



**CITY OF GRAND PRAIRIE  
FINANCE AND GOVERNMENT COMMITTEE  
COUNCIL BRIEFING ROOM, 300 W. MAIN STREET  
TUESDAY, NOVEMBER 02, 2021, AT 2:30 PM**

**MINUTES**

**CALL TO ORDER**

Chairperson Jeff Copeland called to order the City of Grand Prairie Finance and Government Committee convened at 2:35 p.m. on Tuesday, November 2, 2021, in the City Council Briefing Room, 300 West Main Street, Grand Prairie, Texas. The following persons were in attendance:

**MEMBERS PRESENT**

Jeff Copeland, Chairperson  
Cole Humphreys, City Councilperson  
Kurt Johnson, City Councilperson

**MEMBERS ABSENT**

None

**GUESTS IN ATTENDANCE**

No Guests were recognized as being in attendance.

**STAFF PRESENTATIONS**

1. Insurance Fund Quarterly Review

Human Resources Director, Lisa Norris, presented the Insurance Fund Quarterly Review, for year-end fiscal year 2021. Minor adjustments may still be made as we close out the year. The ending balance is just over \$500,000. The ending resource balance is still at \$5,600,000. Insurance can be very volatile, which is why the resource fund balance is kept high. Ms. Norris also noted that a non-required \$6,000,000 reserve is maintained in the event of a challenging year. Additionally, she clarified that the reserve funds cannot be used for any purpose other than healthcare. Ms. Norris also stated the City has approximately \$2,500,000 in the Risk fund so that we can self-fund 'stop loss.' A discussion took place regarding a potential cap on the reserve fund. Ms. Norris reviewed the variance in active claims and retiree claims, the process to ensure our plans are competitive, and the pharmacy rebates.

2. Quarterly Investment Report & Investment Policy Review

Treasurer and Debt Manager, Brady Olsen, presented information on the Quarterly Investment Report and Investment Policy Review. For the quarter ending September 30, 2021, the City had approximately \$450,000,000, which is approximately \$100,000,000 more than the City had at the end of last fiscal year. The difference is primarily due to the Epic debt issuance and the federal stimulus money we received. Mr. Olsen also reviewed the Investment Policy and the Investment Committee, which is comprised of staff designated by the City Council. The Investment Committee makes decisions on which brokers are used, what investments to pursue, and they attend various training to ensure the City has up to date information on allowed and disallowed types of investments. The Investment Committee does the groundwork, and the Finance and Government Committee makes the recommendations. Mr. Olsen reviewed the investment portfolio, noting that the City is recently investing more in Treasuries and municipal bonds. These options are safe, and they allow easy access to the City's money, if needed. The City's investments are below the maximum allowable amount in every division to allow

diversity. Mr. Olsen also highlighted some new options that will be discussed at the City Council meeting. He noted that, per City Council Policy, if needed, the City could access more than half of its money in one year, and all of the City's money in three years, with 26% of the City's money available in a day. A discussion took place about interest earnings and weighted average maturity (WAM). Mr. Olsen noted that some investments offer a higher return, but they are riskier. Mr. Olsen stated that the City is required to update the Investment Policy each year. City Council will discuss and vote on the Investment Policy changes at the next meeting.

3. Internal Audit FY2021 4th Quarter Report & FY2022 Internal Audit Work Plan

Mr. Thao Vo, IT Internal Auditor for the City, presented the fourth quarter report. Highlights included two completed audits, the compliance audit of FireHouse Gastro Park and the Streets Division warehouse inventory audit follow up from July. Nothing significant was found in the FireHouse Gastro Park audit. The majority of the contract terms were compliant. Mr. Vo stated the Streets Division finished the inventory by September 30. Inventory value was approximately \$400,000. Mr. Vo noted other major works in process. The Audit Department is finishing the EnerGov software implementation. Mr. Vo reviewed the types of annual audits. Contract compliance audits are done for every vendor with which the City has a contract. The goal is to complete two compliance audits per year. Internal control audits focus on areas involving 'money,' such as payroll, capital assets, revenue, and key cards, which are common areas for fraud. Operational audits review department processes, with recommendations made, for example, to improve customer satisfaction and reduce employee turnover. The City Departments are audited on a rolling schedule, with Audit connecting with each Department at least every three years. A discussion took place about the number of staff in the Audit Department compared with the volume of work. Deputy City Manager Cheryl De Leon stated that the City will be hiring an asset manager to address the hotels. A discussion took place about the use of Cityworks for the Streets Division to better track inventory going forward. A discussion took place about selling old parts for revenue.

**CONSENT AGENDA**

4. Minutes from the Finance and Government Committee Meeting October 5, 2021

Chairperson Jeff Copeland commented on the helpfulness of the Consent Agenda items briefing provided by Ms. Cheryl De Leon. Councilperson Cole Humphreys moved to approve the Finance and Government Committee October 5, 2021 minutes, as presented.

Councilperson Kurt Johnson second the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

5. Change order #5 with Pacheco Koch Consulting Engineers, Inc. in the amount of \$25,000 to perform continued construction administration due to unforeseen requirement by Union Pacific for a custom pedestrian trail canopy structure under the existing railroad bridge at the Great Southwest Nature Park

6. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Amend the Interlocal Agreement with the City of Fort Worth for joint engineering design and cost estimation services of the "NorthWest" Trail Connection to CentrePort Station in the amount of \$59,412 for additional engineering services

7. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Purchase and installation of pool filter and related components for the Kirby Creek Natatorium from Sunbelt Pools in the amount of \$93,860 through a BuyBoard contract and include a 5% contingency in the amount of \$4,693 for a total of \$98,553
8. An Ordinance of the City of Grand Prairie, Texas, authorizing the execution of an MOU with the Alliance For Children providing \$100,000 in America Rescue Plan Act funds for expanding the Arlington center servicing victims of criminal child abuse in Grand Prairie.

Councilperson Cole Humphreys moved to approve the Consent Agenda Items 5 through 8, as presented. Councilperson Kurt Johnson seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

### **ITEMS FOR INDIVIDUAL CONSIDERATION**

9. Resolution authorizing the Chief Investment Officer to invest in a no-load money market mutual fund with Wells Fargo  
*See Item 11 for Discussion and Finance and Government Committee vote.*
10. Resolution authorizing the City to participate in the Texas CLASS investment program  
*See Item 11 for Discussion and Finance and Government Committee vote.*
11. Resolution approving the City's Investment Policy

Mr. Brady Olsen presented information for Items 9 through 11. He stated that Items 9 and 10 are the two investment options previous discussed in the meeting. Item 11 is regarding approval of the Investment Policy. Mr. Olsen noted that money market mutual funds and Texas CLASS are already allowable investment options that we have not previously used. Approval from the Finance and Government Committee is required. He also stated that Internal Audit reviews the investments each month to ensure the City stays within the investment policy.

Councilperson Cole Humphreys moved to approve Items 9 through 11, as presented.

Councilperson Kurt Johnson seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

12. Contract with Magee Architects, L.P. in the amount of \$212,760 and approve a 5% contingency of \$10,638 for a total cost of \$223,398 for architectural services for the Lynn Creek Park Event Pavilion

Parks, Arts, and Recreation Director, Duane Strawn, presented information for Items 12 and 13, and Items 16 and 17. He stated the proposed large open structure would be the same size and placed in the

same location as the tent currently being used for large events. The proposed structure will have glass roll-up doors. Mr. Strawn also identified the funding sources. A discussion took place regarding choice of vendors.

*See Item 17 Finance and Government Committee vote.*

13. Professional services contract with The Broussard Group, dba TBG Partners (TBG) in the amount of \$176,000 and approve a 5% contingency of \$8,800, total cost of \$184,800 for Phase I Construction Documentation and Construction Administration services for Mi Familia Park

Mr. Duane Strawn presented information for Item 13. Mr. Strawn stated Phase I will include a family pavilion, possibly a playground or splash pad, new trails to connect with existing trails, and more.

*See Item 17 for Finance and Government Committee vote.*

14. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Construction contract with A&B Construction, LLC for High School Drive Slope Failure in the total amount of \$626,947.00 for Base Bid; material testing with Alliance Geotechnical Group in the amount of \$34,760.80; in-house engineering in the amount of \$31,347.35; and 5% construction contract contingency in the amount of \$31,347.35 for a total project cost of \$724,402.50

Director of Public Works, Mr. Gabe Johnson, presented information for Items 14 and 15. He stated that action is needed because the slope has failed and pushed the retaining wall into the nearby church parking lot, crushing some of the service sewer lines. Mr. Johnson stated that a storm drain line separates the houses along the front edge, which puts the area in a public easement, making it the City's responsibility to repair. The design has been completed. A discussion took place regarding possible reimbursement for the repair. Ms. Cheryl De Leon and City Attorney, Megan Mahan, will evaluate reimbursement options.

*See Item 15 for Committee vote.*

15. Ordinance Amending the FY 2021/2022 Capital Improvement Projects Budget; Construction contract with Excel 4, Inc. in the amount of \$1,008,700.00 for Skyway Drive and Small Street Sewer Improvements; 5% construction contingency in the amount of \$50,435.00; Materials testing with Team Consultants in the amount of \$21,717.00; in-house labor distribution in the amount of \$50,435.00 for a total of \$1,131,287

Mr. Gabe Johnson presented information for Item 15. He stated that this project was originally part of the waste-water master plan improvement project. Mr. Johnson discussed technical details of the project. Three bids were received. The company selected has done work for the City in the past.

Councilperson Cole Humphreys moved to approve Items 14 and 15, as presented.

Councilperson Kurt Johnson seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

16. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Contract with Cole Construction in the amount of \$544,934.50; and approve a 10% contingency of \$54,493.45, total cost

of \$599,428 for repairs to the Waggoner Park Pedestrian Bridge of Arbor Creek

Mr. Duane Strawn presented information for Item 16. Mr. Strawn stated that recent storms created embankment erosion issues around the bridge, which, itself, is in good condition. He noted that the project also includes additional work along the creek to protect the parking lot. The funding is through Parks.

*See Item 17 for Finance and Government Committee vote.*

17. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Change Order/Amendment No. 1 for Guaranteed Maximum Price contract with Hill & Wilkinson for construction of the Phase II PlayGrand Adventures Tranquil Adventures Project, in the amount not to exceed \$494,000 and approve a 5% construction contingency in the amount of \$26,000 for a total of \$520,000

Mr. Duane Strawn presented information for Item 17. The design for this project is now done, and Hill & Wilkinson has all the bids. Item 17 is a change order which will complete PlayGrand Adventures Tranquil Adventures. Mr. Strawn reviewed the PlayGrand Adventures Tranquil Adventures amenities. Discussions took place regarding a possible fund-raising event and signage.

Councilperson Cole Humphreys moved to approve Items 12 and 13, and Items 16 and 17, as presented. Councilperson Kurt Johnson seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

### **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 any 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 held.

### **CITIZEN COMMENTS**

No citizen comments were made.

### **ADJOURNMENT**

There being no further business, the Finance and Government Committee meeting adjourned at 3:57 p.m.

  
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Chairperson, Jeff Copeland  
Finance and Government Committee

*12-14-21*  
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Date