mr. Shumac and Mr. Khavari stated that stop signs will be in place until near the end of the completion of the project.*

Chairman Greg Giessner moved to approve Item 14 as presented. Mayor Pro Tem Jorja Clemson seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

15. Ordinance amending the FY 2020/2021 Capital Improvement Projects Budget; Construction contract with Rebcon, Inc., in the amount of \$181,400.16 for IH-20 Deceleration Lane for

Cardinal Health; 5% construction contingency in the amount of \$9,070.00; Materials testing with Team Consultants in the amount of \$9,765.50; in-house labor distribution in the amount of \$9,070 for a total of \$209,305.66

Manager of Engineering (Public Works), Romin Khavari, presented information for Item 15. Mr. Khavari stated that bids were opened, and four contractors responded. Rebcon, Inc., was the lowest bid, and they were selected. A \$9,070 shortfall amount will be taken from the bond funds to complete the project.

*Chairman Giessner, Mr. Shumac, and Mr. Khavari had a brief discussion about the need for the deceleration lane. They also discussed that the reason for the shortfall was overall construction costs, primarily in inspection and other fees. The higher costs this year were not known last year when the original amount was approved. A brief discussion took place about whether expenditures that fell within the approved contingency funds needed to be brought before the Finance and Government Committee.*

Chairman Greg Giessner moved to approve Item 14 as presented. Mayor Pro Tem Jorja Clemson seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

16. Ordinance amending the FY20/2021 Capital

Improvements Projects Budget; Professional Services contract with Martin Aquatic in the amount of \$319,726; and approve a 5% contingency of \$15,986, total cost of \$335,712 for master plan design services for EPIC Waters and adjacent grounds

Parks, Arts & Recreation Director, Duane Strawn, presented information on Item 16. Mr. Strawn stated that reinvestment for Epic Waters had always been planned. Bids were opened last February for a master plan, with Martin Aquatic Design and Engineering selected for the project. However, the project was tabled due to COVID-19. Epic Waters is now fully operational. The City contacted Martin Aquatic Design and Engineering, and the company agreed to go forward with the project at the price in the original contract from last year. They will review existing conditions, propose new amenities, and complete a market analysis in making the decisions.

*Chairman Giessner and Mr. Strawn briefly discussed that upkeep and maintenance comes from a different fund. Mr. Strawn clarified that hose issues are being considered, but Item 16 is specifically with regard to the review of existing conditions, a market analysis, and proposal of new amenities to stay competitive.*

Mayor Pro Tem Jorja Clemson moved to approve Item 16 as presented. Chairman Greg Giessner seconded the motion. The motion passed 2-0, with no abstentions.

Ayes: Giessner, Clemson

Nays: None

Absent: Del Bosque

**EXECUTIVE SESSION**



*The Finance and Government Committee may conduct a closed session pursuant to Chapter 551, Subchapter D of the Government Code, V.T.C.A., to discuss one or more of the following:*

- (1) Section 551.071 "Consultation with Attorney"*
- (2) Section 551.072 "Deliberation regarding Real Property"*
- (3) Section 551.074 "Personnel Matters"*
- (4) Section 551.087 "Deliberations Regarding Economic Development Negotiations"*

No Executive Session was convened.

**CITIZEN COMMENTS**

There were no citizen comments.

**ADJOURNMENT**

There being no further business, the Finance and Government Committee meeting adjourned at 3:42 p.m.

  
\_\_\_\_\_  
Chairman, Jeff Copeland  
Finance and Government Committee

7-13-21  
\_\_\_\_\_  
Date